



 CleanAir



QleanAir Investor Presentation Q4 2022



Premium CleanTech solutions for indoor air cleaning



Sebastian Lindström
CEO



Henrik Resmark
CFO

Speakers



The profit warning in Q4

- Non-recurring items amounting to a total of SEK 21 million
 - Non-recurring one-time write-downs of inventory, related to projects in the Nordic region amounting to a total of approximately SEK 13 million
 - EBIT-result negatively affected by non-recurring items of approximately SEK 5 million due to change of CEO and other organizational changes and approximately SEK 3 million for project related costs
- Stable delivery from the foundation of our business – the installed base of premium air cleaners
 - Revenues SEK 120 (118) million
 - Recurring revenues SEK 71 (65) million
- Stable adjusted Gross Profit margin 68 (69)%
- Increased operational costs negatively affected the adjusted EBIT-margin 3 (15)%

Q4 in numbers





Steering
QleanAir back
to profitable
growth

“I am not ready to give a timeline but with great products and a strong team I am convinced we will succeed.”



Communicated financial targets remain untouched

We have; great products, a very knowledgeable and strong team on board and some of the most demanding clients of the industry. Our previously communicated financial targets will remain untouched.

- Average annual rate of organic growth of approximately 10 percent in the medium to long-term
- EBIT-margin of 15-20 percent in the medium to long-term
- 30-50 percent of the net profit for the year shall be distributed as dividends to shareholders. The dividend proposal shall take into account QleanAir's long-term development potential, financial position and investment needs.





Upfront planning and thoroughness will determine outcome – top three priorities



Customer focus

- It all starts with the customer
- Increase knowledge of customer needs
- Systematic approach



Sales efficiency

- Focus on proven segments
- Clarity on sales targets
- Tighter sales follow-up



Cost control

- Cost reduction projects
- Scrutinize cost structure
- Selective investments supporting profitable growth

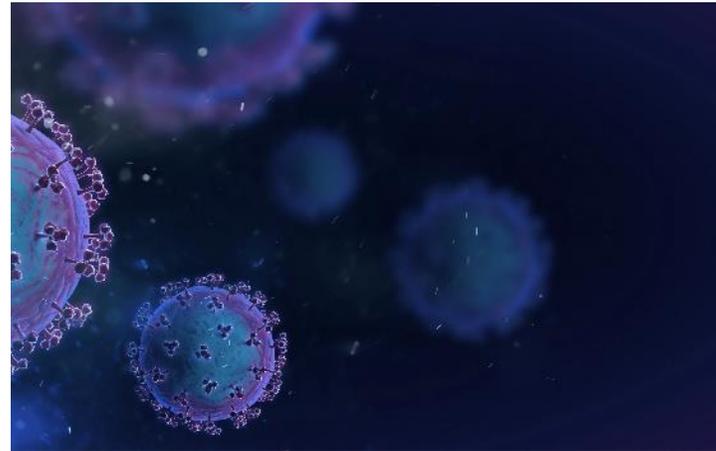


Strong quarter in Japan and US – weak development in Europe



Weak quarter in Europe

- Energy crisis slowed down business
- Installed FS 90 Ceiling + QleanAir Connect in major food warehouses
- Large cabin renewals in Germany for ZF



Solid quarter in Japan

- Revenue increased 27% in Q4 Y/Y
- Order intake increased 62% in Q4 Y/Y
- Sendai report: 95% of viruses removed in 10 minutes



US deliver breakthrough quarter

- Revenue doubled in Q4 Y/Y
- Order intake quadrupled in Q4 Y/Y
- Large cleanroom contracts signed in Q4 – both public and private customers
- A good pipeline for the first half of 2023

We make a real difference at QleanAir

- World-leading portfolio of premium products for cleaning indoor environment
- High standard in the organization with knowledgeable and committed employees
- The difference that air quality can make to the overall health and effectiveness of people, products, and processes
- Circular business model





