



COMPANY PRESENTATION – JANUARY 2020

Global provider of premium indoor clean air solutions



COMPANY IN BRIEF

- ▶ Global provider of premium indoor clean air solutions
- ▶ Diversified customer base with high retention rate
- ▶ Strong cash flow generation from rental revenue model
- ▶ Efficient and asset light business model ready for further global expansion
- ▶ Established platform with high visibility through long-term contracts
- ▶ Proprietary technology and solutions providing substantial barriers to entry

COMPANY FACTS

- ▶ **+2,500** customers
- ▶ **+8,100** installed units¹
- ▶ **36 month** typical contract length
- ▶ **41%** recurring revenue (2018)
- ▶ **>75%** contracts extended or renewed²
- ▶ **~3 billion m³** of clean air delivered³

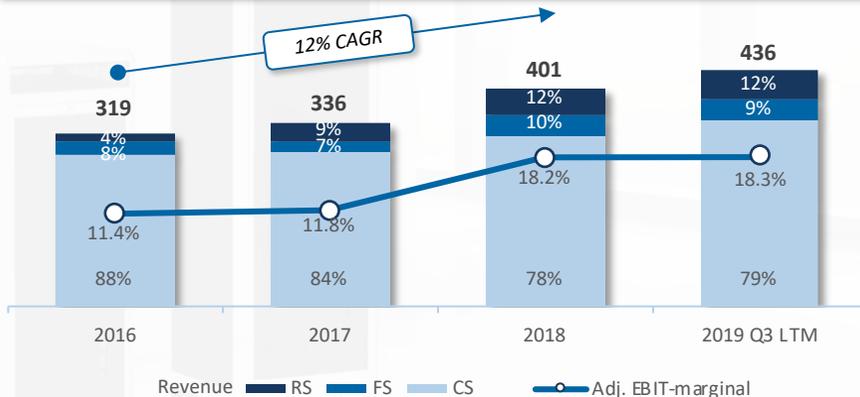
FINANCIAL TARGETS

- ▶ **~10%** organic net sales CAGR
- ▶ **15-20%** EBIT-margin
- ▶ **30-50%** dividend of net profit

FINANCIALS 2018

- ▶ **Revenues** SEK 401 m
- ▶ **Adj. EBIT-margin** 18,2%

FINANCIAL DEVELOPMENT

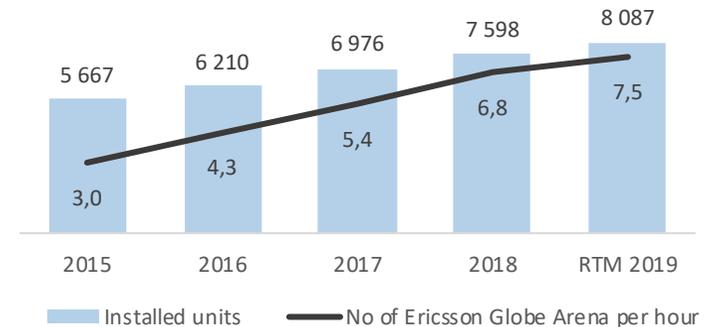


MARKET IN BRIEF

- ▶ Strong fundamental market drivers from regulatory shift and awareness of air pollution as a health concern
- ▶ Large opportunity within logistics, food, automotive and cleanroom segments
- ▶ QleanAir established as premium provider of clean air managed services
- ▶ Customer base between product categories is conducive to cross-selling



QleanAir has delivered approx. 3 billion m³ of clean air to customers



(1) Of which 650 units were sold in export markets that do not generate major recurring revenue. To promote comparability in the Company's installed base, QleanAir recalculates cleanrooms in its installed base, throughout this presentation, as one unit per SEK 100 000 in order value. The market-based order value per cleanroom amounts to SEK 500 000-2 500 000 according to QleanAir; (2) RPG contracts in mature markets; (3)

Product categories overview

PRODUCT CATEGORIES

KEY END MARKETS

REVENUES

FACILITY SOLUTIONS (FS)



- ▶ Air cleaning solutions for different sized industrial spaces requiring enhanced air quality overall or in specific areas

ROOM SOLUTIONS (RS)



- ▶ Cleanrooms / clean zones caters to spaces with regulatory classification either based on new construction or retrofitting of existing spaces / rooms

CABIN SOLUTIONS (CS)



