

# 1Q22 Presentation



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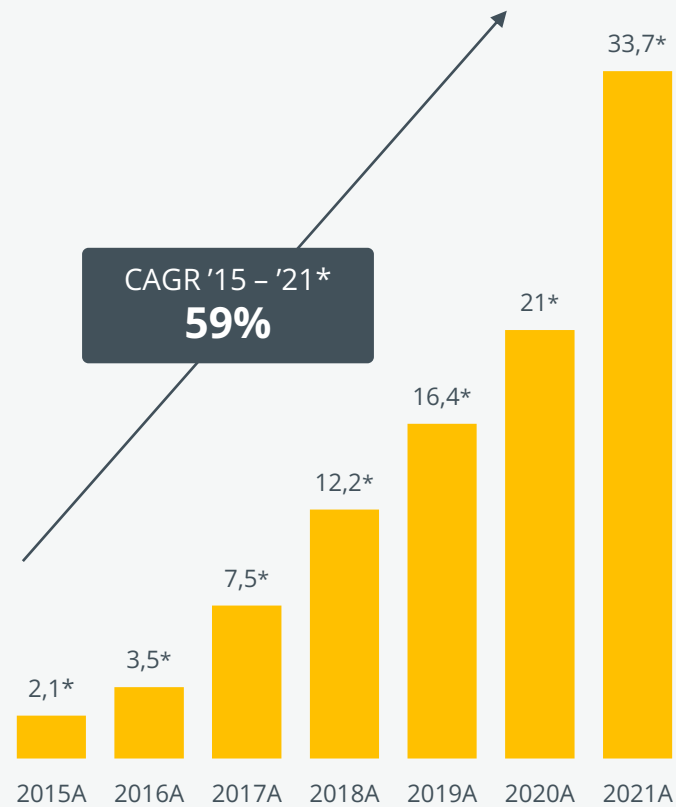
# Purpose

Empower the world to **breathe better**



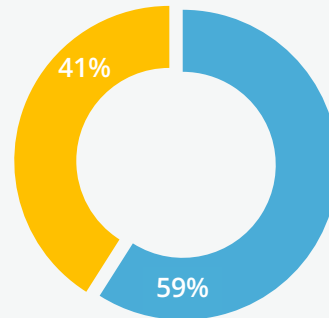
# High-growth and expanding business

REVENUE (USD M)

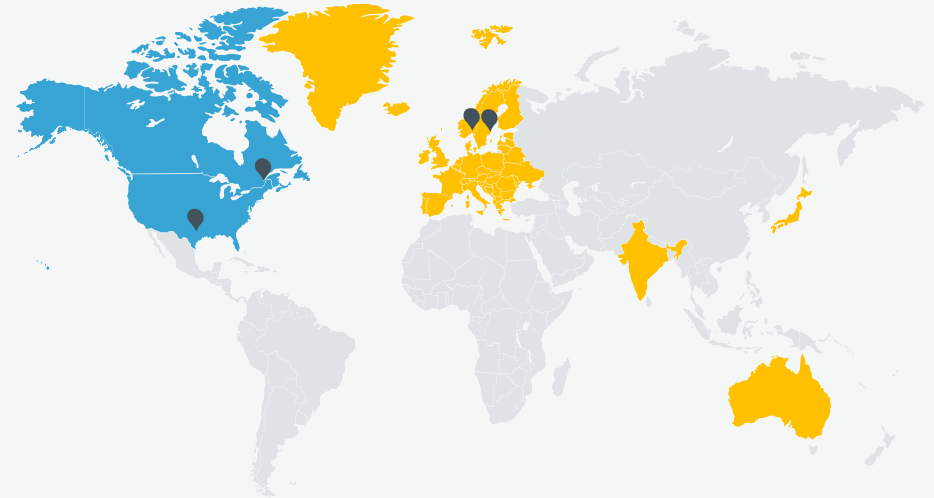


REVENUE SPLIT (1Q22)