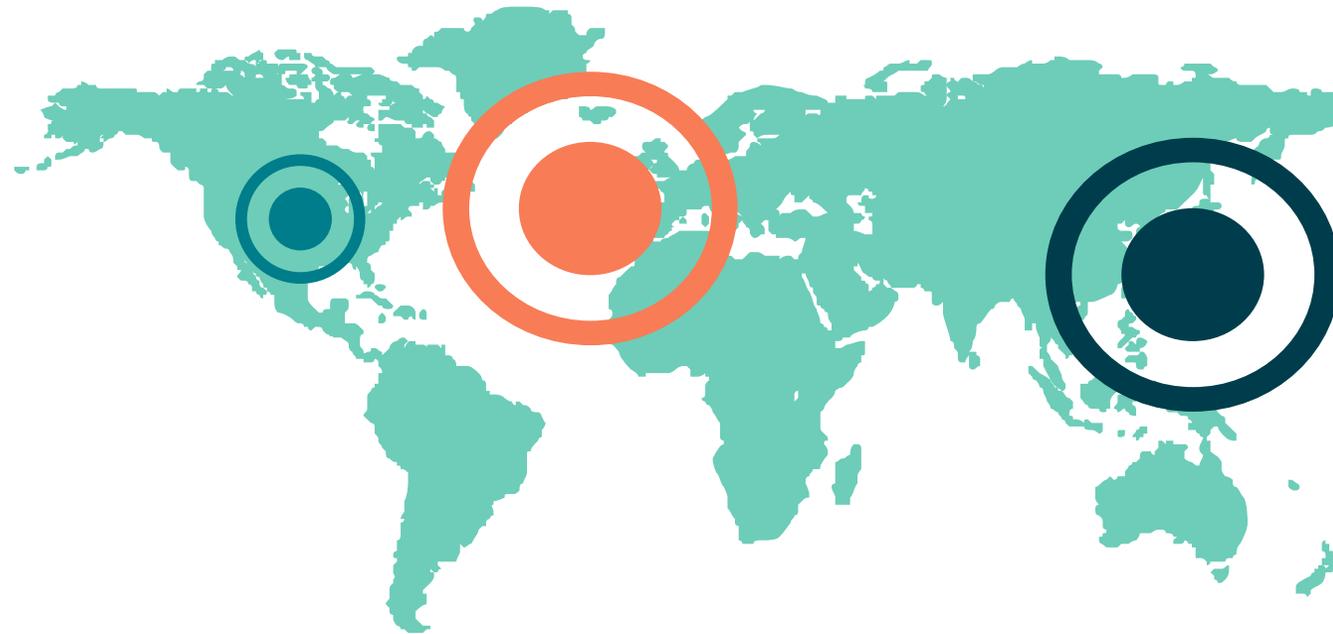
Financial update

Henrik Resmark, CFO



Q4 by region >3 500

Customers



- 13% of sales
- 20% order intake

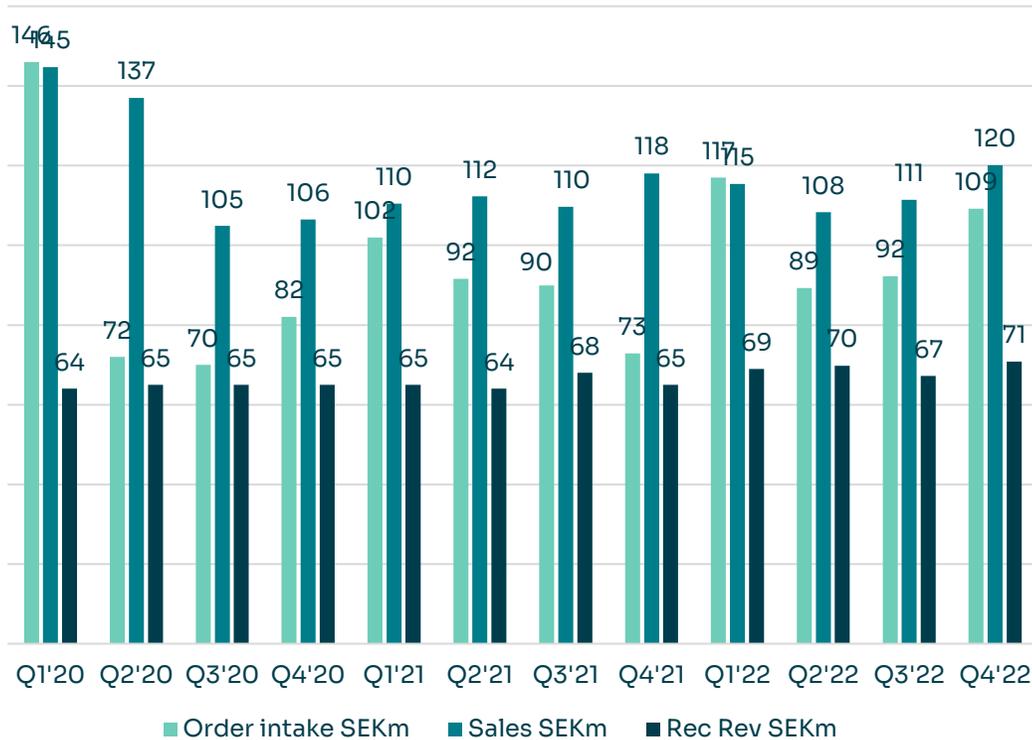
- 42% of sales
- 37% order intake

- 45% of sales
- 43% order intake

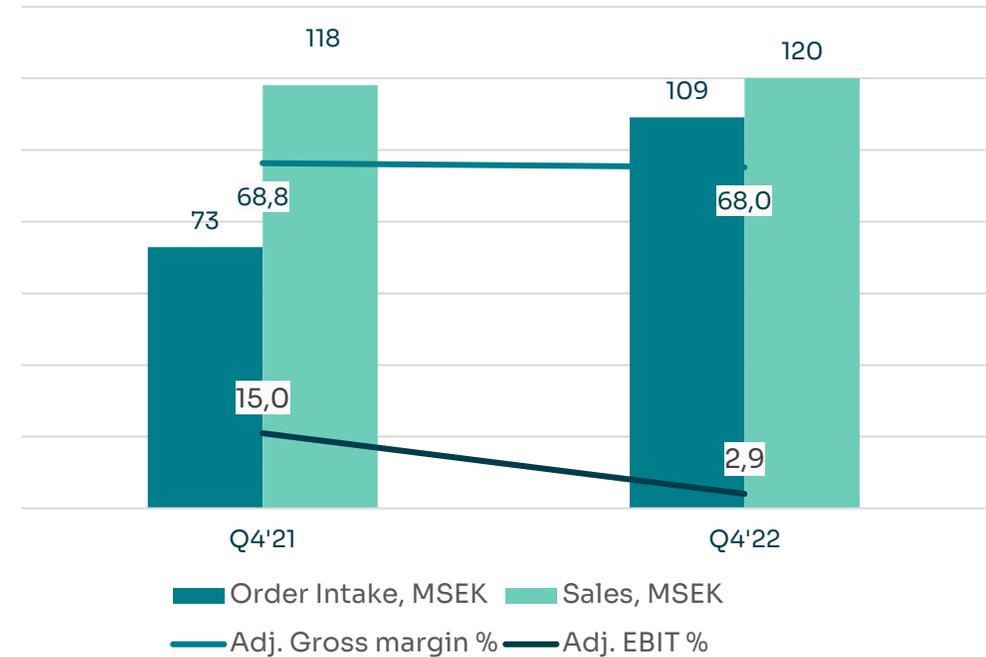


