



QleanAir



# QleanAir Investor Presentation Q2 2024



# Premium CleanTech solutions for indoor air cleaning



Sebastian Lindström  
CEO



Henrik Resmark  
CFO

Speakers



# Q2 in summary – Strong cash-flow despite a weak quarter

- APAC – fewer contracts were scheduled for renewal and FX effect – topline SEK –16 millions.
- EBIT SEK –14 millions incl. higher service costs in Germany
- Stable and strong Operating Cash-Flow

115 (135)

Net sales, SEK millions

74 (78)

Recurring revenues, SEK millions

63 (68)

Gross-margin, % (adj 2023)

1.4 (15.6)

EBIT-margin, % (adj 2023)

19 (19)

Operating Cash-Flow, SEK millions

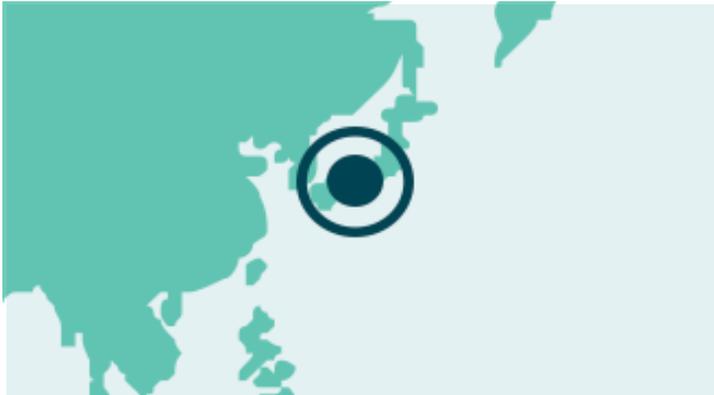
-0.04 (1.18)

EPS, SEK

Negative effect by the cycle of rental contracts and sales to finance companies in Japan plus FX effect



# Q2 – Weak quarter in APAC due to the cycle of rental contracts to finance companies, stable performance in EMEA and Americas



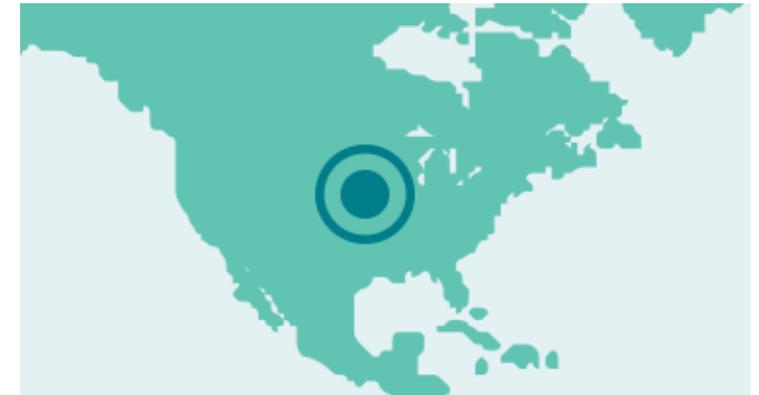
## APAC – a weak quarter

- Q2 Sales SEK 47 (63) million, -26%, fx effect of SEK 6 million
- Fewer contracts expired that could be renewed, effect SEK 10 million
- Continued strong momentum in AirCleaners
- New sales of Cabin Solutions on track



## EMEA – stable performance

- Q2 Sales SEK 55 (57) million, -3%
- Strong momentum AirCleaners in France
- Cancellation of contracts related to schools in Germany, Covid effect

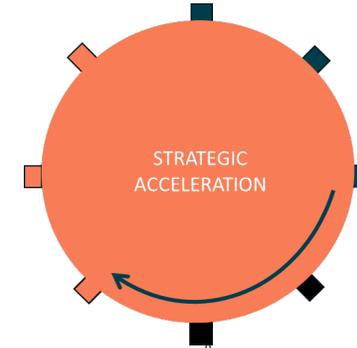


## AMERICAS – challenging market

- Q2 Sales SEK 13 (15) million, -14%
- Strengthening Salesforce further and activities to create value, however longer sales cycles



# Doing the right activities within the organization will increase the financial results – top three priorities



## Cost control

- Cost improvement project all regions.
- Improving supply chain in Europe
- Renegotiated our financing terms & conditions.
- Revisiting service set-up in Germany

## Sales efficiency

- Focus on France, Sweden and Germany.
- Cross-selling Aircleaners in Japan
- Roll out of first step in roll-out of solution for secondary filtration of Oilmist.
- Successful implementation of measurement lead solution for global foodservice brand in EMEA.

