

HY17 RESULTS PRESENTATION



TABLE OF CONTENTS

About Cartrack	3
Business trends	4
Strategy overview	6
Segmental performance	13
Financial review	19
Outlook	28
Annexures	32

ABOUT CARTRACK

A leading global telematics company

Consistent growth in profitability

Represented in 24 countries

Resilient , annuity-based business

> 551 000 subscribers

High cash generator

Proven, scalable technology platform

Diversified & balanced subscriber base





Business trends



BUSINESS TRENDS

- Global growth – universal needs with low penetration
- Government regulatory requirements for road safety, road planning, pollution levies, toll fees, general tax collection and driver regulations
- Insurance telematics
- Consolidation within industry
- OEM partnerships for in-field hardware maintenance and service support
- OEM partnerships to use our software-as-a-service platform
- Autonomous cars
- Stronger SVR demand in high crime countries
- Data analytics and value-added products and services
- Barriers to entry increasing due to high demand for rentals, leaps in technology development and requirement for substantial recovery infrastructure

Our platform for growth





Strategy Review



OUR STRATEGY – DRIVING SHAREHOLDER VALUE



Shareholder value

Robust
subscriber and
revenue
growth

Value add
through
data and
innovative
technology

Sustainable
profit
margins

Strong cash
flow and
disciplined
capital
allocations

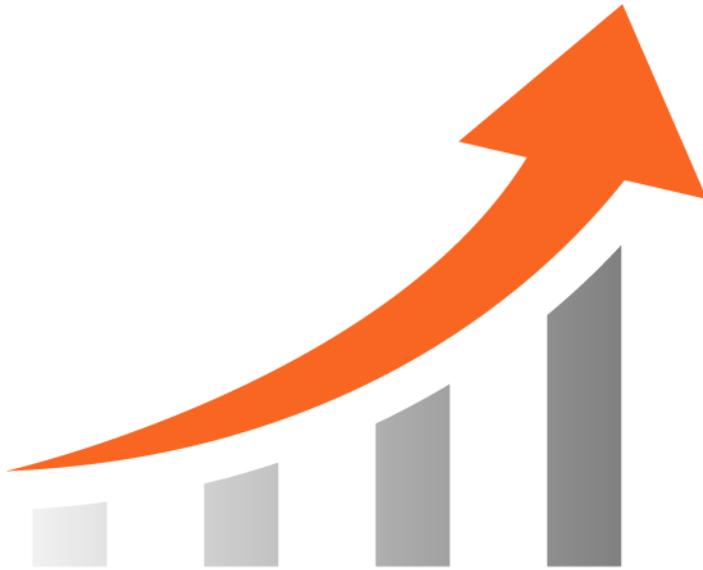
Low penetration in high growth market

GROWTH STRATEGY - 2017 STRATEGIC INITIATIVES

Sustainable revenue & subscriber growth, generating strong margins & returns



GROWTH STRATEGY - 2017 STRATEGIC INITIATIVES



Sustainable revenue & subscriber growth, generating strong margins & returns

Accelerated investment in R&D



- Product evolution and features
- Data analytics
- Complete in-field business solutions

GROWTH STRATEGY - 2017 STRATEGIC INITIATIVES



Sustainable revenue & subscriber growth, generating strong margins & returns

Accelerated investment in R&D

Customer acquisition model

GROWTH STRATEGY - 2017 STRATEGIC INITIATIVES



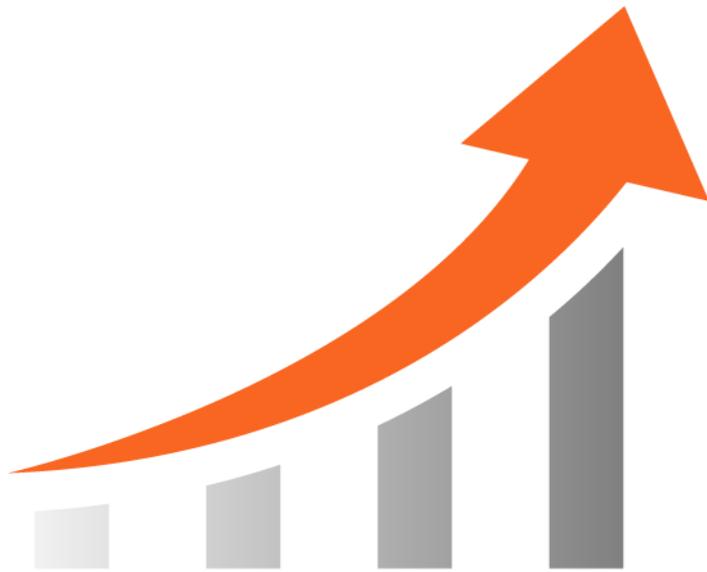
Sustainable revenue & subscriber growth, generating strong margins & returns

Accelerated investment in R&D

Customer acquisition model

Retention model

GROWTH STRATEGY - 2017 STRATEGIC INITIATIVES



Sustainable revenue & subscriber growth, generating strong margins & returns

Accelerated investment in R&D

Customer acquisition model

Retention model

Scalability



Segmental performance



SOUTH AFRICA – A SOLID PERFORMER



HY 17 PERFORMANCE

- Revenue +16%
- Subscribers +18%
- Operating profit +14%

OUTLOOK AND INITIATIVES

- Continued strong subscriber growth and market penetration
- Low penetration in SA market
- Launching low LSM telematics offering

South Africa	H1 2017 Actual	H1 2017 constant currency	H1 2016 Actual	% change Actual	% change constant currency
Revenue	413 154	413 154	357 328	16%	16%
Cost of sales	-80 092	-67 835	-66 419	21%	2%
Gross profit	333 062	345 319	290 909	14%	19%
Other income	2 238	2 238	1 819	23%	23%
Net operating foreign exchange gain	-501	-501	-357	40%	40%
Operating expenses	-189 424	-189 425	-164 498	15%	15%
Operating profit	145 375	157 631	127 873	14%	23%

AFRICA-OTHER – OPERATIONALLY SOUND



HY 17 PERFORMANCE

- Revenue -7%
- Subscribers +4%
- Operating profit -35%

OUTLOOK AND INITIATIVES

- Maintain strong performance in local currency despite headwinds
- Improve penetration and collections

Africa-Other	H1 2017 Actual	H1 2017 constant currency	H1 2016 Actual	% change Actual	% change constant currency
Revenue	56 972	65 863	61 556	-7%	7%
Cost of sales	-10 214	-11 064	-8 662	18%	28%
Gross profit	46 758	54 799	53 394	-12%	3%
Other income	157	213	41	283%	420%
Net operating foreign exchange gain	-1 415	-1 514	1 100	-229%	-238%
Operating expenses	-27 136	-29 880	-25 704	6%	16%
Operating profit	18 364	23 618	28 331	-35%	-17%

