



AIRTHINGS

3Q21 Presentation

October 28, 2021

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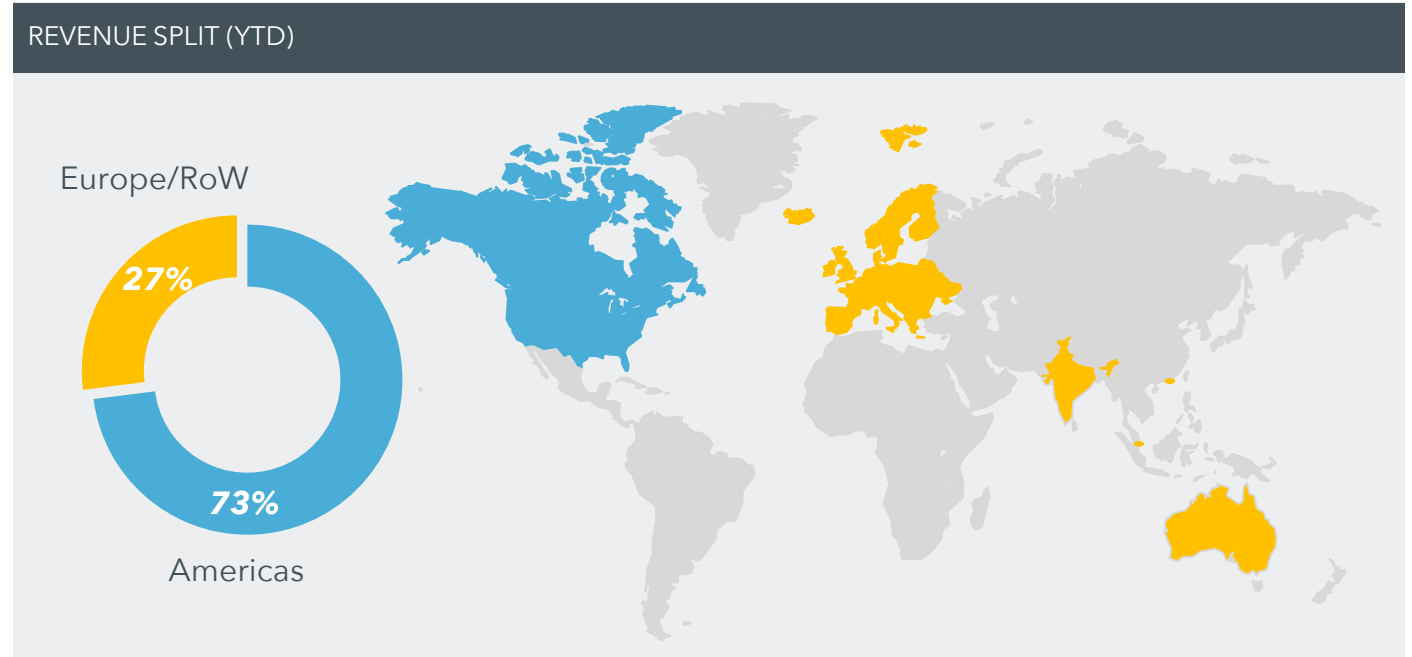
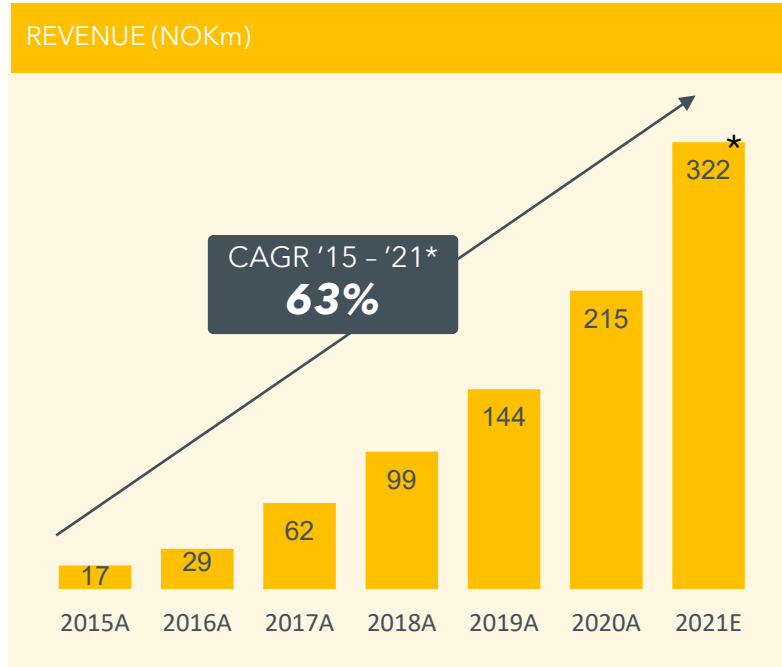
This presentation was prepared in connection with the 3Q results released on October 28th, 2021. Information contained herein will not be updated. The following slides should also be read and considered in connection with the information given orally during the presentation.



