



KAROO0000

Earnings Presentation Q1 FY25

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This presentation includes certain non-IFRS financial measures, including ARR, ARPU, adjusted EBITDA, adjusted EBITDA margin and free cash flow. These non-IFRS financial measures are not measures of financial performance in accordance with IFRS and may exclude items that are significant in understanding and assessing our financial results. Therefore, these measures should not be considered in isolation or as an alternative or superior to IFRS measures. You should be aware that our presentation of these measures may not be comparable to similarly-titled measures used by other companies. Please see the definitions and/or reconciliations included in our earnings announcement (“Earnings Announcement”).

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We include statements and information in this presentation concerning our industry ranking and the markets in which we operate, including our general expectations and market opportunity, which are based on information from independent industry organizations and other third-party sources (including a third-party market study, industry publications, surveys and forecasts). While Karooooo believes these third-party sources to be reliable as of the date of this presentation, we have not independently verified any third-party information and such information is inherently imprecise. In addition, projections, assumptions and estimates of the future performance of the industry in which we operate and our future performance are necessarily subject to a high degree of uncertainty and risk due to a variety of risks. These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties and by us.

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KAR000000

NASDAQ TICKER "KARO"
JSE TICKER "KRO"



Founded in South Africa, now headquartered in Singapore



KAROOOOO SNAPSHOT

2,100,000+

Subscribers

124,000+

Commercial Customers

170bn+

Monthly data points

4,300+

Employees

23

📍 SINGAPORE (HQ)

