



Second quarter 2021

FACILITY SOLUTIONS INCREASED REVENUE BY 102%. TOTAL ORDER INTAKE INCREASED BY 28%

April – June 2021 in summary

- Net revenues totaled SEK 112.3m (137.0), currency-adjusted net revenues totaled SEK 123.4m (135.1).
- Installed units 10,746 (9,217)
- Recurring revenue SEK 64.0m (64.8)
- Order intake¹ SEK 91.6m (71.6)
- EBITDA² SEK 28.0m (32.4)
- EBITDA margin 24.9% (23.6%)
- Operating profit (EBIT) SEK 20.8m (25.3)
- Operating margin 18.5% (18.5%)
- Net profit for the period SEK 14.9m (17.4)
- Earnings per share SEK 1.00 (1.17)
- Operating cash flow SEK 36.2m (34.9)

Summary January – June 2021

- Net revenues SEK 222.8m (281.7), currency-adjusted net revenues amounted to SEK 244.9m (271.3)
- Installed units 10,746 (9,217)
- Recurring revenues SEK 128.9m (129.2)
- Order intake¹ SEK 193.5m (217.1)
- EBITDA² SEK 54.8m (70.7)
- EBITDA margin 24.6% (25.1%)
- Operating profit (EBIT) SEK 40.7m (56.7)
- Operating margin 18.3% (20.1%)
- Profit for the period SEK 35.7m (35.2)
- Earnings per share SEK 2.40 (2.37)
- Operating cash flow SEK 60.5m (30.1)

Significant events in the second quarter

- QleanAir wins its first significant Facility solution order in the healthcare segment in France.
- QleanAir wins its first major order for the new FS 30 HEPA from the office segment in Germany.
- QleanAir renews contract for six cleanrooms in the US.
- QleanAir held its Annual General Meeting on May 12, Towe Resson and Johan Ryrberg were elected as new board members and a decision was made about a new incentive program. A total dividend of SEK 19.3m (0) was decided.

Significant events after the end of the period

- QleanAir Holding AB has changed its company name to QleanAir AB.
- QleanAir delivered cleaned indoor air equivalent to 10.97 Avicii arenas per hour by the end of the second quarter.

	April-June 2021	April-June 2020	Jan-June 2021	Jan-June 2020	Full year 2020
Sales, TSEK	112 286	137 002	222 780	281 683	492 970
Installed units	10 746	9 217	10 746	9 217	9 551
Recurring revenue, TSEK	64 022	64 833	128 863	129 187	258 688
Recurring revenue from units in own balance sheet, %	57%	47%	58%	45%	52%
Order intake ¹ , TSEK	91 571	71 636	193 470	217 067	368 000
EBITDA, TSEK	27 952	32 400	54 808	70 673	123 749
EBITDA-margin, %	24,9%	23,6%	24,6%	25,1%	25,1%
EBIT, TSEK	20 809	25 308	40 736	56 659	95 038
EBIT-margin, %	18,5%	18,5%	18,3%	20,1%	19,3%
Result for the period, TSEK	14 917	17 355	35 725	35 229	67 005
Earnings per share ² , SEK	1,00	1,17	2,40	2,37	4,51
Earnings per share after full dilution, SEK	0,99	1,15	2,37	2,34	4,44
Cash flow from operations, TSEK	36 181	34 880	60 527	30 071	72 133
Net working capital, TSEK	-57 515	-59 032	-57 515	-59 032	-46 599
Equity/Asset ratio, %	29%	21%	29%	21%	27%

¹ The definition of Order intake has been revised from 01/01/2021. All customer contracts are now included in order intake. Comparative figures for 2020 have been recalculated for comparability. ² For definitions of key ratios, see page 21.

CEO comment

“Facility solutions continues to grow, sales increased by 102 percent in the quarter compared to the previous year, and I am proud to announce that the product category now accounts for more than 20 percent of our total sales, which is in line with our strategy. Total order intake increased by 28 percent compared to the previous year. We continue to increase the number of installed units by 17 percent, and the volume of cleaned air by 28 percent compared to the previous year. The installed units drive our recurring revenues, which amounted to 57 percent of total revenues for the quarter. During the quarter, we experienced partial continued shutdowns in our markets, but sales developed positively compared to the previous quarter. I am proud that we continue to deliver strong and stable profitability as well as an increase in our cash flow (of 3.7%), despite an exceptionally strong comparison quarter in 2020,” CEO Christina Lindstedt remarks.



Continued strong growth in the Facility solutions product category – up 102 percent

Overall, 2020 was a record year in terms of launching new products in the Facility solutions category. The growth came both from the broader product offering, the new customer segments and greater geographical reach, with the introduction of Facility solutions in Japan in the fourth quarter of 2020. During the second quarter in 2021, demand for Facility solutions has been especially high in Europe, and total sales increased by 102 percent to SEK 23.5m, corresponding to just over 20 percent of total sales in the second quarter. This is to be compared to the eight percent of total sales in the second quarter of last year. The new products launched in 2020, FS70 HEPA and FS30 HEPA, have paved the way for creating healthy working environments in new contexts, such as schools, offices, and healthcare. We see that our investment into innovation and product launches will continue to generate growth in Facility solutions, both during 2021 and in future.

Sales were exceptionally strong during the second quarter of last year. This was primarily due to a very successful development of Cabin solutions in Japan, ahead of the new Health Promotion Act, which came into force on 1 April 2020. We continue to believe in good growth potential for our Japanese operations, both in Cabin solutions and Facility solutions, although in the short term we see a lower level of order intake and sales than in the corresponding period in 2020. In both Europe and the Americas, sales were higher in the second quarter of 2021 than in the corresponding period in 2020.

Order intake up 28 percent

High activity in the sales organization increased the order intake by 28 percent, to SEK 91.6m for the quarter. The general order intake increased significantly in Europe, mainly driven by increased demand and new products within Facility solutions, and especially in Germany, where we increased our presence in the office segment and in France where we increased our presence in the healthcare segment.

Within Room solutions, i.e., our flexible and scalable cleanrooms for the medical technology and pharmaceutical sector, healthcare, and pharmacies, we received a renewed contract for six cleanrooms in the US, an order valued at approximately USD 0.7m. We see this as a strong confirmation of customer satisfaction and the competitiveness of our solutions.

Increased volume of cleaned air and growth in the installed base of units – up 17 percent, more than 10,000 units

The corona pandemic has led to an increased awareness of the importance of clean indoor air, which has had a positive effect on demand for our solutions, both in the shorter and longer term. We see that this increased awareness will persist, and that it will continue to have a positive impact on demand, both in the short and long term, and with respect to the cleaning of other harmful particles such as mold, pollen, dust, and gases. In the second quarter, we saw a gradual opening of societies in most of

our markets, which has had a positive impact on our business and the opportunity to conduct our sales work. During the second quarter, it was mainly in Japan that society remained shut down.

Our installed base increased by 17 percent, and we exceeded 10,000 installed units for the first time. The installed base now stands at 10,746 units, and the amount of clean air we supply increased by 28 percent. A larger volume of cleaned air means that our installed base for future revenue generation is growing. Recurring revenues represented 57 percent (47) of total sales in the second quarter. In absolute terms, recurring revenues amounted to SEK 64.0m (64.8). A high proportion of recurring revenues gives us a continued overview of revenues going into the third quarter of 2021. An increase in the number of installed units in our own balance sheet means an increase in recurring revenue. It also means an increased share of revenues in the form of ongoing monthly rent and a reduced share of revenue from the sale of contracts to finance companies and direct sales to customers, i.e. payment upfront. This explains part of the decline in sales compared to the same period last year when the proportion of direct sales to end customers was significantly higher.