Europe/RoW



Americans



SELECT RETAIL/ECOMMERCE PARTNERS



SELECTED Airthings for Business PARTNERS

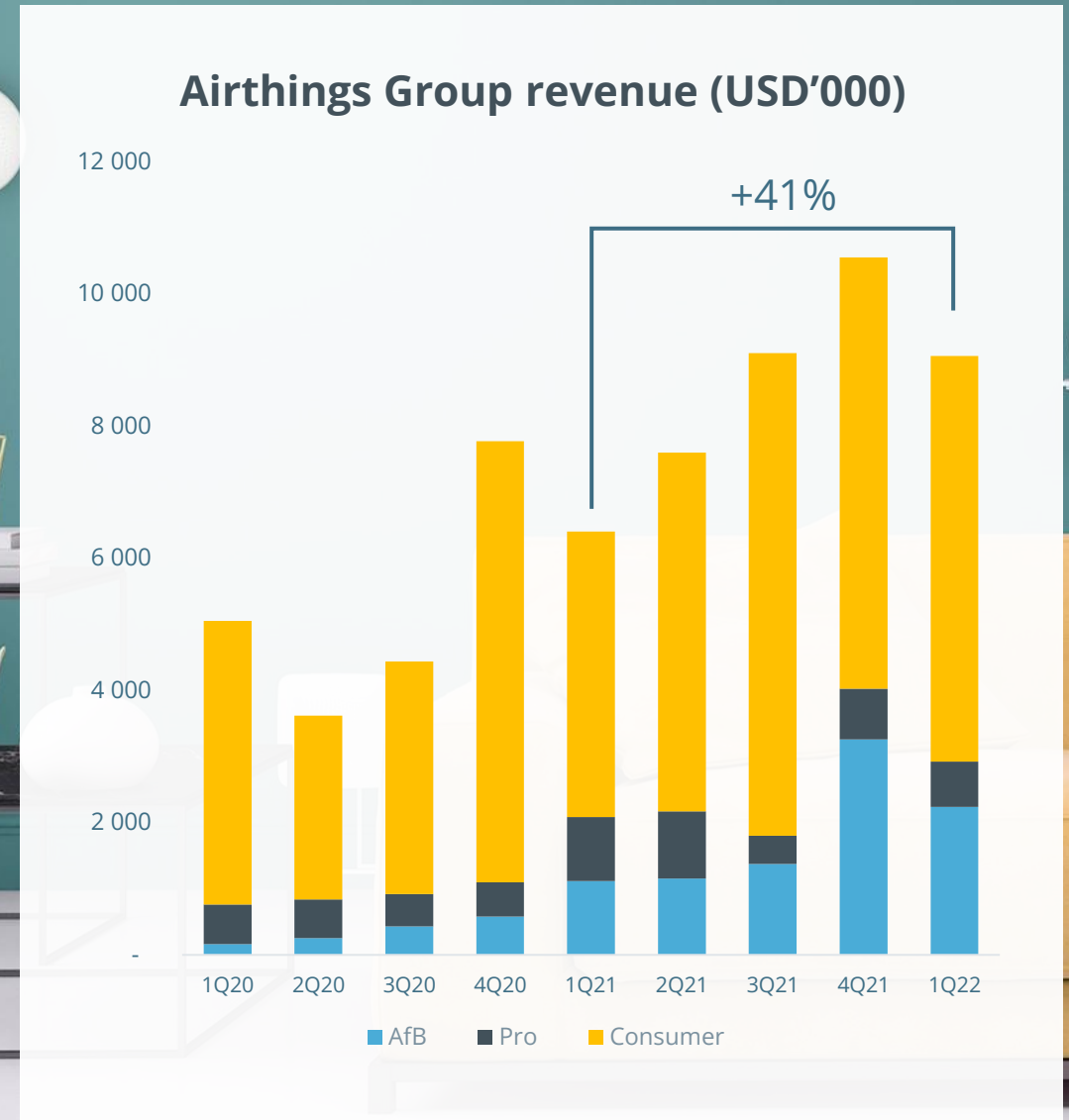


AWARENESS



# Strong revenue growth YoY and resupplied inventory

- Sales revenue of **USD 9.1M**, up 41% YoY
- Gross profit margin of **59%**, same as 1Q21. Impacted by component cost inflation, and product mix
- Resupplied inventory with View series, offsetting some production and supply risks
- 2Q22 revenue guidance of **USD 8 – 9M**



# 1Q Highlights

**1Q22 up 41% YoY to  
USD 9.1M in revenues,  
59% GPM,  
and  
ARR of USD 3.1M**

**Strong brand exposure driven by  
Airthings Masters, CES and AHR**



**Discontinuing Airtight  
as a standalone product**  
following a thorough pilot  
process, bringing with us key  
learnings and innovations on  
how to save energy in  
buildings. This does not  
change our 2024 financial  
goals.