Operating Countries

Rule of 60
beaten¹

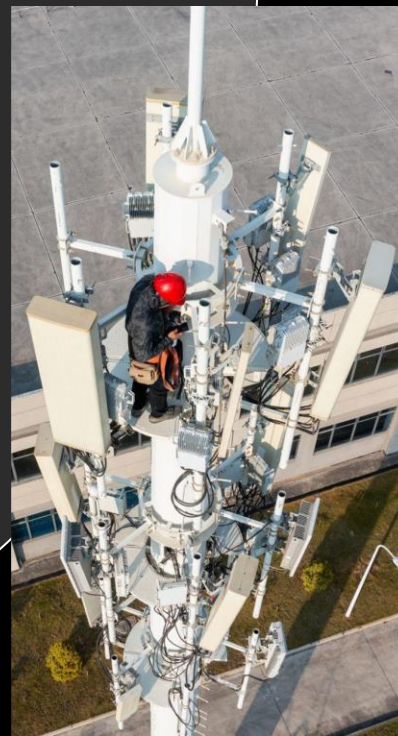


PHYSICAL OPERATIONS POWER WHAT WE DO

\$88bn¹
Automotive 2022

\$321bn¹
Automotive 2032

>40% GDP²
Physical operations



(1) Allied Market Research
(2) Management estimate

A MASSIVE MARKET WITH TONS OF PROBLEMS TO SOLVE

ACCIDENTS, DAMAGED
CARGO, OTHER SAFETY
RELATED ISSUES

VEHICLE, MACHINERY &
ASSET MAINTENANCE

RESOURCE SCHEDULING &
SHARING

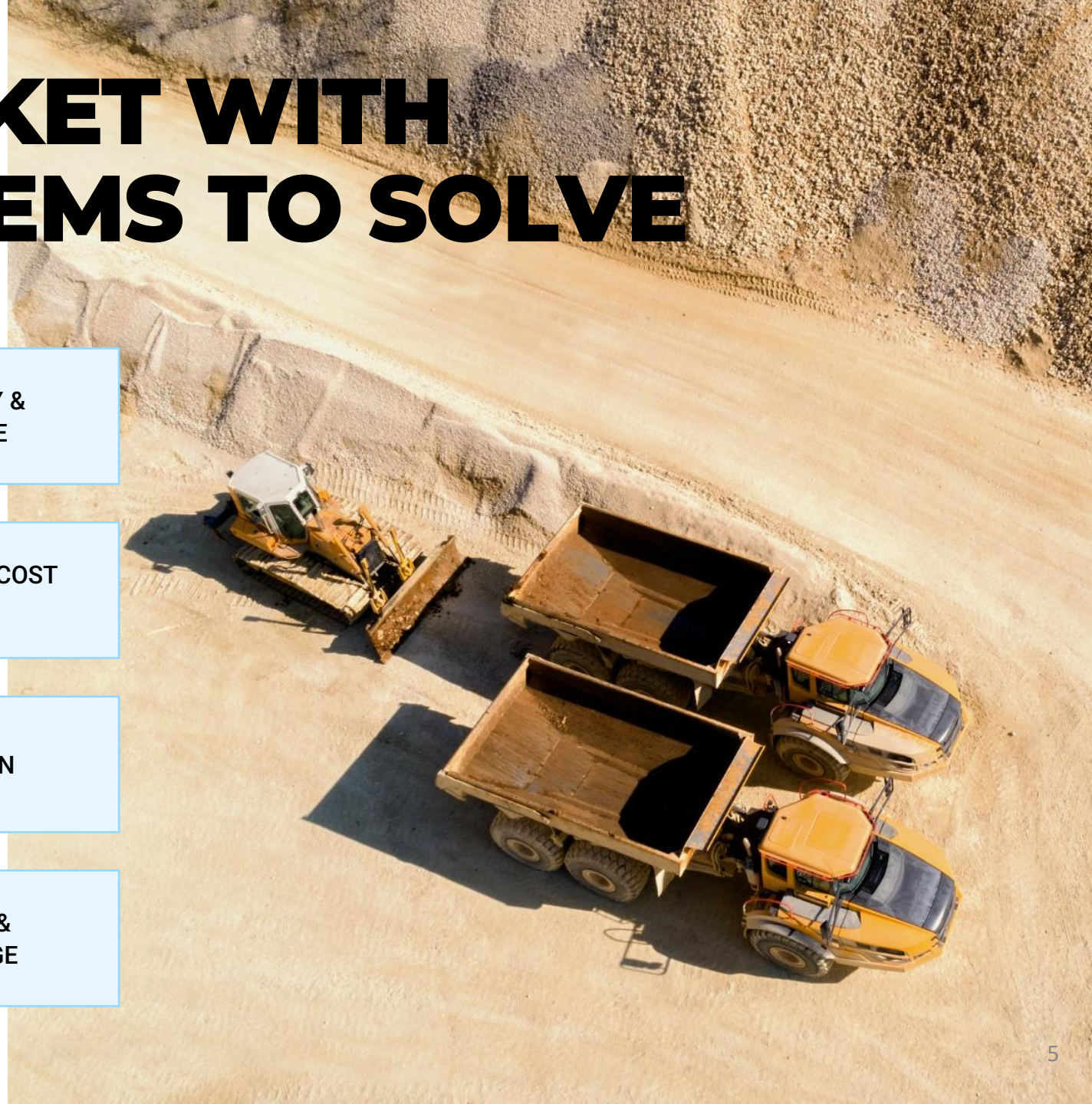
FUEL, TYRE & OTHER COST
MANAGEMENT

CUSTOMER
EXPECTATIONS, BILLING &
TRANSPARENCY

COMPLIANCE & ADMIN

WORKER PRODUCTIVITY &
RETENTION

DISPATCH, ROUTING &
COLD CHAIN WASTAGE



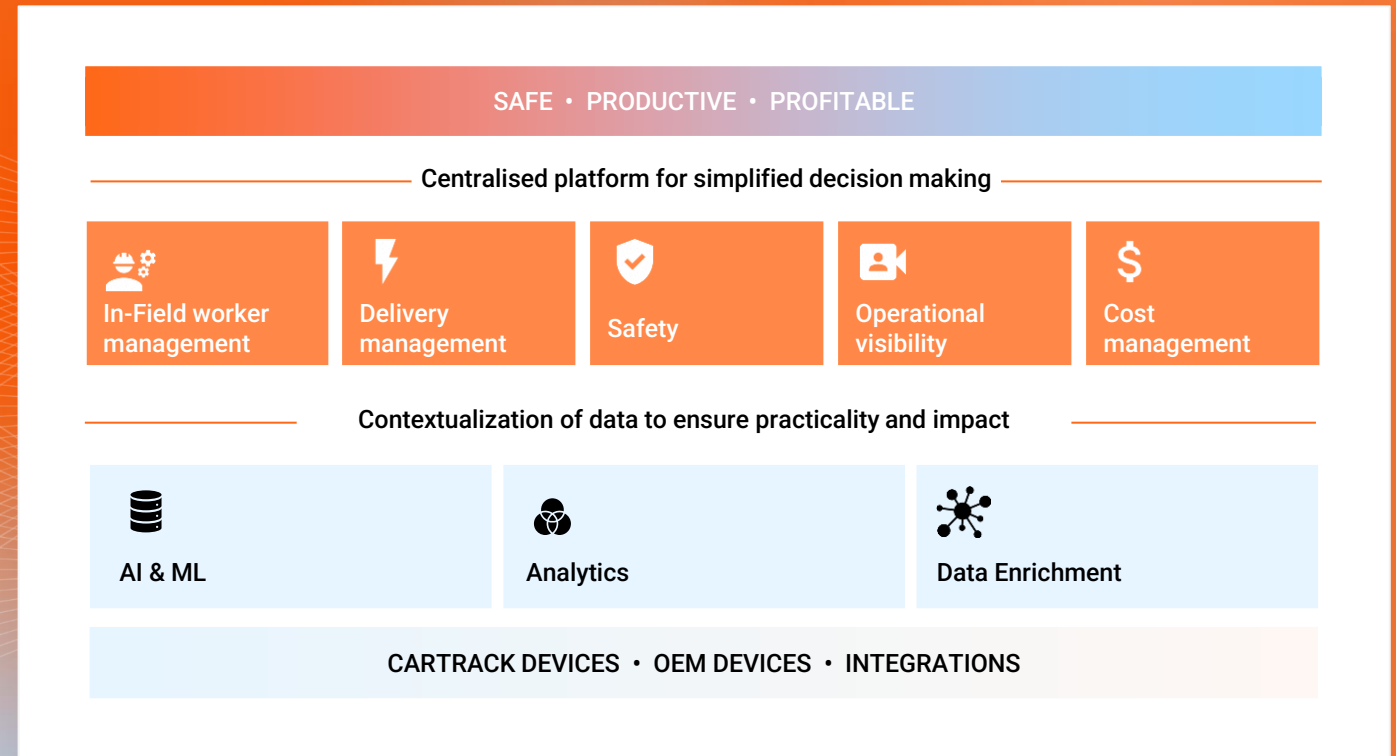


SIMPLIFY THE DECISION MAKING OF PHYSICAL OPERATIONS

**WHERE DO I PLACE
MY TIME, ENERGY &
RESOURCES SO THAT
I CAN _____?**

SLASH FUEL COSTS
EMPOWER WORKERS
PREVENT ACCIDENTS
REDUCE DOWNTIME
EXTEND ASSET LIFESPANS
EXONERATE DRIVERS
INCREASE VISIBILITY
INCREASE CONTROL
INCREASE PRODUCTIVITY
INCREASE PROFITABILITY
SCALE MY OPERATIONS
ENSURE COMPLIANCE
REDUCE EMISSIONS
OVERCOME MAINTENANCE
DELIVER EXCEPTIONAL SERVICE
BOOST DRIVER RETENTION

OUR PLATFORM BRINGS EVERYTHING INTO ONE PLACE TO TRANSFORM DECISION MAKING



WE MAKE OUR CUSTOMERS' LIVES EASY



95%

Commercial Customer Retention Rate

GEOGRAPHICALLY
DISPERSED



ACROSS INDUSTRIES &
SEGMENTS



AND BUSINESSES OF
ALL SIZES



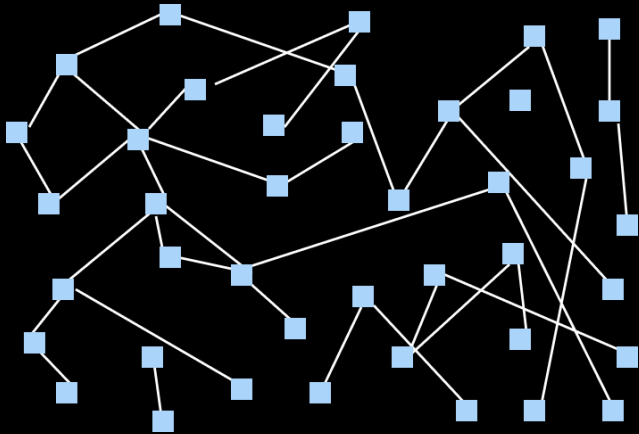
WITH VEHICLES, ASSETS,
MACHINES & MOBILE
TEAMS



THE POWER OF DECLUTTERED DECISION MAKING

BEFORE

Manual mapping, distance calculating, capacity, restraint and time matching, clustering, sequencing, tabling, assigning.



AFTER

Importing jobs via API, selecting available drivers, reviewing optimized schedules and clicking send.

Driver 1	Driver 2	Driver 3
Job 1	Job 1	Job 1
Job 2	Job 2	Job 2
Job 3	Job 3	Job 3
Job 4	Job 4	Job 4
Job 5	Job 5	Job 5
		Job 6

Leading medical lab

1,200%

increase in business scale

-50%

admin costs

20 minute

order collection SLA

x10

driver productivity

THE POWER OF PROACTIVE DECISION MAKING

BEFORE

No visibility of issue and magnitude.

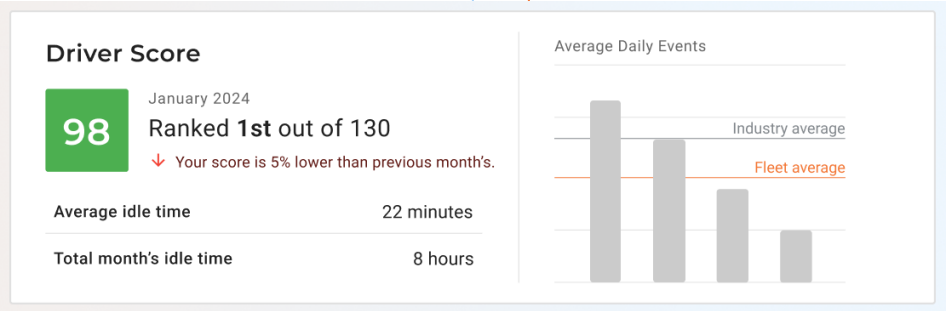
Low-impact education and coaching without scorecards.

AFTER

In cabin buzzer activated once vehicle starts idling until no longer stationary.

Actionable real-time data.

Driver scorecards for effective coaching & improvement tracking.



Leading Connected Operations Platform

-42,000+

Reduction in idling hours

USD 300,000+

Fuel cost savings over 1 year



Above statistics reported by customer. Other customers may experience different results.