Net sales Q4 – organic growth development

Order intake, sales & recurring revenues



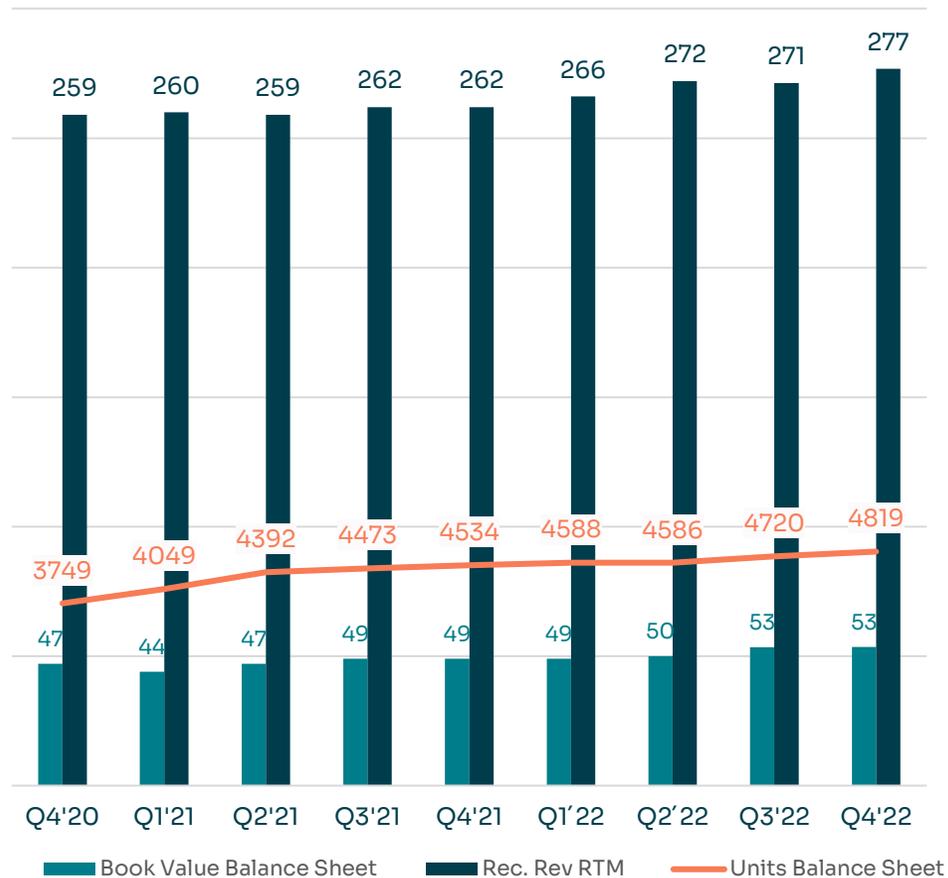
Order intake, sales and margins



- Strong order intake and stable sales
- Increased operational costs negatively affected the adjusted EBIT-margin