## Customer focus

- Key new product introductions planned for September across all product categories; Cabins, Cleanrooms and AirCleaners
- Moving forward with three new exploration areas in preparation for 2025
- Have a number of new improved products being launched in Q3 that should help strengthen our finish of the year.

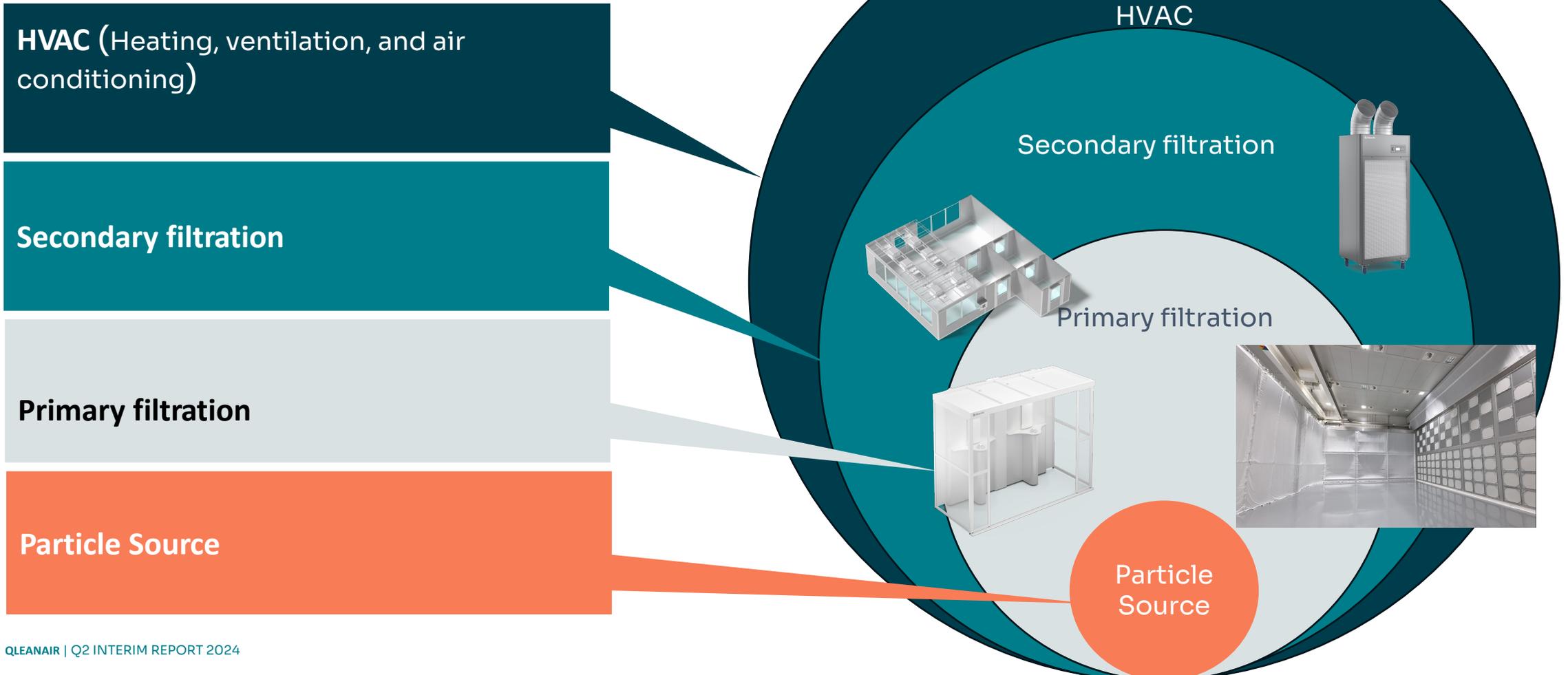


# What are the right activities?

- 1. Continuation of turning stones to operationally improve**
- 2. Selective focused market expansion (France and key customer lead expansion)**
- 3. Product development in the short to medium term closely tied to existing customer base to yield faster results (Oilmist and further Industrial applications,..)**
- 4. Technology investments focused on Aircleaning in areas of high customer requirements (Space, Foodservice,..)**



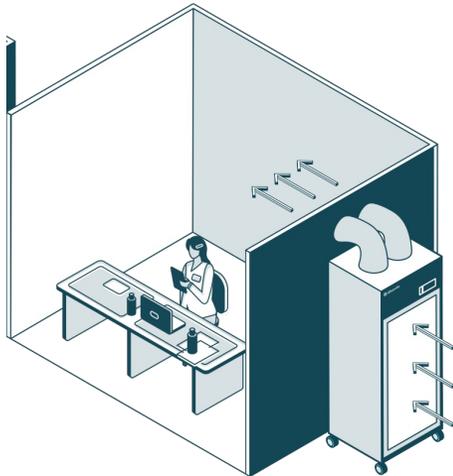
# QleanAir target several layers of the customers' needs -