THE POWER OF AI-CHARGED DECISION MAKING

-32%

FATIGUED DRIVING



1. In-cabin audible alert so driver can correct their behavior in real-time

-35%

SEATBELT NOT ON



2. Video of event automatically uploaded to cloud for manager's review

-13%

MOBILE PHONE USAGE



3. Coaching completed and logged alongside behaviour trends

-40%

CAMERA OBSTRUCTING



THE POWER OF FACTUAL DECISION MAKING

BEFORE

He said, she said leading to drawn out investigations, unpaid claims, increased insurance premiums and demotivated drivers.



HE SAID

SHE SAID



AFTER

Accident footage requests for evidence-based decisions.

51H-9XXXX

2024/03/14, 13:09:27 – 2023/03/14, 13:15:08

Event Type: **Accident Request**



R1,105,560

In savings in 5 months

~\$61,000

In 5 months

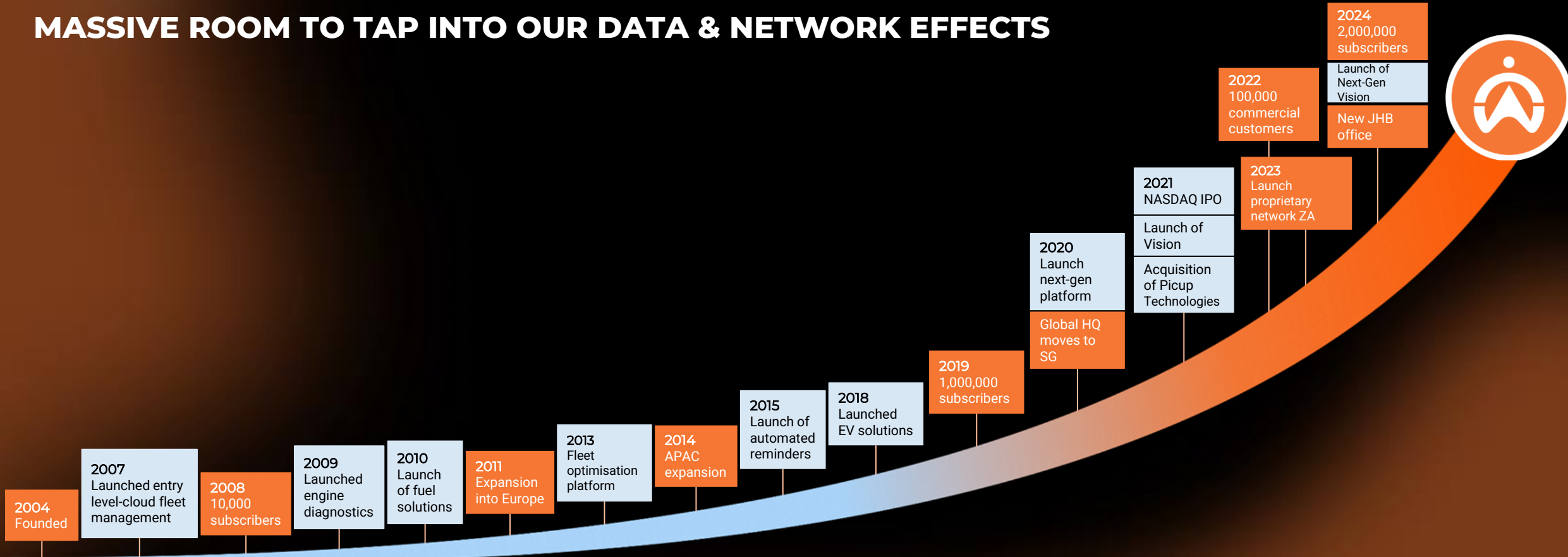
- ✓ Huge insurance savings
- ✓ Increased driver retention
- ✓ Reduced manager-worker tensions
- ✓ Faster claim turnarounds



Above statistics reported by customer. Other customers may experience different results.

STRONG TRACK RECORD OF SUCCESSFUL BIG BETS WITH DISCIPLINED CAPITAL ALLOCATION

MASSIVE ROOM TO TAP INTO OUR DATA & NETWORK EFFECTS



WHY KAROOOOO

FOUNDER-LED BUSINESS

- Shareholder gains and losses are in direct proportion to the Founder/CEO
- Management have an owner-oriented mindset and listed company experience

GEARED FOR ORGANIC GROWTH

- Customer-centric culture with 95% commercial customer net retention
- Strong implementation and execution mindset with high staff retention
- Evolving distribution model with a proven track record and 9x+ LTV/CAC¹
- 15% CAGR Subscriber Growth from FY19 through FY24

DIFFERENTIATED TECHNOLOGY PLATFORM

- Vertically integrated business model
- Proprietary software and systems
- Highly scalable business and technology platform
- 170bn+ data points processed monthly

INNOVATIVE CULTURE

- High speed innovation
- Strong ability to adapt and set market trends
- Vibrant entrepreneurial environment

COMPELLING FINANCIALS

- The Cartrack EBIT and EBITDA margin of 24%+ and 40%+ respectively over last 5 years²
- Cartrack is a strong rule of 60 company³
- Consistent Balance Sheet and Capital Structure

FINANCIAL & CAPITAL ALLOCATION DISCIPLINE

- Strategic capex for expansion initiatives with stable capex over time
- De-levered balance sheet with positive net cash over past 5 years²
- 29+ debtor's day over last 3 years²



Notes: CAGRs are from FY20-FY24. Retention, LTV, Subscriber data from Q4 2024 Earnings Presentation

(1) LTM LTV calculated as LTM subscription revenue gross margin x (Current SaaS ARR - LTM SaaS ARR) / Churn. CAC calculated as LTM S&M expense

(2) Latest year as of FY24

(3) Calculated as adj. EBITDA margin + revenue growth. Adj. EBITDA excludes capitalized sales commissions



KAROO0000

Financial Performance for Q1 FY25

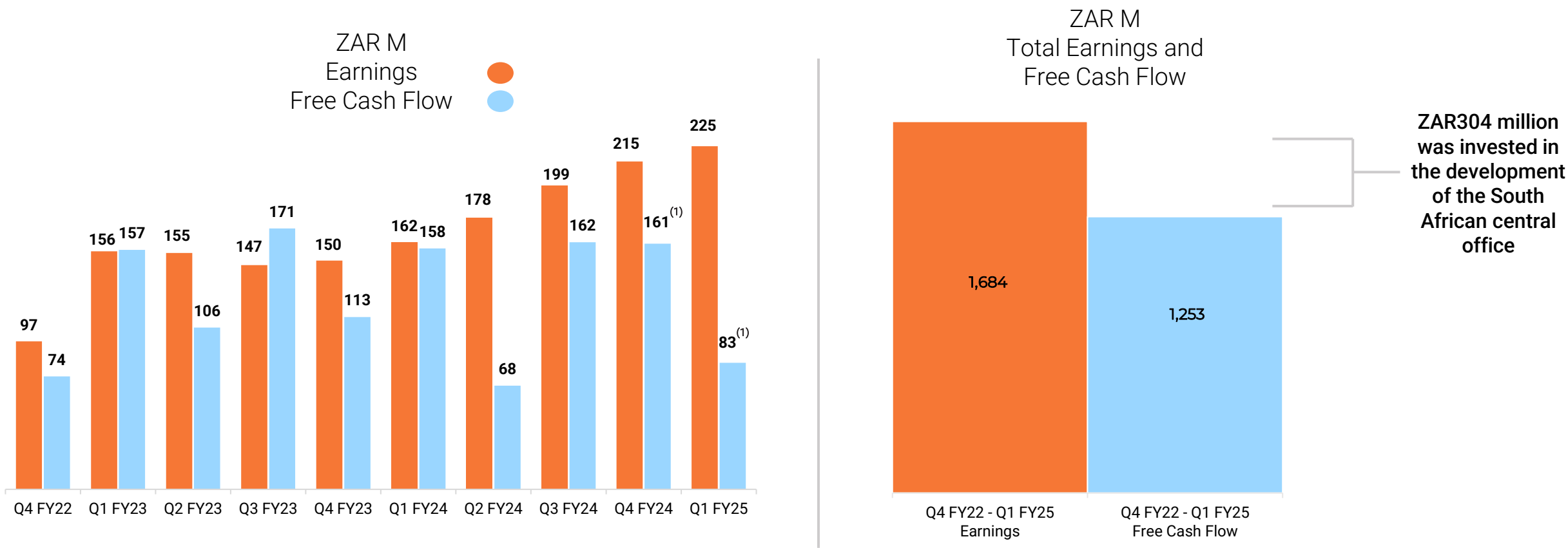
KAROOOOO CONTINUES DELIVER ON ITS STRONG TRACK RECORD OF SUBSCRIPTION REVENUE & EARNINGS GROWTH