High margins, positive development in working capital and strong cash flow

The underlying business, our installed base, continues to deliver very good margins. In terms of profitability, the EBITDA margin reached 24.9% (23.6) for the quarter. We delivered a positive development in working capital and cash flow, while continuing to invest in innovation and in our brand, while reducing our debt-equity ratio. The operating margin (EBIT), which is one of our financial key ratios, remained unchanged at 18.5 percent.

Outlook

Our organization has a high level of activity, and we expect the increased awareness of the importance of safe and healthy indoor air will continue to grow the demand for air cleaning. Our growth strategy remains unchanged, with a focus on developing and growing our new product categories Facility solutions and Room solutions, while maintaining our strong position within Cabin solutions. We continue to see good growth opportunities in all markets, with our cleanroom solutions in Americas, Facility solutions and Room solutions in EMEA and Cabin solutions and Facility solutions in APAC. We see an opportunity to increase penetration levels within existing customer segments and develop more recent customer segments further. We will continue to expand our business geographically, and we will continue to invest in innovation and in raising awareness of our brand. I would like to take this opportunity to thank the entire team at QleanAir, and our customers and partners, for a good second quarter of 2021.

Christina Lindstedt, CEO, QleanAir
Solna August 12, 2021

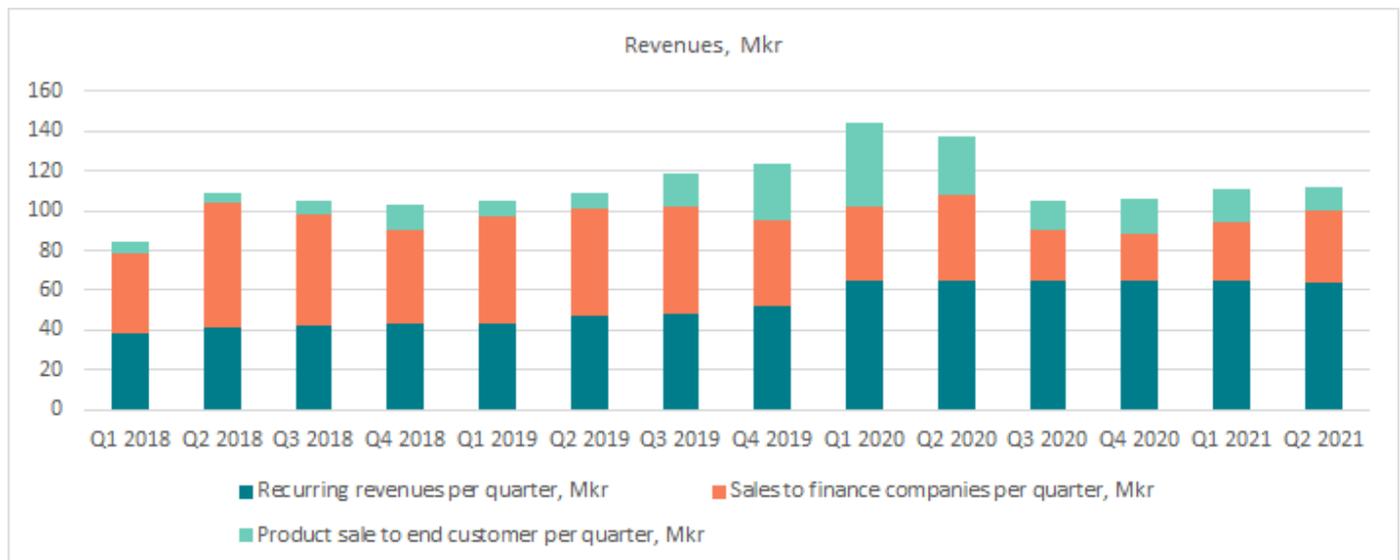


FINANCIAL DEVELOPMENT

QleanAir's geographical home markets are EMEA (Germany, Austria, Switzerland, The Netherlands, Belgium, France, Poland, and the Nordic region), APAC (Japan) and "Americas" (USA). QleanAir has three product categories; the original product category Cabin solutions, that protects people from exposure to harmful tobacco smoke, standalone air cleaners for industrial, office and healthcare environments in Facility solutions, as well as cleanrooms used in healthcare environments through Room solutions. The Group's revenues are made up of rental contracts, service revenues, consumables, sales of rental contracts to finance companies and direct sales to customers.

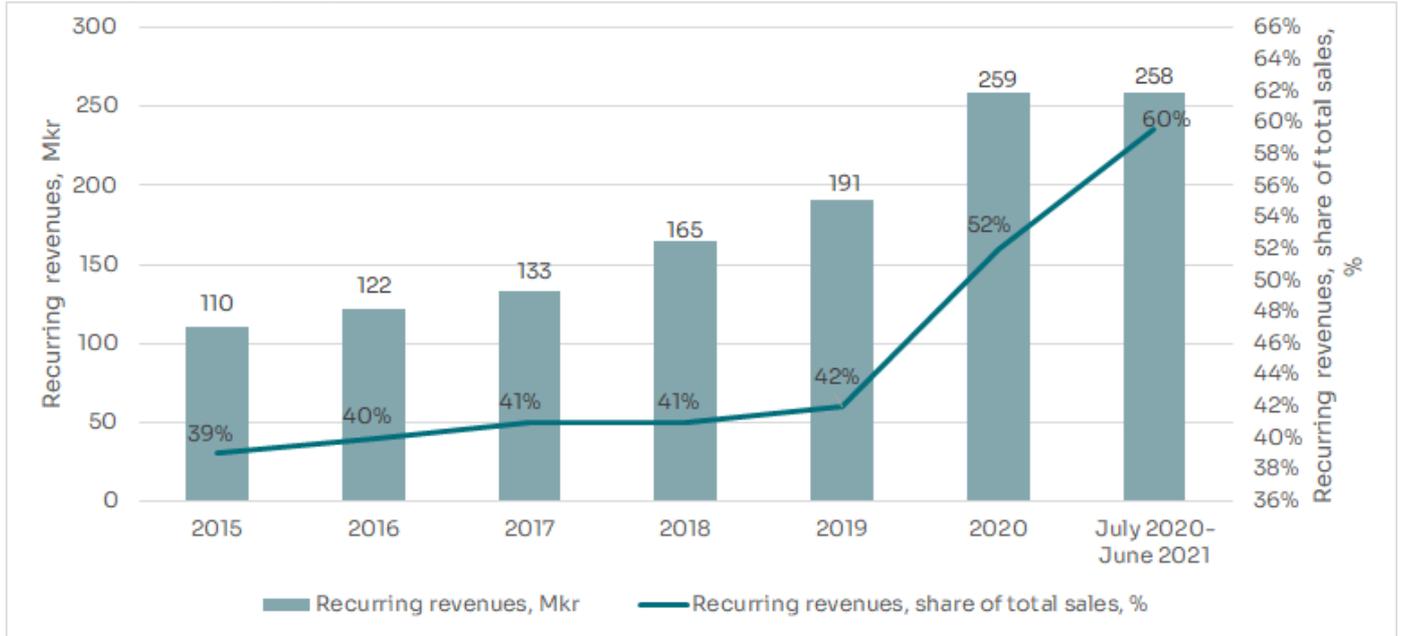
RECURRING REVENUE AND TYPES OF REVENUE

The recurring revenue comes from the rental of units in own balance sheet, service, and consumables, and amounted to SEK 64.0m (64.8), corresponding to 57 percent (47) of total revenue in the second quarter of 2021. During January–June 2021, recurring revenues amounted to SEK 128.9m (129.2), corresponding to 58 percent (45) of total revenue. For recurring revenues and the revenue stream from sales of leases to finance companies it generally applies that a high proportion, more than 75%, of leases are renewed or extended. When selling directly to customers, QleanAir always signs separate service agreements that run for three years.



