



First quarter
2021

FACILITY SOLUTIONS INCREASED REVENUES BY 77%. STRONG AND IMPROVED CASH FLOW.

January–March 2021 in summary

- Net sales SEK 110.5 million (144.7)
- Units installed 9,964 (8,638)
- Recurring revenues SEK 64.8m (64.4)
- Order intake SEK 101.9m (146.2)
- EBITDA SEK 26.9m (38.3)
- EBITDA margin 24.3% (26.5%)
- Operating profit (EBIT) SEK 19.9m (31.4)
- Operating margin 18.0% (21.7%)
- Result for the period SEK 20.8m (17.9)
- Earnings per share SEK 1.40 (1.20)
- Cash-flow from operations SEK 24.3m (-4.8)

Significant events during the first quarter

- QleanAir wins a first significant order for new FS 30 in Japan
- QleanAir announces another large FS order from the school sector in Germany
- QleanAir wins a SEK 4.3 million RS order for cleanrooms in Sweden
- QleanAir announces a third major FS order from the school sector in Germany

Significant events after the end of the period

- QleanAir delivered cleaned indoor air equivalent to the volume of 10.22 Stockholm Globe Arenas per hour at the end of the first quarter
- QleanAir wins first significant order within healthcare segment in France
- QleanAir breaks new ground within the office segment in Germany

	Jan–March 2021	Jan–March 2020	Full year 2020	Full year 2019
Sales, TSEK	110 494	144 681	492 970	456 879
Installed units	9 964	8 638	9 551	8 409
Recurring revenue, TSEK	64 841	64 354	258 688	190 764
Recurring revenue from units in own balance sheet, %	59%	44%	52%	42%
Order intake ¹ , TSEK	101 911	146 190	368 000	365 979
EBITDA, TSEK	26 856	38 272	123 749	79 756
EBITDA-margin, %	24,3%	26,5%	25,1%	17,5%
Adjusted EBITDA, TSEK	26 856	38 272	123 749	105 206
Adjusted EBITDA-margin, %	24,3%	26,5%	25,1%	23,0%
EBIT, TSEK	19 927	31 351	95 038	32 073
EBIT-margin, %	18,0%	21,7%	19,3%	7,0%
Adjusted EBIT, TSEK	19 927	31 351	95 038	83 719
Adjusted EBIT-margin, %	18,0%	21,7%	19,3%	18,3%
Result for the period, TSEK	20 808	17 874	67 005	-7 521
Earnings per share ² , SEK	1,40	1,20	4,51	-0,56
Earnings per share after full dilution, SEK	1,38	1,20	4,44	-0,56
Cash flow from operations, TSEK	24 346	-4 810	72 133	62 498
Net working capital, TSEK	-46 581	-56 804	-46 599	-72 321
Equity/Asset ratio, %	30%	19%	27%	16%

¹ The definition of Order intake has been revised from 01/01/2021. All customer contracts are now included in order intake. Comparative figures 2020 have been recalculated for comparability.

² For definitions of key ratios, see page 21.

CEO comment

"Order intake increased for the second consecutive quarter, up 25 percent in the first quarter compared to the previous quarter. We increased the number of units installed by 15 percent, and the volume of cleaned air by 22 percent compared to the previous year. The installed base drives our recurring revenues, which amounted to 59% of total revenues in the quarter. Both order intake and sales continue to develop positively compared to the previous quarter, which we see as a sign of strength at a time when we continue to experience widespread lockdowns in our markets due to the corona pandemic. I am pleased that, in the first quarter, we increased revenues from our Facility solutions business by 77% compared to last year. This is as a result of the increase in demand we saw in the fourth quarter of 2020 and continue to see going into 2021. We are proud to have the opportunity to contribute to healthy working environments where they are needed the most during the corona pandemic," Christina Lindstedt, CEO, comments.



Order intake increased for the second consecutive quarter – up 25 percent

With the product launches in Facility solutions in 2020, we increased the pace of innovation. We broadened our customer offering and reached out to new customer segments. During the first quarter, we won our second and third major orders from the school sector in Germany. In addition to the three major orders from the German school systems that have been announced to the press, we have also delivered smaller orders to a number of school systems in Germany. Germany is one of our home markets, where we are well established with our product categories Facility solutions and Cabin solutions.

During the quarter, we took a substantial order for Facility solutions in Japan. In Japan, QleanAir already has a strong position within the office segment. With the introduction of Facility solutions in Japan, we are broadening our offering to existing customers, while at the same time increasing our customer base through our broadened offering, which also opens further opportunities within Cabin solutions.

Within Room solutions, our flexible and scalable cleanrooms for the medical device and pharmaceutical sectors, healthcare, and pharmacies, we received a major order for a cleanroom for a production facility from stem cell company Nextcell in Stockholm.

Continued strong activity led to the second consecutive quarter of growth in order intake, compared to the previous quarter. We saw a strong increase in order intake in Europe during the first quarter, up 51% compared to the previous year and the total order intake amounted to SEK 101.9m.

Strong growth in the Facility solutions product category – up 77 percent

Overall, 2020 was a record year for new product launches in the Facility solutions category where, in addition to the FS70 HEPA and FS30 HEPA, we launched a specific product for the Food segment, the FS70 FG, and a specific solution for larger industrial environments, the FS90, our most powerful air cleaner to date. As a result of new product launches, broadened customer segments and the introduction of Facility solutions in Japan, sales for Facility solutions increased by 77 percent and totaled SEK 19.4 million, corresponding to 17.6 percent of net sales for the first quarter. The new products launched in 2020, the FS70 HEPA and FS30 HEPA, have paved the way for creating healthy working environments in new contexts, such as schools, offices and healthcare facilities. We see that our focus on innovation and product launches will continue to generate growth in Facility solutions in 2021 and beyond.