UP 15% Subscription Revenue		UP 34% Operating Profit		UP 41% Earnings Per Share	
Q1 FY25	ZAR 964M	Q1 FY25	ZAR 300M	Q1 FY25	ZAR 7.17
Q1 FY24	ZAR 836M	Q1 FY24	ZAR 224M	Q1 FY24	ZAR 5.09

STRONG CUSTOMER ACQUISITION EXPERIENCED IN Q1 FY25



DECADE-PLUS TRACK RECORD OF HIGH CASH CONVERSION



STRONG TRACK RECORD OF DISCIPLINED CAPITAL ALLOCATION, EARNINGS AND FREE CASH FLOW

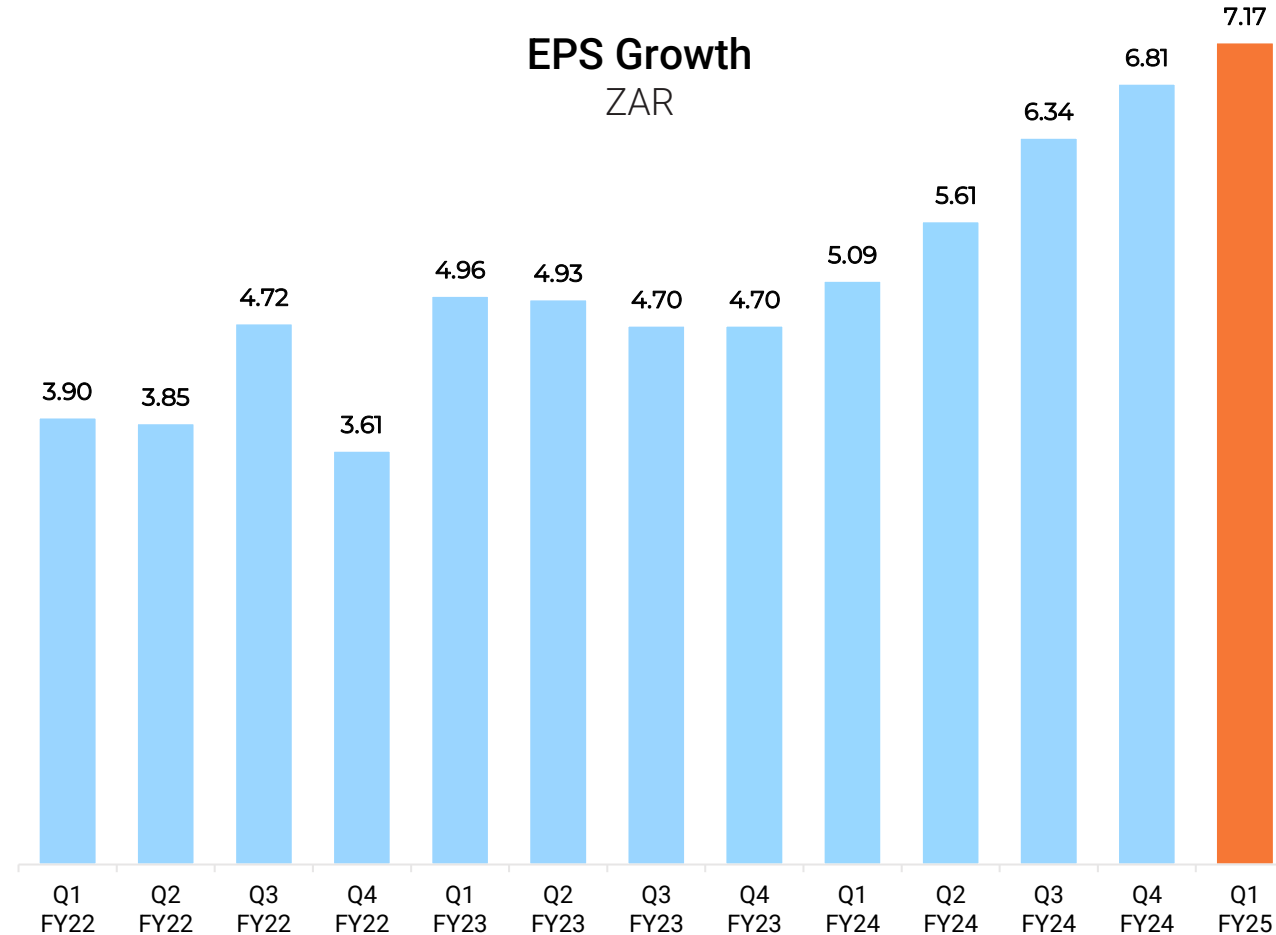


(1) As at February 29, 2024, there were bank fixed deposits of USD25.2 million maturing more than 3 months after year end that were included in “Trade and other receivables and prepayments” on the balance sheet. The same bank fixed deposits maturing less than 3 months are now presented as “Cash and cash equivalents” in the May 31, 2024 balance sheet. Hence, the group generated Free Cash Flow (a non-IFRS measure) of ZAR569 million for the quarter ended May 31, 2024. Excluding the effect of the bank fixed deposits of USD25.2 million, Free Cash Flow (a non-IFRS measure) was ZAR83 million for this quarter (Q1 2024: ZAR158 million).

KAROOOOO ACCELERATES EARNINGS PER SHARE

UP 41%

Q1 FY25	7.17
Q1 FY24	5.09



CARTRACK UP 29%

Q1 FY25 6.94

Q1 FY24 5.40

KAROO000 LOGISTICS UP 188%

Q1 FY25 0.23

Q1 FY24 0.08

KAROO00'S EPS RECONCILIATION

ZAR	FY22 ⁽¹⁾	FY23	FY24	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25
CARTRACK	16.59	20.61	24.77	5.40	5.89	6.96	6.52	6.94
CARZUKA	(0.42)	(1.42)	(1.40)	(0.39)	(0.42)	(0.75)	0.16	0
KAROO000 LOGISTICS	(0.07)	0.10	0.48	0.08	0.14	0.13	0.13	0.23
TOTAL	16.10	19.29	23.85	5.09	5.61	6.34	6.81	7.17