Strong stable rental revenues from units in own balance sheet, service & maintenance contracts

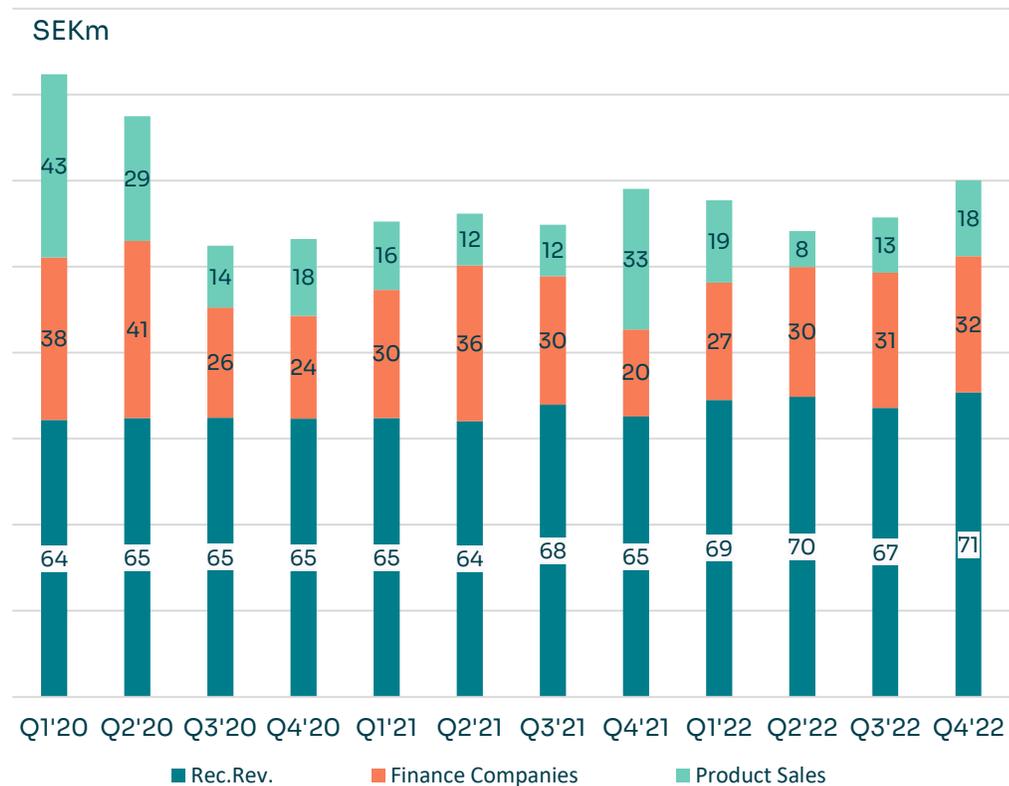


- Recurring revenues stable in Q4 MSEK 71 (65)
- Increasing number of units in own balance sheet, partly thanks to circular business model
- Very low CAPEX for units in own balance sheet book value MSEK 53 (49)