Q1 2020 was exceptionally strong, both in terms of order intake and sales. This was due to the remarkably successful development of Cabin solutions in Japan in the run-up to the new Health Promotion Act, which came into force on April 1, 2020. We continue to believe in a good growth

potential for our operations in Japan, both in Cabin solutions and Facility solutions, even if we now see a lower level of orders and sales compared to the same period in 2020.

Increased volume of cleaned air and growth in installed base – up 15 percent

The corona pandemic has raised the awareness of the importance of clean indoor air, which has a positive impact on the demand for our solutions, both in the short and longer term. We predict that this increased awareness will persist, and that it will continue to have a positive impact on our demand both the short and long term, including cleaning of other harmful particles such as mold, pollen, dust, and gases. In the short term, however, the lock-down of our communities continue to have a negative impact on our business, as it is more difficult to reach our customers and conduct our sales activities. During most of the first quarter, all QleanAir's main markets were in lock-down mode.

Our installed base grew by 15 percent, to 9,964 units, and the amount of clean air we supply increased by 22 percent. An increased volume of cleaned air means that our installed base for future revenue generation is growing. Recurring revenues represented 58.7% (44.5%) of total revenues in the first quarter. In absolute terms, recurring income increased to SEK 64.8 (64.4) million. A high proportion of recurring revenues will give us continued good visibility into 2021. An increase in the number of installed units in our own balance sheet means an increase in recurring revenues. It also implies an increase in the proportion of revenues coming from current monthly rentals, as well as a decrease in the proportion of revenues coming from the sale of contracts to finance companies and direct sales to customers, i.e. upfront payments. This explains part of the decline in sales compared to the same period last year when, in particular, the proportion of direct sales to end customers was significantly higher.

High margins generate strong cash flow

We continue to deliver exceptionally good margins in our underlying business. In addition, our model of working with strategic partners for production and service gives us good resilience in times of more difficult market conditions. Profitability increased cash flow from operations and we reduced our debt-to-equity ratio.

New brand expression

I am pleased to present our new logo and branding in this report. This is an example of our new approach to branding and marketing as part of our growth strategy. We will continue to introduce our new expression in our solutions, materials, and activities throughout the year. We want to make our pride in our products and our offering visible, and we will continue to invest in our brand.

Outlook

In the short term, we see a continued high level of uncertainty in our markets due to the pandemic. We have a high level of activity in the company and expect the increased awareness of the importance of indoor air quality to continue to contribute to an increased demand for air cleaning. Our growth strategy remains firm, with a focus on developing and growing our new product categories Facility solutions and Room solutions, as well as maintaining our strong position in Cabin solutions. In addition to our breakthrough in Facility solutions, with three major orders for school systems in Germany announced, we have also won some major cleanroom orders, in the US in the fourth quarter and in Sweden in the first quarter. We see increased demand for our cleanroom solutions in the Nordic region, and we continue to believe in the growth potential of our cleanroom business in the US. We also see continued good opportunities for an increased penetration level in existing customer segments, as well as further development of more recent customer segments, both in Facility solutions and Room solutions. We will continue to expand our business geographically, and we will continue to invest in innovation and in our brand. I would like to take this opportunity to thank the entire team at QleanAir and our customers and partners for a good start of 2021.

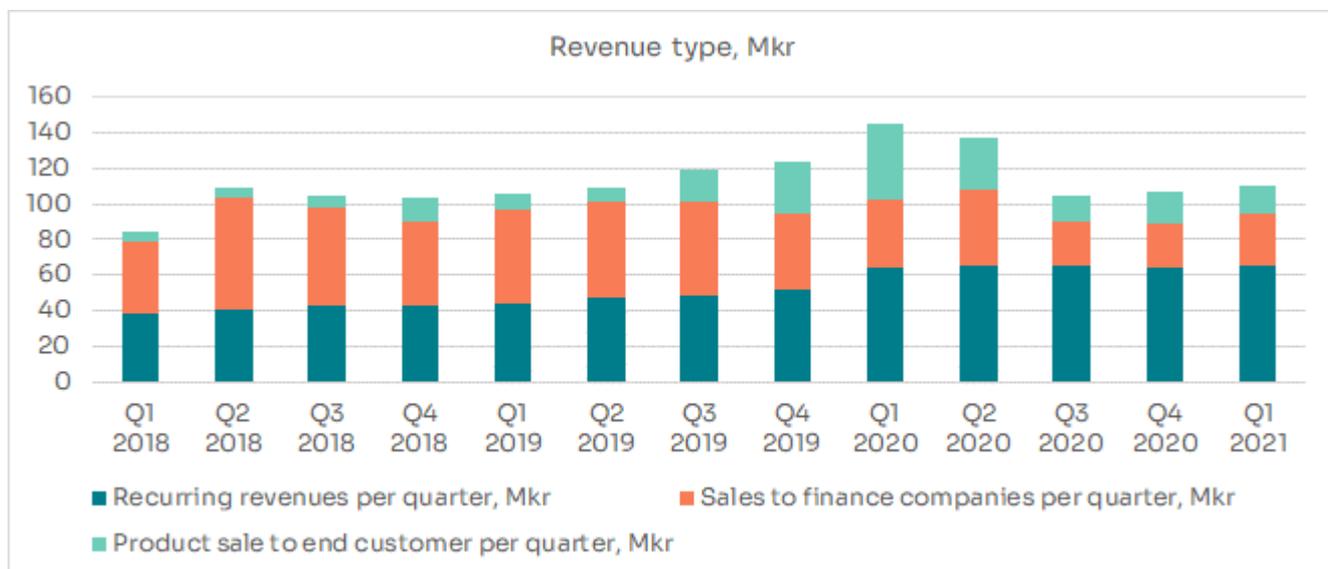
Christina Lindstedt, CEO, QleanAir
Solna, May 12, 2021

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; our original product category Cabin solutions which minimize exposure to harmful tobacco smoke, freestanding air cleaners for industrial facilities, offices and health care environments, Facility solutions, and cleanrooms, which are used in areas such as hospital indoor environments "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.