- ▶ Three product lines of stand-alone indoor smoking cabins for different sizes and application demands, providing filtration of particles and gases as well as an ash handling system

Logistics



Food



Automotive



Compounding



Hospital pharmacies



Bio-medical labs & MedTech



Offices



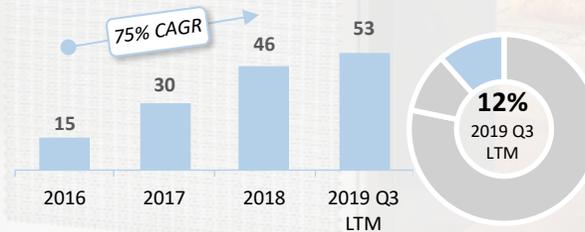
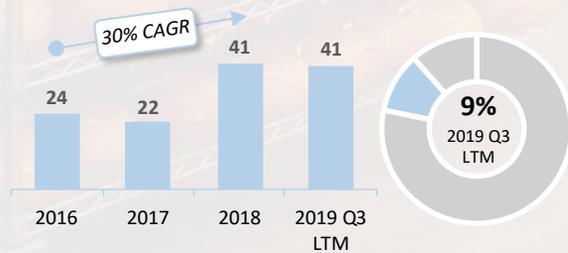
Industry & manuf.



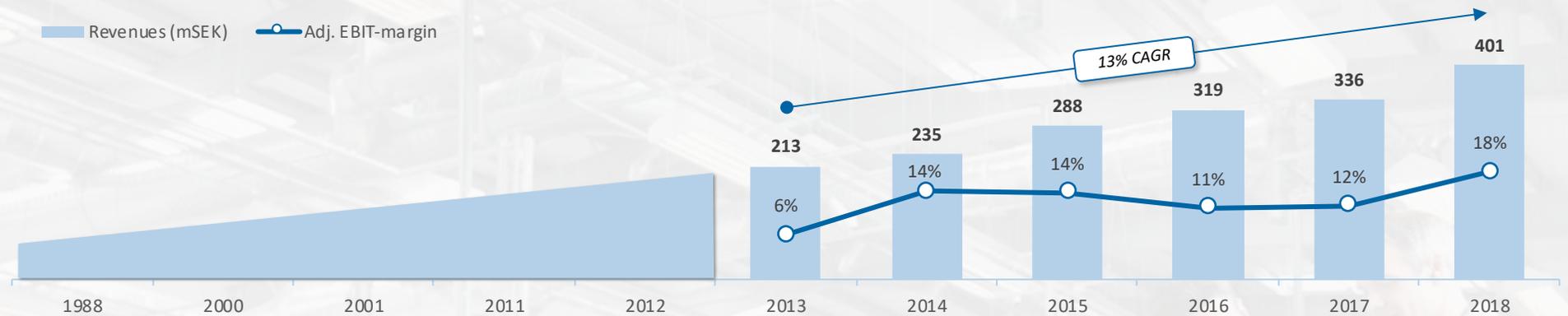
Public spaces



Other



History of QleanAir



1988 – 2000 FOUNDING

In 1988, Peter Bjersten, a Swedish firefighter, sets the foundation of today's business with the idea of a cabin solution protecting people.

Launch of the first smoking cabin in 1997. QleanAir was the inventor of the cabin solution.

Smoke Free Systems is founded in 2000.



2001 – 2011 INTERNATIONAL EXPANSION

Entering into a number of European countries between 2001-2006.

Launch of the SF line of Cabin Solutions cabins in 2004.

The Company enters the Japanese office market in 2008.



2012 – 2013 INCREASED SCOPE OF BUSINESS

In 2012, QleanAir is acquired by Priveq Investment Fund IV L.P. and becomes QleanAir Holding AB.

A leading Japanese real estate developer becomes a major Cabin Solutions customer in Japan for office developments.

Launch of first Facility Solutions device (AirQlean Low).

Test launch of clean room in the US.

Major deal with a leading player in the automotive industry for Cabin Solutions.



2014 – 2016 RECOGNITION

Entry in 2015 to the U.S. focusing on clean rooms.

Three product categories established in 2015: Cabin Solutions, Facility Solutions and Room Solutions.

New key accounts in Facility Solutions with Nordic and European companies.

Launch of FS 70 industrial air cleaning device in 2016.