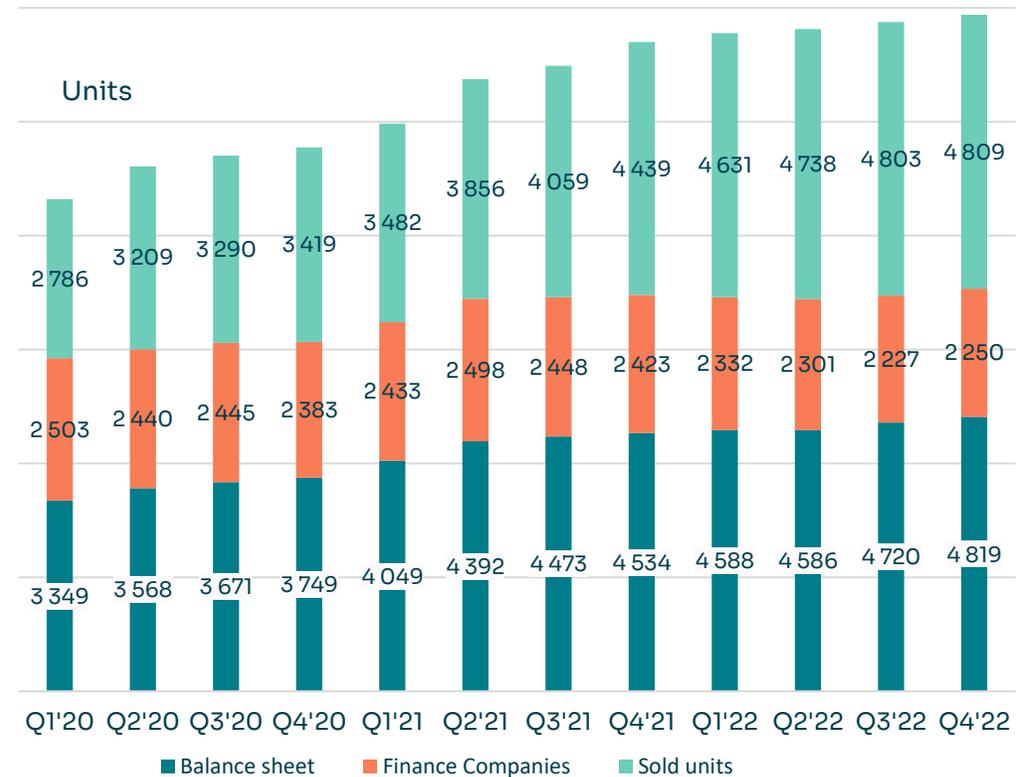


Revenue split & installed base

Revenue split



Development of the installed base



Net profit, dividend, balance sheet and cash flow

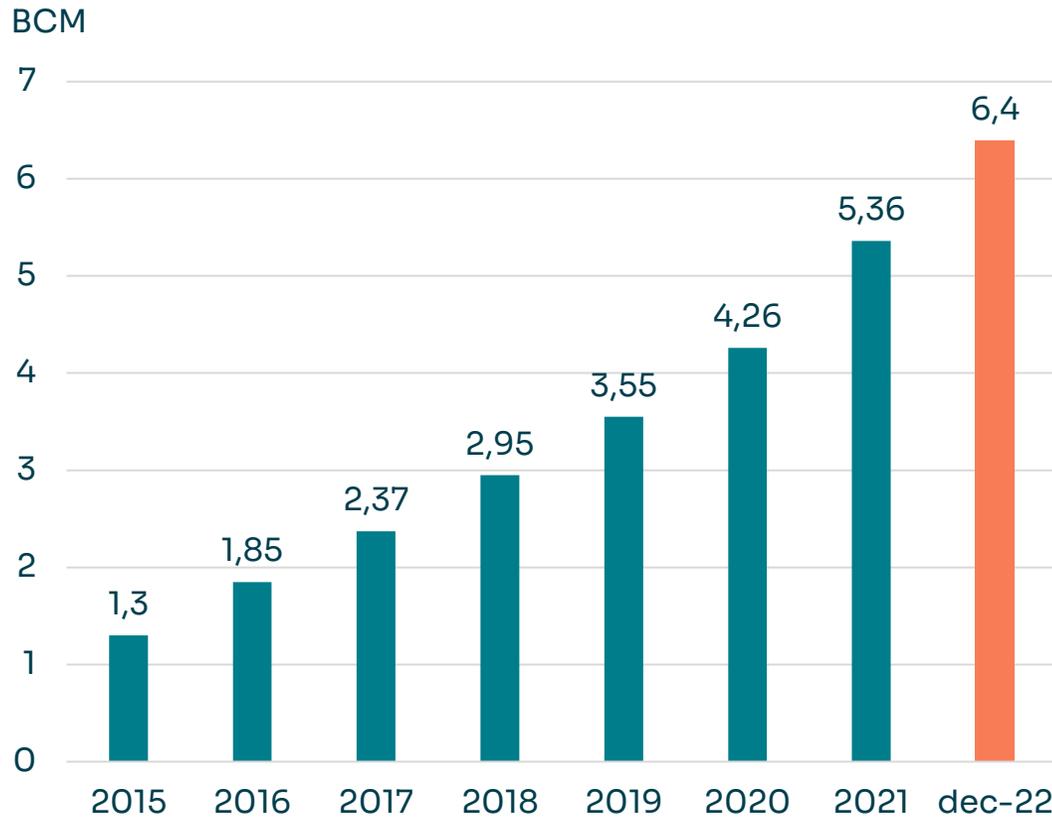
- Net debt/equity ratio 1.0 (0.8), and equity ratio 28.4% (31.8%)
- Net Profit in Q4 -18.7 (7.3) MSEK
- Dividend, proposal, of SEK 0 (1.50) per share, total MSEK 0 (22)