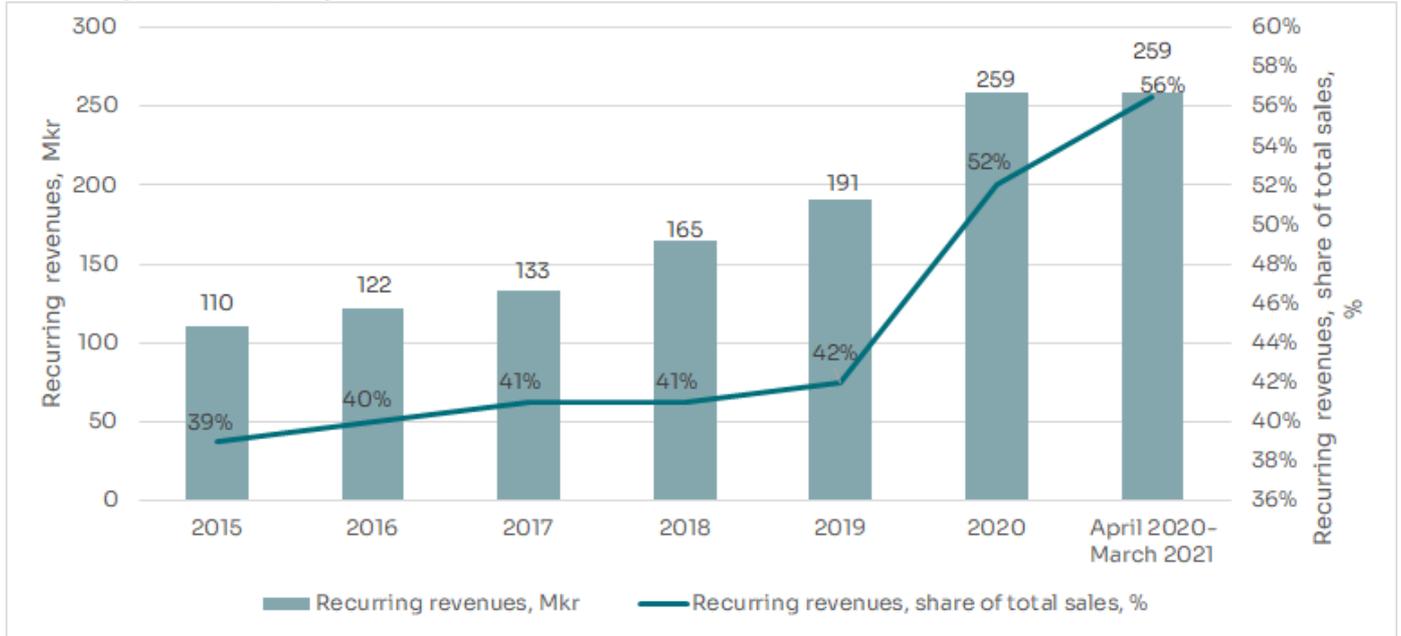
RECURRING REVENUES AND TYPES OF REVENUES

Recurring revenues comes from rental of units in own balance sheet, service and consumables and amounted to 59% (44) of total turnover in the first quarter of 2021. Recurring revenues grew by 1% in the first quarter and amounted to SEK 64.8m (64.4). For recurring revenues and the revenue stream from sales of rental contracts to finance companies it generally applies that a high proportion, more than 75%, of rentals are renewed or extended. For direct sales to customers, QleanAir always signs separate service agreements which run for three years.



TSEK	Jan-March 2021	Jan-March 2020	Full year 2020	Full year 2019
Recurring revenues, units in balance sheet, service, consumables	64 841	64 354	258 688	190 764
Sales to finance companies	29 801	37 796	130 476	204 528
Product sale to end customer	15 852	42 531	103 807	61 587
Total	110 494	144 681	492 970	456 879

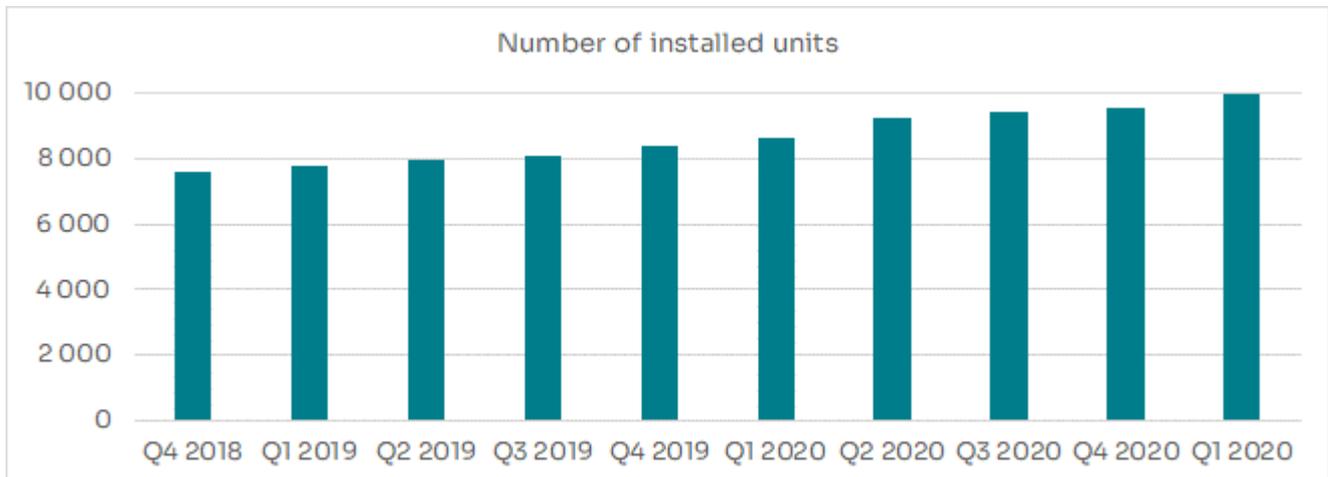
Recurring revenues per year



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

INSTALLED UNITS

The number of installed units increased by 15 percent during the year, with Cabin solutions increasing in Japan and Facility solutions showing strong growth. The total number of installed units at the end of the period was 9,964 (8,638), of which 4,049 (3,349) units were on the company's own balance sheet.