"Outstanding Popular Science Product Award" by the Shanghai Science Expo/PSPE for AirQlean Low 115 air cleaner.



2017 – 2019 SCALING UP

Launch of Facility Solutions offering in Germany and Austria.

Exclusive supplier deals for modular clean rooms with U.S. hospital systems.

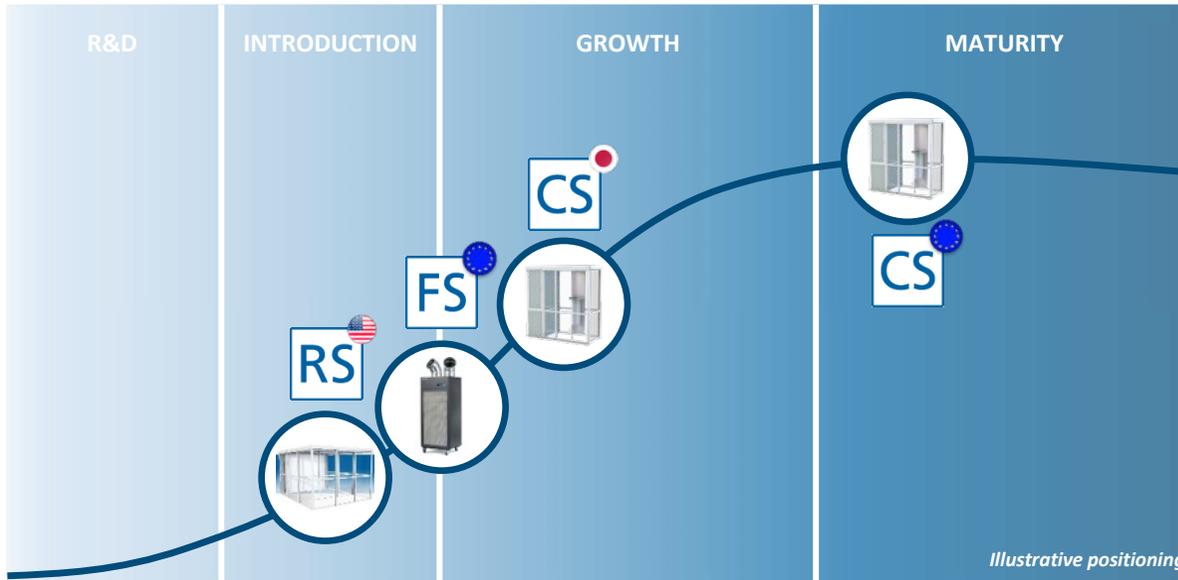
Ramp up of US operations focusing solely on Room Solutions.

3rd generation QleanAir clean rooms compliant with U.S. USP 795, 797, 800 regulations and equipped with real-time monitoring.

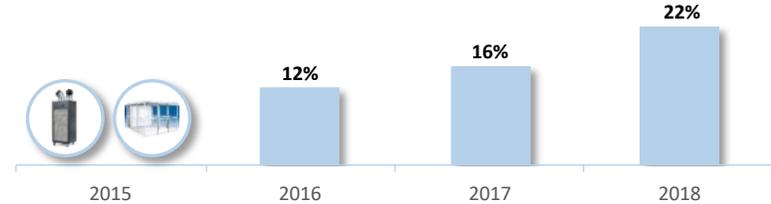
Listed on Nasdaq First North Growth Market in December 2019.

Stable cashflows from CS to enable for the ramp-up in RS and FS

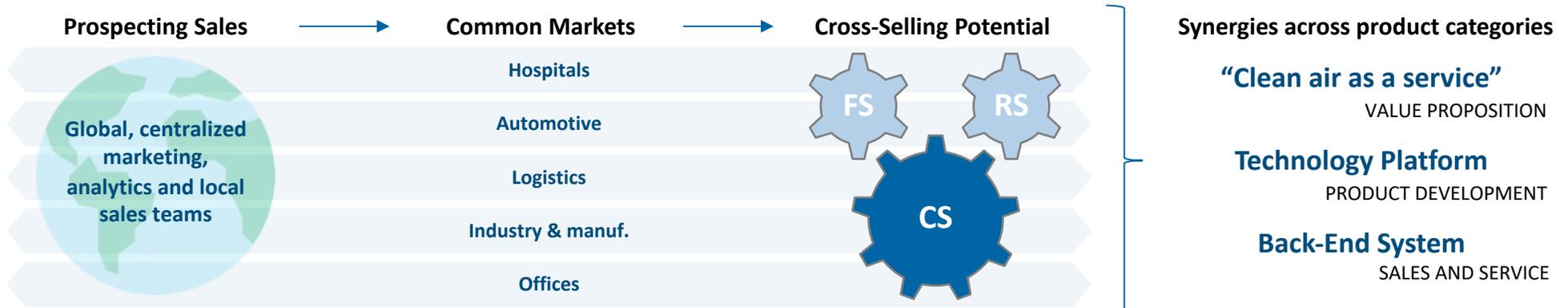
QleanAir's current positioning by product category