TSEK	2022-12-31	2021-12-31
ASSETS		
Capitalized development cost	13 485	11 553
Goodwill	343 704	343 704
Intangible fixed assets	357 189	355 257
Leasing	9 523	11 671
Tangible fixed assets	53 452	48 982
Tangible fixed assets	62 975	60 653
Deferred tax	619	495
Fixed assets	420 783	416 405
Inventories	59 947	43 964
Account receivables	26 921	26 674
Tax receivables	16	0
Other receivables	8 170	7 560
Prepaid costs and accrued income	64 931	46 547
Cash and bank	66 956	69 662
Current assets	226 942	194 408
TOTAL ASSETS	647 724	610 813
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share capital	7 430	7 430
Additional paid in capital	120 603	121 116
Translation differences	-5 911	-5 304
Balanced result	48 564	11 595
Result for the period	13 291	59 258
Shareholders' Equity	183 976	194 094
Long term interest bearing liabilities	170 546	196 717
Deferred tax liability	3 987	0
Other liabilities	2 723	5 328
Long term liabilities	177 256	202 045
Short term interest bearing liabilities	80 644	26 171
Accounts payable	35 842	34 770
Tax liabilities	1 204	5 749
Other short term liabilities	21 698	18 461
Other liabilities	7 057	6 788
Accrued expenses and deferred income	140 046	122 734
Current liabilities	286 491	214 674
Liabilities	463 748	416 719
TOTAL EQUITY AND LIABILITIES	647 724	610 813

TSEK	Oct-Dec 2022	Oct-Dec 2021	Full year 2022	Full year 2021
Operating activities				
Operating income	-17 713	17 887	28 578	83 397
Adjustment for non-cash items	8 572	5 878	26 908	22 598
Net finance effect	-3 616	-1 647	-9 207	-8 059
Tax paid	412	1 926	-8 094	1 588
Total	-12 346	24 044	38 184	99 525
Decrease (+)/Increase (-) inventories	7 537	-13 753	-14 619	-16 686
Decrease (+)/Increase (-) account receivables	4 754	11 195	3 291	8 932
Decrease (+)/Increase (-) current assets	10 334	796	-16 885	-9 068
Decrease (-)/Increase (+) account payables	-4 826	11 419	-1 047	8 550
Decrease (-)/Increase (+) current liabilities	4 128	-11 623	20 807	12 900
Cash-flow from ongoing operations	9 581	22 076	29 731	104 153



Cleaned air in billion cubic meters per month, +19% compared to last year



1 Human health challenge

Air pollution is the primary environmental challenge for human health.

7 million

Around 7 million people die prematurely every year from exposure to polluted air.

≈ 90%

We spend around ≈ 90% of our lives indoors.

≤ 50 times

Indoor air can be up to 50 times more polluted than outdoor air.