EUROPE – STRONG GROWTH IN COMPETITIVE ENVIRONMENT



HY 17 PERFORMANCE

- Revenue +41%
- Subscribers +23%
- Operating profit -26%

OUTLOOK AND INITIATIVES

- Targeted investment in distribution channels
- Strong subscriber growth

Europe	H1 2017 Actual	H1 2017 constant currency	H1 2016 Actual	% change Actual	% change constant currency
Revenue	55 063	45 906	39 147	41%	17%
Cost of sales	-11 303	-7 712	-7 791	45%	-1%
Gross profit	43 760	38 194	31 356	40%	22%
Other income	63	63	1 620	-96%	-96%
Net operating foreign exchange gain	47	39	-115	-141%	-134%
Operating expenses	-34 102	-28 878	-19 610	74%	47%
Operating profit	9 768	9 418	13 251	-26%	-29%

ASIA PACIFIC & ME – BUSINESS CASE PROVEN



HY 17 PERFORMANCE

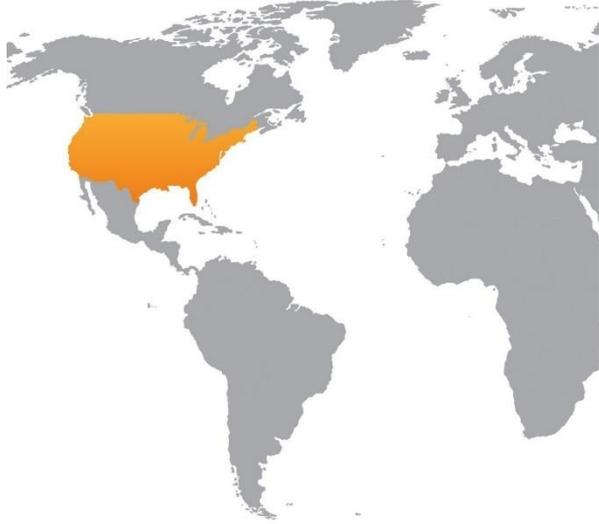
- Revenue +147%
- Subscribers +203%
- Operating loss -24%

OUTLOOK AND INITIATIVES

- Further investment in operating capacity
- Strong growth in greenfields projects
- Positive profitability in line with business case, as evidenced in Singapore

ASIA PACIFIC & ME	H1 2017 Actual	H1 2017 constant currency	H1 2016 Actual	% change Actual	% change constant currency
Revenue	28 959	24 040	11 720	147%	105%
Cost of sales	-7 102	-4 481	-1 516	368%	196%
Gross profit	21 857	19 559	10 204	114%	92%
Other income	594	509	41	1349%	1141%
Net operating foreign exchange gain	-193	105	-18	972%	-683%
Operating expenses	-26 457	-22 407	-15 761	68%	42%
Operating profit	-4 199	-2 234	-5 533	-24%	-60%

UNITED STATES – REGULATIONS SPUR DEMAND



OUTLOOK AND INITIATIVES

- Offices opened in California and executive team in place
- Estimated **3.1 million vehicles** still require ELD telematics (Driscoll & Associates 2016) to comply with regulations
- Sales to commence in November 2016
- The Group will benefit from operating in a highly technology driven society



Financial Review

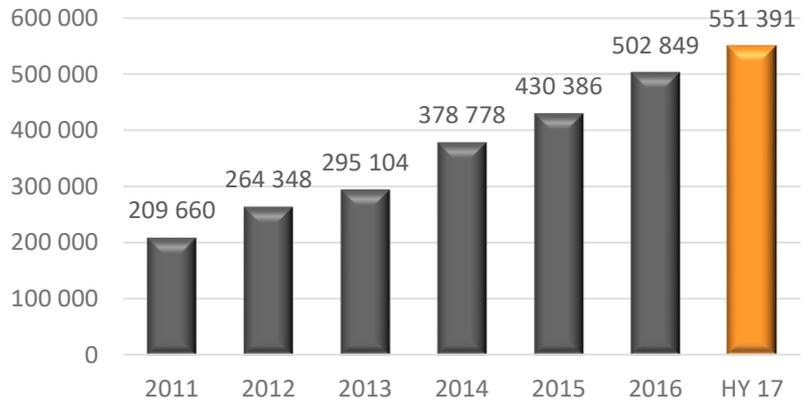


SALIENT FEATURES

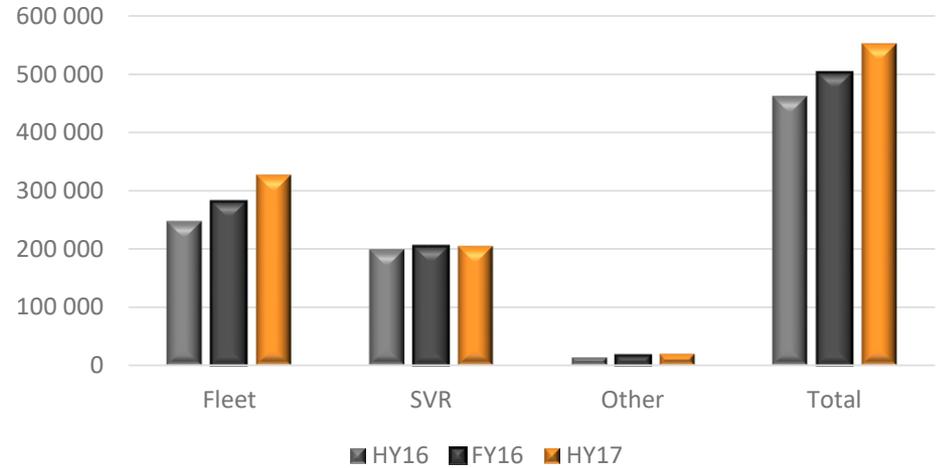
- 19% subscriber growth
- 18% revenue growth
- 80% gross profit margin
- 30% operating profit margin
- 12% increase in EBITDA
- 6% increase in EPS
- R212 million cash generated from operating activities
- Investment in operating capacity and distribution channels
- Currency impacts (R19 million) excluding which EPS increased by 16%