- ▶ **Cabin Solutions** to provide stable cashflows through its established base
 - Japan still has clear growth opportunities ahead
 - Europe has reached a mature phase
- ▶ **Facility Solutions** ready for scale up after a successful introduction phase
- ▶ **Room Solutions** to grow in connection with regulatory changes impacting pharmaceutical labs and pharmacies in the U.S.
- ▶ Cross-selling of product mix to further support growth going forward
- ▶ Utilize the strong customer base
- ▶ **From launch of FS and RS to represent +20% of revenue in 3 years**



Synergies between product categories and end-markets creates potential for cross-selling



Holistic customer offering and forward integration in the value chain

QleanAir offers a holistic approach to clean air as a service

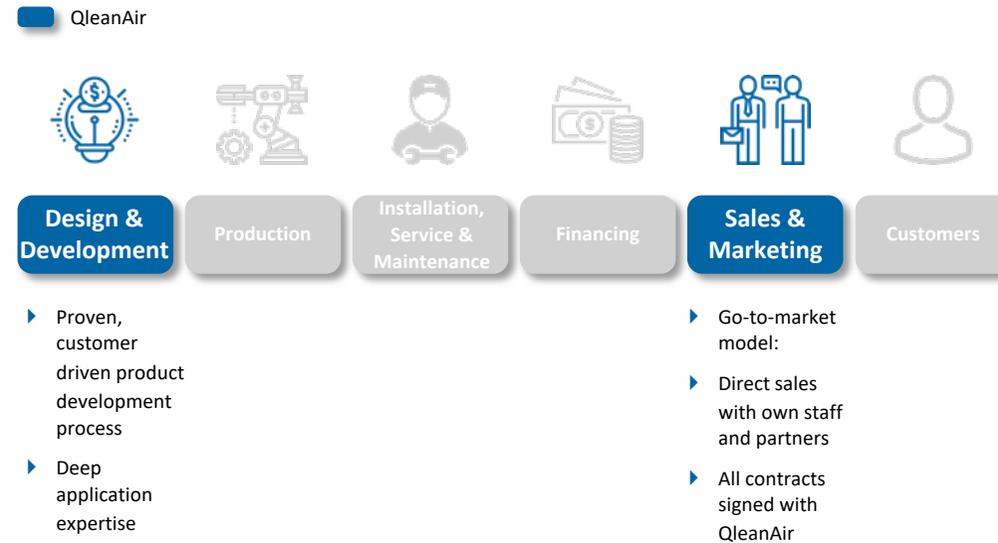
- ▶ QleanAir is a provider of complete, premium, indoor clean air solutions.
- ▶ Customers are offered long-term full-service rental contracts encompassing clean air technology, hardware solutions, installation, maintenance and functional performance guarantees – all provided in an ecosystem.



- ▶ QleanAir's rental business model allows the customer to outsource the problem of indoor air pollution – *clean air as a service*.
- ▶ QleanAir maintains full control of its systems – important that the brand is associated with high performing solutions over time, ensuring high standards.
- ▶ This holistic approach to air cleaning is a key differentiator and an important decision criteria for its customers.

Market power through forward integration in the value chain

- ▶ QleanAir integrates forward in the value chain by installing and managing equipment on customers' premises.
- ▶ The forward integration creates long-term customer relationships, with high customer retention, add-on sales and recurring business.



- ▶ Proven, customer driven product development process
- ▶ Deep application expertise
- ▶ Go-to-market model:
- ▶ Direct sales with own staff and partners
- ▶ All contracts signed with QleanAir

- ▶ QleanAir's single technology platform with proprietary filter and back-office technology enable a differentiated portfolio of products.
- ▶ QleanAir employs different go-to-market strategies across geographies and product categories including an own salesforce, incentivized channel partners, exclusive market partners and distributors.
- ▶ The sales organization and product, system and concept development are core to QleanAir.