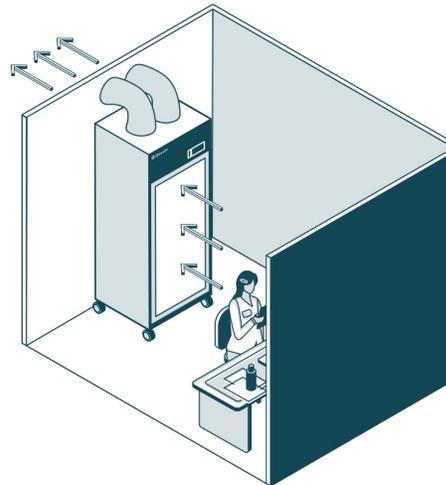


# We are specialists in indoor air quality, our products are very versatile

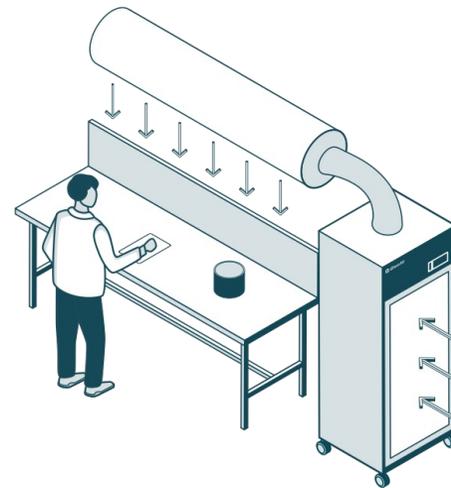
Means that we can **control** filtration, pressure, airflows, velocity and directions, and that we can **verify** the result through measurements (controlled area), our products is our toolbox to create solutions.



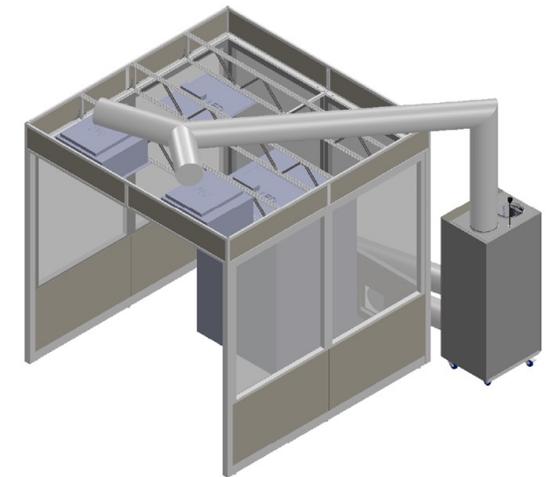
Positive pressure



Negative pressure



Cleaner zones



Combinations

# The strength of our circular business model

- Geographical mix -> EMEA, APAC, Americas
- Product mix -> 3 product categories
- Customer base -> more than 3 500 customers
- Regional supply chains -> EMEA, APAC, Americas
- High degree of recurring revenues ~60%,  
RTM SEK 304 millions

“A number of measures have been initiated that we expect to yield results.”