PURPOSE

Empower the world
to breathe better

High-growth international business



~131 employees from 30+ nations

HQ in Oslo, with offices/sales out of Chicago, Stockholm, Boston, Atlanta, Florida, Munich, London, Bergen, and Quebec City

SELECT RETAIL/ECOMMERCE PARTNERS	SELECTED Airthings for Business PARTNERS	AWARENESS

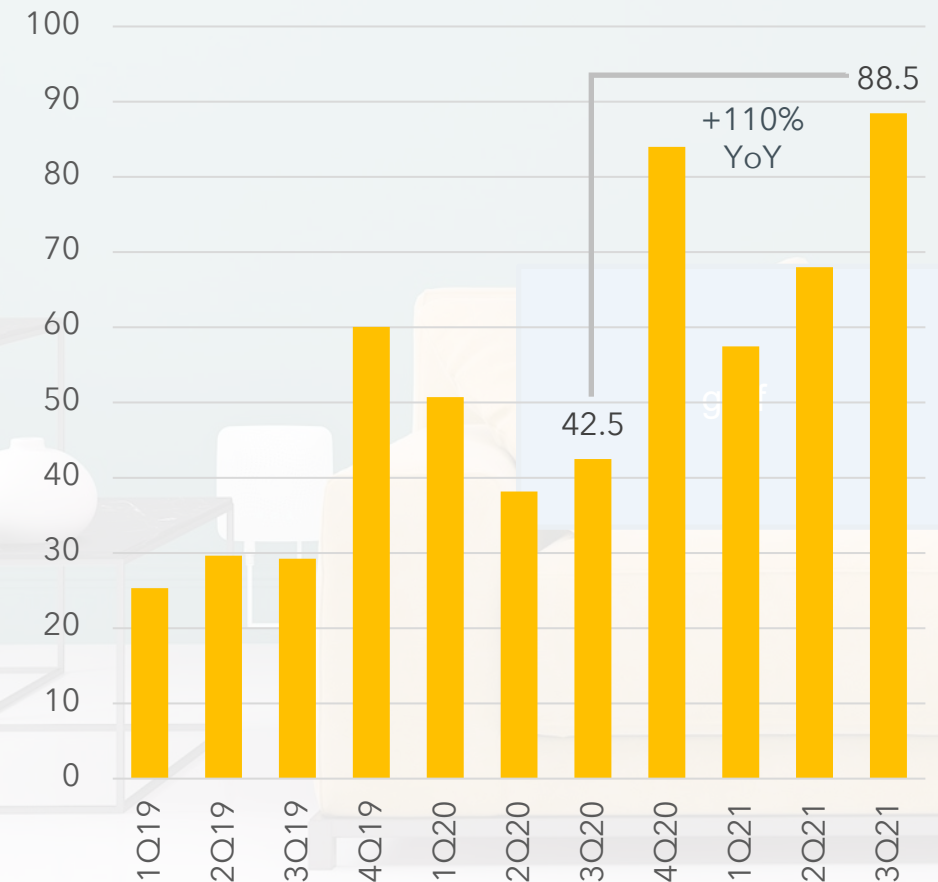
* Midpoint of estimated revenue range 2021e

Strong 3Q with 110% YoY growth

- 3Q21 Sales revenue of **NOK88.5m**, up **110% YoY**
- 3Q21 ARR of **NOK17.7m**, up **141% YoY**
- 3Q21 Gross profit margin of **67.6%**
- 4Q21 Revenue guidance of **NOK100m - 115m**
- 4Q21 ARR guidance of **NOK22m - 27m**

There is risk in 4Q guidance window due to unpredictable supply of components

Airthings Group Revenue (NOKm)