ROBUST SUBSCRIBER GROWTH

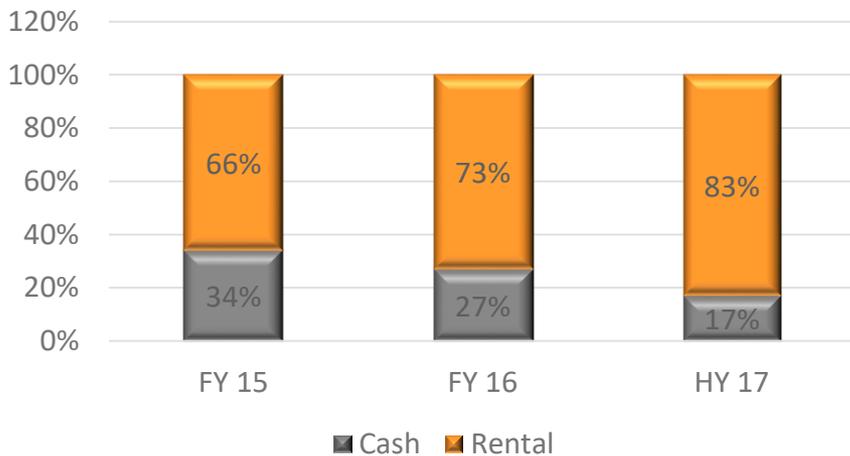
Total active units



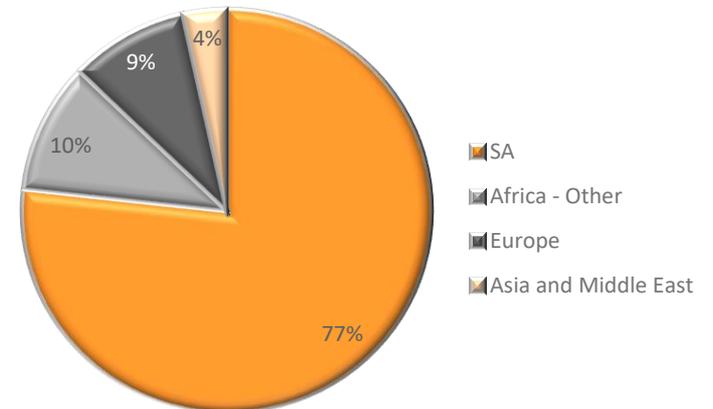
Growth in Fleet vs SVR



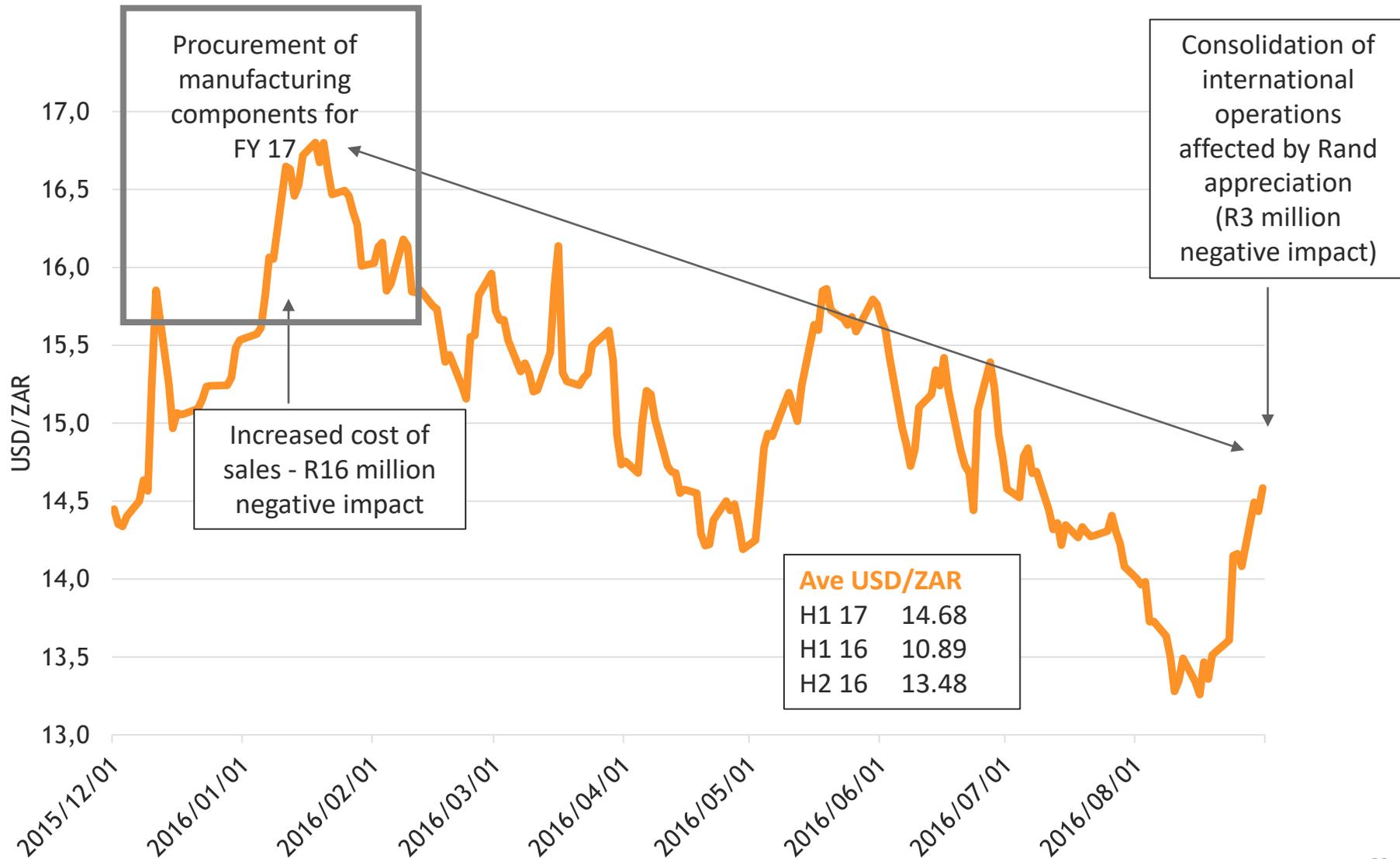
New sales – cash vs rental



Subscriber base by geography



CURRENCY IMPACT



STRONG BALANCE SHEET POSITIONED FOR GROWTH

No gearing

Clean debtors
book – debtors
days **31**

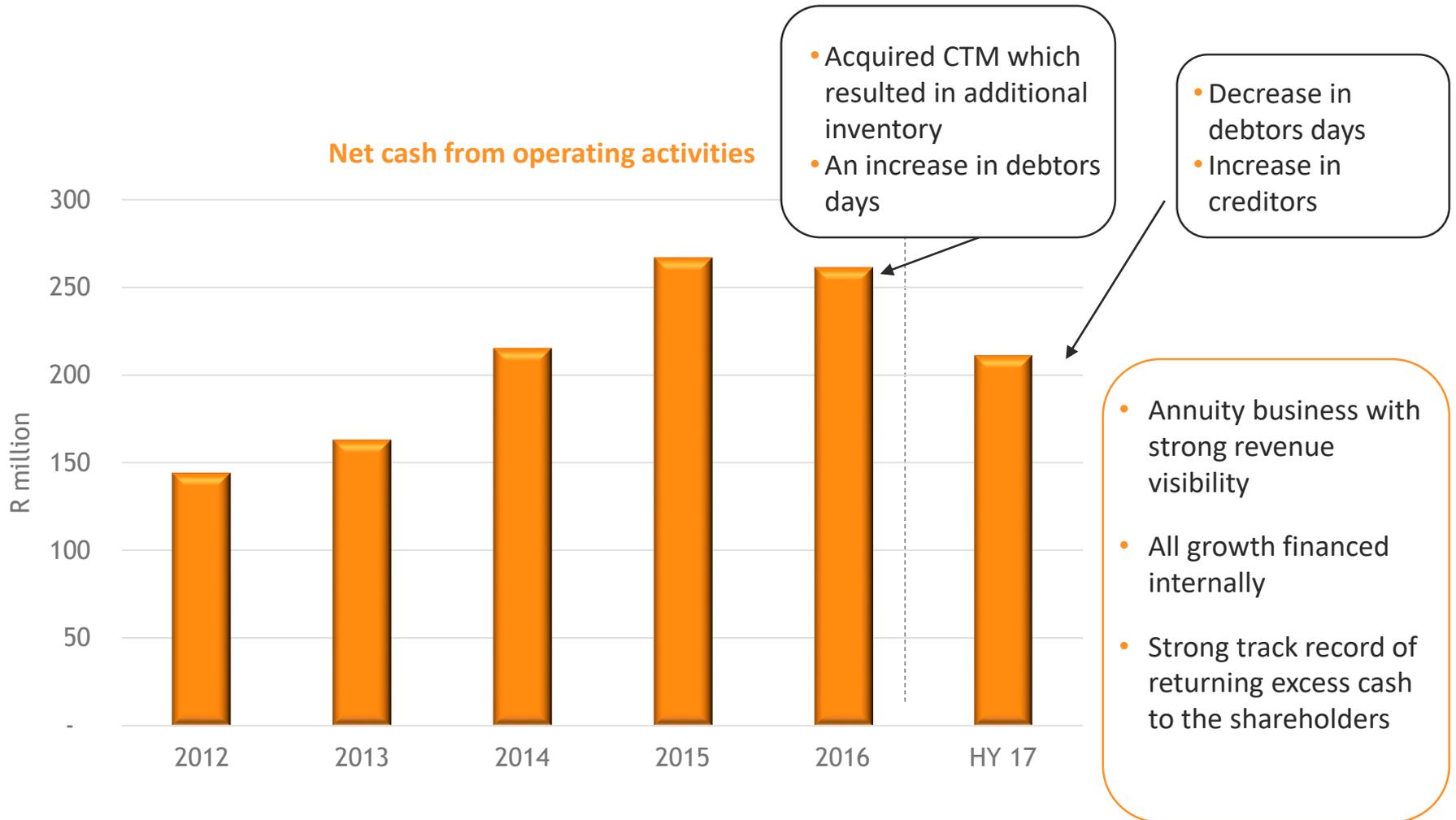
Adequate stock
levels for **6 – 9**
months of trading