	March 2021	March 2020
Accounted value installed units, TSEK	43 786	45 236
Installed units in balance sheet, number	4 049	3 349
Installed units sold to finance companies, number	2 433	2 503
Sold units with service agreement, number	3 482	2 786
Total installed units, number	9 964	8 638

* 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. The increase in the number of installed units on own balance sheet is partly a consequence of the acquisition of SFS Finance AB, effective in December 2019.

ORDER INTAKE

Order intake¹ for the first quarter of 2021 continued to be impacted negatively by the pandemic and amounted to SEK 101.9m (146.2), a decrease of 30%. Order intake in the first quarter of 2020 was extraordinarily high ahead of the Health Promotion Act in Japan, which entered into force on April 1, 2020. Japan has also been affected by the corona pandemic in the first quarter of 2021. However, order intake improved by 25% in the first quarter of 2021 compared to the fourth quarter of 2020. EMEA accounted for 57% (26) of the first quarter order intake, APAC for 40% (70) and Americas for 4% (3).

Order intake per quarter



Order intake per geography, TSEK

TSEK	Jan-March 2021	Jan-March 2020	Full year 2020	Full year 2019
EMEA	57 838	38 241	150 373	139 686
APAC	40 542	103 039	194 944	170 462
Americas	3 531	4 911	22 683	55 831
Total	101 911	146 190	368 000	365 979

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

SALES

January-March 2021

Revenues for the first quarter was SEK 110.5m (144.7), an organic decrease of 16% compared to the previous year, which had an exceptionally high turnover ahead of the Health Promotion Act in Japan, which took effect on April 1, 2020. Compared to the previous quarter, revenues increased by 4%. Sales for the first quarter per geography amounted to SEK 54.5m (60.2) for EMEA, SEK 48.4m (73.3) for APAC and SEK 7.6m (11.2) for the Americas. Sales per product category amounted to SEK 80.7m (117.7) for Cabin solutions, SEK 19.4m (11.0) for Facility solutions and SEK 10.3m (16.0) for Room solutions. In APAC, sales increased by 5% compared to the fourth quarter of 2020. Cabin solution sales in Japan were down in the first quarter of 2021 compared to the first quarter of 2020, where the new Health Promotion Act gave us an exceptionally strong start to 2020. In EMEA, sales increased by 8% compared to the fourth quarter of 2020, with a strong positive contribution from Facility solutions. In the Americas, Room solutions had a weak quarter with the pandemic negatively impacting new sales. Sales of rentals to finance companies and sales to end customers decreased, while recurring revenues increased to 59% (44) of total turnover. An increase in the number of installed units on own balance sheet means an increase in recurring revenues. Thus, this entails an increase in the proportion of income from monthly rental payments, and fewer contracts sold to finance companies. Net sales for the first quarter were negatively impacted by currency effects of SEK 11.0m (+8.5) and the currency-adjusted organic sales growth was -16.0% (29.5).

Turnover per geography, TSEK

TSEK	Jan-March 2021	Jan-March 2020	Full year 2020	Full year 2019
EMEA	54 490	60 215	210 180	222 439
APAC	48 408	73 300	240 574	191 217
Americas	7 596	11 167	42 216	43 224
Total	110 494	144 681	492 970	456 879

Turnover per product category, TSEK

TSEK	Jan-March 2021	Jan-March 2020	Full year 2020	Full year 2019
Cabin Solutions	80 721	117 690	393 457	359 502
Facility Solutions	19 444	10 979	45 908	41 647
Room Solutions	10 329	16 012	53 605	55 730
Total	110 494	144 681	492 970	456 879

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. Order intake and sales in comparative figures for the first quarter of 2020 saw a great positive impact from new legislation in Japan that came into force on April 1, 2020.