**First project with Sodexo  
for Microsoft office  
in Paris**



**4000 devices shipped to schools  
in the Netherlands**



**Airthings for  
Business  
Now  
in Japan**



**The PRO** market for US  
home inspections  
continued to be  
challenging in 1Q22 as  
the hot housing market  
has forced buyers to  
forgo home inspections.

# Update by Segment



## Consumer

For everyone  
with a home



## Business

For commercial &  
public buildings



## Pro

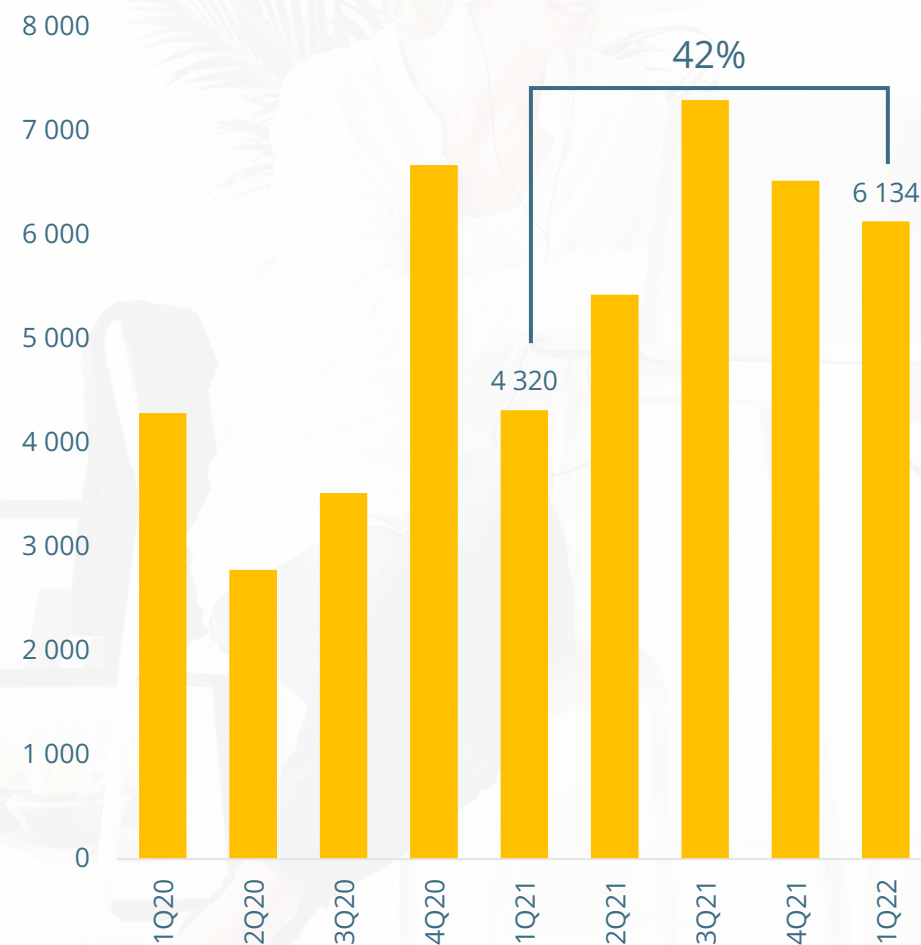
For home inspectors &  
radon professionals