Current ratio
1.0

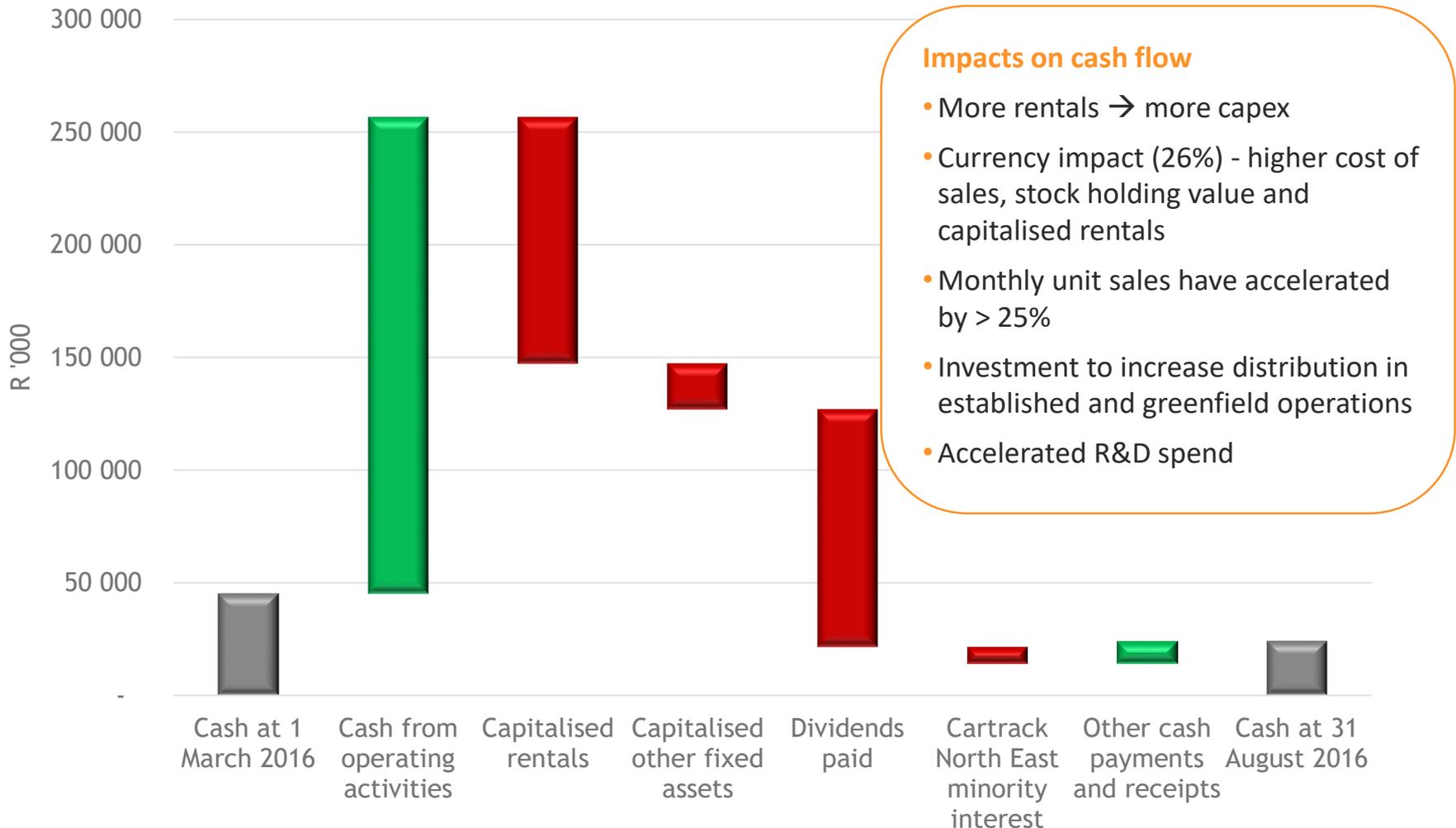
Quick ratio
0.7

Cash generated
from operating
activities of
R212 million

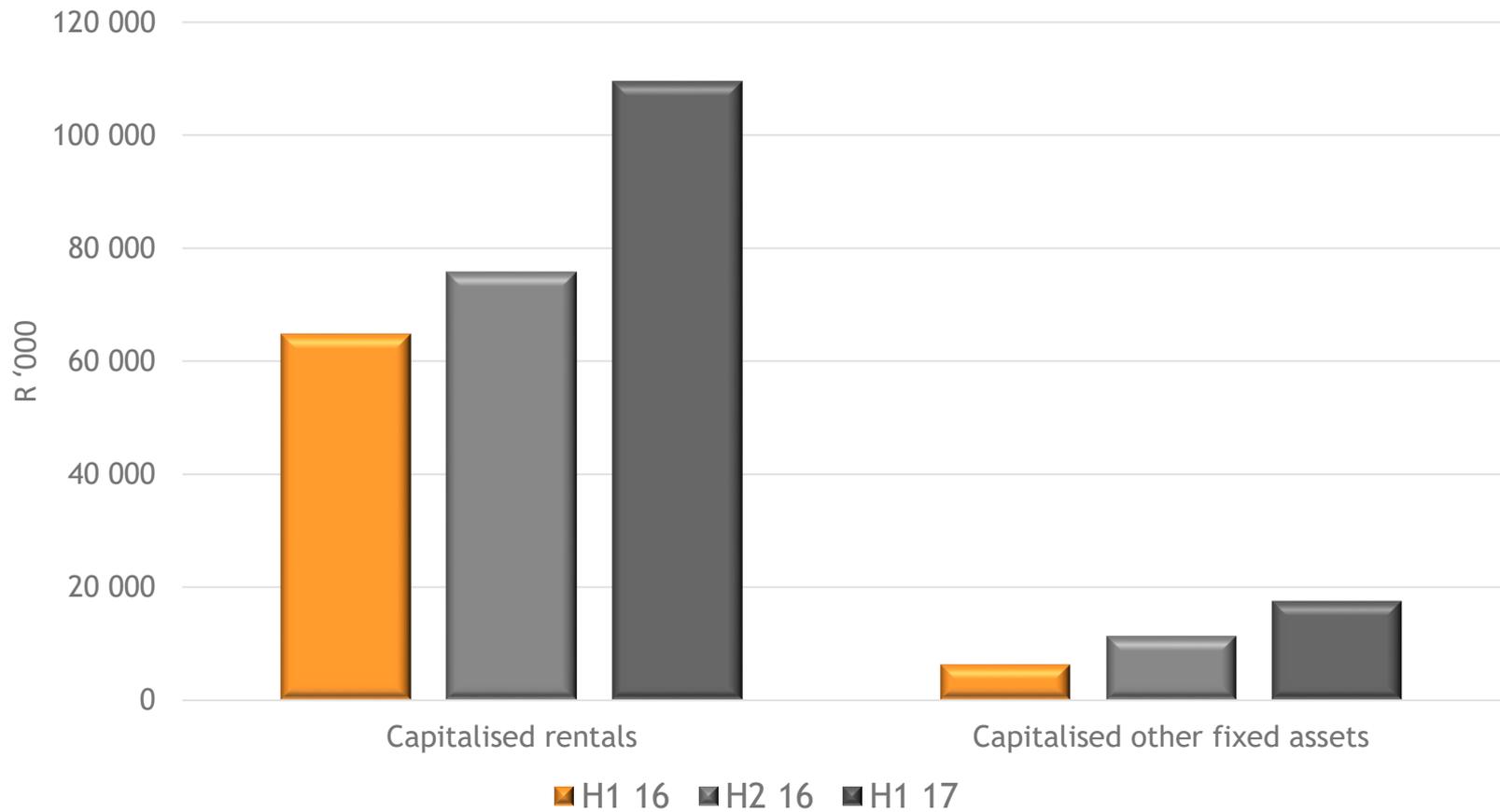
A CONSISTENTLY HIGH CASH GENERATOR



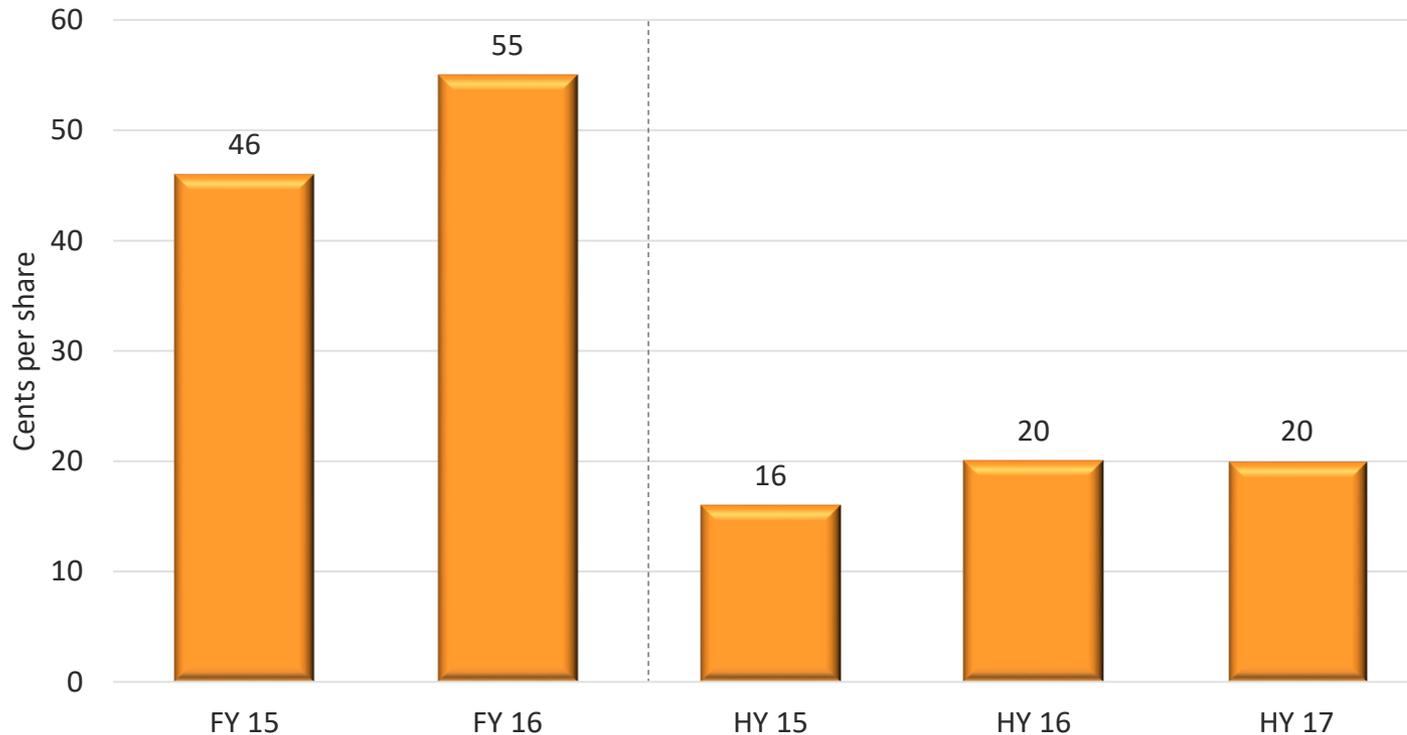
CASH GENERATION AND UTILISATION



CAPITAL INVESTMENT CASH FLOWS



DIVIDEND POLICY AND DIVIDENDS

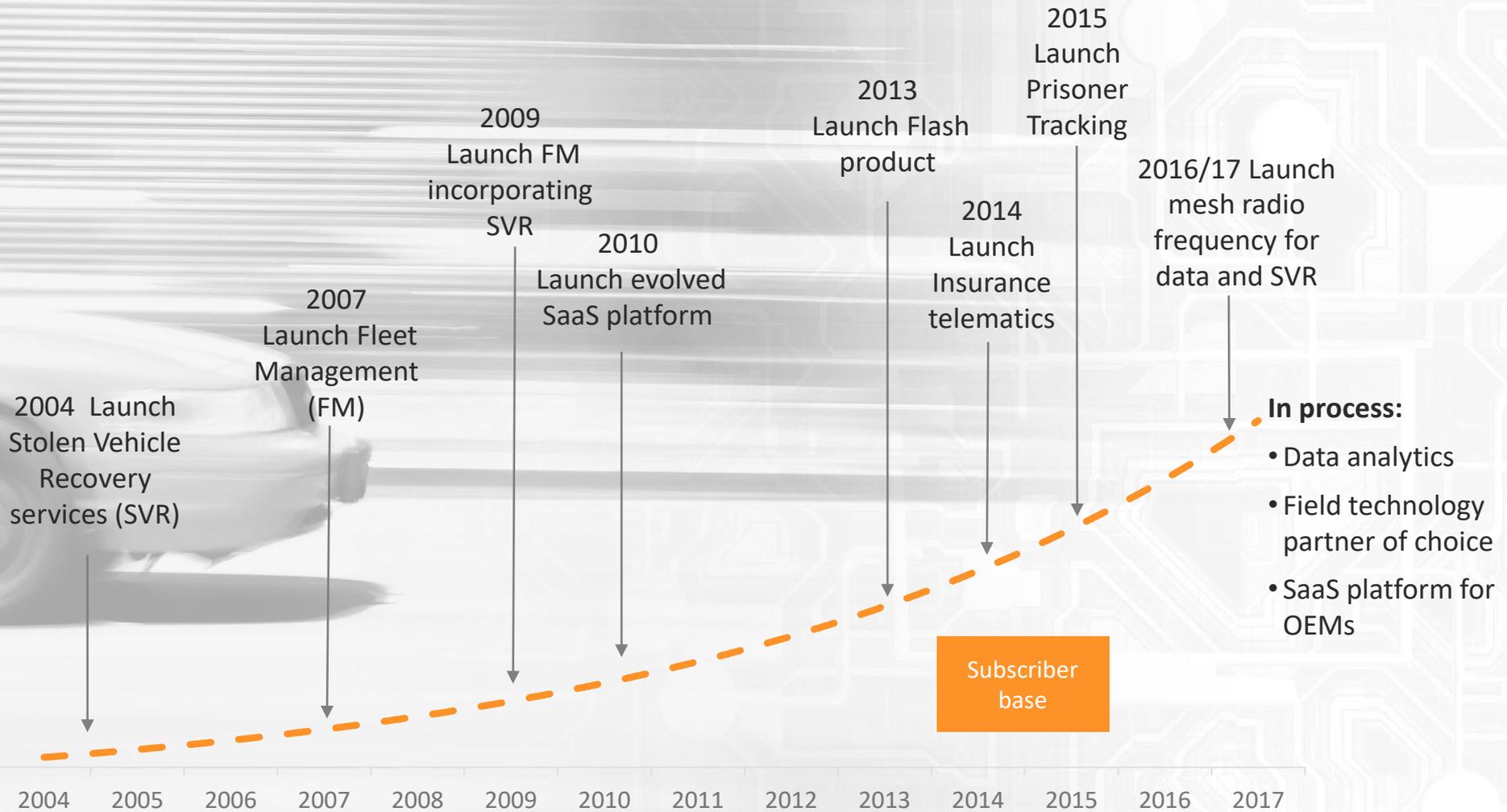


- H1 17 dividend cover of 1.25 times HEPS, against target of 1.25 - 1.55 times
- The revised dividend policy to be effective for FY17 - dividend cover of 1.25 - 2.5 times HEPS
- Management's expectations are that the final dividend cover for FY17 will be between 1.75 and 2.5 times HEPS.



Outlook

CARTRACK'S TECHNOLOGY HISTORY



A ROBUST OUTLOOK

Well positioned for growth and strong operating results

- Monthly sales significantly higher than before – stronger demand book
- Accelerated investment in technology and software platforms
- Investment in expert data analytics capability
- Focus on positioning the business as an intrinsic technology partner
- Reap benefits from current investment in distribution in 2018
- More value added services to existing customer base
- Double digit normalised EPS targeted for 2017



International Offices

Angola
Botswana
Hong Kong
Indonesia
Kenya
Malaysia
Malawi
Mozambique
Namibia
New Zealand
Nigeria
Philippines

Poland
Portugal
Rwanda
Singapore
South Africa
Spain
Swaziland
Thailand
Tanzania
UAE
USA
Zimbabwe