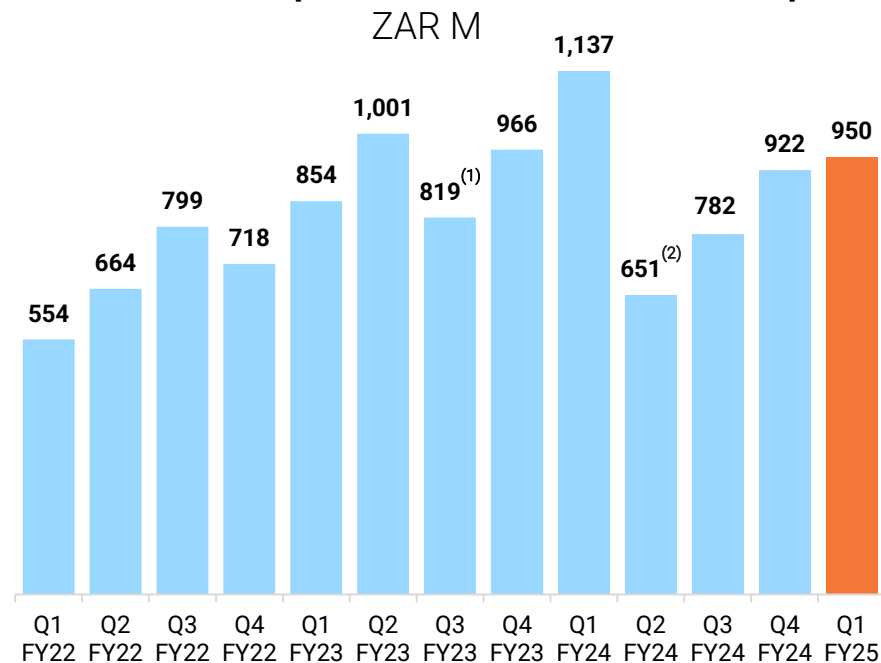
KAROO000 CONTINUES TO SCALE, GROW AND INCREASE EARNINGS



⁽¹⁾ Adjusted earnings per share (a non-IFRS measure). Earnings per share excluding the impact of once-off exceptional item expensed off in 2022,

KAROOOOO HAS A ROBUST BUSINESS MODEL BACKED BY A STRONG AND CLEAN BALANCE SHEET

Net cash on hand plus cash in bank fixed deposits



Healthy
Debtor's Days

30

Q1 FY25

Q1 FY24: 29 days

Strong unit economics

Robust operating margins

Unleveraged balance sheet

Strong cash conversion

A CASH DIVIDEND OF USD33.4 MILLION WILL BE PAID TO SHAREHOLDERS IN AUGUST 2024 (USD1.08 PER SHARE)