QleanAir tackles the global indoor clean air challenge

Air pollution is a major health risk

9/10
People

Air pollution levels are dangerously high in many parts of the world. New data from WHO shows that 9 out of 10 people breathe air containing high levels of pollutants

600k
People

According to WHO (2015), approximately 600 000 people die prematurely in Europe due to air pollution every year

90%
Indoor

People spend about 80-90% of their time indoors. Indoor air quality is worse than outside air in many workplaces

- ▶ Outdoor air pollution requires long term political solutions and legislation, however, indoor air quality can be solved without political and legislative action
- ▶ People in healthy indoor environments are proven to be more alert and productive at work, use fewer sick days, and this ultimately results in increased productivity

Global air pollution headlines



“Many of the world’s megacities exceed WHO’s guidelines for air quality by more than 5 times, representing a major risk to people’s health.”

– Dr. Maria Neira, Director of the Department of Public Health, Social & Environmental Determinants of Health at WHO



Regulation and air pollution awareness drive market growth

Strong global fundamental market drivers



- ▶ Circular economy – recycling of air
- ▶ Increased awareness of air pollutant danger
- ▶ Increased regulation
- ▶ Required compliance
- ▶ CSR



- ▶ UN 17 Sustainable Development Goals for 2030 expected to drive the market



- ▶ EU Mandatory Regulation 2018 – Non-Financial Reporting (CSR)
- ▶ Health impact of air pollution
- ▶ Recycling of air
- ▶ Clean air as a service
- ▶ Corporations and institutions are moving from CAPEX to OPEX
- ▶ EU regulation



- ▶ Increasing general awareness of importance of air quality
- ▶ Corporate social responsibility and regulatory pressure



- ▶ Mandatory regulations and required compliance
- ▶ CSR
- ▶ Clean air as a service
- ▶ Corporations and institutions are moving from CAPEX to OPEX
- ▶ Flexible and scalable solutions
- ▶ Time to market



- ▶ Regulatory changes requiring clean air in pharmacies and hospitals
- ▶ USP 797 (sterile compounding) and USP 800 (hazardous drugs)



- ▶ Increased regulation
- ▶ Required Compliance
- ▶ CSR
- ▶ Health impact of air pollution
- ▶ Recycling of air
- ▶ Time to market



- ▶ Regulatory changes (amendments to the Health Promotion Act) in April 2020, combined with growing reluctance toward smoking enforcing the use of cabins

