



**KAROO0000**

Earnings Presentation Q4 FY24 and FY24

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The information in this presentation (which includes any oral statements made in connection therewith, as applicable) includes “forward-looking statements.” Forward-looking statements are based on our beliefs and assumptions and on information currently available to us, and include, without limitation, statements regarding our business, financial condition, strategy, results of operations, certain of our plans, objectives, assumptions, expectations, prospects and beliefs and statements regarding other future events or prospects. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words “believe,” “expect,” “plan,” “intend,” “seek,” “anticipate,” “estimate,” “predict,” “potential,” “assume,” “continue,” “may,” “will,” “should,” “could,” “shall,” “risk” or the negative of these terms or similar expressions that are predictions of or indicate future events and future trends.

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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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NASDAQ TICKER "KARO"  
JSE TICKER "KRO"

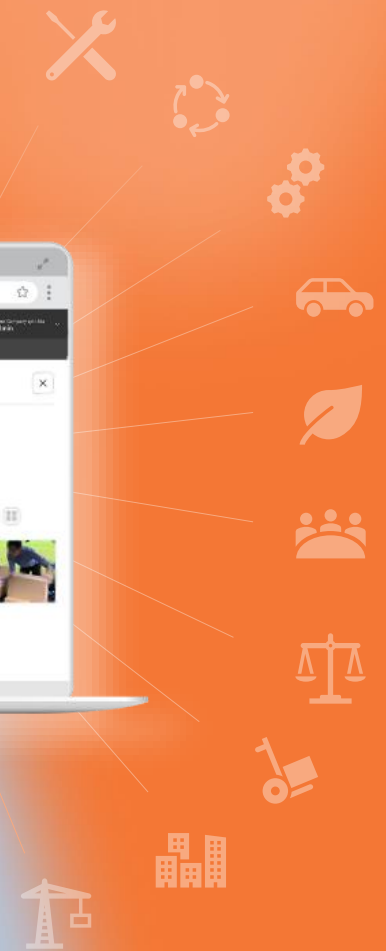
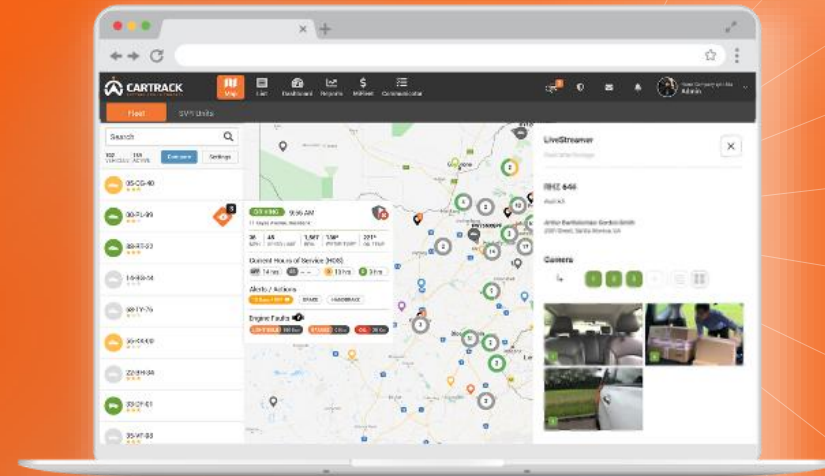