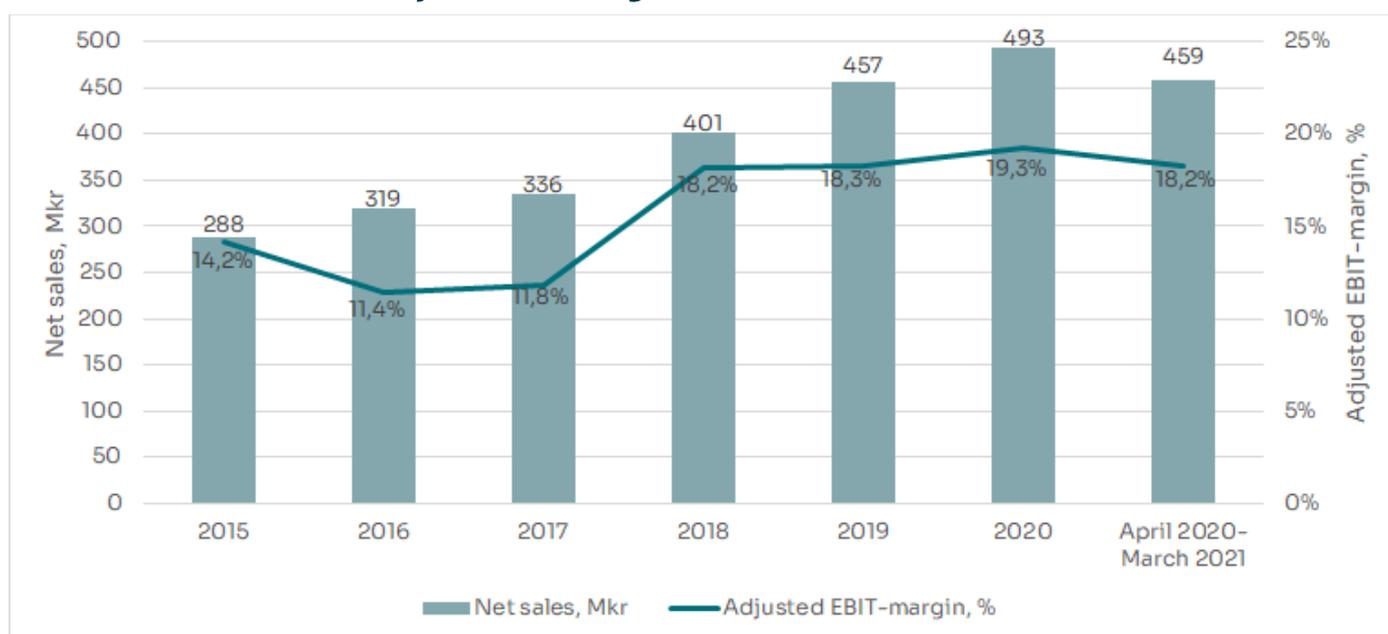
OPERATING PROFIT

In the first quarter of 2021, operating profit totaled SEK 19.9m (31.4), and the operating margin was 18.0% (21.7). The reduction is attributable to lower turnover in the first quarter of 2021 compared to the first quarter of 2020.

TSEK	Jan-March 2021	Jan-March 2020	Full year 2020	Full year 2019
EBIT	19 927	31 351	95 038	32 073
Adjustments	0	0	0	51 645
Adjusted EBIT	19 927	31 351	95 038	83 719
Depreciations fixed assets incl IFRS 16 (from 1 Jan 2019)	6 929	6 922	28 711	21 487
Adjusted EBITDA	26 856	38 273	123 749	105 206

See Annual Report 2020 for more information on 2019 adjustment items.

Net sales in SEK million and adjusted EBIT margin



OTHER EXTERNAL COSTS

Other external costs are mainly related to marketing, sales commission to marketing partners/sales agents, premises rents, travel costs and consulting costs. In the first quarter of 2021, other external costs amounted to SEK 20.9m (28.0).

PERSONNEL COSTS AND EMPLOYEES

In the first quarter of 2021, personnel costs amounted to SEK 30.0m (32.0). The average number of employees in the Group was 108 (104). The distribution between men and women in the Group was 72 (65) men and 36 (39) women. The number of employees at the end of the period was 106 (105).

NET FINANCIAL ITEMS

Net financial items for the first quarter of 2021 amounted to SEK -0.5m (-5.1). Net financial items for the quarter include SEK -0.1m (-0.2) in interest on lease liabilities under IFRS 16.

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

The first quarter's profit before tax amounted to SEK 19.5m (26.3). Reported tax for the period was SEK +1.3m (-8.4). A new global transfer pricing policy were implemented in the fourth quarter of 2020, with the aim of streamlining the Group's tax cost. This is the reason for an improved tax cost in the first quarter of 2021. Net profit for the first quarter was SEK 20.8m (17.9). Earnings per share were SEK 1.40 (1.20) and, after full dilution, SEK 1.38 (1.20).

CASH-FLOW

Cash-flow from operating activities, operating cash flow, for the first quarter amounted to SEK 24.3m (-4.8). The improvement is primarily related to lower tax costs and a positive development of working capital. Cash flow from investing activities in the first quarter amounted to SEK -6.4m (-8.3). Investments in the first quarter relate mainly to module-based units rented out to customers.

CASH AND FINANCIAL POSITION

Cash excluding available overdraft facilities at the end of the period amounted to SEK 59.3m (62.9). The interest-bearing net debt amounted to SEK 183.2m (242.2), excluding rental liabilities, which are reported as interest-bearing debt. The Group's total assets amounted to SEK 594.4 million (651.6). Fixed assets amounted to SEK 419.5m (432.2) and are mainly attributable to goodwill of SEK 343.7m (343.7). Book value of inventory and installed units amounted to SEK 43.8m (45.2). Reported values for assets and liabilities correspond in all material respect to fair value.

GOODWILL

Goodwill is entirely attributable to QleanAir Holding AB's acquisition of subsidiary operating company QleanAir Scandinavia in 2012. Goodwill is tested for impairment annually by comparing its value in use, based on the discounted value of future cash flows, with its reported value. Considering the sales and earnings trend January-March 2021, QleanAir assesses that there is no indication of a decrease in the value of goodwill.