Stable and diversified revenue base with blue-chip customers

Portfolio summary

+2,500
Global customers

+8,100
Installed units¹

+20
Countries customer base

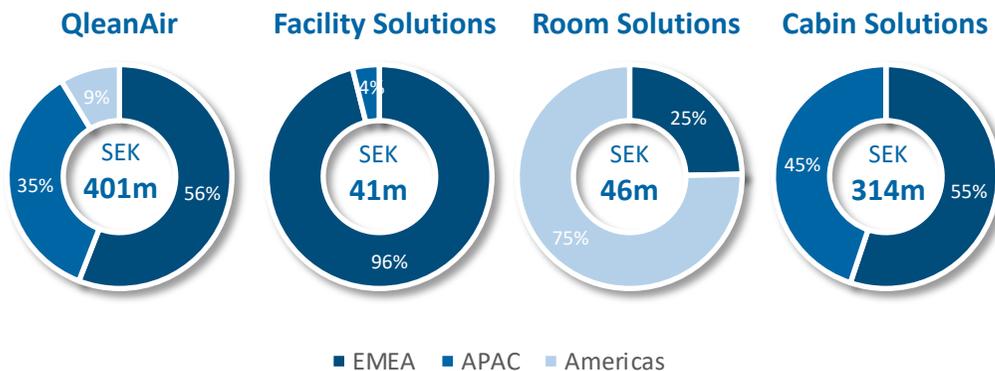
41%
Recurring revenue
in 2018

36 months
Typical contract length

>75%
Contracts extended or
renewed²

Geographical distribution by revenue

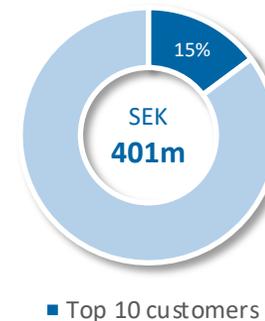
% of 2018 revenue



Low dependency on single customers

Customer	Country	Customer since	% of revenue 2018	1.0%	1.5%	2.0%	2.5%	3.0%
# 1	Sweden	2014	~2.5%					
# 2	USA	2017	~2.2%					
# 3	USA	2018	~2.0%					
# 4	Japan	2012	~1.8%					
# 5	Japan	2011	~1.5%					
# 6	Germany	2005	~1.2%					
# 7	Germany	2012	~1.0%					
# 8	Japan	2017	~1.0%					
# 9	USA	2018	~1.0%					
# 10	USA	2018	~1.0%					

% of 2018 revenue



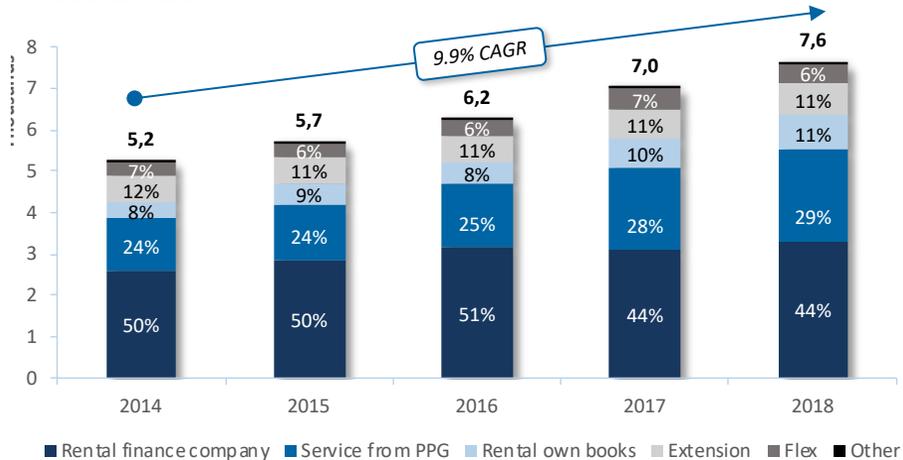
Top 10 customers approx. 15% of total revenue in 2018

Note: (1) Of which 650 units were sold in export markets that do not generate major recurring revenue. To promote comparability in the Company's installed base and between the Company's product categories, QleanAir recalculates cleanrooms in its installed base as one unit per SEK 100,000 in order value. The market-based order value per cleanroom amounts to SEK 500,000-2,500,000 according to QleanAir; (2) >75% of RPG contracts in mature markets are extended or renewed.

Diversified growing installed base with high degree of recurring revenue

Growth in installed and financed base drives revenue...

Thousands of units



...with high revenue visibility through contracts in own books

SEKm



Pioneers in air cleaning technology with substantial barriers to entry



Long-term agreements

- ▶ Long term agreements with global blue-chip customers across multiple geographies and industries



Proprietary IT-platform

- ▶ Unique and highly automated back-office solution that supports and controls processes and business
- ▶ Tracks and stores orders and contracts from customers as well as orders to suppliers



Compliance with regulations

- ▶ In compliance with regulations and legislation (USP 797/800 for RS, DIN-standards and MFPA-certification for CS)



Proprietary air cleaning technology

- ▶ Unparalleled industry credentials, stretching back to the 1990s, when QleanAir invented the Cabin Solutions for filtration of tobacco smoke
- ▶ QleanAir's technology removes >99% of all polluting particles¹



Patent protection

- ▶ Unique expertise and technology protected by 30 approved patents, and another 10 patents pending, encompassing design, air cleaning technology, air handling systems, etc.
- ▶ Intellectual property also protected through registered designs



Certified services

- ▶ Reliable service partners, educated and approved by QleanAir, to ensure consistently high service quality
- ▶ Certifications: ISO 9001 Quality & ISO 14001 Environment

The combination of technology, solutions and services in compliance with regulations creates a unique offering

Proprietary air filtration technology with superior performance

The technology behind the solution

Filtration technology – example: QleanAir FS 70



1. INTAKE: CAPTURES POLLUTION

- ▶ Large intake to maximize intake volume and reduce risk of involuntary blockage
- ▶ Intake is protected by a screen/grid for safety