TSEK	April-June 2021	April-June 2020	Jan-June 2021	Jan-June 2020	Full year 2020
Recurring revenues, units in balance sheet, service, consumables	64 022	64 833	128 863	129 187	258 688
Sales to finance companies	36 256	43 126	66 056	80 922	130 476
Product sale to end customer	12 008	29 043	27 860	71 574	103 807
Total	112 286	137 002	222 780	281 683	492 970

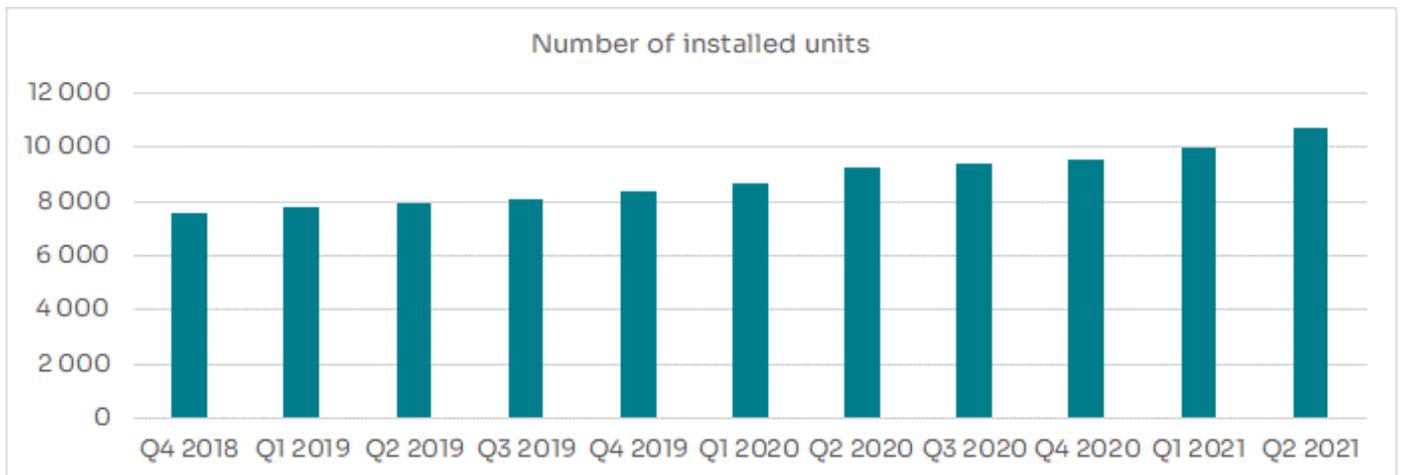
Recurring revenues per year



Recurring income refers to income from own balance sheet units, service contracts and consumables.

INSTALLED UNITS

The number of installed units increased by 17 percent, compared to the end of the second quarter of last year. The increase is mainly attributable to an increase in Facility solutions and strong growth in Facility solutions in Europe. At the end of the period, the total number of units installed was 10,746 (9,217), of which 4,392 (3,568) were units on own balance sheet.



	June 2021	June 2020
Accounted value installed units, TSEK	46 629	47 343
Installed units in balance sheet, number	4 392	3 568
Installed units sold to finance companies, number	2 498	2 440
Sold units with service agreement, number	3 856	3 209
Total installed units, number	10 746	9 217

* where of 620 units (620) served with consumables only

QleanAir calculates the installed base in cleanrooms as one unit per SEK 100,000 in order value.

ORDER INTAKE

Order intake¹ for the second quarter of 2021 amounted to SEK 91.6m (71.6), an increase of 28 percent. Orders received in the first half of the year amounted to 193.5m (217.1), a decrease of 11 percent. EMEA accounted for 54 percent (38) of orders received in the second quarter, APAC for 34 percent (57) and Americas for 11 percent (5).

Order intake per quarter



Order intake per geography, TSEK

TSEK	April-June 2021	April-June 2020	Jan-June 2021	Jan-June 2020	Full year 2020
EMEA	49 709	27 470	107 538	65 605	150 373
APAC	31 366	40 594	71 897	142 993	194 944
Americas	10 496	3 572	14 035	8 469	22 683
Total	91 571	71 636	193 470	217 067	368 000

- The definition of Order intake has been revised from 2021-01-01. All customer contracts are now included in order intake. Previously, short-term leases and extensions were not included in the order intake. These contracts are now also included in the order intake. Comparative figures for 2020 have been recalculated for comparability.

SALES

April-June 2021

Sales for the second quarter amounted to SEK 112.3m (137.0), a decrease of 18 percent compared to the previous year. Compared to the previous quarter, sales grew organically by 2 percent. Our goal is to achieve an average annual, organic sales growth of approximately 10 percent in the medium term. By geography, sales for the second quarter amounted to SEK 54.2m (51.8) for EMEA, SEK 47.7m (75.5) for APAC and SEK 10.4m (9.7) for the Americas. Sales by product category amounted to SEK 75.4m (113.4) for Cabin solutions, SEK 23.5m (11.6) for Facility solutions and SEK 13.4m (12.0) for Room solutions.

Sales of Cabin Solution in Japan declined in the second quarter of 2021 compared to the second quarter of 2020. Comparative figures are a challenge, as the new Health Promotion Act resulted in an exceptionally strong start to 2020 for the Cabin solutions product category in APAC. In EMEA, sales increased by 5 percent compared to the second quarter of 2020, where Facility solutions made a strong, positive contribution. In the Americas, Room solutions had a relatively weak quarter, as the pandemic had a negative impact on new sales. Sales of leases to financial companies and retail sales decreased, while recurring revenues increased to 57 percent (47) of total sales. An increase in the number of installed units on own balance sheet means an increase in recurring revenue. Thus, this entails an increase in the proportion of income from monthly rental payments, and fewer contracts sold to finance companies. Net revenues for the second quarter were negatively impacted by currency effects of SEK 11.1m (+1.9) and currency-adjusted organic sales growth amounted to -9.9% (24.1).

January-June 2021

Sales for January-June 2021 amounted to SEK 222.8m (281.7), a decrease of 20.9 percent. Sales by geography for January-June 2021 amounted to SEK 108.7m (112.0) for EMEA, SEK 96.1m (148.8) for APAC and SEK 18.0m (20.9) for the Americas. Sales of Cabin Solution in Japan declined in the second quarter of 2021 compared to the second quarter of 2020, where the new Health Promotion Act gave us an exceptionally strong start to 2020. Sales for January-June 2021 by product category amounted to SEK 156.1m (231.1) for Cabin solutions, SEK 42.9m (22.6) for Facility solutions and SEK 23.8m (28.1) for Room solutions. We saw the continued impact of the corona pandemic in all regions, where Tokyo has been in a lockdown phase for most of the second quarter, and many of the European markets were still in lockdown at the beginning of the quarter. Positive for the period is the sharp increase in sales for Facility solutions, especially in Germany, as well as growth in Europe overall. In January-June 2021, sales were impacted negatively by currency effects of SEK 22.1m (+10.3) and currency-adjusted organic revenue growth amounted to -13.1% (+26.8).