3Q Achievements

Quarterly Highlights

**All-time
high revenue
in 3Q**

NOK 88.5m
and with
GPM of 67.6%

View CO₂ LAUNCH



Initial **View Plus** reviews
are great, and the demand
is significantly higher
than planned

Quarterly Lowlights

**Global shortage in
semiconductor market**
affects growth in 3Q and
4Q. Impacting 2H
revenue of about NOK
30m, and GPM of about
2-5% points

**Awarded 10-Year
contract with
>250 schools in
Quebec**



**Growing retail footprint with
increased availability in 1300
Home Depot locations**



ARR is delayed
as our partners keep
some inventory, and
devices must be installed
and activated for the
subscription revenue to
be billed. In addition we
have pushed-out rollout
of Airthings Balance

Update by Segment



For everyone
with a home

Consumer



For commercial &
public buildings

Business

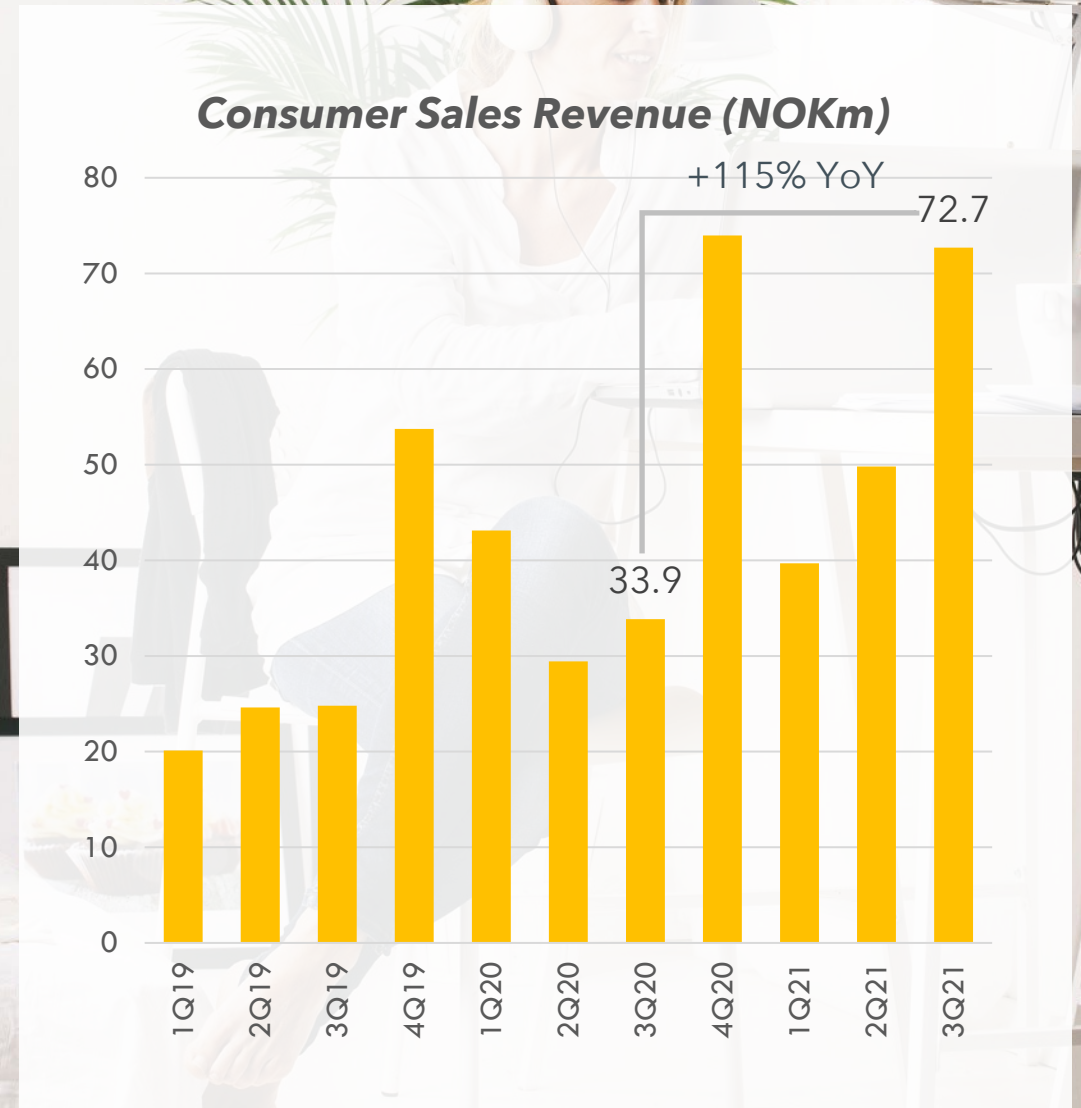


For home inspectors &
radon professionals

Pro

Consumer Segment 3Q Update

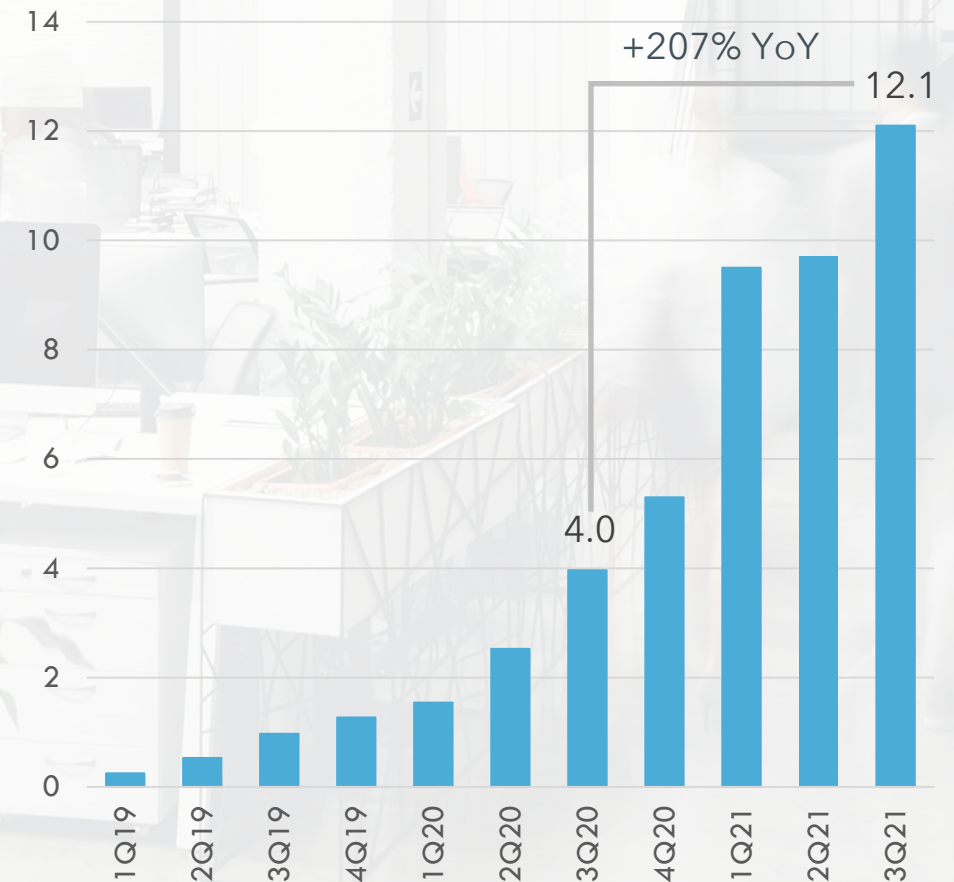
- Revenue of **NOK72.7m** up **115% YoY**
- **67.6%** Gross Profit Margin
- Seasonal offering with **Walmart** in 1000 stores. Airthings Wave Mini part of Home Health safety event
- Expanding partnership with **Home Depot**. Airthings products available in up to 1300 stores across the US
- **Continued expansion** into new channels and countries across Europe, f.ex Bol.com in NL and BE, Currys in the UK and Datart in CZ and HU
- **View Plus** demand is high, but limited inventory due to supply constraints in semiconductor market