INVESTMENTS

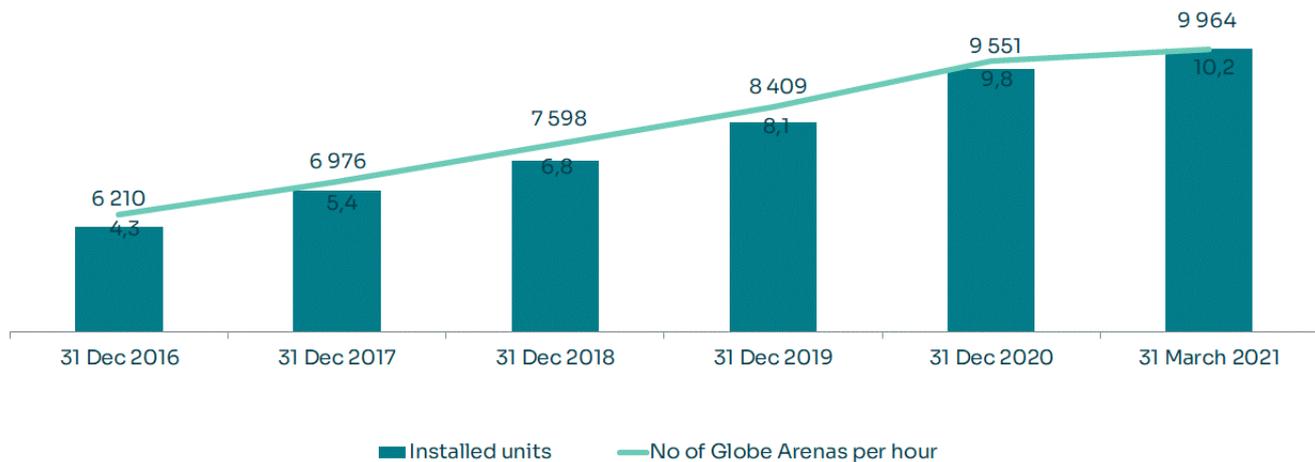
Investments in the first quarter amounted to SEK 6.4 million (8.3). Investments relate mainly to module-based units rented out to customers.

SUSTAINABILITY

QleanAir has a long tradition of addressing what matters most. 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. The Swedish operating company, QleanAir Scandinavia AB, is ISO-certified to quality standard ISO 9001 and environmental standard ISO 14001. Our business model is based on renting modular solutions with a performance guarantee. The equipment can be recycled and reused. A high proportion of operations is outsourced to suppliers who comply with the QleanAir code of conduct. This code of conduct is linked to our policies for sustainability, quality assurance and environmental and marketing. Since 2015 the Group has quantified the amount of cleaned air per hour on an ongoing basis. The 2020 Sustainability Report has been available since April 19, 2021 at www.qleanair.com.



Total number of installed units and cleaned indoor air per month in cubic meters and expressed as the number of Ericsson Globe Arenas in Stockholm 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 first quarter of 2021 amounted to SEK 2.6 million (2.6). The result for the first quarter was SEK -5.2m (-5.5). QleanAir Holding AB with organization number 556879-4548 is a Swedish limited liability company with its registered office in Solna, Sweden.

DISPUTES

The Group had no pending 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 March 31, 2021 amounted to 14,859,200 and the share capital to MSEK 7.4. After full dilution, the number of shares amounts to 15,082,088 shares. The dilution consists of 222,888 warrants issued to employees in senior positions. The decision to issue the 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 maximum dilutive effect of the 222,888 warrants issued in relation to the number of shares is 1.5%. The average number of shares in January–March 2021 was 14,859,200 shares before dilution and 15,082,088 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 Holding AB is a listed company on the Nasdaq First North Premier Growth Market. FNCA is a certified advisor, telephone +46 8 528 00 399.

2021-03-31
Shareholder % , capital and votes

Qevirp 41 Ltd	40,7%
BankInvest	11,7%
Livförsäkringsbolaget Skandia	4,6%
Taaleri Nordic Value Equity Fund	4,2%
Enter Småbolagsfond	3,6%
LGT Bank Ltd	2,7%
Avanza Pension	2,6%
Sensor Sverige Select	2,0%
BNP Paribas Lux.	1,3%
Nordnet Pension	1,0%
Ten largest shareholders	74,4%
Others	25,6%
Total	100,0%

As of March 31, 2021, Qevirp 41 Ltd was the company's largest shareholder. QleanAir has received information that Qevirp 41 Ltd has reduced its ownership in the company. As a result of this reduction, Qevirp 41 Ltd controls 3,512,359 shares corresponding to 23.6% of the total number of shares and votes in the company (23.3% after full dilution). As of March 31, 2021, Qevirp 41 Ltd was the company's largest shareholder.

ANNUAL GENERAL MEETING

QleanAir has convened an Annual General Meeting on Wednesday May 12, 2021 at 10:00 a.m. The Annual General Meeting will be held by mail voting only, see more information at <https://www.qleanair.com/en/investors/corporate-governance/agm>.

DISTRIBUTION OF DIVIDEND

The Board of Directors has the following proposal for distribution of dividend for 2020, SEK 19,316,960 to shareholders, corresponding to a dividend of SEK 1.30 per share. The voting date for the right to dividend for 2020 is proposed to be May 17, 2021, and the payment of the dividend through Euroclear Sweden AB is expected to take place three business days later (i.e. Thursday May 20, 2021).

CALENDAR

- May 12, 2021: First quarter 2021
- Annual General Meeting 2021: May 12, 2021
- August 12, 2021: Second quarter and first half of 2021
- November 11, 2021: Third quarter 2021
- February 11, 2022: 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 persons set out above, on May 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 to a teleconference/audiocast on May 12, 2021 at 09:00 a.m. The company's CEO, Christina Lindstedt, and CFO, Henrik Resmark, will present the company's quarterly report in English.

The link to follow the presentation online: <https://tv.streamfabriken.com/qleanair-holding-q1-2021>

Telephone numbers for dial-in:

Dial-in number SE: +46 8 50 55 83 68 UK: +44 33 33 00 92 70 US: +1 83 38 23 05 90

For more information, please contact:

Christina Lindstedt, CEO, call +46 70 677 28 77 or Henrik Resmark, CFO, call +46 70 260 09 17.