# Consumer Segment 1Q Update

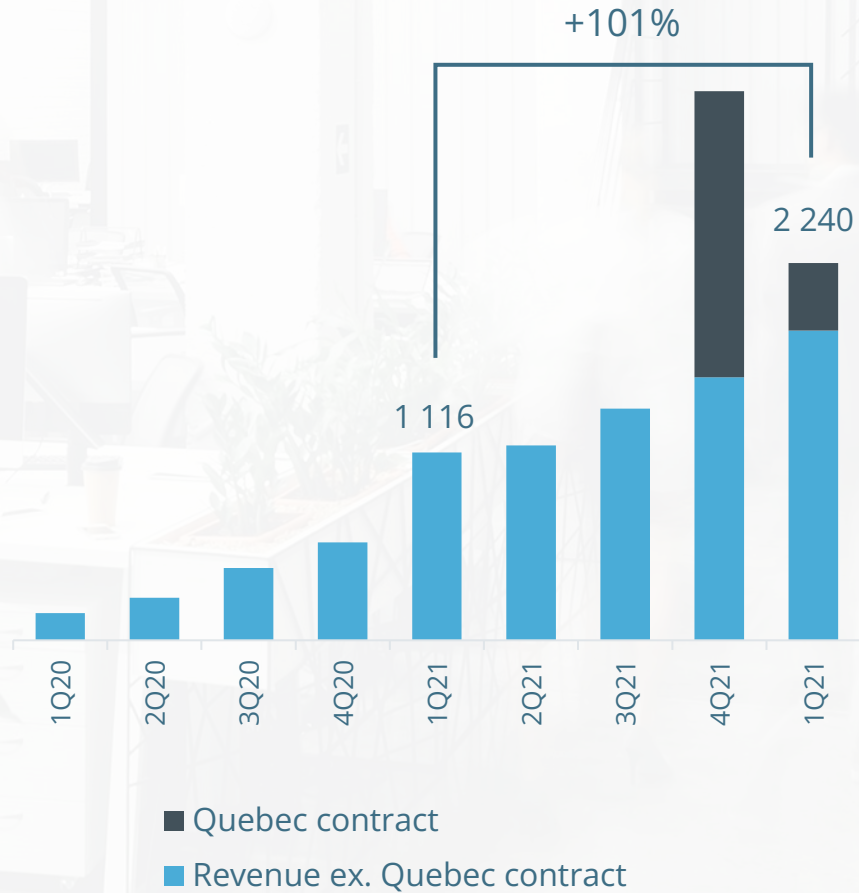
- Revenue of **USD 6.1M**, up 42% YoY
- Gross Profit Margin was **55.0%** in **1Q**, one percentage point down from 1Q21
- Product- and channel mix combined with higher component prices affects the margin
- Further expansion with Home Depot and Canadian Tire
- In-store rollout with Officeworks in Australia
- Exertis signed as new distributor for the Nordics
- Global uncertainties affecting market visibility

Consumer Sales Revenue (USD'000)





## AfB Sales Revenue (USD'000)



## Business Segment 1Q Update

- Sales revenue of **USD 2.2M**, with 101% YoY growth
- **60.4%** Gross Profit Margin
- Increasing share of business
  - From ~17% in 1Q21 to ~25% in 1Q22
- ~4000 units shipped to schools in the Netherlands following new IAQ regulation
- Strong underlying growth from a broad range of partners
- Restructuring the AfB commercial team in the US

# Strong momentum in Airthings for Business

- Strong momentum with recent wins in the AfB segment
- Rolling out Airthings for Business at Microsoft HQ through partnership with facility manager Sodexo
- First devices shipped
- Promising opportunity going forward