Business Segment 3Q Update

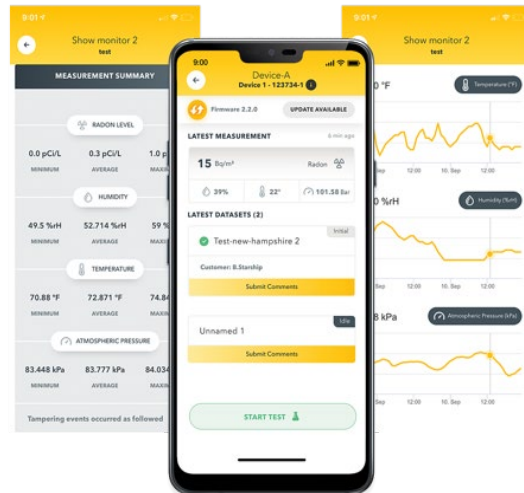
- Sales revenue of **NOK 12.1m** and **207% YoY** growth
- **62.8%** Gross Profit Margin
- Launched **View Co2 for Business** including 10 years of battery life
- Awarded **10-year contract** by Quebec Government to supply Air Quality Monitoring in Schools
- We have built a large partner network and about **74% of revenue** is coming from partners in 3Q
- Countries driving most **growth** in 3Q are UK, Norway, Sweden, Netherlands, Germany and the US

AfB Sales Revenue (NOKm)

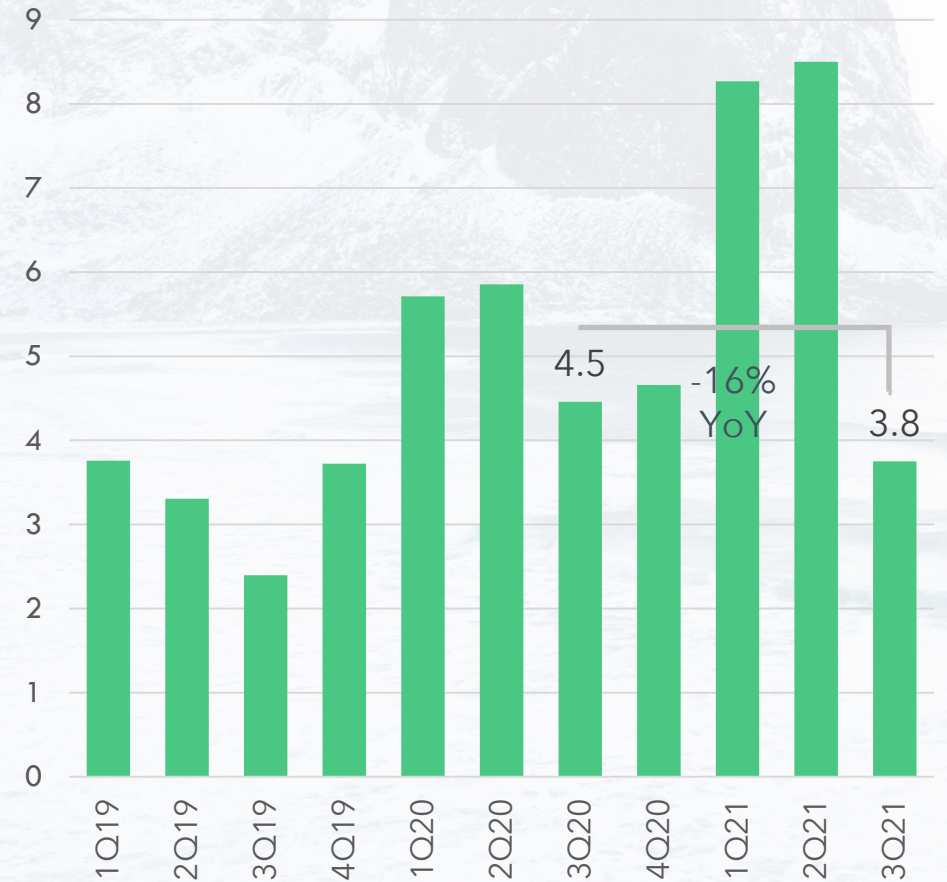


Pro Segment 3Q Update

- Sales revenue of **NOK3.8m**, and **-16% YoY** growth
- **82.2%** Gross Profit Margin
- 3Q is a low-seasons for the Home Inspector market