# Financial update

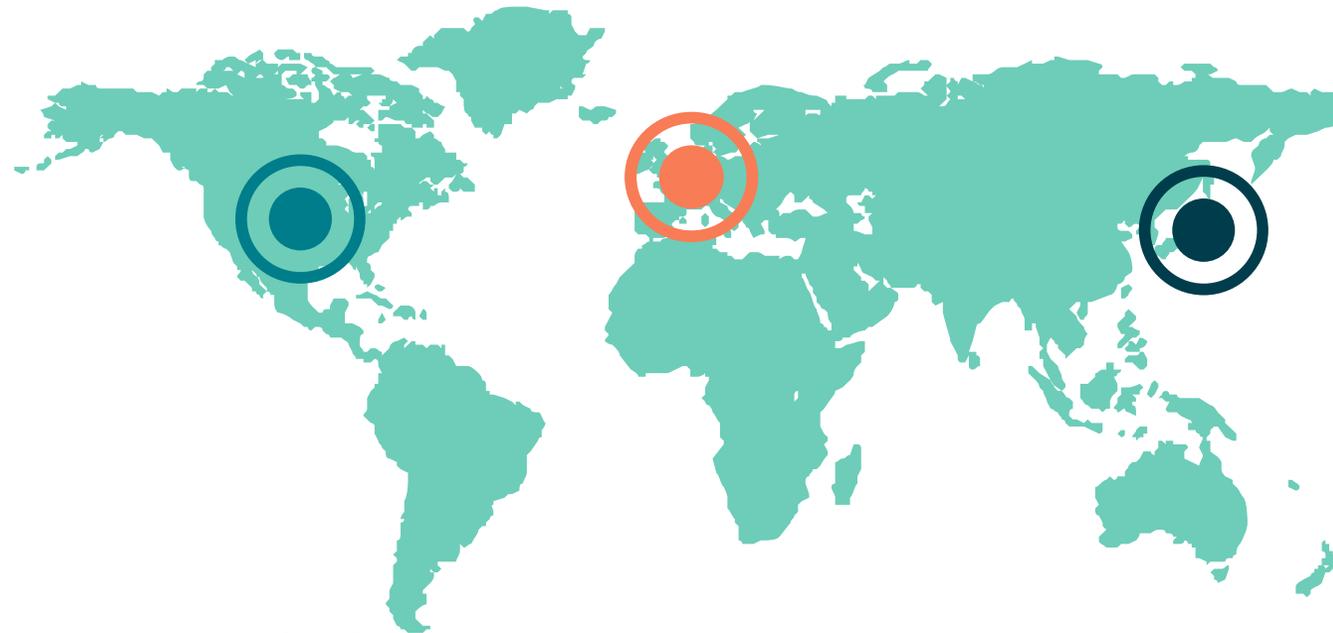
Henrik Resmark, CFO



## Q2 by region

# >3 500

Customers



### AMERICAS

- 11% (11%) of sales
- Cleanrooms

### EMEA

- 48% (42%) of sales
- All three product categories

### APAC

- 41% (47%) of sales
- Cabin Solutions and Air Cleaners

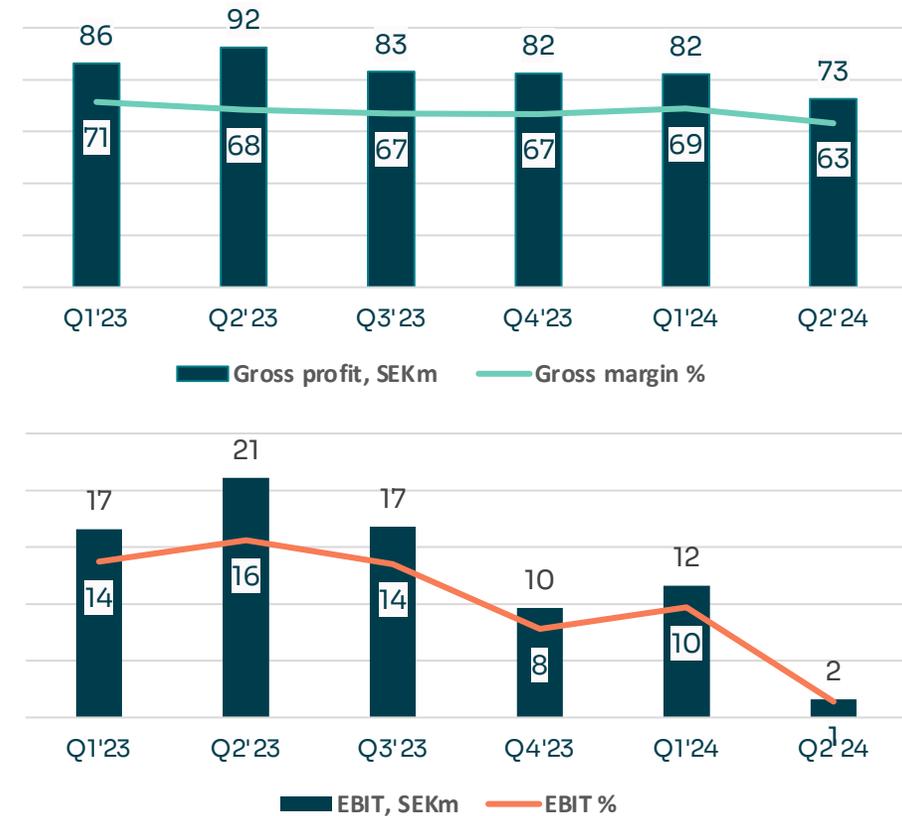


# Weak net sales & profitability in Q2

## Sales & recurring revenues

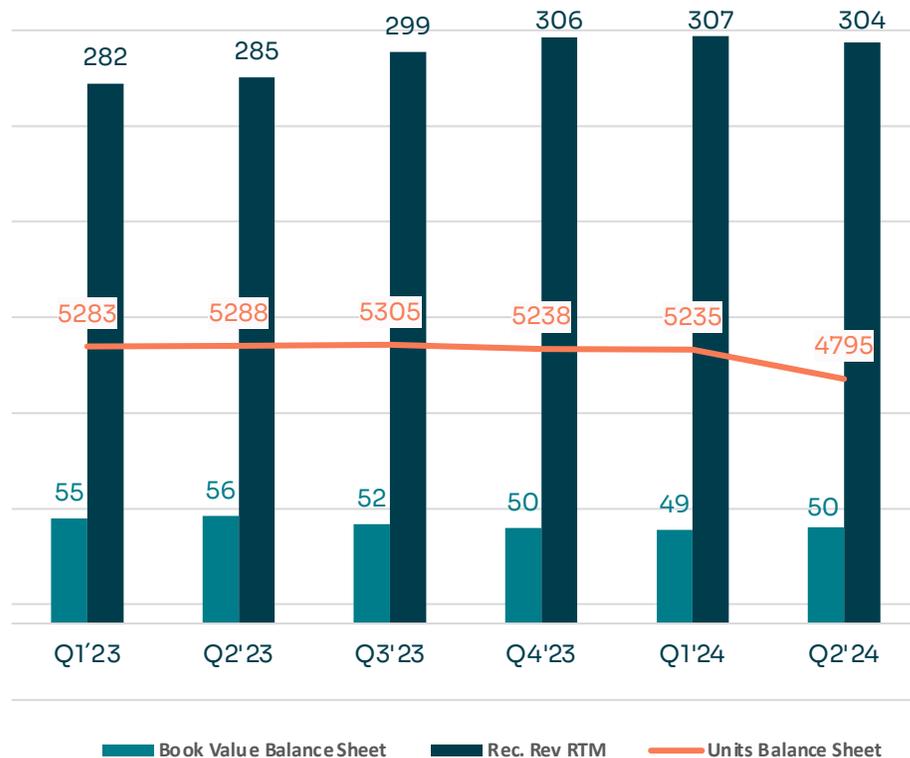