Turnover per geography, TSEK

TSEK	April-June 2021	April-June 2020	Jan-June 2021	Jan-June 2020	Full year 2020
EMEA	54 203	51 775	108 693	111 990	210 180
APAC	47 696	75 536	96 104	148 836	240 574
Americas	10 387	9 690	17 983	20 857	42 216
Total	112 286	137 002	222 780	281 683	492 970

Turnover per product category, TSEK

TSEK	April-June 2021	April-June 2020	Jan-June 2021	Jan-June 2020	Full year 2020
Cabin Solutions	75 395	113 365	156 116	231 054	393 457
Facility Solutions	23 455	11 599	42 899	22 578	45 908
Room Solutions	13 436	12 039	23 765	28 051	53 605
Total	112 286	137 002	222 780	281 683	492 970

SEASONAL VARIATIONS

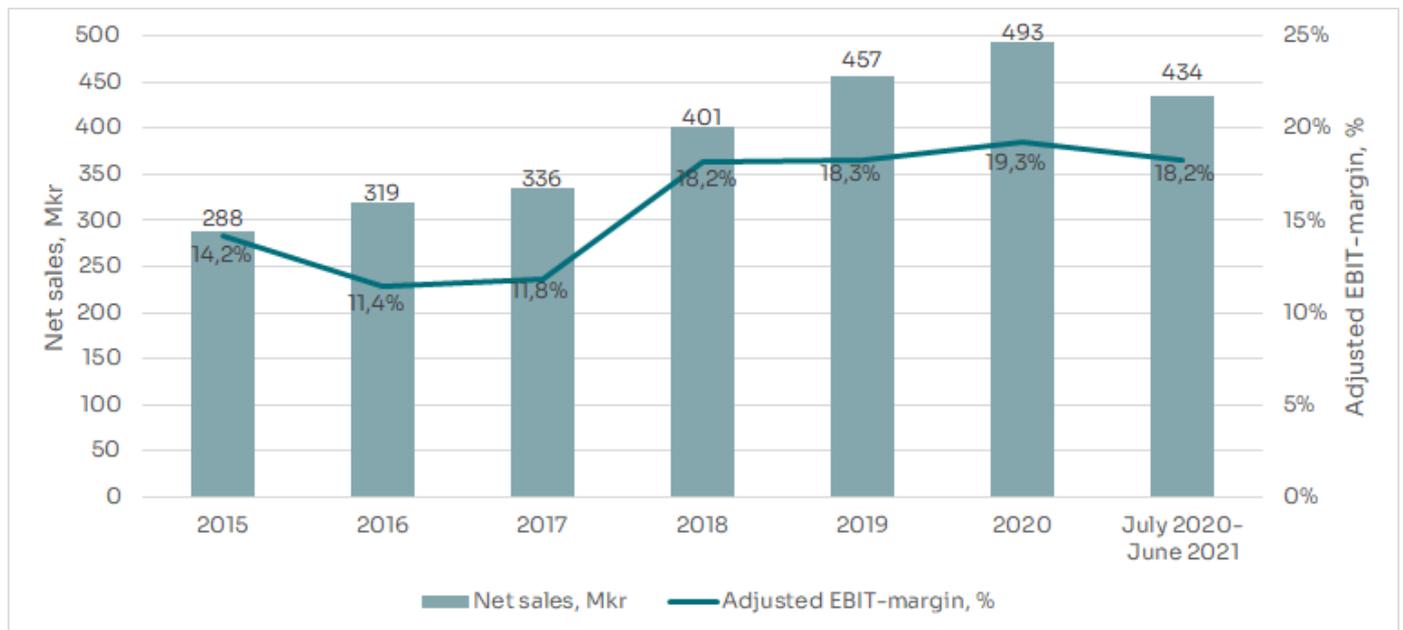
Historical revenues and costs have not significantly been affected by seasonal variations for QleanAir. This is due to the company's revenue model, which largely consists of recurring revenues from rental contracts. Historically, QleanAir has not experienced significant fluctuations in sales and operating profit between quarters. In comparative figures, sales for the second quarter of 2020 were strongly impacted by new legislation in Japan that entered into force on 1 April 2020.

OPERATING PROFIT

In the second quarter of 2021, operating profit amounted to SEK 20.8m (25.3) and the operating margin was 18.5 percent (18.5). The decrease is attributable to lower sales in the second quarter of 2021 compared to the second quarter of 2020.

TSEK	April-June 2021	April-June 2020	Jan-June 2021	Jan-June 2020	Full year 2020
EBIT	20 809	25 308	40 736	56 659	95 038
Depreciations fixed assets incl IFRS 16 (from 1 Jan 2019)	7 143	7 093	14 072	14 014	28 711
EBITDA	27 952	32 400	54 808	70 673	123 749

Net sales in SEK million and adjusted EBIT margin



OTHER EXTERNAL COSTS

Other external costs are mainly attributable to marketing, sales commission to market partners/sales agents, rents, travel expenses and consulting costs. In the second quarter of 2021, other external costs amounted to SEK 22.3m (26.3). During the first half of 2021, they amounted to SEK 43.3m (54.3). The decrease is related to lower revenue compared to the previous period.

PERSONNEL COSTS AND EMPLOYEES

In the second quarter of 2021, staff costs amounted to SEK 30.1m (34.9). During the first half of 2021, they amounted to SEK 60.2m (66.9). The average number of employees in the Group was 108 (105). The distribution between men and women in the Group was 71 (71) men and 37 (34) women. The number of employees at the end of the period was 107 (107).

NET FINANCIAL ITEMS

Net financial items for the second quarter 2021 amounted to SEK -2.2m (-0.2). Net financial items for the quarter include SEK -0.1m (-0.1) in cost of interest on lease liability under IFRS16. In the first half of 2021, net financial items amounted to SEK -2.7m (-5.3).