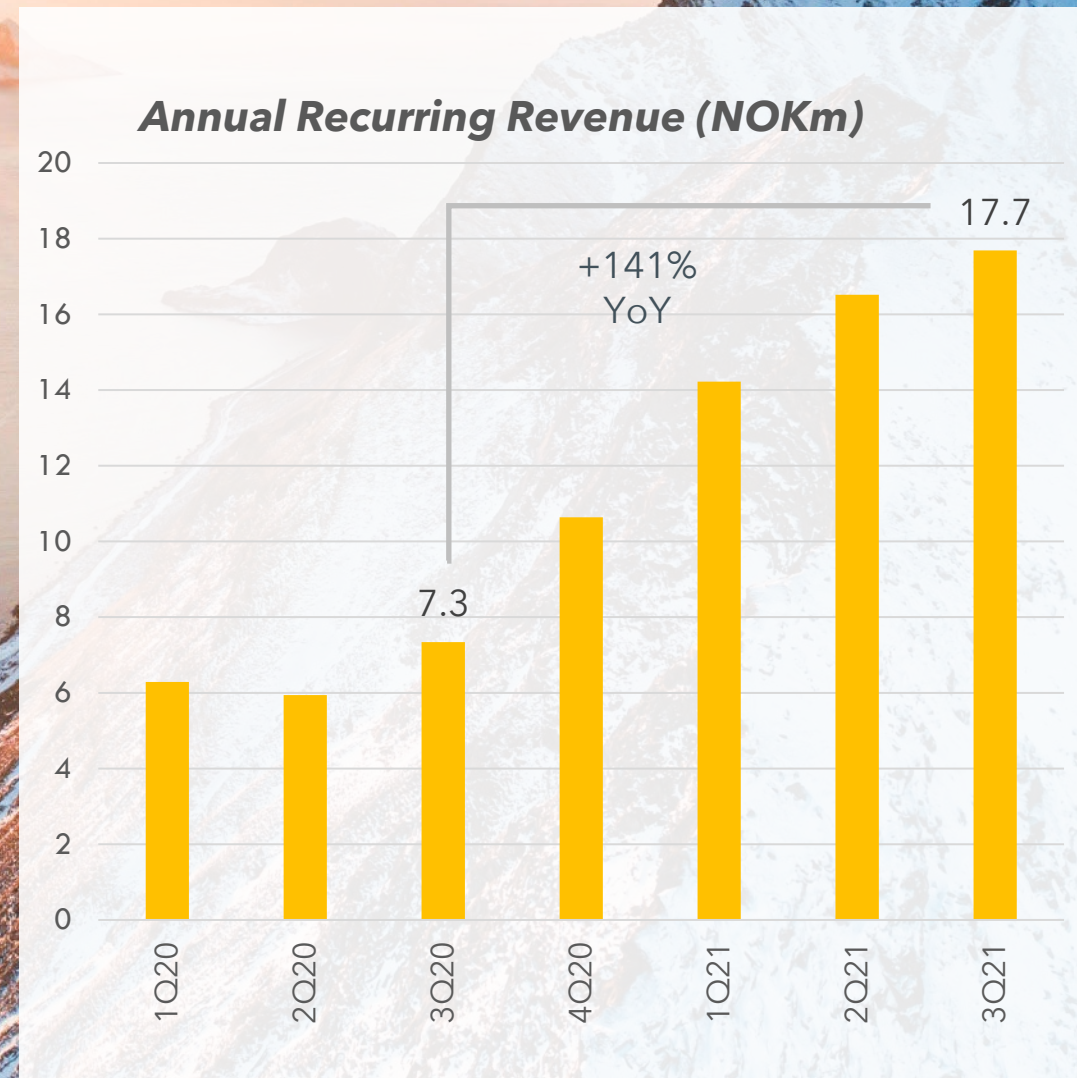
Pro Sales Revenue (NOKm)



Annual Recurring Revenue (ARR)

- End of 3Q21 ARR of **NOK17.7m**, up **141% YoY**
- **ARR** (billed ARR) is slightly lower than last guidance. The AfB devices must be installed and activated for the subscription revenue to be billed. As we mostly sell through partners that hold inventory, there is typically a 2-3-month delay from we sell-in to the partners, until subscription revenue is billed.
- **Booked ARR** (not billed) of more than NOK 5m at e/o 3Q
- **>80%** gross profits from ARR