## Profitability





# Stable rental revenues from units in own balance sheet, service & maintenance contracts



## Per Unit ARR >5x Value in Balance Sheet

	Book Value, MSEK	Book Value/Unit, SEK	ARR/Unit, SEK
June 2024	50.3	≈ 10 500	≈ 63 400

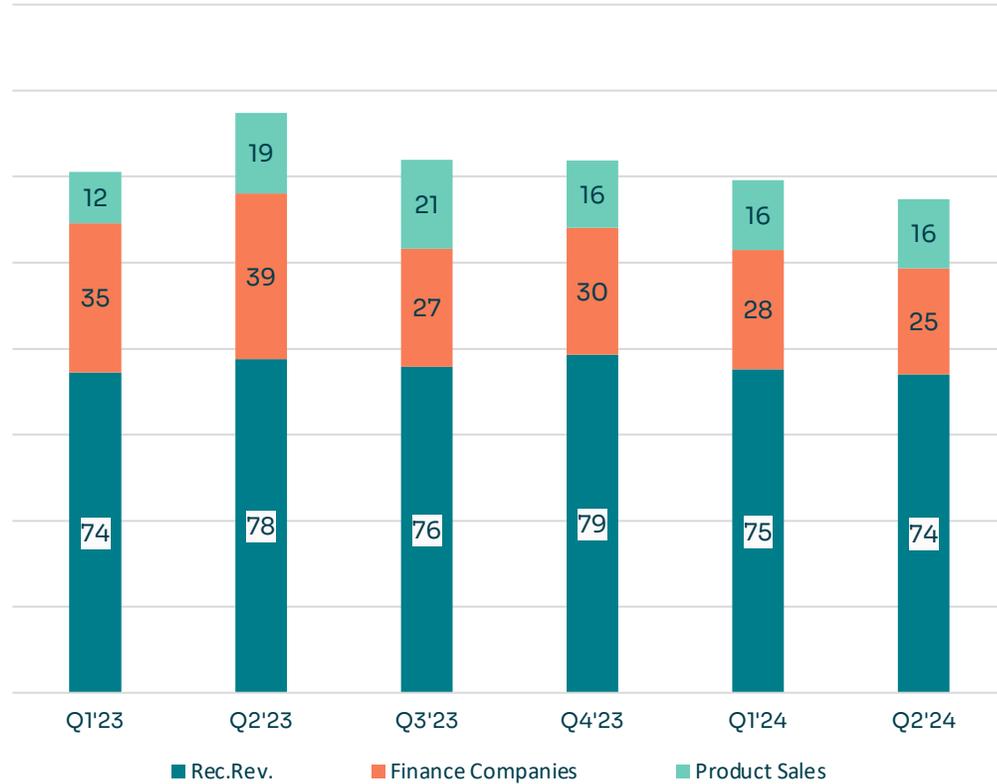
- Recurring revenues 12 months rolling, 304 MSEK (290), +5%
- Stable number of units in own balance sheet, partly thanks to circular business model
- End of period, per unit book value ≈ 10 500 SEK with an annual recurring revenue (ARR) of ≈ 63 400 SEK
- Very low CAPEX for units in own balance sheet, book value MSEK 50 (56)