EARNINGS BEFORE TAX, NET PROFIT FOR THE PERIOD AND EARNINGS PER SHARE

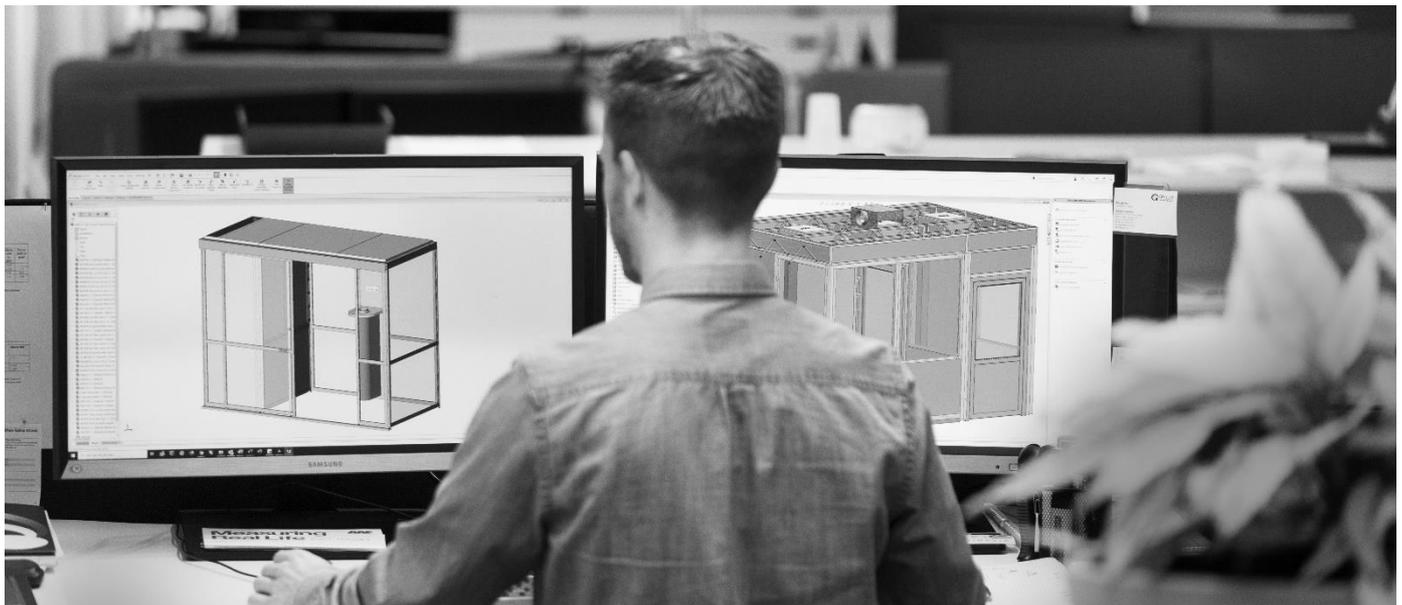
Profit before tax for the second quarter amounted to SEK 18.6m (25.1). Reported tax for the period was SEK -3.7m (-7.8). Net profit for the second quarter was SEK 14.9m (17.4). Earnings per share were SEK 1.00 (1.17) and, after full dilution, SEK 0.99 (1.15).

CASH-FLOW AND INVESTMENTS

Cash flow from operating activities, operating cash flow, for the second quarter amounted to SEK 36.2m (34.9). The improvement is mainly attributable to a lower tax cost and a positive development of changes in working capital. Cash flow from investment activities in the second quarter amounted to SEK -8.4m (-9.8). In the second quarter, investments relate mostly to modular units that are leased to customers.

CASH AND FINANCIAL POSITION

Cash excluding available overdraft facilities at the end of the period amounted to SEK 63.1m (65.5). Interest-bearing net debt amounted to SEK 172.8m (196.6) excluding rental liabilities, recognized as interest-bearing liabilities. The Group's total assets amounted to SEK 586.8m (634.2). Fixed assets amounted to SEK 417.4m (429.6) and are mainly attributable to goodwill of SEK 343.7m (343.7). The book value of inventories and installed units amounted to SEK 46.6m (52.9). Reported values for assets and liabilities correspond in all material respect to fair value.



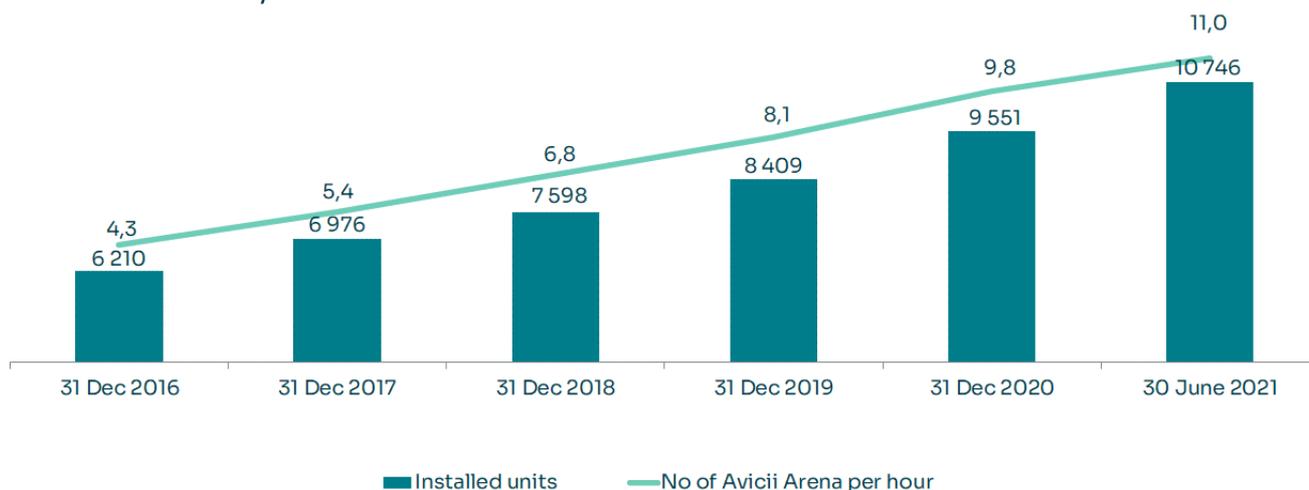
GOODWILL

Goodwill is attributable in its entirety to QleanAir AB's acquisition of operating subsidiary QleanAir Scandinavia AB, which took place in 2012. Goodwill is assessed for impairment annually by comparing its value in use, based on the discounted value of future cash flows, with its carrying value. Considering the sales and earnings development in January–June 2021, QleanAir finds no indication of a decline in value of goodwill.

SUSTAINABILITY

QleanAir has a long tradition of seriously addressing crucial issues. Environmental issues, health and safety have been key priorities for QleanAir for decades. QleanAir has been developing solutions that protect people against indoor air pollution for more than 30 years. QleanAir's operating subsidiary, QleanAir Scandinavia AB, has been ISO-certified to quality standard ISO 9001 and environmental standard ISO 14001. QleanAir's circular business model is based on renting out modular units with a performance guarantee. The units and their parts are reused and recycled. Large parts of the business are based on subcontractors who undertake to comply with QleanAir's Code of Conduct. The Code of Conduct is linked to the sustainability policy, the quality and environmental policy, the marketing policy, and the work environment policy. Since 2015 the Group has quantified the amount of cleaned air per hour on an ongoing basis. The Sustainability Report for 2020 can be found at www.qleanair.com.

The total number of installed units and the amount of indoor air cleaned per month, measured in billions of cubic meters of cleaned indoor air, converted into the number of Avicii Arenas in Stockholm cleaned per hour



RISKS

QleanAir is exposed to market risks and especially currency risks, interest risk and other price risks as part of its ongoing operations and investment activities. One market risk is regulation concerning tobacco smoke. This market risk applies to EMEA and APAC. QleanAir is exposed to different financial risks on financial instruments, mainly market risk, credit risk and liquidity risk. Risk management is focused on the management of financial risks via a centralized finance department.

The Board continues to estimate that the corona pandemic will affect sales and the financial development. The management and the Board actively monitor the development and take regular measures to limit the negative effects on the business.

For more information about company risks, see QleanAir annual report 2020, available on www.qleanair.com.

PARENT COMPANY

Sales for the Parent Company for the second quarter of 2021 amounted to SEK 2.6m (2.6). Second quarter profit was SEK -5.8m (-7.6). QleanAir AB, with company registration number 556879-4548, is a Swedish limited liability company with its registered office in Solna, Sweden.

DISPUTES

The Group has no ongoing disputes.

TRANSACTIONS WITH RELATED PARTIES

The Group had no transactions with related parties.