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



Financials

Magnus Bekkelund, CFO



Income Statement

Sales revenue of **NOK88.5m**, up **110% YoY**

- All-time high
- Strong growth especially in Consumer and AfB

Sales gross margin at **67.6%**

- 5%-points above 3Q guidance
- Product mix

EBITDA of **NOK 0.8m**

- Holiday pay – one-time effect every 3Q
- Marketing
- Office leases

EBIT of **NOK -1.9m**

- Depreciation of goodwill as a result of the acquisition of Airtight

(NOKm)	3Q21	3Q20	YTD 2021	YTD 2020	2020
Sales	88.5	42.2	213.9	130.8	214.5
Other revenue		0.3	0.2	0.9	1.2
Total revenue	88.5	42.5	214.2	131.8	215.7
Cost of sales	28.7	16.0	73.2	44.0	71.1
Gross profit	59.8	26.5	141.0	87.7	143.5
Sales Gross Margin	68%	62%	66%	66%	67%
Payroll expenses	29.6	17.7	89.2	57.6	85.6
Other operating expenses	29.4	18.8	99.7	61.2	108.2
EBITDA	0.8	-10.0	-47.9	-31.1	-49.3
Depreciation and amortization	2.6	1.3	7.9	2.3	4.8
Operating profit / EBIT	-1.9	-11.3	-55.8	-33.4	-54.0
Financial income / (expenses)	1.5	0.0	1.8	3.0	-4.7
Profit (loss) before tax	-0.4	-11.3	-54.0	-30.4	-58.8
Income tax	-0.1	0.0	-0.2	0.0	-19.0
Net profit (loss)	-0.3	-11.3	-53.8	-30.4	-39.8
Earnings per share (NOK)					
Basic earnings per share	0.00	-0.09	-0.31	-0.25	-0.30
Diluted earnings per share	0.00	-0.09	-0.31	-0.25	-0.30

Balance Sheet

Change in assets

- **Inventory** increase due to component price increase and higher volumes to secure supply
- **Accounts receivables** increase due to large share of closed deals in September

Change in liabilities

- **Long-term provisions** decrease due to share price reduction effect on employer's tax related to employee option program
- **Accounts payable** up due to company growth
- **Other current liabilities** change mainly due to accrued subscription revenues , personnel-and accrued expenses.

(NOKm)	30.09.2021	31.12.2020
Assets		
Research & development	13.5	14.7
Software and systems	5.5	5.2
Deferred tax asset	22.9	22.9
Goodwill	22.2	26.4
Tangible assets	6.6	5.1
Long-term receivables	9.6	13.0
Total non-current assets	80.4	87.3
Inventory	74.4	40.1
Accounts receivables	106.3	59.7
Other current receivables	28.5	17.4
Cash and cash equivalents	394.9	537.0
Total current assets	604.1	655.3
Total assets	684.5	741.6
Total equity	611.2	660.1
Other provisions	9.0	12.3
Deferred tax liability	2.7	2.9
Total non-current liabilities	11.7	15.2
Accounts payable	32.8	23.8
Public duties payable, Tax payable	4.8	7.6
Interest bearing debt		16.2
Other current liabilities	23.9	18.6
Total current liabilities	61.5	66.2
Total equity and liabilities	684.5	741.6