The Board of QleanAir Holding AB
Solna, May 12, 2021

Bengt Engström, Chairman

Johan Westman

Mats Hjerpe

Maria Perez Hultström

Christina Lindstedt, CEO



THE GROUPS CONSOLIDATED INCOME STATEMENT, SUMMARY

TSEK	Jan-March 2021	Jan-March 2020	Full year 2020	Full year 2019
Net sales	110 494	144 681	492 970	456 879
Other income	0	0	2 831	114
Sales	110 494	144 681	495 801	456 993
Cost of goods sold	-32 678	-46 398	-156 567	-160 959
Gross profit	77 816	98 283	339 234	296 034
Other external costs	-20 946	-28 036	-95 872	-111 395
Personnel costs	-30 014	-31 975	-119 614	-104 883
Depreciation of tangible and intangible assets	-6 929	-6 922	-28 711	-47 682
Operating income	19 927	31 350	95 038	32 073
Financial income	2 017	37	55	503
Financial expenses	-2 468	-5 110	-9 475	-23 739
Income before tax	19 476	26 277	85 618	8 837
Deferred tax	1 700	-2 084	-6 798	5 374
Tax on result for the period	-367	-6 319	-11 815	-21 732
Net result for the period	20 808	17 874	67 005	-7 521
Profit/Loss attributable to:				
Shareholders parent company	20 808	17 874	67 005	-7 521
Non-controlling interest	0	0	0	0
Net result for the period	20 808	17 874	67 005	-7 521
Earnings per share basic, SEK	1,40	1,20	4,51	-0,56
Earnings per share basic, after dilution, SEK	1,38	1,20	4,44	-0,56
Net result for the period	20 808	17 874	67 005	-7 521
Currency translation differences foreign subsidiaries	-1 961	5 172	-8 104	1 605
Total result for the period	18 847	23 046	58 901	-5 916
Profit/loss attributable to:				
Shareholders parent company	18 847	23 046	58 901	-5 916
Non-controlling interest	0	0	0	0
Total net result for the period	18 847	23 046	58 901	-5 916

THE GROUP'S CONSOLIDATED STATEMENT OF FINANCIAL POSITION

TSEK	2021-03-31	2020-03-31	2020-12-31
ASSETS			
Capitalized development cost	12 358	12 268	12 950
Goodwill	343 704	343 704	343 704
Intangible fixed assets	356 062	355 972	356 654
Leasing (IFRS 16)	13 342	21 643	15 662
Tangible fixed assets	43 786	45 236	41 566
Tangible fixed assets	57 128	66 879	57 228
Deferred tax	6 324	9 348	4 624
Fixed assets	419 513	432 199	418 506
Inventories	28 438	23 192	27 069
Account receivables	32 601	68 266	34 237
Tax receivables	9 792	10 056	8 092
Other receivables	6 744	9 362	9 999
Prepaid costs and accrued income	37 953	45 705	34 659
Cash and bank	59 318	62 858	52 600
Current assets	174 846	219 439	166 655
TOTAL ASSETS	594 359	651 638	585 161
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	7 430	7 430	7 430
Additional paid in capital	121 401	121 140	121 401
Translation differences	-4 797	10 441	-2 835
Balanced result	30 912	-36 093	-36 093
Result for the period	20 808	17 874	67 005
Shareholders' Equity	175 754	120 792	156 907
Long term interest bearing liabilities	222 267	250 017	230 388
Other liabilities (IFRS 16)	2 287	12 646	6 643
Long term liabilities	224 553	262 663	237 031
Short term interest bearing liabilities	20 250	18 671	20 863
Overdraft facility	0	36 393	0
Accounts payable	21 709	35 213	25 194
Other short term liabilities	9 934	9 701	11 599
Other liabilities (IFRS 16)	11 693	9 791	9 705
Accrued expenses and deferred income	130 466	158 414	123 862
Current liabilities	194 052	268 183	191 223
Liabilities	418 605	530 846	428 253
TOTAL EQUITY AND LIABILITIES	594 359	651 638	585 161

THE GROUP'S CHANGES IN SHAREHOLDERS' EQUITY IN SUMMARY

2021, TSEK	Other paid in				Total equity
	Share capital	capital	Reserves	Balanced result	
Opening balance 2021-01-01	7 430	121 401	-2 835	30 912	156 908
Net result for the period				20 808	20 808
Other result			-1 961		-1 961
Closing balance 2021-03-31	7 430	121 401	-4 796	51 720	175 755

2020, TSEK	Other paid in				Total equity
	Share capital	capital	Reserves	Balanced result	
Opening balance 2020-01-01	7 430	121 140	5 269	-36 093	97 746
Net result for the period				17 874	17 874
Other result			5 172		5 172
Closing balance 2020-03-31	7 430	121 140	10 441	-18 219	120 792

THE GROUP'S CASH-FLOW STATEMENT IN SUMMARY

TSEK	Jan-March 2021	Jan-March 2020	Full year 2020	Full year 2019
Operating activities				
Operating income	19 927	31 351	95 038	32 073
Adjustment for non-cash items	4 238	4 119	18 188	46 706
Net finance effect	-2 110	-2 446	-11 633	-12 215
Tax paid	-2 093	-18 627	-22 251	-21 675
Total	19 961	14 397	79 342	44 889
Decrease (+)/Increase (-) inventories	-1 276	5 075	-4 032	-8 390
Decrease (+)/Increase (-) account receivables	2 600	-29 513	-1 319	5 032
Decrease (+)/Increase (-) current assets	152	3 289	6 699	2 778
Decrease (-)/Increase (+) account payables	-4 047	-8 103	-14 411	12 430
Decrease (-)/Increase (+) current liabilities	6 954	10 046	5 855	5 758
Cash-flow from operations	24 346	-4 809	72 133	62 498
Investing activities				
Investments in intangible assets	-458	-1 095	-4 875	-1 774
Investments in tangible assets	-5 972	-7 223	-21 483	-17 447
Acquisition	0	0	0	-6 603
Cash flow from investing activities	-6 430	-8 318	-26 357	-25 824
Financing activities				
New loans	0	17 715	0	277 254
Amortization of loan	-11 471	-2 499	-47 446	-334 615
Payment of warrants	0	0	261	0
Cash flow from financing activities	-11 471	15 216	-47 185	-57 361
Cash flow for the period	6 444	2 089	-1 409	-20 688
Opening cash balance	52 600	56 994	56 994	74 935
Exchange rate differences on financial items	274	3 775	-2 985	2 747
Closing cash balance	59 318	62 858	52 600	56 994