SHARE CAPITAL, THE SHARES AND OWNERS

The total number of shares as of June 30, 2021, amounted to 14,859,200, and the share capital amounted to SEK 7.4m. After full dilution, the number of shares amounts to 15,170,692 shares. The dilution consists of a maximum of 311,492 warrants issued to employees in senior positions. The maximum dilution effect of the issued warrants in relation to the number of shares amounts to 2.1%.

The decision to issue 222,888 warrants was taken on June 26, 2020. Subscription of new shares under the warrants shall be possible during the period from July 1, 2023, to January 31, 2024.

The decision to issue 88,604 warrants was made on May 12, 2021. Subscription of new shares supported by the warrants may take place during the period from 1 June 2024 to 31 December 2024.

In January-June 2021, the average number of shares was 14,859,200 shares before dilution and 15,096,855 after full dilution. All shares are ordinary shares with equal voting rights. The shares have a quota value of SEK 0.5 per share. QleanAir AB is a listed company on Nasdaq First North Premier Growth Market. FNCA is a certified advisor, telephone +46 8 528 00 399.

2021-06-30	
Shareholder	% , capital and votes
Qevirp 41 Ltd	23,6%
BankInvest	13,1%
Brown Brothers Harriman	5,5%
Enter Småbolagsfond	4,9%
Taaleri Nordic Value Equity Fund	4,8%
Livförsäkringsbolaget Skandia	4,6%
LGT Bank Ltd	2,7%
Avanza Pension	2,5%
Sensor Sverige Select	2,0%
BNP Paribas Lux.	1,3%
Ten largest shareholders	65,2%
Others	34,8%
Total	100,0%

CALENDAR

- November 11, 2021: Report for third quarter 2021
- February 11, 2022: Reports for fourth quarter and full year 2021

OTHER INFORMATION

This interim report provides a true and fair view of the Group's business, financial position, and performance. In the event of any discrepancies between the English and Swedish versions of the report, the Swedish version shall apply.

This information is information that QleanAir Holding AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication through the agency of the contact person below on August 12, 2021, at 08:00 a.m. CET.

GENERAL REVIEW

The company auditors have not conducted a general review of this report.

PRESENTATION

QleanAir invites a conference call/audiocast on August 12, 2021, CET. 10.00. The company's CEO, Christina Lindstedt, and CFO, Henrik Resmark, will present the company's quarterly report in English.

Watch the presentation online: <https://tv.streamfabriken.com/qleanair-holding-q2-2021>

Telephone numbers for dial-in:

SE: +46 8 51 99 93 83, UK: +44 33 33 00 92 61, US: +1 63 19 13 14 22. PIN: 20028248#

For more information, please contact:

Christina Lindstedt, CEO, +46 706 77 28 77 or Henrik Resmark, CFO, +46 702 60 09 17.

Board of Directors of QleanAir AB
Solna, August 12, 2021

Bengt Engström, Chairman
Towe Ressman
Christina Lindstedt, CEO

Johan Westman
Johan Ryrberg

Mats Hjerpe



THE GROUP'S CONSOLIDATED BALANCE SHEET IN SUMMARY

TSEK	April-June 2021	April-June 2020	Jan-June 2021	Jan-June 2020	Full year 2020
Net sales	112 286	137 002	222 780	281 683	492 970
Other income	0	0	0	0	2 831
Sales	112 286	137 002	222 780	281 683	495 801
Cost of goods sold	-31 869	-43 420	-64 547	-89 818	-156 567
Gross profit	80 417	93 582	158 233	191 865	339 234
Other external costs	-22 321	-26 286	-43 267	-54 322	-95 872
Personnel costs	-30 143	-34 896	-60 158	-66 871	-119 614
Depreciation of tangible and intangible assets	-7 143	-7 093	-14 072	-14 014	-28 711
Operating income	20 809	25 308	40 736	56 659	95 038
Financial income	506	583	2 524	619	55
Financial expenses	-2 715	-766	-5 183	-5 875	-9 475
Income before tax	18 601	25 125	38 077	51 402	85 618
Deferred tax	-2 261	-1 812	-561	-3 896	-6 798
Tax on result for the period	-1 423	-5 958	-1 791	-12 278	-11 815
Net result for the period	14 917	17 355	35 725	35 229	67 005
Profit/Loss attributable to:					
Shareholders parent company	14 917	17 355	35 725	35 229	67 005
Non-controlling interest	0	0	0	0	0
Net result for the period	14 917	17 355	35 725	35 229	67 005
Earnings per share basic, SEK	1,00	1,17	2,40	2,37	4,51
Earnings per share basic, after dilution, SEK	0,99	1,15	2,37	2,34	4,44
Net result for the period	14 917	17 355	35 725	35 229	67 005
Currency translation differences foreign subsidiaries	-1 808	-5 468	-3 769	-296	-8 104
Total result for the period	13 109	11 887	31 956	34 933	58 901
Profit/loss attributable to:					
Shareholders parent company	13 109	11 887	31 956	34 933	58 901
Non-controlling interest	0	0	0	0	0
Total net result for the period	13 109	11 887	31 956	34 933	58 901

SUMMARY OF THE GROUP'S FINANCIAL POSITION

TSEK	2021-06-30	2020-06-30	2020-12-31
ASSETS			
Capitalized development cost	11 627	7 005	12 950
Goodwill	343 704	343 704	343 704
Intangible fixed assets	355 330	350 708	356 654
Leasing (IFRS 16)	11 428	18 541	15 662
Tangible fixed assets	46 629	52 861	41 566
Tangible fixed assets	58 057	71 402	57 228
Deferred tax	4 062	7 532	4 624
Fixed assets	417 450	429 642	418 506
Inventories	27 538	25 886	27 069
Account receivables	25 409	46 560	34 237
Tax receivables	3 251	4 525	8 092
Other receivables	5 867	9 446	9 999
Prepaid costs and accrued income	44 118	52 619	34 659
Cash and bank	63 149	65 543	52 600
Current assets	169 332	204 579	166 655
TOTAL ASSETS	586 782	634 221	585 161
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	7 430	7 430	7 430
Additional paid in capital	121 186	121 140	121 401
Translation differences	-6 604	4 973	-2 835
Balanced result	11 594	-36 093	-36 093
Result for the period	35 725	35 229	67 005
Shareholders' Equity	169 331	132 679	156 907
Long term interest bearing liabilities	217 303	243 474	230 388
Other liabilities (IFRS 16)	2 234	10 085	6 643
Long term liabilities	219 537	253 558	237 031
Short term interest bearing liabilities	18 671	18 671	20 863
Overdraft facility	5 780	26 554	0
Accounts payable	17 544	31 108	25 194
Other short term liabilities	11 802	13 167	11 599
Other liabilities (IFRS 16)	9 765	9 216	9 705
Accrued expenses and deferred income	134 351	149 268	123 862
Current liabilities	197 914	247 984	191 223
Liabilities	417 451	501 542	428 253
TOTAL EQUITY AND LIABILITIES	586 782	634 221	585 161

THE GROUP'S CHANGES IN SHAREHOLDERS' EQUITY IN SUMMARY

2021, TSEK	Other paid		Reserves	Balanced result	Total equity
	Share capital	in capital			
Opening balance 2021-01-01	7 430	121 401	-2 835	30 912	156 908
Re-purchase of warrants		-215			-215
Dividend				-19 317	-19 317
Net result for the period				35 725	35 725
Other result			-3 769		-3 769
Closing balance 2021-06-30	7 430	121 186	-6 604	47 320	169 332