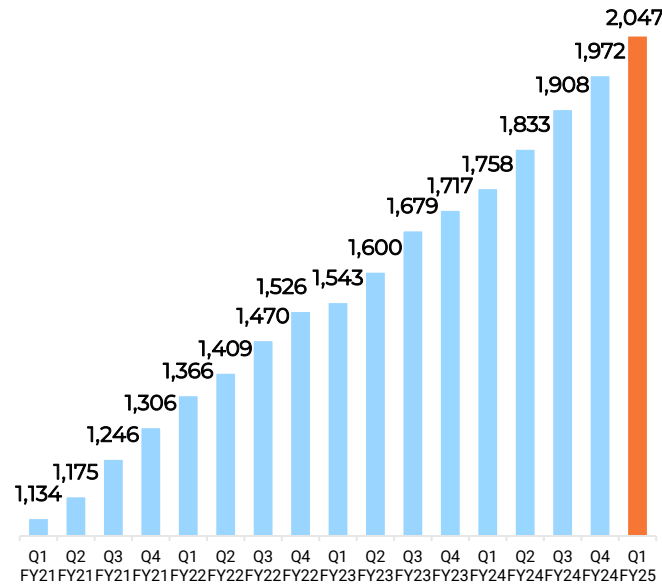
⁽¹⁾ USD18.6m dividend paid

⁽²⁾ USD26.3m dividend paid

CARTRACK EXTENDS DECADE-PLUS TRACK RECORD OF EXECUTION EXCELLENCE

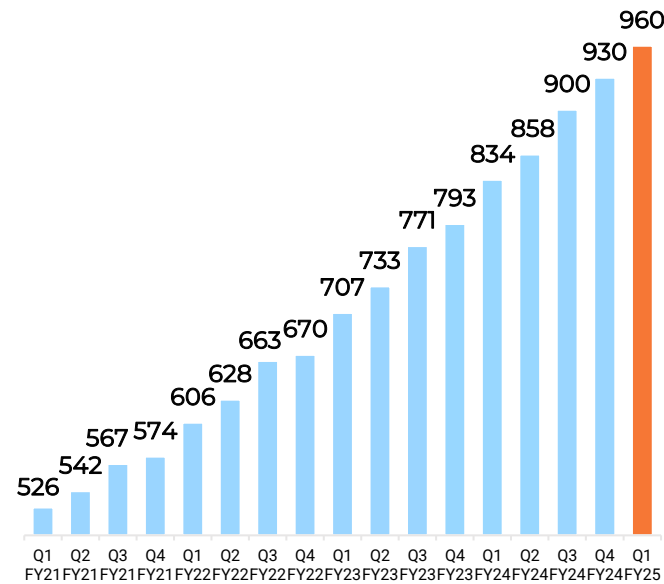
Scale

Subscribers
000s



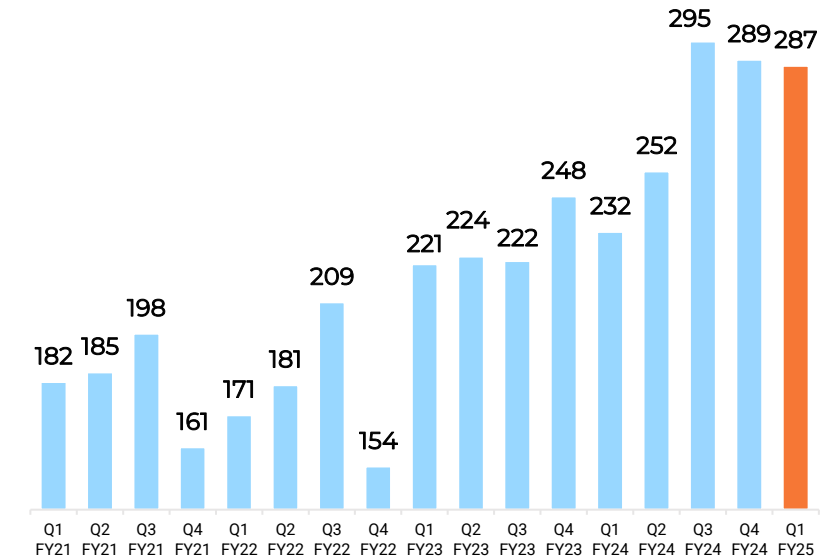
Growth

Subscription Revenue
ZAR M



Profitability

Operating Profit
ZAR M



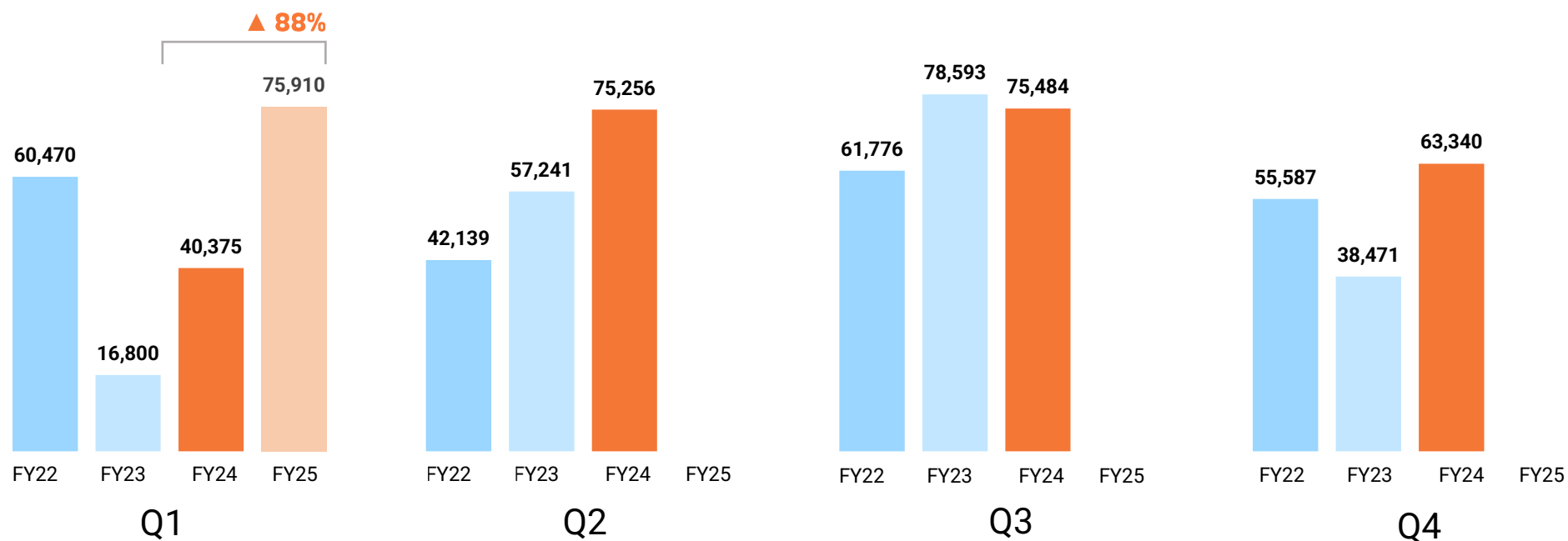
**PROVEN ABILITY TO SCALE IN VARYING MACRO ECONOMIC CONDITIONS
AND CONSISTENTLY BEATING THE RULE OF 60⁽¹⁾**



⁽¹⁾Cartrack revenue growth for the period of 12 months + adjusted EBITDA margin for the period of 12 months sum to greater than 60.

CARTRACK EXPERIENCES

RECORD Q1 NET SUBSCRIBER ADDITIONS



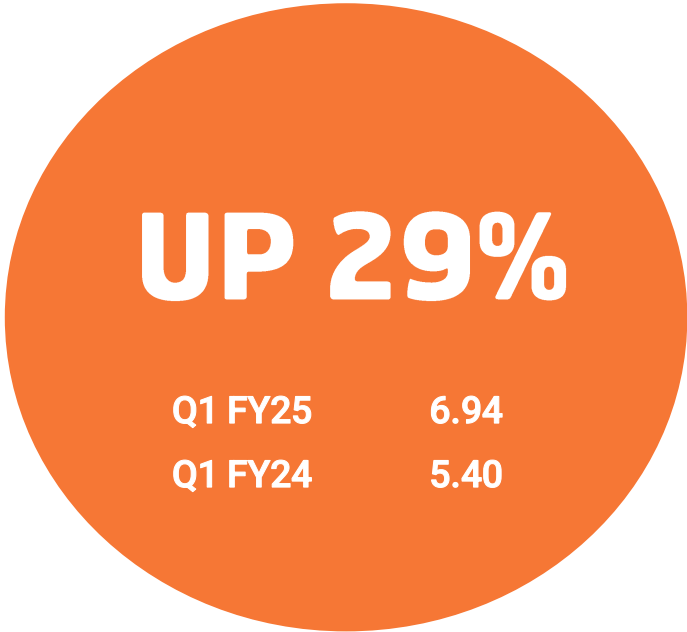
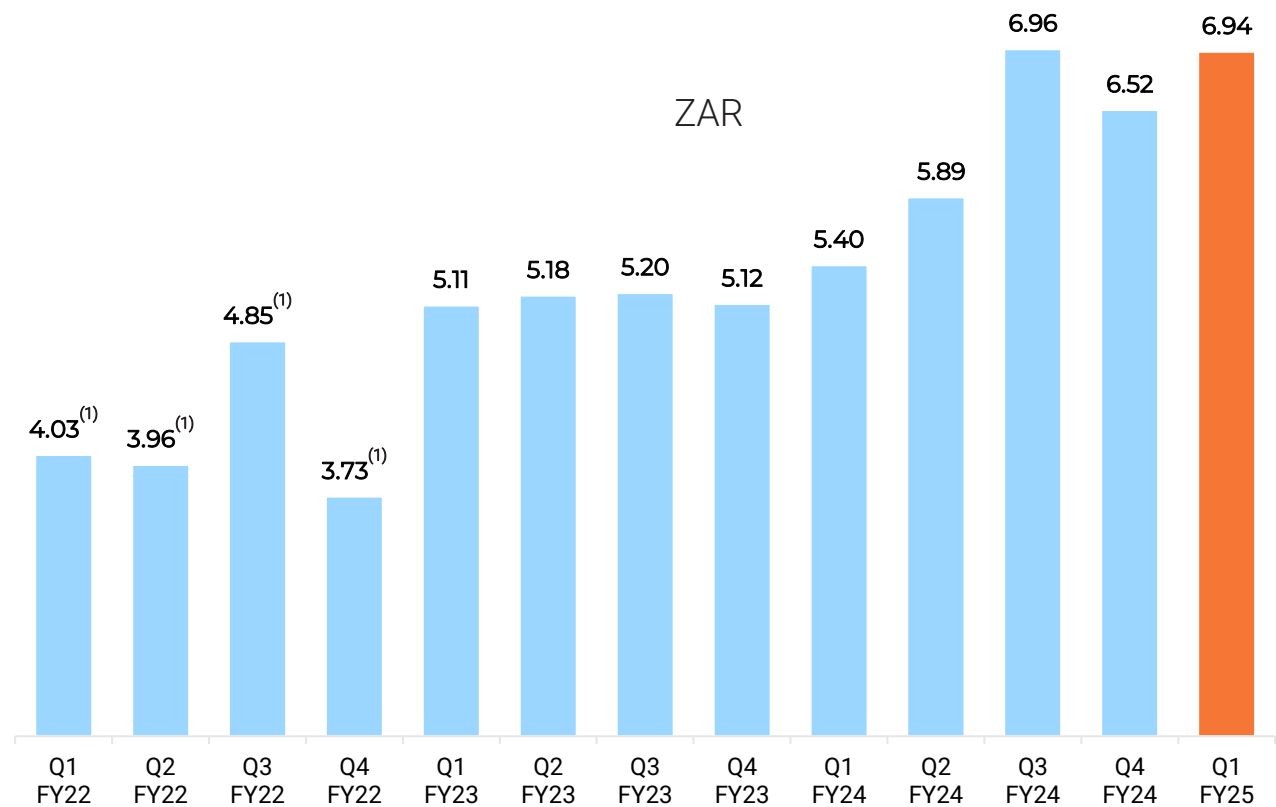
CARTRACK CONTINUES WITH DECADE-PLUS TRACK RECORD OF STRONG SaaS REVENUE GROWTH

UP 15% Subscription Revenue		UP 15% Revenue	
Q1 FY25	ZAR 960M	Q1 FY24	ZAR 981M
Q1 FY24	ZAR 834M	Q1 FY23	ZAR 853M

**98% OF CARTRACK’S REVENUE IS
SUBSCRIPTION REVENUE**



CARTRACK EXTENDS DECADE-PLUS TRACK RECORD OF EPS GROWTH AT SCALE



EARNINGS CONTINUE TO BENEFIT FROM STRONG ECONOMIES OF SCALE



(1) Adjusted earnings per share (a non-IFRS measure). Earnings per share excluding the impact of once-off exceptional item expensed off in 2022.