THE PARENT COMPANY'S INCOME STATEMENT IN SUMMARY

TSEK	Jan-March 2021	Jan-March 2020	Full year 2020	Full year 2019
Net sales	2 550	2 550	10 200	10 200
Other external costs	-1 445	-1 805	-9 737	-20 116
Personnel costs	-2 020	-1 826	-7 993	-7 897
Depreciation on intangible assets	-2 063	-2 063	-8 254	-8 254
Operating profit	-2 979	-3 144	-15 784	-26 067
Interest costs and similar profit/loss items	-2 227	-2 390	-9 866	-21 370
Result after financial items	-5 206	-5 534	-25 650	-47 437
Group contribution	0	0	45 000	21 000
Tax on result for the period	0	0	-5 919	-14
Net result for the period	-5 206	-5 534	13 431	-26 451

THE PARENT COMPANY'S BALANCE SHEET IN SUMMARY

TSEK	2021-03-31	2020-03-31	2020-12-31
<i>Intangible assets</i>			
Goodwill	48 146	56 399	50 209
<i>Financial assets</i>			
Shares in Group companies	429 000	429 000	429 000
Total fixed assets	477 146	485 399	479 209
Current tax receivables	519	798	654
Other receivables	4	473	43
Prepaid expenses and accrued income	4 769	6 313	5 138
Cash and bank	1 023	1 095	2 203
Total current assets	6 316	8 679	8 039
Total assets	483 462	494 078	487 248
Shareholders' equity	7 430	7 430	7 430
Premium reserve	100 810	87 118	87 379
Profit/loss for the period	-5 206	-5 534	13 431
Total equity	103 034	89 014	108 240
Long term interest bearing liabilities	227 250	255 000	234 375
Total long term liabilities	227 250	255 000	234 375
Short term interest bearing liabilities	20 250	20 000	20 000
Accounts payable	404	803	1 530
Liabilities to Group companies	122 644	122 888	111 340
Other current liabilities	5 832	28	6 293
Accrued expenses and prepaid income	4 048	6 345	5 470
Total current liabilities	153 178	150 064	144 633
Total equity and liabilities	483 462	494 078	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 IFRIC interpretations effective 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

The majority 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 with the exception of 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 solutions can be divided into three product categories: Cabin solutions, Facility solutions and Room solutions, with cleanrooms and lounges. Net sales by geographic area and product category are presented on pages 5 and 6.

Currency effect and organic growth

	Jan-March 2021	Jan-March 2020	Full year 2020	Full year 2019
Net sales, TSEK	110 494	144 681	492 970	456 879
Growth Net sales, %	-23,6%	37,6%	7,9%	13,9%
Currency exchange variances, TSEK	-10 999	8 482	-4 939	23 980
Currency exchange variances, %	-7,6%	8,1%	-1,1%	6,0%
Organic growth Net sales, TSEK	-23 188	31 048	41 031	31 941
Organic growth Net sales, %	-16,0%	29,5%	9,0%	8,0%

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	Definition Order intake is revised as per January 1, 2021. All customer contracts are now included in the order intake. Earlier, short term rental contracts and extensions were not included. Such contracts are now included in the order intake. Comparative figures 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 revenues	Recurring revenues are defined as revenues from rentals 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

	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	110 494	106 436	104 851	137 002	144 681	123 847	119 018	108 997	105 151	103 209
Installed units	9 964	9 551	9 406	9 217	8 638	8 409	8 087	7 928	7 774	7 598
Recurring revenues, TSEK	64 841	64 629	64 872	64 833	64 354	51 775	48 260	47 488	43 665	42 965
Order intake, TSEK	101 911	82 103	69 752	71 636	146 190	102 466	89 540	87 753	86 223	74 712
Gross profit, TSEK	77 816	76 700	70 669	93 582	98 283	73 882	73 979	73 775	74 398	64 820
Gross-margin, %	70,4%	72,1%	67,4%	68,3%	67,9%	59,7%	62,2%	67,7%	70,8%	62,8%
Adjusted EBITDA, TSEK	26 856	28 217	24 858	32 400	38 272	24 931	26 384	27 677	28 835	29 252
Adjusted EBITDA-margin, %	24,3%	26,5%	23,7%	23,6%	26,5%	20,1%	22,2%	25,4%	27,4%	28,3%
Adjusted EBIT, TSEK	19 927	20 542	17 837	25 308	31 351	19 278	21 034	19 786	23 621	15 626
Adjusted EBIT-margin, %	18,0%	19,3%	17,0%	18,5%	21,7%	15,6%	17,7%	18,2%	22,5%	15,1%
Operating cash-flow, TSEK	24 346	19 654	22 408	34 880	-4 810	10 233	13 997	20 247	18 002	32 306
Working capital, TSEK	-46 581	-46 599	-57 835	-59 032	-56 804	-72 321	-46 828	-46 952	-45 796	-47 626
Average Capital Employed, TSEK	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	183 199	198 651	207 273	223 156	242 223	236 684	250 660	259 029	265 833	260 560
Equity/Asset ratio, %	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	1,3	1,5	1,7	2,0	2,4	2,7	3,0	3,5	4,1
Adjusted return on Capital employed (ROCE), %	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 premium provider of 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 provides 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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