Q&A

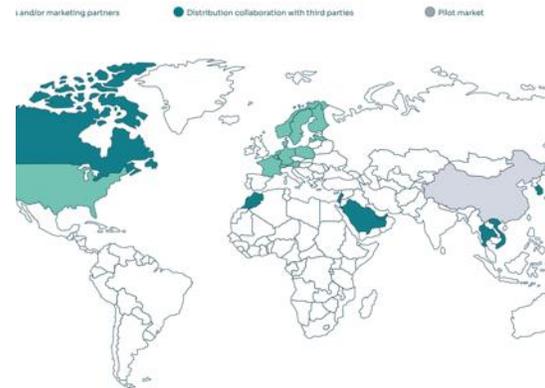


Sebastian Lindström, CEO
Henrik Resmark, CFO

Thank you!



In summary QAIR



Unique premium indoor air cleaning service based on circular, rental contracts

> 3 500 corporate customers mainly located in Europe, Japan and the USA

Pioneers in air cleaning technology with high barriers to entry

Asset light business model with an increasing number of units installed cleaning air

Appendix





Cash flow & balance sheet

TSEK	Oct-Dec 2022	Oct-Dec 2021	Full year 2022	Full year 2021
Operating activities				
Operating income	-17 713	17 887	28 578	83 397
Adjustment for non-cash items	8 572	5 878	26 908	22 598
Net finance effect	-3 616	-1 647	-9 207	-8 059
Tax paid	412	1 926	-8 094	1 588
Total	-12 346	24 044	38 184	99 525
Decrease (+)/Increase (-) inventories	7 537	-13 753	-14 619	-16 686
Decrease (+)/Increase (-) account receivables	4 754	11 195	3 291	8 932
Decrease (+)/Increase (-) current assets	10 334	796	-16 885	-9 068
Decrease (-)/Increase (+) account payables	-4 826	11 419	-1 047	8 550
Decrease (-)/Increase (+) current liabilities	4 128	-11 623	20 807	12 900
Cash-flow from ongoing operations	9 581	22 076	29 731	104 153
Investing activities				
Investments in intangible assets	-2 063	-1 297	-5 670	-2 705
Investments in tangible assets	-4 627	-4 688	-22 623	-25 592
Cash flow from investing activities	-6 691	-5 985	-28 294	-28 297
Financing activities				
Increase in loan	15 018	0	54 473	0
Paid dividend	0	0	-22 289	-19 317
Amortization of loan	-9 629	-9 481	-38 233	-39 599
Payment of warrants, net	-694	-336	-513	-285
Cash flow from financing activities	4 695	-9 817	-6 563	-59 200
Cash flow for the period	7 585	6 274	-5 126	16 656
Opening cash balance	58 530	62 876	69 662	52 600
Exchange rate differences on financial items	841	512	2 420	406
Closing cash balance	66 956	69 662	66 956	69 662

TSEK	2022-12-31	2021-12-31
ASSETS		
Capitalized development cost	13 485	11 553
Goodwill	343 704	343 704
Intangible fixed assets	357 189	355 257
Leasing	9 523	11 671
Tangible fixed assets	53 452	48 982
Tangible fixed assets	62 975	60 653
Deferred tax	619	495
Fixed assets	420 783	416 405
Inventories	59 947	43 964
Account receivables	26 921	26 674
Tax receivables	16	0
Other receivables	8 170	7 560
Prepaid costs and accrued income	64 931	46 547
Cash and bank	66 956	69 662
Current assets	226 942	194 408
TOTAL ASSETS	647 724	610 813
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share capital	7 430	7 430
Additional paid in capital	120 603	121 116
Translation differences	-5 911	-5 304
Balanced result	48 564	11 595
Result for the period	13 291	59 258
Shareholders' Equity	183 976	194 094
Long term interest bearing liabilities	170 546	196 717
Deferred tax liability	3 987	0
Other liabilities	2 723	5 328
Long term liabilities	177 256	202 045
Short term interest bearing liabilities	80 644	26 171
Accounts payable	35 842	34 770
Tax liabilities	1 204	5 749
Other short term liabilities	21 698	18 461
Other liabilities	7 057	6 788
Accrued expenses and deferred income	140 046	122 734
Current liabilities	286 491	214 674
Liabilities	463 748	416 719
TOTAL EQUITY AND LIABILITIES	647 724	610 813