# Revenue split & installed base

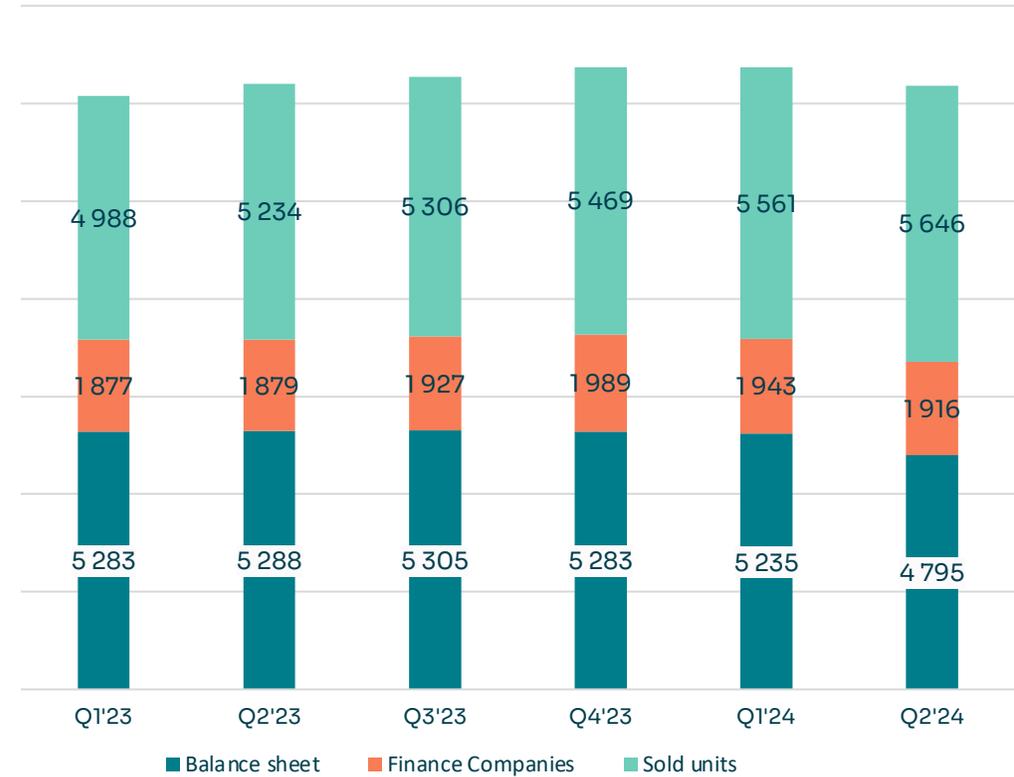
## Revenue split

SEKm



## Development of the installed base

Units





# Long cycle of revenue split

## Revenue split





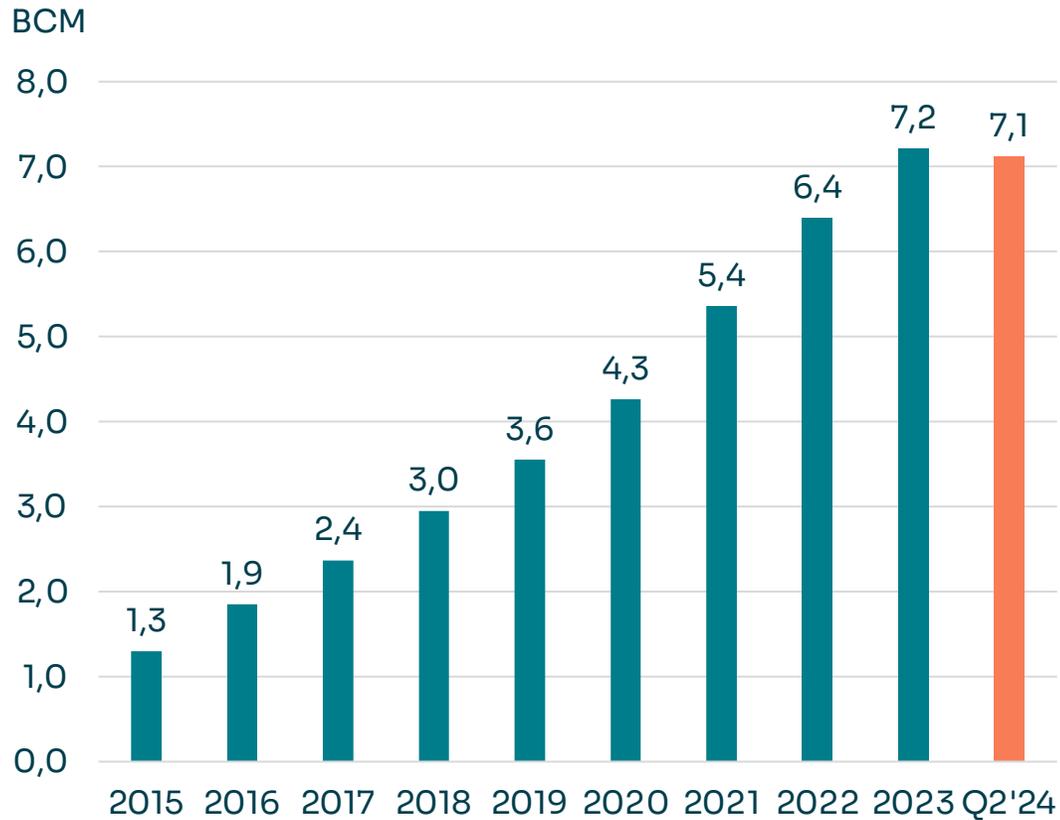
# Balance sheet and cash flow

TSEK	April-June 2024	April-June 2023	Jan-June 2024	Jan-June 2023	Full year 2023
<b>Operating activities</b>					
Operating income	1 622	21 080	13 227	37 675	64 067
Adjustment for non-cash items	8 884	10 965	17 432	20 427	40 625
Net finance effect	-3 998	-3 754	-8 921	-7 284	-15 532
Tax paid	-1 663	-564	-7 243	-9 236	-4 343
<b>Total</b>	<b>4 846</b>	<b>27 727</b>	<b>14 496</b>	<b>41 582</b>	<b>84 818</b>
Decrease (+)/Increase (-) inventories	1 882	-2 998	-1 549	-8 333	-4 190
Decrease (+)/Increase (-) account receivables	7 614	6 472	12 661	-5 494	-14 578
Decrease (+)/Increase (-) current assets	1 663	-7 832	2 053	-13 811	9 319
Decrease (-)/Increase (+) account payables	3 140	-4 098	-4 554	666	3 921
Decrease (-)/Increase (+) current liabilities	-74	-370	-3 868	15 326	-16 641
<b>Cash-flow from ongoing operations</b>	<b>19 071</b>	<b>18 900</b>	<b>19 239</b>	<b>29 936</b>	<b>62 650</b>

- Net debt/equity ratio 0.8 (0.9), and equity ratio 32% (29%)
- Continue to amortize quarter by quarter according to plan
- Dividend paid out SEK 8.9 million in May

TSEK	2024-06-30	2023-06-30	2023-12-31
<b>ASSETS</b>			
Capitalized development cost	12 219	13 427	13 470
Goodwill	343 704	343 704	343 704
<b>Intangible fixed assets</b>	<b>355 923</b>	<b>357 131</b>	<b>357 173</b>
Leasing	24 120	34 862	7 638
Tangible fixed assets	50 280	56 201	54 801
<b>Tangible fixed assets</b>	<b>74 400</b>	<b>91 063</b>	<b>62 439</b>
Deferred tax	3 022	2 626	77