Cash Flow Statement

Negative cash flow from operating activities

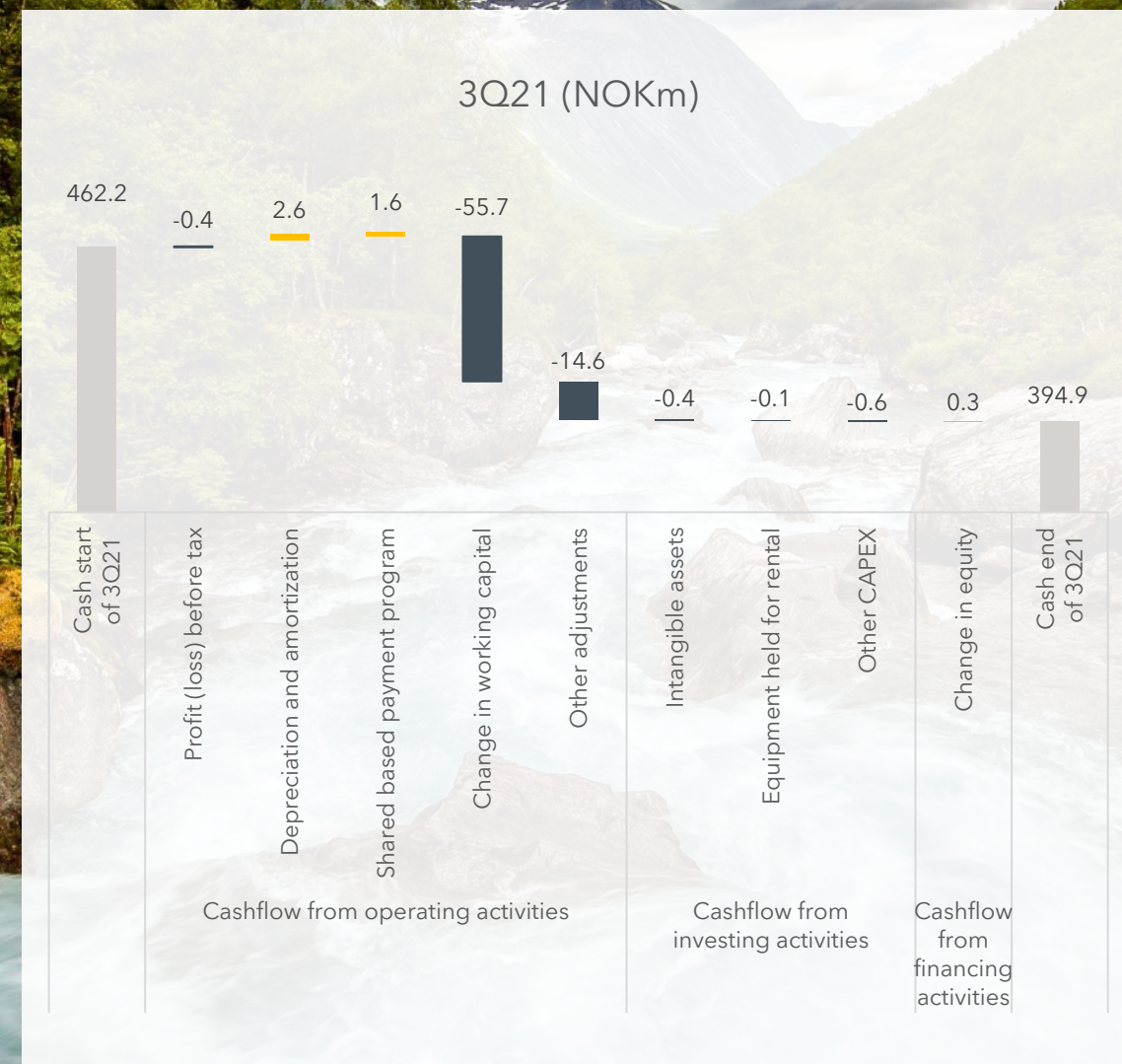
- Increased working capital
 - Increased **inventory** due to elevated component prices and securing of supply
 - Increased **accounts receivables** due to large share of closed deals in September
- Other adjustments
 - Payments of salary related accruals (holiday pay) and public duty taxes

Negative cash flow from investment activities

- Purchase production tooling of office equipment

Positive cash flow from financing activities

- Change in equity related to exercising of options related to employee option program



Summary and Outlook



Summary 3Q21

- **Record sales revenue** in 3Q21 with 110% YoY growth despite sales is limited by supply
- **Strong Gross Profit Margin** of 67.6% even with higher costs of components
- Further expansions in the Consumer segments to top retailers like **Home Depot, Walmart, and Currys**
- Airthings for Business continues with **strong sequential QoQ growth**
- Launched **View CO2 for Business** with 10-Year battery lifetime
- **Positive EBITDA** for 3Q21

Outlook

- 4Q21 is limited by supply. The effect is estimated to more than NOK 20m for the quarter
- Mid-point of 4Q21 guiding range will result in a full-year 2021 revenue growth of 50%
- EBITDA margin (%) to improve in 2021 vs 2020
- On schedule to reach the **2024 goals!**

Revenue and ARR guidance (NOKm)	4Q21
Revenue	100 - 115
Annual Recurring Revenue	22 - 27

2024 Goal

**Revenue of
NOK1 000m+**

**ARR of
NOK200m+**

**Global leader in
indoor air quality
for homes and businesses**

Capital Markets Update

- Welcome to Capital Markets Update today at 14:00 at Felix Conference Center, Oslo
- Also available on video: <https://events.webcast.no/viewer-registration/wrlBnYMo/register>



AIRTHINGS

Breathe better. Live better.



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