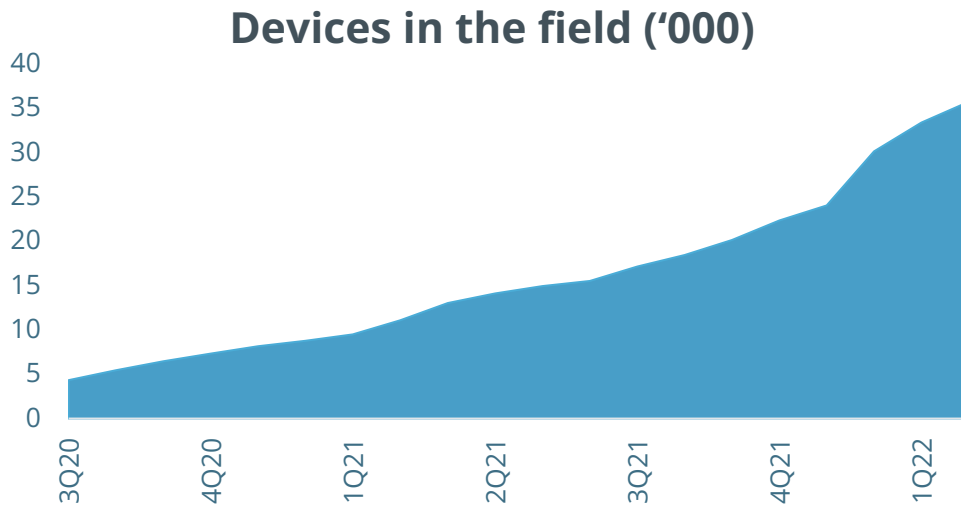


**Microsoft HQ in Paris**



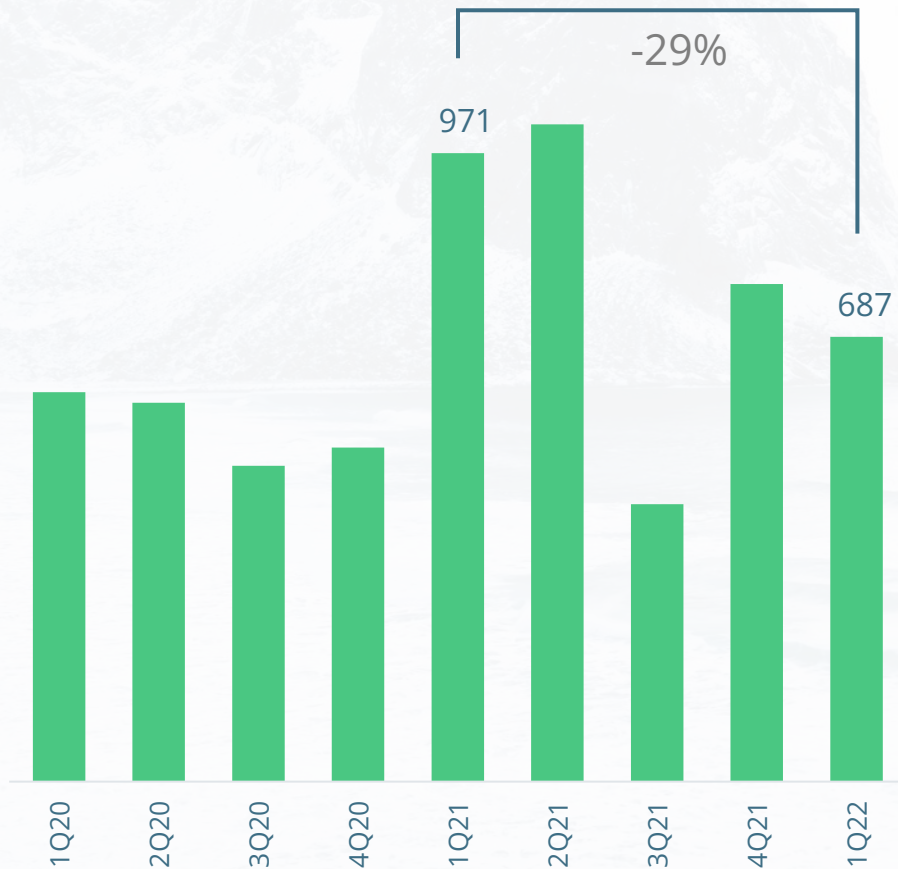
# Rapidly rolling out devices in the field

- Recent wins adding to AfB portfolio
- Over 35 thousand devices currently active in the field
- More than tripled since 1Q21