<b>Fixed assets</b>	<b>433 345</b>	<b>450 820</b>	<b>419 689</b>
Inventories	60 508	67 321	64 843
Account receivables	29 164	34 498	39 145
Skattefordringar	826	0	3 643
Other receivables	9 929	10 079	5 800
Prepaid costs and accrued income	59 935	81 919	72 969
Cash and bank	50 005	66 881	59 259
<b>Current assets</b>	<b>210 367</b>	<b>260 698</b>	<b>245 659</b>
<b>TOTAL ASSETS</b>	<b>643 711</b>	<b>711 519</b>	<b>665 348</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Share capital	7 430	7 430	7 430
Additional paid in capital	120 894	120 997	120 973
Translation differences	-26 734	-12 140	-7 714
Balanced result	96 305	61 855	61 855
Result for the period	7 243	27 582	10 038
<b>Shareholders' Equity</b>	<b>205 138</b>	<b>205 723</b>	<b>192 581</b>
Long term interest bearing liabilities	0	157 461	164 003
Deferred tax liability	3 245	3 628	3 628
Other liabilities	15 260	24 380	2 587
<b>Long term liabilities</b>	<b>18 505</b>	<b>185 468</b>	<b>170 218</b>
Short term interest bearing liabilities	219 765	84 801	79 263
Accounts payable	34 696	37 288	40 480
Tax liabilities	8 227	2 248	0
Other short term liabilities	18 174	32 289	23 321
Other liabilities	9 299	10 665	5 242
Accrued expenses and deferred income	129 906	153 036	154 242
<b>Current liabilities</b>	<b>420 068</b>	<b>320 327</b>	<b>302 549</b>
<b>Liabilities</b>	<b>438 573</b>	<b>505 795</b>	<b>472 767</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>643 711</b>	<b>711 519</b>	<b>665 348</b>

# Cleaned air in billion cubic meters per month, -1% compared to end of second quarter 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



# 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 (7-13%)** 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.



Thank you!