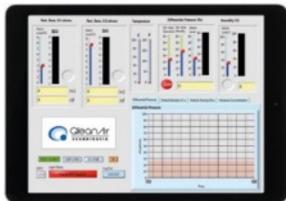
2. FILTRATION: SEPARATES HARMFUL PARTICLES AND CONTAMINANTS

- ▶ Multi-stage filtration technique to effectively separate airborne particles and contaminants from the air
- ▶ Equipped with filters adapted to customer needs
- ▶ QleanAir measures particle reduction, monitors the units and provides a lifetime guarantee on functionality

3. EXHAUST: PURIFIED AIR IS RETURNED TO THE ENVIRONMENT

- ▶ Air purified from airborne particles and contaminants is returned to the room by a flexible exhaust for optimum recirculation, or for a specific purpose

Monitoring technology – example: QleanSpace

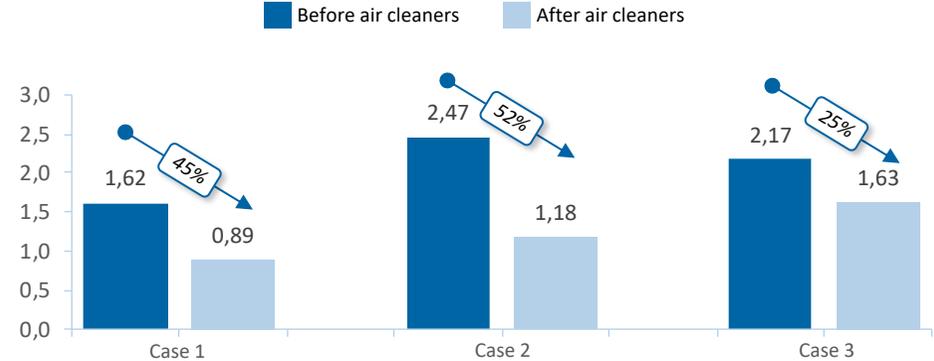


CONTINUOUS MONITORING

- ▶ Constant monitoring of airborne particle levels, pressure levels, temperature and humidity
- ▶ Displayed on screen so data is easily readable by staff inside and outside the area
- ▶ Warnings signals are issued at pre-set levels when approaching the cleanroom rating limits

QleanAir FS 70 reduction of airborne particles in metal production industry

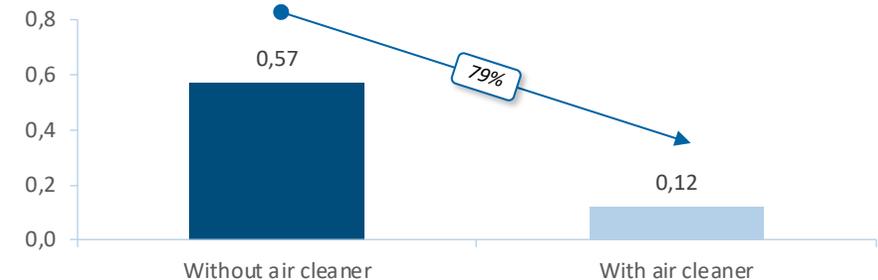
Dust - mg/m³



- ▶ The above graph shows gravimetric dust measurement after installing five FS70 units in production hall within a facility for metal production
- ▶ The measurements was conducted by Williams Sale Partnership (WSP)¹ and the results clearly shows the reduction in dust after the installation

Airborne powder reduction at mixing area in bakery

Particulate Matter (PM) mg/m³



- ▶ The above graph shows particulate matter measurement after installing a air cleaner at the mixing area in a bakery, resulting in a reduction of particulate matter by 79%

Financial targets and dividend policy

Medium-term financial targets and dividend policy

1

Organic sales growth

~10%

Net sales CAGR

- ▶ Average annual organic sales growth of circa 10 percent

2

Profitability

15-20%

EBIT margin

- ▶ EBIT margin of 15-20 percent

3

Dividend policy

30-50%

Payout ratio

- ▶ 30-50 percent of net profit paid out as dividend

Highly cash generative business model with strong barriers to entry



Unique service offering based on holistic approach to clean air as a service with full-service rental contracts



Proprietary air cleaning technology and back-office solutions providing substantial barriers to entry



Long contracts with high degree of extensions across a diversified blue-chip customer base generating strong and predictable revenues



Asset light business model with limited capex needs providing strong free cash conversion and equity returns