2020, TSEK	Other paid		Reserves	Balanced result	Total equity
	Share capital	in capital			
Opening balance 2020-01-01	7 430	121 140	5 269	-36 093	97 746
Net result for the period				35 229	35 229
Other result			-296		-296
Closing balance 2020-06-30	7 430	121 140	4 973	-864	132 679

THE GROUP'S CASH-FLOW STATEMENT IN SUMMARY

TSEK	April-June 2021	April-June 2020	Jan-June 2021	Jan-June 2020	Full year 2020
Operating activities					
Operating income	20 809	25 308	40 736	56 659	95 038
Adjustment for non-cash items	6 435	4 502	10 673	8 621	18 188
Net finance effect	-2 344	-3 411	-4 454	-5 857	-11 633
Tax paid	4 752	-82	2 660	-18 709	-22 251
Total	29 653	26 317	49 614	40 713	79 342
Decrease (+)/Increase (-) inventories	126	-4 648	-1 149	427	-4 032
Decrease (+)/Increase (-) account receivables	6 650	18 675	9 251	-10 838	-1 319
Decrease (+)/Increase (-) current assets	-6 070	-10 146	-5 918	-6 857	6 699
Decrease (-)/Increase (+) account payables	-3 884	-2 529	-7 931	-10 632	-14 411
Decrease (-)/Increase (+) current liabilities	9 705	7 212	16 659	17 258	5 855
Cash-flow from operations	36 181	34 880	60 527	30 071	72 133
Investing activities					
Investments in intangible assets	-312	-1 295	-771	-2 390	-4 875
Investments in tangible assets	-8 047	-8 486	-14 018	-15 709	-21 483
Cash flow from investing activities	-8 359	-9 782	-14 789	-18 099	-26 357
Financing activities					
New loans	3 589	-9 839	3 589	7 877	0
Amortization of loan	-7 089	-9 324	-18 561	-11 823	-47 446
Paid dividend	-19 317	0	-19 317	0	0
Payment of warrants	-214	0	-214	0	261
Cash flow from financing activities	-23 032	-19 162	-34 503	-3 946	-47 185
Cash flow for the period	4 791	5 936	11 235	8 026	-1 409
Opening cash balance	59 318	62 858	52 600	56 994	56 994
Exchange rate differences on financial items	-959	-3 251	-685	523	-2 985
Closing cash balance	63 149	65 543	63 149	65 543	52 600

THE PARENT COMPANY'S INCOME STATEMENT IN SUMMARY

TSEK	April-June 2021	April-June 2020	Jan-June 2021	Jan-June 2020	Full year 2020
Net sales	2 550	2 550	5 100	5 100	10 200
Other external costs	-1 504	-3 479	-2 950	-5 284	-9 737
Personnel costs	-2 519	-1 979	-4 539	-3 804	-7 993
Depreciation on intangible assets	-2 063	-2 063	-4 127	-4 127	-8 254
Operating profit	-3 537	-4 971	-6 515	-8 115	-15 784
Interest costs and similar profit/loss items	-2 229	-2 582	-4 456	-4 972	-9 866
Result after financial items	-5 765	-7 553	-10 971	-13 087	-25 650
Group contribution	0	0	0	0	45 000
Tax on result for the period	0	0	0	0	-5 919
Net result for the period	-5 765	-7 553	-10 971	-13 087	13 431

THE PARENT COMPANY'S BALANCE SHEET IN SUMMARY

TSEK	2021-06-30	2020-06-30	2020-12-31
<i>Intangible assets</i>			
Goodwill	46 082	54 336	50 209
<i>Financial assets</i>			
Shares in Group companies	429 000	429 000	429 000
Total fixed assets	475 082	483 336	479 209
Current tax receivables	559	649	654
Other receivables		4	43
Prepaid expenses and accrued income	4 801	5 871	5 138
Cash and bank	1 820	1 312	2 203
Total current assets	7 179	7 837	8 039
Total assets	482 262	491 172	487 248
Shareholders' equity	7 430	7 430	7 430
Premium reserve	81 279	87 118	87 379
Profit/loss for the period	-10 971	-13 087	13 431
Total equity	77 738	81 460	108 240
Long term interest bearing liabilities	220 625	248 125	234 375
Total long term liabilities	220 625	248 125	234 375
Short term interest bearing liabilities	20 000	20 000	20 000
Accounts payable	2	1 142	1 530
Liabilities to Group companies	152 960	134 708	111 340
Tax liabilities	5 679	0	6 293
Other current liabilities	267	520	
Accrued expenses and prepaid income	4 990	5 218	5 470
Total current liabilities	183 899	161 587	144 633
Total equity and liabilities	482 262	491 172	487 248

ACCOUNTING PRINCIPLES

QleanAir applies International Financial Reporting Standards (IFRS) as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act.

The parent company's interim report has been prepared in accordance with the Swedish Annual Accounts Act and RFR2 Accounting for legal entities, issued by the Swedish Financial Reporting Board.

The accounting policies applied correspond to those of the previous financial year, as described in the Annual Report of 2020.

New or revised IFRS and interpretative statements from IFRIC with effect from January 1, 2021 have not had a material impact on the Group's financial statements.

Segment

QleanAir has a segment that reflects the Group's operations, financial governance, and management structure.

Financial instruments and currency exposure

Most of the Group's transactions are denominated in euros and Japanese yen. Exposure to changes in foreign exchange rates is related to group sales and purchases from other countries.

Basis of valuations applied in preparing financial statements

Assets and liabilities are recognized at historical cost except for currency derivatives, which are measured at fair value.

Assessments and estimates in financial statements

Preparation of the financial statements in compliance with IFRS requires the company's management to make assessments, estimates and assumptions that affect the application of the accounting policies and the carrying amounts of assets, liabilities, income, and expenses. Actual outcomes may deviate from such estimates and assessments. Assumptions are reviewed on a regular basis. Changes to estimates are recognized in the period when the change is made if the change affects only that period, or in the period when the change is made and future periods if the change affects both the current period and future periods.

Impairment testing of goodwill and shares in subsidiaries

To assess the need for impairment, management calculates the recoverable amount of each cash-generating unit, based on expected future cash flows, and uses an appropriate interest rate to discount the cash flows. Uncertainties lie in the assumptions about future operating results and the determination of an appropriate discount rate.

Adjustments, rounded

Some of the financial information provided in this report has been rounded, which may affect totals in tables.

NOTES

Distribution of net sales

QleanAir's main markets are Northern Europe in EMEA, with Germany, Austria, Switzerland, the Netherlands, Belgium, France, Poland, and the Nordic countries, together with Middle East, APAC with Japan, and Americas with sales in the US. QleanAir's solutions can be divided into three product categories: Cabin solutions, Facility solutions as well as Cleanrooms and lounges (Room solutions). Net revenues by geography and product category, as well as revenue types, appear on pages 5 and 8.

Currency effect and organic growth

	April-June 2021	April-June 2020	Jan-June 2021	Jan-June 2020	Full year 2020
Net sales, TSEK	112 286	137 002	222 780	281 683	492 970
Growth Net sales, %	-18,0%	25,8%	-20,9%	31,6%	7,9%
Currency exchange variances, TSEK	-11 107	1 862	-22 106	10 344	-4 939
Currency exchange variances, %	-8,1%	1,7%	-7,8%	4,8%	-1,1%
Organic growth Net sales, TSEK	-13 609	26 278	-36 798	57 326	41 031
Organic growth Net sales, %	-9,9%	24,1%	-13,1%	26,8%	9,0%

Alternative key ratios

The company complies with ESMA (European Securities and Markets Authority) guidelines on alternative key ratios. Alternative key ratios refer to financial measures that cannot be directly read or derived from financial statements. These financial measures are intended to help management and investors analyze the Group's performance. Investors should consider these alternative key ratios as a complement to financial reporting prepared in accordance with IFRS. As not all companies calculate financial ratios in the same way, these are not always comparable with ratios used by other companies.