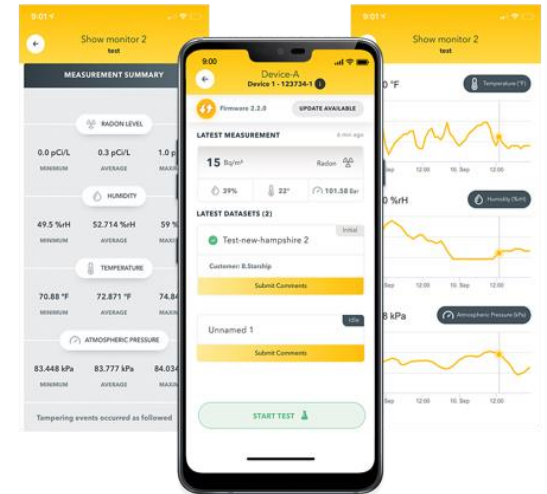


## Pro Sales Revenue (USD'000)



## Pro Segment 1Q Update

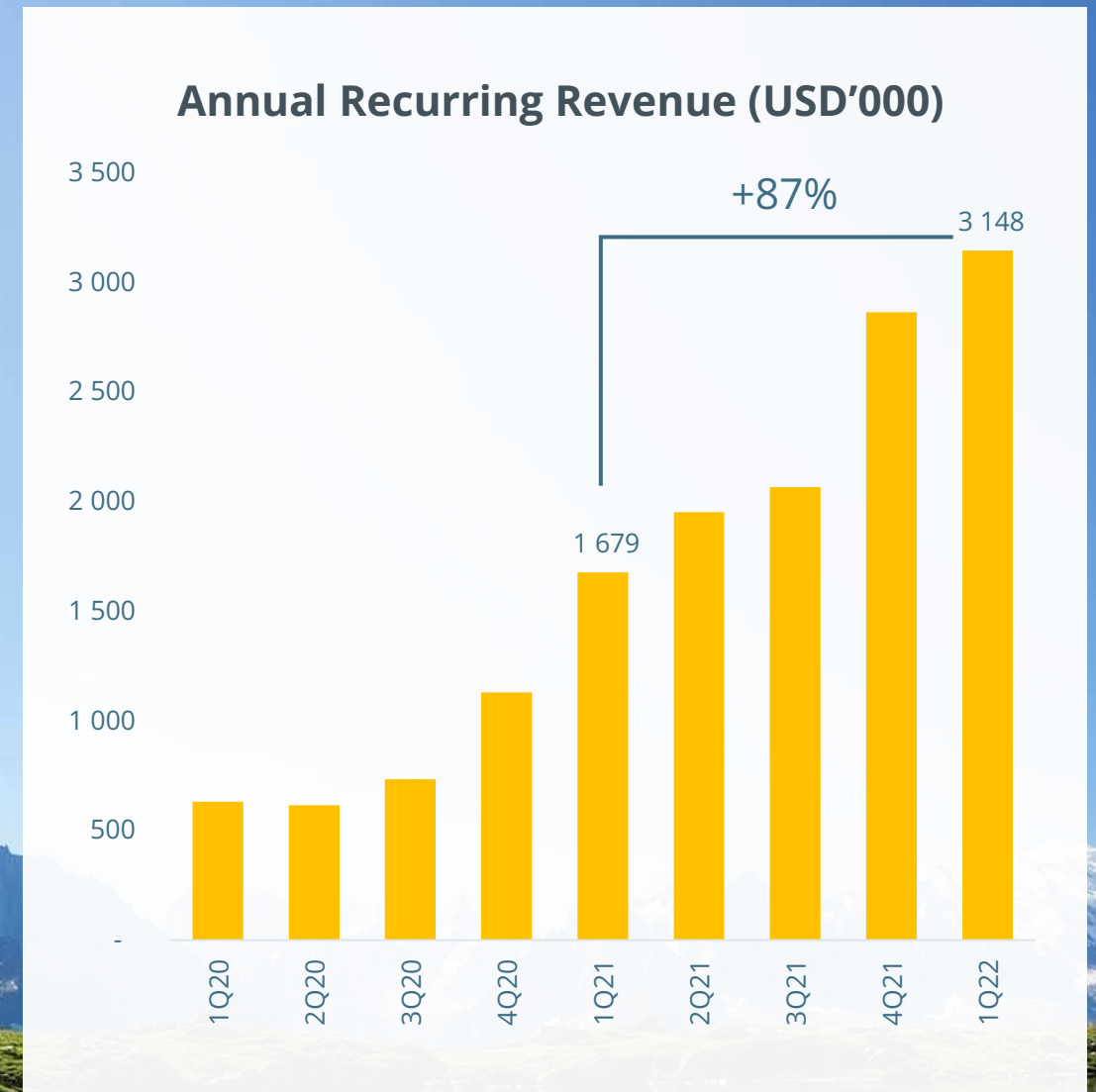
- Sales revenue of **USD 0.7M**, representing decline of **29% YoY**
- Challenging home inspector market, leading to slow sales in the segment
- **87.7%** Gross Profit Margin up from 76.8% in Q121