CARTRACK DEMONSTRATES ITS ABILITY TO MAINTAIN HIGH MARGINS AND WIN

Gross Profit	Operating Profit	Adjusted EBITDA ⁽¹⁾
UP 19%	UP 24%	UP 16%
Q1 FY25 ZAR 713M	Q1 FY25 ZAR 287M	Q1 FY25 ZAR 453M
Q1 FY24 ZAR 600M	Q1 FY24 ZAR 232M	Q1 FY24 ZAR 392M
Gross Profit Margin	Operating Profit Margin	Adjusted EBITDA Margin ⁽¹⁾
IMPROVED	IMPROVED	CONSISTENT
Q1 FY25 73%	Q1 FY25 29%	Q1 FY25 46%
Q1 FY24 70%	Q1 FY24 27%	Q1 FY24 46%

CARTRACK HAS STRONG VISIBILITY OF FUTURE SaaS REVENUE

⁽¹⁾ Adjusted EBITDA is a non-IFRS measure, defined as profit less finance income, plus finance costs, taxation, depreciation and amortization, plus any impact of non-recurring operational expenses. Please see our Earnings announcement for reconciliation to closest metric calculated in accordance with IFRS.



CARTRACK'S LEADING UNIT ECONOMICS

Lifetime Value of
Customer Relationships⁽¹⁾



Low Cost of Acquiring a
Customer⁽²⁾

Strong Benefits from
Economies of Scale

Q1 FY25
**Gross Profit Margin based only
on Subscription Revenue**

74%

Q1 FY24: 71%

>9x

LTV to CAC

95%

Commercial Customer
Retention Rate

WELL POSITIONED TO CONTINUE SCALING



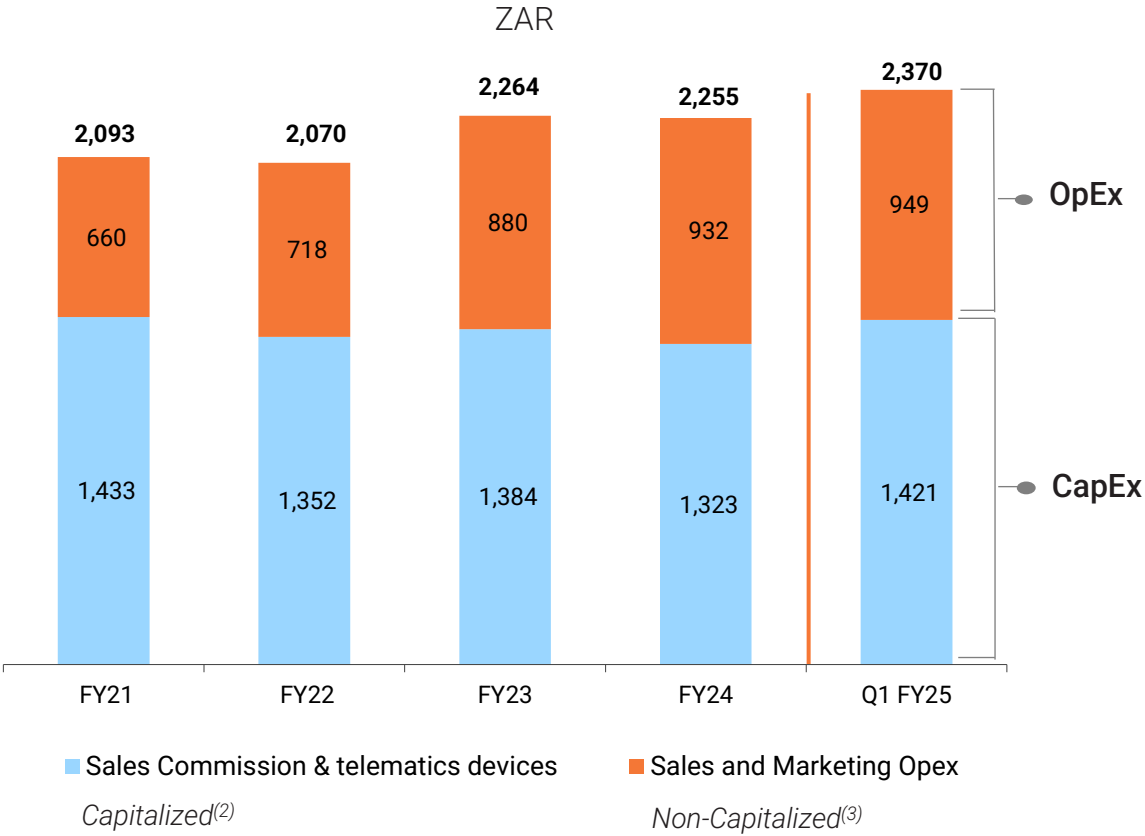
(1) The product of our subscription revenue gross margin measured over the past twelve months, and the difference between our current period SaaS ARR and prior comparative period (twelve months) SaaS ARR divided by the percentage of SaaS ARR lost as a result of customer churn over the past 12 months.

(2) Annual sales and marketing expense measured over the past 12 months

CARTRACK'S STRONG TRACK RECORD OF SUBSCRIBER UNIT ECONOMICS CONTINUES

Average Cost of adding a Subscriber to our cloud ⁽¹⁾

Average Cost of Acquiring a Subscriber takes into account vehicles for new & existing customers



		FY21	FY22	FY23	FY24	Q1 FY25
ARPU (ZAR)		154	151	155	160	159
Subscriber contract life cycle (Months)		60	60	60	60	60
Average life cycle revenue per subscriber ⁽⁴⁾	(A)	9,266	9,065	9,323	9,595	9,551
Average cost of adding a subscriber to our cloud	(B)	(2,093)	(2,070)	(2,264)	(2,254)	(2,370)
(A) – (B)		7,173	6,995	7,059	7,341	7,181

(1) Management’s assessment of cost of acquiring a subscriber. For bundled sales which contribute to subscription revenue.

(2) Costs capitalized and depreciated through cost of sales over the expected useful life of the subscriber (60 months)

(3) Costs expensed through operating expenses when incurred

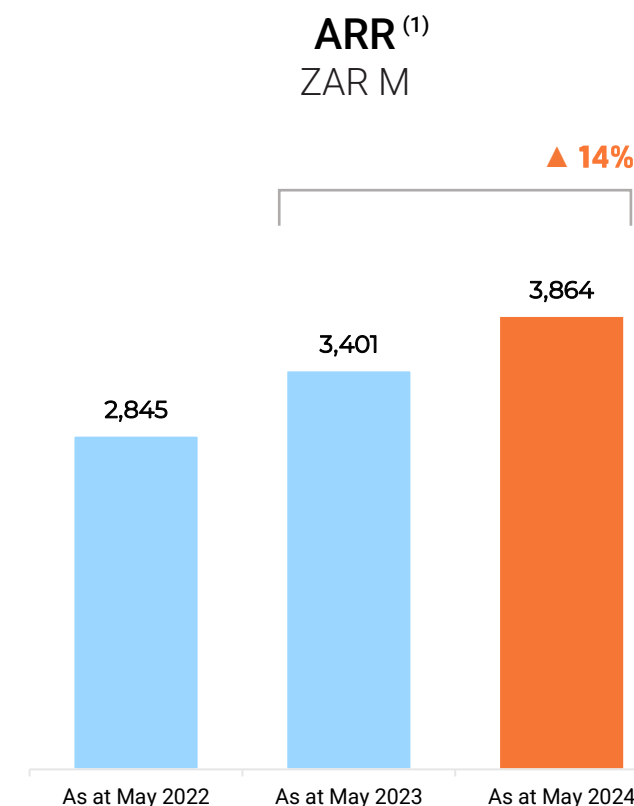
(4) ARPU multiplied by the contract life cycle months.