**Founded in South Africa, now headquartered in Singapore**



# SETTING THE PATH FOR TOMORROW

THINKING BEYOND CONNECTED VEHICLES AND EQUIPMENT

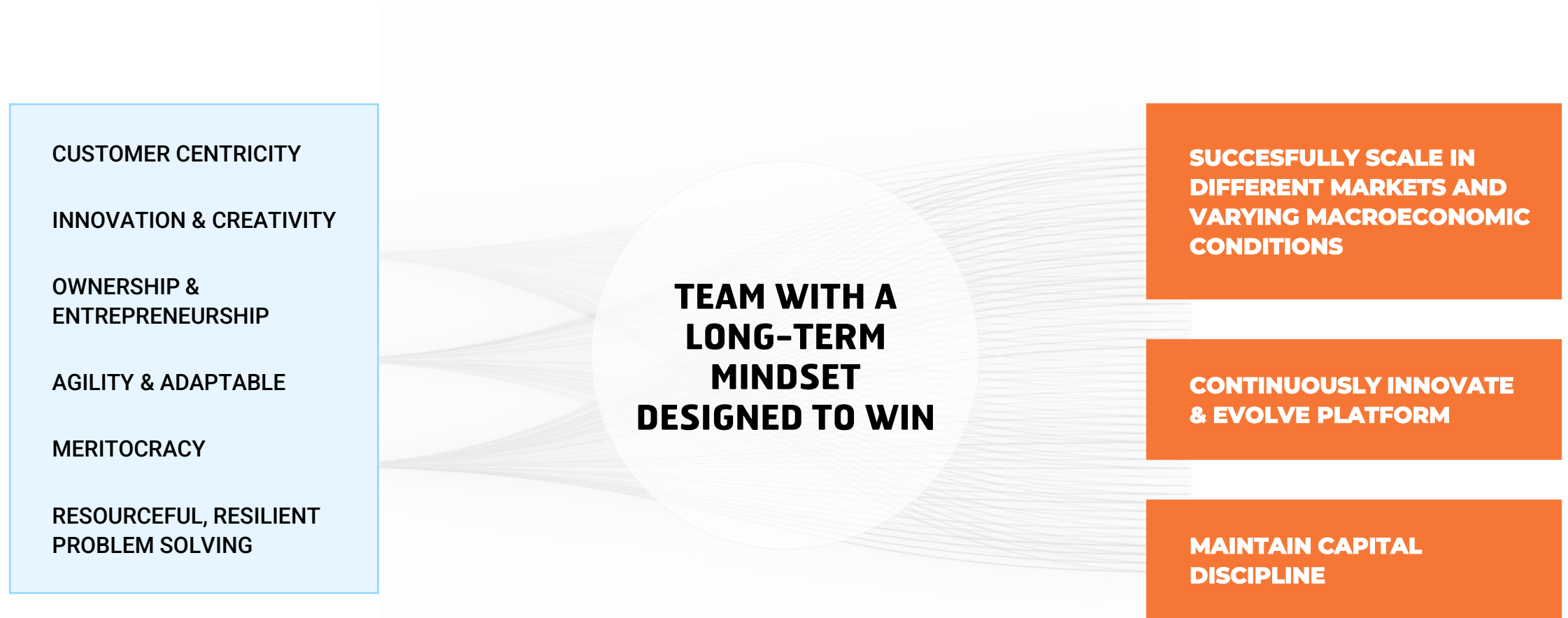


# KAROOOOO COMFORTABLY MEETS 2024 OUTLOOK

	FY24	FY24 Outlook
Number of Subscribers (000s)	1,972	1,900 – 2,100 ✓
Cartrack's Subscription Revenue (ZAR M)	3,523	3,400 – 3,600 ✓
Cartrack's Operating Profit Margin	30%	28% – 31% ✓



# OUR HARD TO REPLICATE CULTURE REMAINS A GAME CHANGER



# INVESTMENT IN AI CONTINUES TO SAVE LIVES

Leading mine in South Africa makes huge strides in safety in just one month with our fully digitalized coaching platform, AI event-based footage and actionable analytics.

**-32%**

FATIGUED DRIVING

**-35%**

SEATBELT NOT ON

**-13%**

MOBILE PHONE USAGE

**-40%**

CAMERA OBSTRUCTING





# OVER 121,000 CUSTOMERS POWER THEIR OPERATIONS USING OUR CLOUD PLATFORM

NO INDUSTRY OR CUSTOMER CONCENTRATION RISK

AI AND MACHINE LEARNING ENHANCED

170 BN+ VALUABLE DATA POINTS COLLECTED MONTHLY  
WITH STRONG NETWORK EFFECTS





# POSITIONED FOR GROWTH



Added new members to **leadership team in SEA**, all focused on **execution and growth**.



Continue building out **infrastructure throughout SEA**, successfully **increased presence in new provinces**.



Continued investment in **internal systems** to maintain **high service delivery**.



New **head office building** in South Africa **ready in Q2**.



Established **innovative partnerships** to leverage large data scale and AI platform.



