



FOR IMMEDIATE RELEASE

AirIQ Announces September 30, 2018 Quarterly Results Reports Recurring Revenue Growth of 35%

Toronto, Ontario – November 21, 2018 – AirIQ Inc. (“AirIQ”) (TSXV:IQ), a supplier of wireless asset management services, today announced its financial results for the three months and six months ended September 30, 2018, reporting total revenues of \$1.02 million for the three months ended September 30, 2018.

“We are very pleased with our financial results this quarter as we have reported increases in all of our primary metrics, including revenues, gross profit, EBITDAS, net income, cash and working capital,” said Michael Robb, President and Chief Executive Officer of AirIQ. “The Company’s record high revenues in excess of \$1 million resulted primarily from the large order that we reported on earlier this year by an existing customer that took advantage of our software improvements and increased their fleet penetration with our ECM device,” continued Mr. Robb. “It is these types of ‘wins’ that support our strategic plan to invest in our marketing and technology programs to expand both direct and reseller sales, and accelerate growth of the Company,” stated Mr. Robb.

Unless otherwise noted herein, and except share and per share amounts, all references to dollar amounts from this point forward are in thousands of Canadian dollars.

The Company adopted IFRS 15 effective as of April 1, 2018 (as described in note 3 to the Company’s Consolidated Condensed Interim Financial Statements for the three months and six months ended September 30, 2018). Under this adoption, the comparative information is not restated herein (unless otherwise noted), or in the Company’s financial statements.

Highlights of the quarter are as follows:

Second Quarter Highlights

- Total revenues increased by 32% to \$1,023 for the three months ended September 30, 2018 when compared to the same period the previous year of \$774.
- Recurring revenues increased by 35% to \$691 during the three months ended September 30, 2018 from \$512 for the three months ended September 30, 2017.
- Hardware and other revenues increased by 27% to \$332 for the three months ended September 30, 2018 when compared to the same period the previous year of \$262.
- Quarterly gross profit for the three months ended September 30, 2018 increased 21% to \$561 compared to \$462 for the same period the previous year.
- EBITDAS increased by 67% to \$136 compared to \$81 for the quarter ended September 30, 2017.
- Net income increased by 191% to \$67 compared to net income of \$23 in the quarter ended September 30, 2017.
- Cash balance increased by 100% to \$854 for the quarter ended September 30, 2018 when compared to \$428 for the quarter ended September 30, 2017.
- Working capital increased by 176% to \$986 for the quarter ended September 30, 2018 when compared to \$357 on March 31, 2018.

In order to provide comparable information to the previous year, set out in the table below are the second quarter results reflecting pre and post IFRS 15 adjustments where applicable:

Financial Highlights

	Three months ended 30-Sep-2018 <u>with adoption of</u> IFRS 15 ⁽¹⁾	Three months ended 30-Sep-2018 <u>without adoption</u> of IFRS 15 ⁽¹⁾	Three months ended 30-Sep-2017 ⁽¹⁾
Recurring revenues ⁽¹⁾	\$691	\$612	\$512
Hardware and other revenues ⁽¹⁾	\$332	\$245	\$262
Total revenues ⁽¹⁾	\$1,023	\$857	\$774
Gross profit	\$561	\$501	\$462
Gross profit%	55%	58%	60%
Expenses ⁽²⁾	\$436	\$436	\$381
EBITDAS ⁽³⁾	\$136	\$65	\$81
Other expenses ⁽⁴⁾	\$69	\$58	\$58
Total net income	\$67	\$7	\$23
Income per share, basic and diluted	\$0.01 ⁽⁵⁾	\$0.01 ⁽⁵⁾	\$0.00

(1) Revenues have been impacted by the adoption of IFRS 15, as described in note 3 of the Company's consolidated condensed interim financial statements for the three months and six months ended September 30, 2018. Under this adoption, the comparative information is not restated.

(2) Excludes share-based compensation.

(3) EBITDAS represents earnings before interest and non-cash items: depreciation and amortization, impairment of long-lived assets and share-based compensation and impairment on long-lived asset.

(4) Includes non-cash notional charges such as interest, depreciation and amortization and share-based compensation expense.

(5) Represents income per share for the six months ended September 30, 2018.

Business Review

The Company is focusing its efforts and resources on revenue growth and profitability by continuing to offer leading-edge technology solutions for existing and new customers. The Company continues to focus on recurring revenue, gross profits and improving cash-flows to build a sustainable business.

Financial Statements & MDA

The Company's unaudited consolidated condensed interim financial statements for the three months and six months ended September 30, 2018 including notes thereto, and Management's Discussion and Analysis for the same period are being filed with the Canadian securities regulatory authorities on today's date, and will be available on the Company's website (www.airiq.com) and on the System for Electronic Document Analysis and Retrieval ("SEDAR") website (www.sedar.com). The Company's financial statements include the accounts of AirIQ and its subsidiaries, AirIQ U.S. Holdings, Inc., AirIQ U.S., Inc., and AirIQ, LLC. All inter-company balances and transactions have been eliminated on consolidation.

About AirIQ

AirIQ currently trades on the TSX Venture Exchange under the symbol IQ. AirIQ is an intuitive web-based platform that provides fleet operators and vehicle owners with a suite of asset management solutions to reduce costs, improve efficiency and monitor, manage and protect their assets. Services are available online or via a mobile app, and include: instant vehicle locating, boundary notification, automated inventory reports, maintenance reminders, security alerts and vehicle disabling and unauthorized movement alerts. AirIQ's office is located in Pickering, Ontario, Canada. For additional information on AirIQ or its products and services, please visit the Company's website at www.airiq.com.

Forward-looking Statements

This news release contains forward-looking information based on management's best estimates and the current operating environment. These forward-looking statements are related to, but not limited to, AirIQ's operations, anticipated financial performance, business prospects and strategies. Forward-looking information typically contains statements with words such as "hope", "goal", "anticipate", "believe", "expect", "plan" or similar words suggesting future outcomes. These statements are based upon certain material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking statements, including AirIQ's perception of historical trends, current conditions and expected future developments as well as other factors management believes are appropriate in the circumstances. Such forward-looking statements are as of the date which such statement is made and are subject to a number of known and unknown risks, uncertainties and other factors, which could cause actual results or events to differ materially from future results expressed, anticipated or implied by such forward-looking statements. Such factors include, but are not limited to, changes in market and competition, technological and competitive developments and potential downturns in economic conditions generally. Therefore, actual outcomes may differ materially from those expressed in such forward-looking statements. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes. Other than as may be required by law, AirIQ disclaims any intention or obligation to update or revise any such forward-looking statements, whether as a result of such information, future events or otherwise.

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