CARTRACK

CONTINUES TO GROW SUBSCRIBER BASE & ARR WITH SOLID TRACTION IN SOUTHEAST ASIA

'000s Subscribers	Q1 FY23	Q1 FY24	Q1 FY25	Q-on-Q Change
SOUTH AFRICA	1,184	1,340	1,550	16%
ASIA, MIDDLE EAST, USA	156	194	238	23%
EUROPE	133	149	174	17%
AFRICA- OTHER	70	75	85	14%
TOTAL	1,543	1,758	2,047	17%



⁽¹⁾ARR is a non-IFRS measure defined as the annual run-rate subscription revenue of subscription agreements from all customers at a point in time, calculated by taking the monthly subscription revenue for all customers during that month and multiplying by 12.



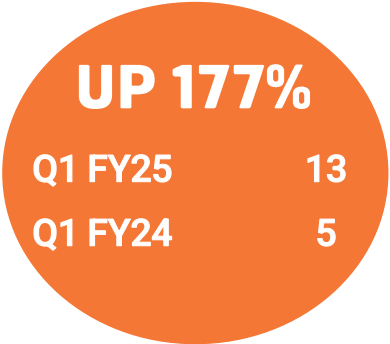
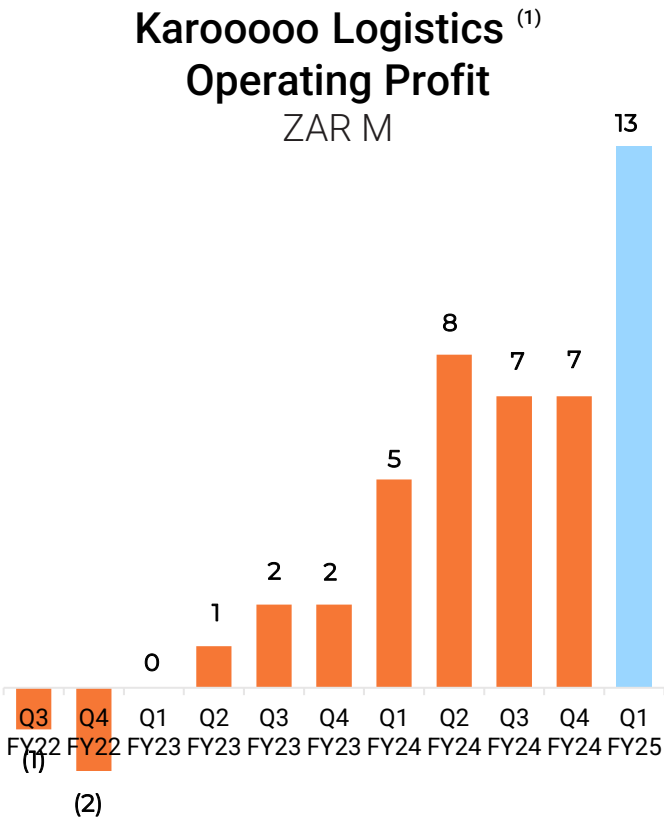
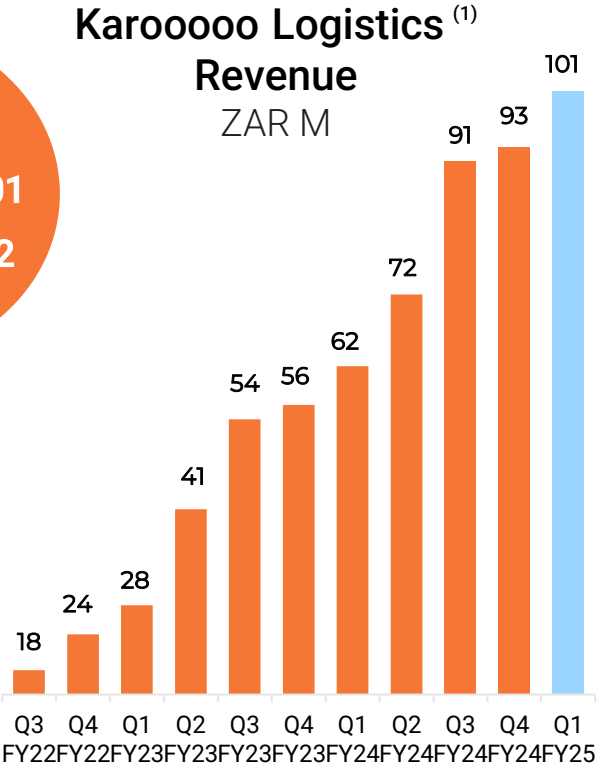
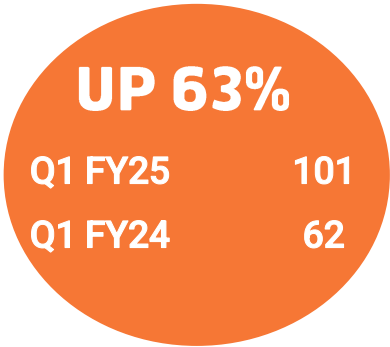
CARTRACK'S CONSISTENT OPERATING METRICS

	Q1 FY22	Q1 FY23	Q1 FY24	Q1 FY25
Subscription Revenue Gross Profit Margin	72%	72%	71%	74%
Research & Development as a % of Subscription Revenue	5%	6%	6%	6%
Sales & Marketing as a % of Subscription Revenue	14%	13%	14%	15%
General & Administration as a % of Subscription Revenue	21%	21%	21%	21%
Operating Profit as a % of Subscription Revenue	28%	31%	28%	30%
Adjusted EBITDA ⁽¹⁾ as a % of Subscription Revenue	46%	50%	47%	47%



⁽¹⁾ Adjusted EBITDA is a non-IFRS measure, defined as profit less finance income, plus finance costs, taxation, depreciation and amortization, plus any impact of non-recurring operational expenses. Please see our Earnings announcement for reconciliation to closest metric calculated in accordance with IFRS.

KAROOOOO LOGISTICS CONTINUES TO GAIN ADOPTION BY OUR LARGE ENTERPRISE CUSTOMERS SEEKING TO SCALE THEIR E-COMMERCE OPERATIONS



STRONG Q-ON-Q DaaS REVENUE GROWTH



⁽¹⁾ Karooooo acquired 70.1% of Picup in September 2021. Picup was subsequently re-named as Karooooo Logistics, given the consolidation of platforms.

KAROOOOO'S OUTLOOK FOR 2025 REMAINS UNCHANGED

	FY22	FY23	FY24	Q1 FY25	FY25 Outlook
Number of Subscribers (000s)	1,526	1,717	1,972	2,047	2,200 – 2,400
Cartrack's Subscription Revenue (ZAR M)	2,566	3,004	3,523	960	3,900 – 4,150
Cartrack's Operating Profit Margin	27%	30%	30%	29%	27% – 31%
Karoooooo's Earnings Per Share (ZAR)	16.10	19.29	23.85	7.17	27.50 – 31.00



DRIVERS LOVE US

Q&A



KAROOOO