CARTRACK
PUTTING YOU IN CONTROL



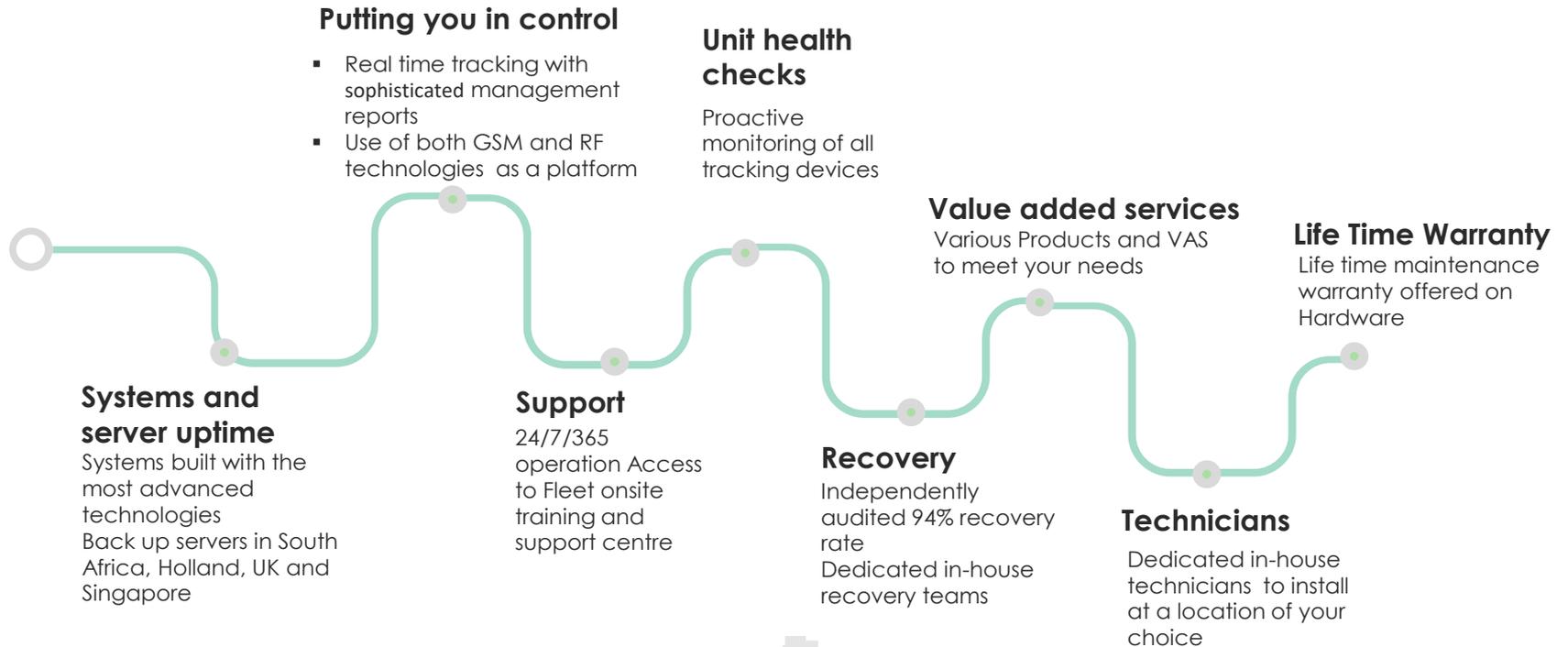
Annexures



CARTRACK AT A GLANCE

- A **leading global provider** of Fleet Management, Stolen Vehicle Recovery and Insurance Telematics
- A diversified subscriber base with **551 391** active subscribers as at HY 17 and offices in **24** countries
- Amongst the **top** telematics companies globally
- A leader in a very large and underpenetrated global market
- A trusted leader in the stolen vehicle and recovery industry with an audited **recovery rate of 94%**
- Recovered in excess of **20 000** stolen vehicles since inception
- **Strong visibility of earnings due to** the annuity based business model
- A **benchmark and consistent leader** in the global Telematics industry

