



FOR IMMEDIATE RELEASE

## **AirIQ Announces December 31st, 2021 Quarterly Results Reports Record Monthly Recurring Revenue (MRR) of \$300,000**

**Toronto, Ontario – February 17, 2022** – AirIQ Inc. (“AirIQ”) (TSXV:IQ), a leader in wireless asset management services, today announced its financial results for the three months ended December 31, 2021, reporting a 13% increase in total revenue, a 10% increase in recurring revenue, a 4% increase in gross profits and a 21% increase in net income compared to the same period the prior year.

“We are very pleased that our monthly recurring revenue has hit an all-time high, exceeding \$300,000 per month this quarter,” stated Michael Robb, President and Chief Executive Officer of AirIQ. “We continue to invest in sales and marketing to drive the Company’s recurring revenue growth in the future. The Company continued to deliver strong results this quarter including a cash balance of over \$2 million and no debt,” said Mr. Robb. “Our goal of achieving the Rule of 40 continues to be a key objective for the Company with a score of 29 this quarter. The Rule of 40 is the sum of recurring revenue percentage growth and EBITDA margin,” continued Mr. Robb.

All dollar amounts set out herein are in Canadian dollars.

Highlights for the year are as follows:

*Third Quarter Highlights (for the three months ended December 31, 2021 compared to December 31, 2020)*

- Recurring revenue of \$903,045 for the three months ended December 31, 2021 increased by 10% or \$80,367 compared to \$822,678 for the prior year period. Recurring revenue represented 89% of total revenue compared to 91% in the prior year’s period.
- Hardware and other revenue of \$112,886 for the three months ended December 31, 2021 increased by 47% or \$35,718 compared to \$77,168 for the prior year period. Hardware revenue represented 11% of total revenue compared to 9% in the prior year period.
- Total revenue of \$1,015,931 for the three months ended December 31, 2021 increased by 13% or \$116,085 compared to \$899,846 for the prior year period.
- Gross profit of \$659,940 for the three months ended December 31, 2021 increased by 4% or \$24,506 compared to \$635,434 for the prior year period.
- Gross margin of 65% for the three months ended December 31, 2021 decreased by 6% compared to 71% for the prior year period.
- EBITDAS of \$191,725 for the three months ended December 31, 2021 decreased by 4% or \$7,099 compared to \$198,824 for the prior year period.
- Net income of \$86,146 for the three months ended December 31, 2021 increased 21% or \$14,787 compared to \$71,359 for the prior year period.
- Cash balance of \$2,146,090 for the three months ended December 31, 2021 increased by 12% or \$236,433 compared to \$1,909,657 for the prior year period.
- Working capital of \$2,382,892 for the three months ended December 31, 2021 increased by 12% or \$256,068 compared to \$2,126,824 for the prior year period. (Working capital has been calculated by netting current assets, excluding current costs of deferred revenues, and current liabilities, excluding deferred revenue that are non-cash items.)

## **Business Review**

The Company is focusing its efforts and resources on revenue growth and profitability by continuing to offer leading-edge technology solutions for existing and new customers. We continue to focus on recurring revenues, gross profits and improving cash-flows to build a sustainable business and managing the effects of COVID-19.

### *Normal Course Issuer Bid*

The Company filed a Notice of Intention to Make a Normal Course Issuer Bid (the “Bid”) with the TSX Venture Exchange (“TSXV”) commencing April 13, 2021 and ending on April 12, 2022. Pursuant to the Bid, the Company proposed to purchase through the facilities of the TSXV up to 1,504,253 common shares, representing approximately 5% of the then issued and outstanding common shares of the Company. The Company’s broker for the Bid is Hampton Securities Limited.

During the three and nine months ended December 31, 2021, the Company purchased 114,000 and 408,000, respectively, common shares under the Bid for a total of \$34,200 and \$115,955 respectively, or \$0.30 and \$0.28, respectively, per common share (three and nine months ended December 31, 2020 – 123,000 common shares were purchased for a total of \$41,205, or \$0.34 per share), plus an additional \$1,140 and \$4,080, respectively, in broker fees were paid for the repurchase of the shares (three and nine months ended December 31, 2020 - \$1,230).

Subsequent to the quarter end in January, 2022, the Company repurchased for cancellation an additional 99,000 common shares under the Bid for a total purchase price of \$28,457, or \$0.287 per common share, and additional broker fees in the amount of \$250 were paid for the repurchase of the shares.

### *Stock Option Plan*

During the nine months ended December 31, 2021, options for a total of 150,000 common shares in the capital of the Company were exercised for an aggregate consideration of \$22,500, and 150,000 common shares were issued from treasury.

As of December 31, 2021, the Company had a total of 29,827,074 common shares issued and outstanding, and as of the date of this press release the Company has 29,728,074 common shares issued and outstanding.

## **Overview**

The Company’s unaudited consolidated condensed interim financial statements include the accounts of AirIQ and its subsidiaries, AirIQ U.S. Holdings, Inc., AirIQ U.S., Inc., and AirIQ, LLC. All inter-company balances and transactions have been eliminated on consolidation.

## **Financial Statements & MDA**

The Company’s consolidated condensed interim financial statements for the three and six months ended December 31, 2021 and 2020 including notes thereto, and Management’s Discussion and Analysis for the same period are being filed with the Canadian securities regulatory authorities on today’s date, and will be available on the Company’s website ([www.airiq.com](http://www.airiq.com)) and on the System for Electronic Document Analysis and Retrieval (“SEDAR”) website ([www.sedar.com](http://www.sedar.com)). The Company’s financial statements include the accounts of AirIQ and its subsidiaries, AirIQ U.S. Holdings, Inc., AirIQ U.S., Inc., and AirIQ, LLC. All inter-company balances and transactions have been eliminated on consolidation.

## **About AirIQ**

AirIQ (TSXV: IQ) was founded in 1997 and is a pioneer in IoT based asset management solutions. AirIQ’s solutions allow commercial businesses to reliably, effectively and efficiently monitor assets in near real time. The Company develops iOS and Android mobile and web-based applications, and cloud-based solutions that stand-alone or that can be readily integrated with existing software. AirIQ solutions are mixed fleet capable and provide fleet reporting, maintenance, compliance, safety and analytics utilizing multiple hardware options including a fully integrated video telematics camera solution and a battery powered solution for non-powered assets. . For additional information on AirIQ please visit the Company’s website at [www.airiq.com](http://www.airiq.com) or follow us on LinkedIn, Facebook and Twitter.

## **Forward-looking Statements**

This news release contains forward-looking information based on management's best estimates and the current operating environment. These forward-looking statements are related to, but not limited to, AirIQ's operations, anticipated financial performance, business prospects and strategies. Forward-looking information typically contains statements with words such as "hope", "goal", "anticipate", "believe", "expect", "plan" or similar words suggesting future outcomes. These statements are based upon certain material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking statements, including AirIQ's perception of historical trends, current conditions and expected future developments as well as other factors management believes are appropriate in the circumstances. Such forward-looking statements are as of the date which such statement is made and are subject to a number of known and unknown risks, uncertainties and other factors, which could cause actual results or events to differ materially from future results expressed, anticipated or implied by such forward-looking statements. Such factors include, but are not limited to, changes in market and competition, technological and competitive developments and potential downturns in economic conditions generally. Therefore, actual outcomes may differ materially from those expressed in such forward-looking statements. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes. Other than as may be required by law, AirIQ disclaims any intention or obligation to update or revise any such forward-looking statements, whether as a result of such information, future events or otherwise.

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