Key ratios	Definition and purpose
Order intake	The definition of Order intake has been revised from 2021-01-01. All customer contracts are now included in order intake. Previously, short-term leases and extensions were not included in the order intake. These contracts are now also included in the order intake. Comparative figures for 2020 have been recalculated for comparability.
Sales	Sales including other income. The ratio shows the company's total sales.
Gross profit	Cost of sold goods deducted from sales.
Gross margin	Gross profit as percentage of turnover.
EBITDA	Earnings before depreciation and write-downs. The ratio is used to show the company's profitability before depreciations and write-downs.
Adjusted EBITDA	Earnings before depreciations and write-downs adjusted for non-operational non-recurring costs such as transaction costs. The ratio is used to show the earning potential of the business before depreciation and write-downs, excluding non-recurring items.
EBITDA margin	Operating profit before depreciation and write-downs as a percentage of turnover. This ratio is used to measure operating profitability before depreciation and write-downs.
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of sales. The ratio is used to measure operating profitability, independent of depreciation and write-downs, excluding non-recurring items.
Operating result (EBIT)	Profit before financial items and tax. The measure shows the operational profitability of the company.
Adjusted EBIT	Operating profit before financial items and tax, adjusted for non-recurring non-operating items, such as transaction costs. The ratio is used to show the earning potential of the business before financial items and tax, excluding non-recurring items.
EBIT margin	Operating profit as a percentage of turnover. The measure is used to measure operating profitability after depreciation and write-downs.
Adjusted EBIT margin	Adjusted EBIT as a percentage of sales. The measure is used to show the profitability of the business before financial items and tax, excluding non-recurring items.
Operational cash flow	Adjusted EBITDA minus net investment in tangible and intangible fixed assets and adjustment for cash flow from changes in working capital. Operational cash-flow is stated to track the cash flow generated by operating activities.
Working capital	Current assets excluding cash and cash equivalents minus current liabilities (non-interest-bearing).

Average capital employed	Average equity and interest-bearing liabilities for the period. This ratio is used to analyze how much capital is employed in the business during the period.
Net interest-bearing debt	Interest-bearing short- and long-term liabilities minus cash and cash equivalents. Does not include IFRS 16 items. The ratio shows the financial position of the company.
Equity/asset ratio	Equity as a percentage of the company's total assets. The ratio is used to assess the financial stability of the company.
Net debt/equity ratio	Interest-bearing liabilities minus cash and cash equivalents divided by equity. Does not include IFRS 16 items. Net debt/equity ratio is stated because the Company believes that the ratio contributes to investors' understanding of the company's financial position.
Adjusted return on average capital employed	Adjusted EBIT rolling twelve months as a percentage of average capital employed. This ratio has been included to help investors understand the company's profitability relative to the capital employed in the business during the year. Adjusted EBIT is stated as the Company believes it excludes the impact of non-recurring items, which allows for a comparison of underlying operating profitability.
Recurring revenue	Recurring revenue is defined as revenue from leases on own balance sheet, service contracts and consumables.
Earnings per share	Earnings per share have been adjusted for the 2019 stock split for comparability.

Quarterly information

	April-June 2021	Jan-March 2021	Oct-Dec 2020	July-Sept 2020	April-June 2020	Jan-March 2020	Oct-Dec 2019	Jul-Sept 2019	April-June 2019	Jan-March 2019	Oct-Dec 2018
Sales, TSEK	112 286	110 494	106 436	104 851	137 002	144 681	123 847	119 018	108 997	105 151	103 209
Installed units	10 746	9 964	9 551	9 406	9 217	8 638	8 409	8 087	7 928	7 774	7 598
Recurring revenues, TSEK	64 022	64 841	64 629	64 872	64 833	64 354	51 775	48 260	47 488	43 665	42 965
Order intake, TSEK	91 571	101 911	82 103	69 752	71 636	146 190	102 466	89 540	87 753	86 223	74 712
Gross profit, TSEK	80 417	77 816	76 700	70 669	93 582	98 283	73 882	73 979	73 775	74 398	64 820
Gross-margin, %	71,6%	70,4%	72,1%	67,4%	68,3%	67,9%	59,7%	62,2%	67,7%	70,8%	62,8%
Adjusted EBITDA, TSEK	27 952	26 856	28 217	24 858	32 400	38 272	24 931	26 384	27 677	28 835	29 252
Adjusted EBITDA-margin, %	24,9%	24,3%	26,5%	23,7%	23,6%	26,5%	20,1%	22,2%	25,4%	27,4%	28,3%
Adjusted EBIT, TSEK	20 809	19 927	20 542	17 837	25 308	31 351	19 278	21 034	19 786	23 621	15 626
Adjusted EBIT-margin, %	18,5%	18,0%	19,3%	17,0%	18,5%	21,7%	15,6%	17,7%	18,2%	22,5%	15,1%
Operating cash-flow, TSEK	36 181	24 346	19 654	22 408	34 880	-4 810	10 233	13 997	20 247	18 002	32 306
Working capital, TSEK	-57 515	-46 581	-46 599	-57 835	-59 032	-56 804	-72 321	-46 828	-46 952	-45 796	-47 626
Average Capital Employed, TSEK	414 678	413 214	415 331	421 941	423 625	395 989	394 811	421 063	416 087	413 132	410 749
Net debt, excl. IFRS16, TSEK	172 824	183 199	198 651	207 273	223 156	242 223	236 684	250 660	259 029	265 833	260 560
Equity/Asset ratio, %	28,9%	29,6%	26,8%	22,7%	20,9%	18,5%	16,2%	14,1%	13,4%	12,2%	11,6%
Net debt/Equity ratio, %	1,0	1,0	1,3	1,5	1,7	2,0	2,4	2,7	3,0	3,5	4,1
Adjusted return on Capital employed (ROCE), %	19,1%	20,2%	22,9%	22,2%	22,9%	23,1%	21,2%	19,0%	19,5%	20,5%	17,8%

ABOUT QLEANAIR

QleanAir is a niche supplier of premium solutions for air cleaning for indoor environments. The company's business model is based on rental contracts for modular solutions with a full-service offer. QleanAir solutions are developed using filter technology that traps, filters, and recycles indoor air. QleanAir's head office is in Solna, Sweden.

BUSINESS IDEA

QleanAir offers modular solutions for indoor air cleaning to protect people, products, and processes.

VISION

QleanAir aims to be a world-class supplier of standalone solutions for air cleaning in indoor environments within the product categories the company chooses to operate in.

MISSION

QleanAir seeks to create healthy indoor environments that help protect and enhance the productivity of people, products, and processes.

VALUES

For health and safety with quality and trust.

FINANCIAL GOALS**Growth**

QleanAir's objective is to achieve an average annual organic sales growth of approximately 10 percent in the medium term.

Profitability

QleanAir's objective is to achieve an EBIT margin of 15-20% in the medium term.

Dividend policy

QleanAir's objective is to distribute between 30-50% of profits for the year. The dividend proposal shall consider QleanAir's long-term development potential.

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