Largest shareholders

2022-12-31 Shareholder	% , capital and votes
Qevirp 41 Ltd	23,6%
BankInvest	11,5%
Avanza Pension	7,1%
Calandrella Ltd	6,6%
Livförsäkringsbolaget Skandia	4,6%
Enter Småbolagsfond	2,8%
Nordnet Pension	2,7%
LGT Bank Ltd	2,7%
CB LDN Citibank	2,5%
Sensor Select	2,0%
Ten largest shareholders	66,1%
Other shareholders	33,9%
Total	100,0%



Board of directors



Bengt Engström
Chairman

Born 1953
Position Chairman since 2020

Other assignments
Chairman of Nordic Flanges AB, BEngström/BEngström Förvaltning AB, IFG Durac. Board member of Bure Equity AB, Scanfil Oy, Real Holding AB, Scandinova Systems AB, Scandinavian Chemotech AB and KTH Executive School AB.



Mats Hjerpe
Board member

Born 1974
Position Board member since 2012

Other assignments
Board member Smoke Free Systems Finance AB. Board member of Caybon International AB, Caybon Holding AB, Caybon LP AB, 4C Group AB, Priveq Holding V AB, Aquilonis AB, Aquilonis Invest AB and deputy board member of Priveq Advisory AB, Priveq Investment V (B) AB and Priveq Investment V (A) AB.



Johan Westman
Board member

Born 1959
Position Board member since 2020

Other assignments
Johan is currently CEO of Metenova AB and board member of Callidus AB. He was previously board member and CEO of Biolin Scientific AB and chairman of Metenova AB.



Towe Ressman
Board member

Born: 1966
Position: Board member since 2021

Other assignments
Towe is today VP Global Design at Husqvarna Group AB where she started her career in 2006. Has previously held positions as core team member of the Virtual Innovation Lab and the Digital Solutions Planning and Connectivity Hub at Husqvarna Group.



Johan Ryrberg
Board member

Born 1959
Position Board member since 2021

Other assignments
Johan is currently founder and CEO at Repensum AB, He has previously held positions as CFO for KRY, interim CFO for ROL Group, CFO for Camfil Group and Ovako, as well as interim CFO for Perstorp Group and Cabonline Group.



Senior management



Sebastian Lindström
Board member

Born 1965
Position Board member
since 2022

Other assignments
Senior advisor VEA Ventures
SRL, founder and chairman of
Lindstrom Invest AB, board
member of Heby Holding AB.
He held several C-level
positions in private equity
owned companies: deputy
CEO of Granngården, interim
COO of Bodilsen A/S, CEO of
Atea Holding AB.



Henrik Resmark
CFO

Born 1969
Position CFO since 2013

Other assignments
Deputy board member of Rökfria AB.
Henrik was previously CFO at
NeuroNova AB/Newron AB, CFO
AirPlus TV, project manager Aros
Securities/Nordea Securities
Corporate Finance and controller at
Midway Holding AB.

Holdings in QleanAir: 30,000 shares
and 29,545 subscription options.



The freedom of clean air is the promise that we deliver on to our customers

Sustainable products

Our offering – circular rental business model

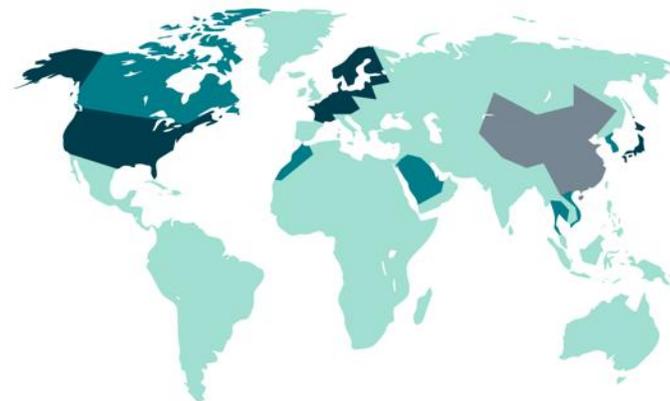
- Long-term rental and service agreement
- High quality products
- Performance guarantee
- Innovative products, design & solutions

Our impact

- Healthy indoor environment
- Safe handling of tobacco waste
- Protects people, products and processes

Responsible value chain

- In total we have ten strategic suppliers
- Long term relationships with our partners, clear CSR requirements
- Local presence with manufacturing and service



● CleanAir sales agents and/or marketing partners ● Distribution collaboration with third parties ● Pilot market

Attractive employer

- Work environment & working conditions
- Diversity
- Skills development