**Strong cash position** and cash generation.





**KAROO0000**

Financial performance for Q4 FY24 and FY24

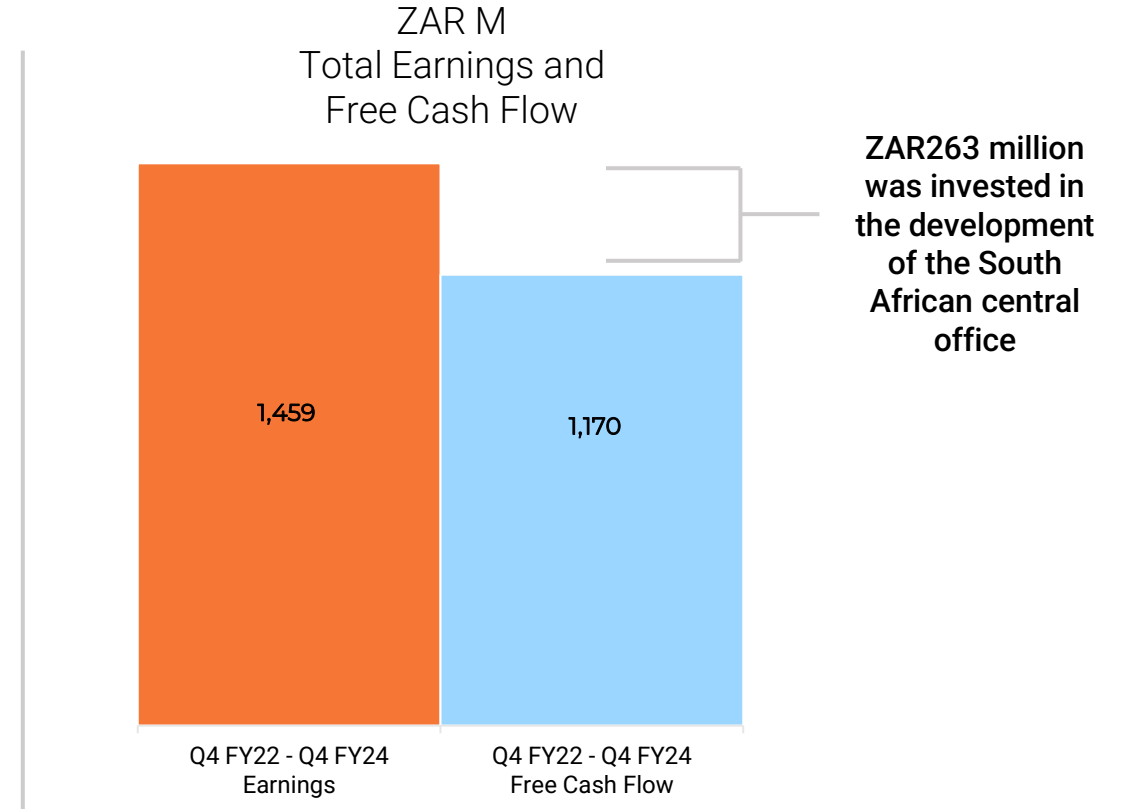
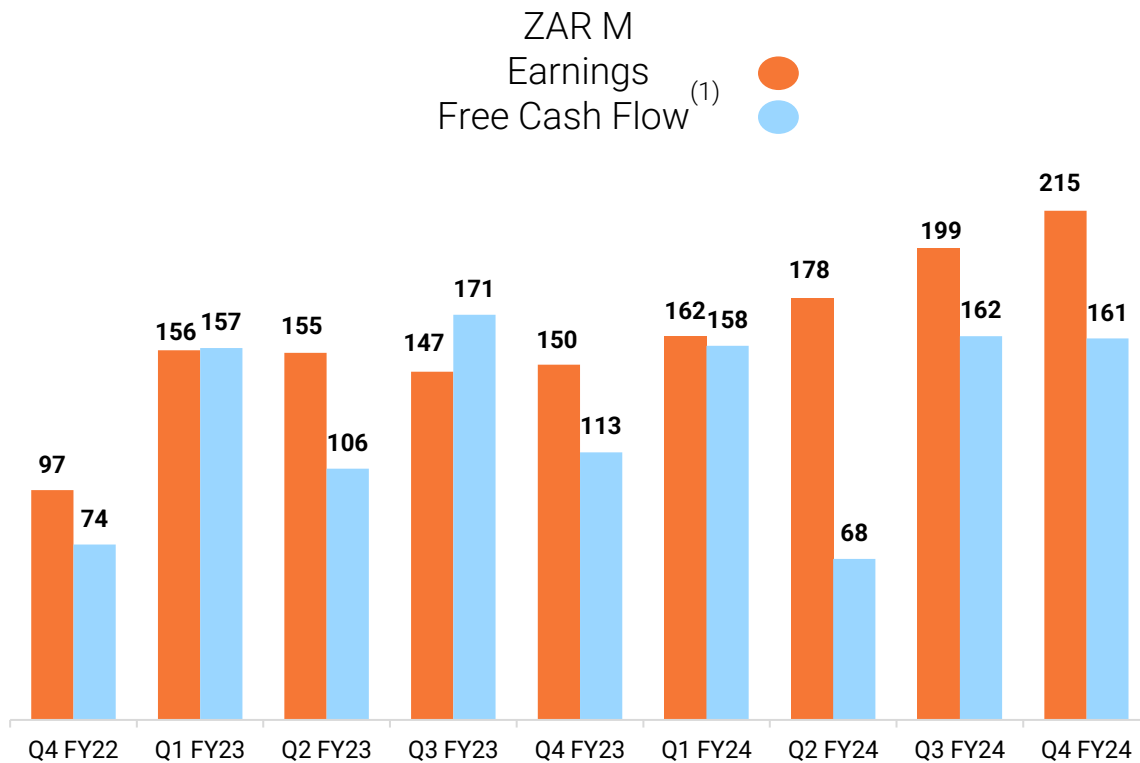
# KAROOOOO'S RECORD SUBSCRIPTION REVENUE & EARNINGS

