



FOR IMMEDIATE RELEASE

AirIQ Announces March 31, 2022 Year End Results Reports Double Digit Growth and Fifth Consecutive Year of Increased Recurring Revenue

Toronto, Ontario – July 14, 2022 – AirIQ Inc. (“AirIQ”) (TSXV:IQ), a leader in IoT based asset management solutions for over 25 years, today announced its financial results for the year ended March 31, 2022, reporting its fifth consecutive year of recurring revenue growth.

“We are very pleased to once again report increases in many of our key metrics this year including year over year increases of 10% in recurring revenue, 67% in hardware revenues, 18% in total revenues, 7% in gross profit and 26% in net income”, said Mike Robb, President and Chief Executive Officer of AirIQ. “It has been challenging these past two years due to the fallout from COVID, microchip and product shortages and the 3G network shutdown by one of our wireless carrier providers”, stated Mr. Robb, “however the Company has not only weathered these hurdles but continued to deliver recurring revenue growth and profitability for our shareholders”, continued Mr. Robb.

All dollar amounts set out herein are in Canadian dollars.

Highlights for the year are as follows:

Annual Highlights (for the year ended March 31, 2022 compared to March 31, 2021):

- Recurring revenue of \$3,503,788 for the year ended March 31, 2022 increased by 10% or \$315,144 compared to \$3,188,644 for the prior year period. Recurring revenue represented 80% of total revenue compared to 86% in the prior year.
- Hardware and other revenue of \$865,771 for the year ended March 31, 2022 increased by 67% or \$346,340 compared to \$519,431 for the prior year quarter. Hardware revenue represented 20% of total revenue compared to 14% in the prior year period.
- Total revenue of \$4,369,559 for the year ended March 31, 2022 increased by 18% or \$661,484 compared to \$3,708,075 for the prior year period.
- Gross profit of \$2,679,197 for the year ended March 31, 2022 increased by 7% or \$185,137 compared to \$2,494,060 for the prior year period.
- Gross margin of 61% for the year ended March 31, 2022 decreased by 6% compared to 67% for the prior year period.
- Net income of \$566,773 for the year ended March 31, 2022 increased 26% or \$117,290 compared to \$449,483 for the prior year period.
- Cash balance of \$1,899,508 for the year ended March 31, 2022 increased by 4% or \$70,948 compared to \$1,828,560 for the prior year period.
- Working capital of \$2,167,505 for the year ended March 31, 2022 increased by 2% or \$40,521 compared to \$2,126,984 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.)

Fourth Quarter Highlights:

- Recurring revenue of \$939,745 for this quarter increased by 17% or \$137,776 compared to \$801,969 for same quarter in the prior year, and increased by 4% or \$36,700 compared to \$903,045 from the prior quarter.
- Net income of \$74,757 for the quarter increased by 152% or \$45,091 compared to \$29,666 for the same quarter in the prior year, and decreased by 13% or \$11,389 compared to \$86,146 for the prior quarter.

Business Review

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 year ended March 31, 2022, the Company purchased for cancellation 507,000 common shares under the Bid for a total of \$144,414 or approximately \$0.28 per common share (March 31, 2021 – 250,000 common shares were purchased for cancellation for a total of \$83,162, or approximately \$0.33 per common share), plus an additional \$2,856 in broker fees were paid for the repurchase of the shares (March 31, 2021 - \$2,500).

During the year ended March 31, 2021, Normal Course Issuer Bid repurchases were made pursuant a bid filed with the TSXV for the period commencing March 27, 2020 and ending on March 26, 2021. The Company’s broker for this bid was also Hampton Securities Limited.

Stock Option Plan

A total of 150,000 common shares of AirIQ were issued from treasury pursuant to the exercise of stock options under the Company’s Plan during the fiscal year ended March 31, 2022 for an aggregate consideration of \$22,500 (March 31, 2021 – 506,127 options exercised).

Subsequent Events

Normal Course Issuer Bid

Subsequent to the year end, on June 6, 2022, the Company announced the renewal of its normal course issuer bid to purchase up to 1,486,403 common shares representing 5% of the Company’s then current issued and outstanding common shares through the facilities of the TSXV during the period commencing June 6, 2022 and ending on June 5, 2023 (the “Renewal Bid”). As July 13, 2022, the Company repurchased for cancellation an additional 158,000 common shares pursuant to the Renewal Bid for a total purchase price of approximately \$43,734, or approximately \$0.28 per share, and broker fees of \$250 for such repurchase.

As of the time of issuance of this press release, the Company has a total of 29,570,074 common shares issued and outstanding.

SELECTED ANNUAL INFORMATION

Financial Highlights

In thousands of Canadian Dollars

	Year ended 31-Mar-2022	Year ended 31-Mar-2021	Year ended 31-Mar-2020
Recurring revenues	\$3,504	\$3,189	\$2,944
Hardware and other revenues	\$866	\$519	\$2,096
Total revenues	\$4,370	\$3,708	\$5,040
Gross profit	\$2,679	\$2,494	\$2,557
Gross profit margin %	61%	67%	51%
Expenses ⁽¹⁾	\$1,770	\$1,551	\$1,650
EBITDAS ⁽²⁾	\$909	\$943	\$907
Other expenses ⁽³⁾	\$342	\$494	\$194
Total net income	\$567	\$449	\$713
Income per share, basic	\$0.02	\$0.02	\$0.02
Income per share, diluted	\$0.01	\$0.01	\$0.02

(1) Excludes share-based compensation and foreign exchange.

(2) EBITDAS represents earnings before interest and non-cash items: depreciation and amortization, impairment of long-lived assets and share-based compensation.

(3) Includes non-cash notional charges such as interest, depreciation and amortization and share-based compensation expense.

Overview

The Company's audited consolidated 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 audited consolidated financial statements for the years ended March 31, 2022 and 2021 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) and on the System for Electronic Document Analysis and Retrieval ("SEDAR") website (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) is celebrating its 25th anniversary of its founding 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 or follow us on LinkedIn, Facebook, and Twitter and Instagram.

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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