# Appendix



# The freedom of clean air

The freedom of clean air is the promise that we bring to our customers.

## Position

- The specialized provider of premium clean air solutions.

## Purpose

- Making a real difference through clean air.

## Promise

- The freedom of clean air is what we bring to our customers.



# 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



# Largest shareholders

2024-06-30	
Shareholders	% , capital and votes
Staffan Persson (Swedia Capital)	27,2%
Fredrik Palmstierna	9,2%
Avanza Pension	7,9%
Calandrella Ltd	6,6%
Nordnet Pension	5,5%
Livförsäkringsbolaget Skandia	4,6%
Jan-Olof Backman (bolag)	3,7%
SEB Life Assurance, Ireland	3,4%
Citibank London Nordic Small Cap Fund	1,9%
Sebastian Lindström	1,4%
<b>Ten largest shareholders</b>	<b>71,4%</b>
Other shareholders	28,6%
<b>Total</b>	<b>100,0%</b>



# Board of directors



**Bengt Engström**  
Chairman

**Born** 1953  
**Position** Chairman since 2020

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



**Fredrik Persson**  
Board member

**Born** 1984  
**Position:** Board member since 2023

**Other assignments**  
Fredrik is currently working as an Investment Manager at Swedia Capital. He is holding board positions in a number of companies in the STIGA Sports Group, a number of companies in the Swedia Capital Group, Arctic Falls Aktiebolag, ETNetwork AB, GreenGold Group AB, Lundqvist Intressenter AB including a subsidiary, Optise AB and Spotlight Group AB. He is independent in relation to the company and management but not in relation to the company's major shareholders (Swedia Capital AB).



**Sara Uhlén**  
Board member

**Born** 1975  
**Position:** Board member since 2024

**Other assignments**  
Sara is today HR Business Partner at PE Teknik & Arkitektur AB. Chairman of Treskablino ll non-profit association. Board member of Ludvig & Company Group AB, Spotlight Group AB and Senseworks AB.



**Jan-Olof Backman**  
Board member

**Born** 1961  
**Position** Board member since 2023

**Other assignments**  
Jan-Olof is a board member and chairman in Credentia AB, Layer Group AB and Northclean Group AB and a board member Sveab Holding AB and Tagehus Holding AB.



**Dan Pitulia**  
Board member

**Born** 1956  
**Position** Board member since 2023

**Other assignments**  
Dan is currently working as managing director in Coala-Life AB and Coala-Life Group AB (publ). He is a board member in Pitulia&Co Ltd. Within the five past years,



# Senior management



**Sebastian Lindström**  
CEO

**Born** 1965  
**Position** CEO since dec 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.

**Holdings in QleanAir:** 210,000 shares and 445 776 subscription options.



**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

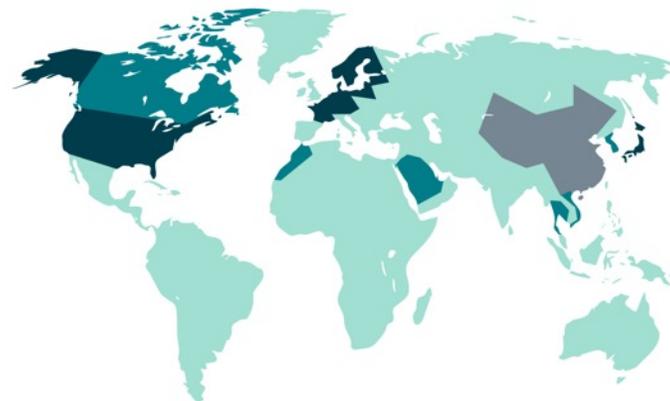
- Long-term rental and service agreement
- High quality products
- Performance guarantee
- Innovative products, design & solutions

## 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



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

## Attractive employer

- Work environment & working conditions
- Diversity
- Skills development



A photograph of two women in business attire standing together and reviewing documents. The image is overlaid with a dark teal color and features the QleanAir logo and brand name in white.

 QleanAir