# Annual Recurring Revenue (ARR)

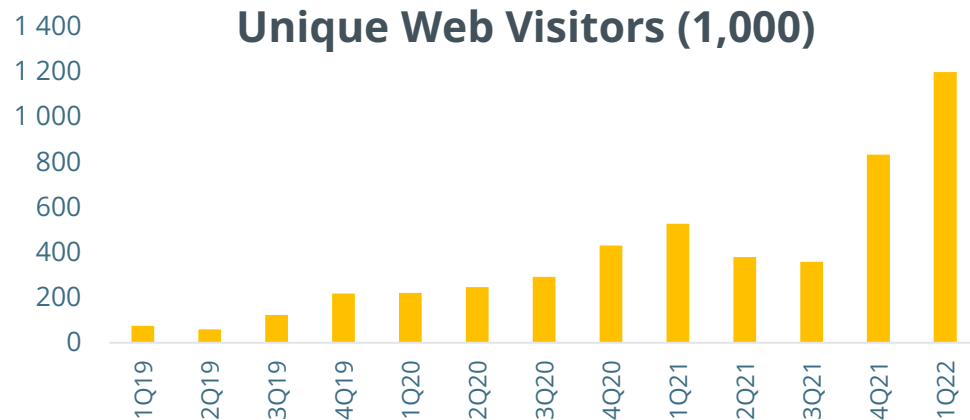
- ARR of **USD 3.1M**, up 87% YoY
- **>80%** gross profits from ARR
- 2Q22 ARR guidance of **USD 3.3 – 3.7M**, mainly driven by continued new sales in Airthings for Business

**Note:** Note: ARR equals annualized sales from all active subscriptions, licenses and service contracts within AfB and Pro. (i.e. subscription service revenues booked in December multiplied by 12)



# Brand awareness

- Airthings Masters kicked off in February 2022
- Over 9 billion media impressions globally with news in over 10 languages
- Record breaking media coverage from leading news institutions worldwide
- 1.2 million Unique Web Visitors in 1Q22, up 127% year-on-year



## AIRTHINGS MASTERS

MELTWATER  
CHAMPIONS CHESS TOUR

Press

**9.1B**

Reach



Social media

**570M**

Reach



Live Broadcast

**88k**

Peak live views







AIRTHINGS

# Breathe Better Report

Airthings Sustainability Journey 2021





# Financials

Jeremy Gerst, CFO



# Income Statement

Sales revenue of **USD 9.1M**, up **41% YoY**

Sales gross margin at **59%** for 1Q

- Component cost inflation, product mix and channel mix

EBITDA of **USD -3.4M**

- Personnel expenses in accordance with growth plan

EBIT of **USD -3.8M**

- Depreciation of right-of-use assets for leases recognized under IFRS 16

(USD'000)	1Q22	1Q21
<b>Total revenue</b>	<b>9 062</b>	<b>6 407</b>
Cost of sales	3 735	2 596
<b>Gross profit</b>	<b>5 327</b>	<b>3 811</b>
Sales Gross Margin	59%	59%
Payroll expenses	4 432	3 330
Other operating expenses	4 329	3 126
<b>EBITDA</b>	<b>-3 434</b>	<b>-2 645</b>
Depreciation and amortization	375	291
<b>Operating profit / EBIT</b>	<b>-3 809</b>	<b>-2 935</b>
Financial income / (expenses)	-288	-170
<b>Profit (loss) before tax</b>	<b>-4 097</b>	<b>-3 105</b>
Income tax	-966	194
<b>Net profit (loss)</b>	<b>-3 131</b>	<b>-3 299</b>
<b>Earnings per share (USD)</b>		
Basic earnings per share	-0.02	-0.02
Diluted earnings per share	-0.02	-0.02