OUR PROMISE TO CUSTOMERS



OUR CUSTOMERS' CHALLENGES



High Fuel Costs



Wasteful Vehicle Idling



Timecard Falsification



Excessive Overtime



Excessive Maintenance Costs



Excessive Mileage



Poor Driver Behaviour



Unproductive Drivers



Unauthorised Vehicle Use



Vehicle Theft

WHAT WE OFFER CUSTOMERS



Increased fleet
productivity



Increased workforce
efficiency



Reduced
operational costs



Increased customer
service



Increased safety
and security

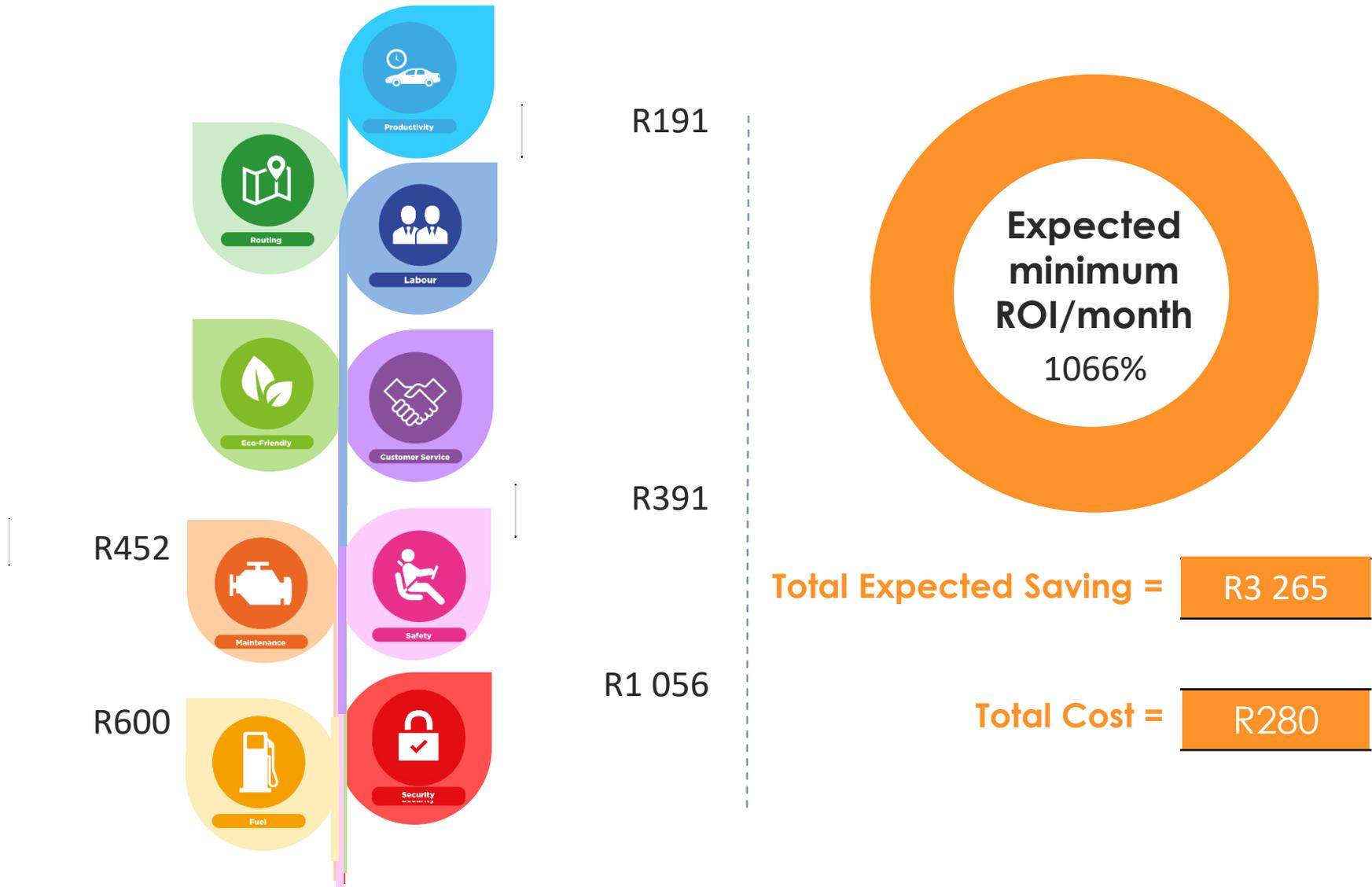


Increased revenue

CARTRACK CORE SOLUTIONS PER PRODUCT



CARTRACK – SOUTH AFRICA ROI CUSTOMER CALCULATOR FLEET MANAGEMENT



KEY SECURITY SERVICES AND FEATURES



Advanced Fitment Techniques



Ground & Air Recovery Response



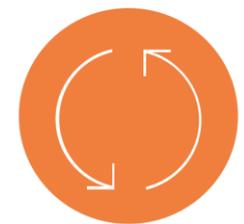
Instant Positioning via Control Room



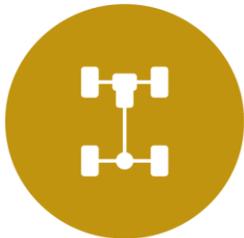
Free 24-Hour Unit Testing Service



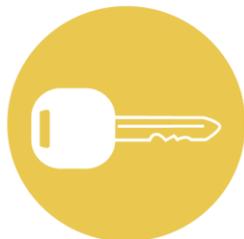
Lifetime Warranty



De-Installation & Re-installation Service



Strip Warning



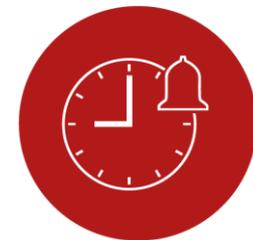
Ignition Sensor



Remote Immobilisation



Wireless Panic Button



Early Theft Alert

KEY CARTRACK FLEET MANAGEMENT REPORTS



Trip Reports



Fuel Efficiency Report



Fuel Card Management



Geo-fence Reports



Operating Hours



Toll road Management



Driver Scorecard



Speeding Report



Idling Report

WHAT WE OFFER INVESTORS

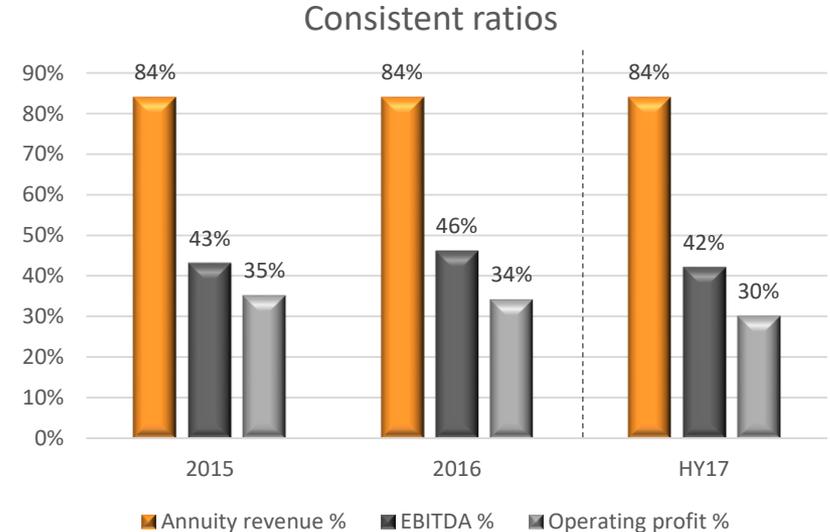
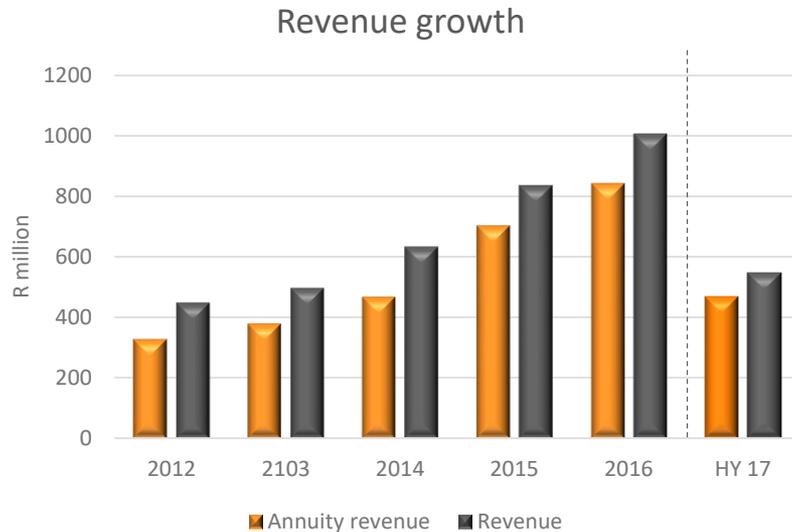