# Balance Sheet

## Change in assets

- Deferred tax asset
- Inventory increase due to resupply of inventory and component price increase
- Receivables increase due to prepayments to secure critical components

## Change in liabilities

- Long-term liabilities
- Accounts payable up due to company growth
- Other current liabilities change mainly due to accrued subscription revenues and accrued expenses

(USD'000)	31.03.2022	31.03.2021
<b>Assets</b>		
Intangible assets	2 884	2 296
Goodwill	3 236	3 320
Property, plant and equipment	893	712
Right-of-use assets	4 160	3 487
Deferred tax assets	5 523	2 723
Other non-current assets	682	1 227
<b>Total non-current assets</b>	<b>17 377</b>	<b>13 765</b>
Inventories	12 947	5 706
Trade receivables	10 321	4 741
Other receivables	4 004	2 547
Cash and cash equivalents	35 607	58 413
<b>Total current assets</b>	<b>62 879</b>	<b>71 407</b>
<b>Total assets</b>	<b>80 256</b>	<b>85 172</b>
<b>Total equity</b>	<b>65 465</b>	<b>73 593</b>
Non-current lease liabilities	3 636	3 176
Deferred tax liabilities	-	334
Non-current provisions	682	1 153
<b>Total non-current liabilities</b>	<b>4 317</b>	<b>4 663</b>
Lease liabilities	779	475
Trade and other payables	7 173	4 004
Government grants	-	62
Contract liabilities	963	947
Income tax payable	10	4
Provisions	1 550	1 424
<b>Total current liabilities</b>	<b>10 473</b>	<b>6 916</b>
<b>Total equity and liabilities</b>	<b>80 256</b>	<b>85 172</b>

# Cash Flow Statement

## Cash flow from operating activities USD -6.4M

- Operating loss
- Net working capital
  - Increased inventory, receivables and provisions

## Cash flow from investment activities of USD -0.6M

- Internally generated intangible assets, purchase of software, production tooling and office equipment

## Cash flow from financing activities of USD 0.5M

- Equity issuance and payments for lease liabilities



# Summary and outlook





# Summary

- Revenue of USD 9.1M, up 41% year-on-year
- Resupplied inventory to reduce risk from global component shortages and logistical challenges
- Gross Profit Margin of 59% reflecting product and channel mix in Consumer, and component cost inflation
- Strong momentum for Airthings for Business with promising wins and 101% YoY growth in the quarter
- Expected ramp-up of distribution in the consumer segment with strengthened strategic partnerships
- ARR growth of 87% year-on-year



# 2Q22 Outlook

- 2Q22 revenue estimated at USD 8.0 – 9.0M
- ARR expected to grow to USD 3.3 – 3.7M during the second quarter
- Transition to Oslo Stock Exchange's main list on schedule for June 2022

## Guidance 2Q22

Revenue and ARR guidance (USD M)	2Q22
Revenue	8.0 – 9.0
Annual Recurring Revenue	3.3 – 3.7



# Exciting long-term outlook

Global leader in indoor air quality for homes and businesses



## Consumer Segment

- Increasing market demand, spearheaded by the new View Series
- Continuous channel expansion, market penetration and scaling

**>USD 60M  
revenue by 2024**



## Business Segment

- Building on record sales levels achieved in 2021
- Improve margins by growing ARR
- Continue proven partnership model

**>USD 40M  
revenue by 2024**

**>USD 20M  
ARR by 2024**



## 2024 Goal

**Revenue of  
USD 100M+\***

*\* IFRS*

**ARR of  
USD 20M+**

**Long-term EBITDA  
margin target >25%**





# Breathe better. Live better.

## Q&A