- Globally, a high growth industry
- Proven and scalable technology platform
- A large and diversified subscriber base
- Experienced management
- Annuity-based earnings model



- Strong recurring earnings profile
- A proven track record of profitability
- Strong financial metrics
- Strong cash generation & cash conversion
- Low gearing

A HIGHLY SUSTAINABLE AND PREDICTABLE MODEL



- Diversified base – present in 24 countries, fleet management as well as SVR product offerings
- Secure annuity-based model – 84% of revenue
- Longevity and predictability - average customer lifecycle approximately 60 months
- Scale – few companies globally have a subscriber base > 551 000 contracts
- High profit margins

SEGMENTAL GROWTH

Revenue

South Africa	357 328	413 154	16%
Africa – other	61 556	56 972	(7)%
Europe	39 147	55 063	41%
Asia and Middle East	11 720	28 959	147%
USA	-	-	-
Total	469 751	554 148	18%

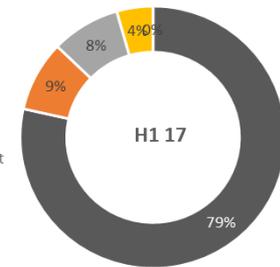
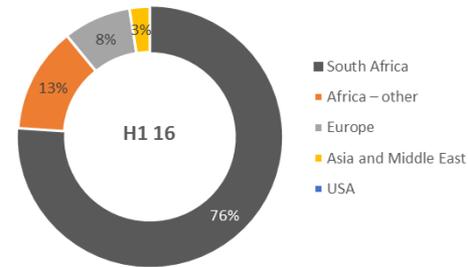
Profit before tax

South Africa	126 563	144 668	14%
Africa – other	30 341	19 171	(37)%
Europe	13240	9 630	(27)%
Asia and Middle East	(5 547)	(4 183)	25%
USA	-	(1 217)	-
Total	164 597	168 069	2%

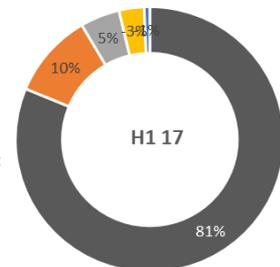
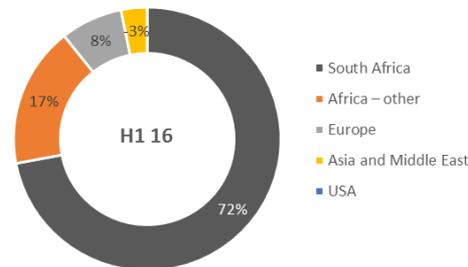
EBITDA

South Africa	165 171	194 167	18%
Africa – other	29 335	19 591	(33)%
Europe	20 734	24 268	17%
Asia and Middle East	(4 913)	(1 068)	78%
USA	-	(1 217)	-
Total	210 327	235 723	12%

Revenue



Profit before tax



EBITDA