	Q4 FY24		FY24	
Subscription Revenue	<b>UP 18%</b>		<b>UP 17%</b>	
	Q4 FY24	ZAR 935M	FY24	ZAR 3,536M
	Q4 FY23	ZAR 794M	FY23	ZAR 3,010M
Operating Profit	<b>UP 25%</b>		<b>UP 18%</b>	
	Q4 FY24	ZAR 296M	FY24	ZAR 1,043M
	Q4 FY23	ZAR 237M	FY23	ZAR 882M
Earnings Per Share	<b>UP 45%</b>		<b>UP 24%</b>	
	Q4 FY24	ZAR 6.81	FY24	ZAR 23.85
	Q4 FY23	ZAR 4.70	FY23	ZAR 19.29

**IMPROVED EFFECTIVE TAX RATE TO 28.6% (Q4 FY23 38.2%)**



# KAROO000'S HIGH CASH CONVERSION COUPLED WITH FOCUSED CAPITAL ALLOCATION



## STRONG TRACK RECORD OF FINANCIAL DISCIPLINE AND FREE CASH FLOW



(1) On the basis that funds placed in bank fixed deposits does not affect free cash flow.

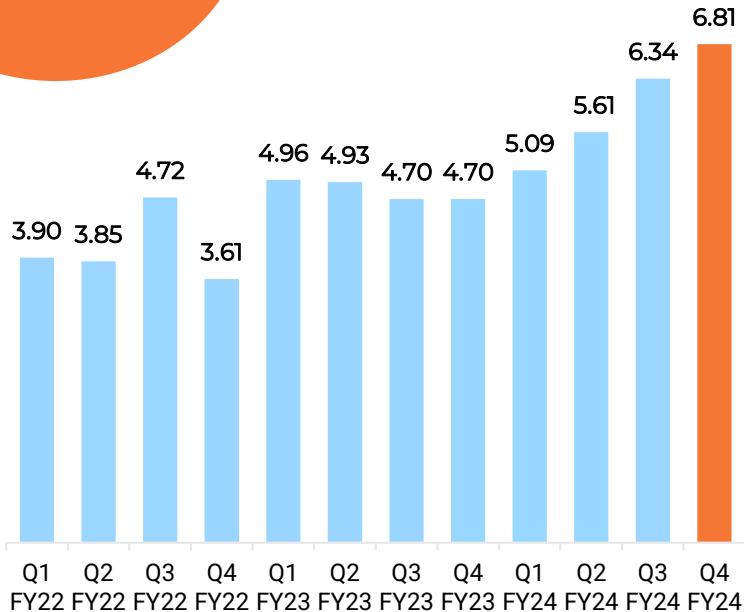
# KAROOOO ACCELERATES EARNINGS PER SHARE

**UP 45%**

**Q4 FY24 6.81**

**Q4 FY23 4.70**

**EPS Growth**  
ZAR



**EPS Reconciliation**

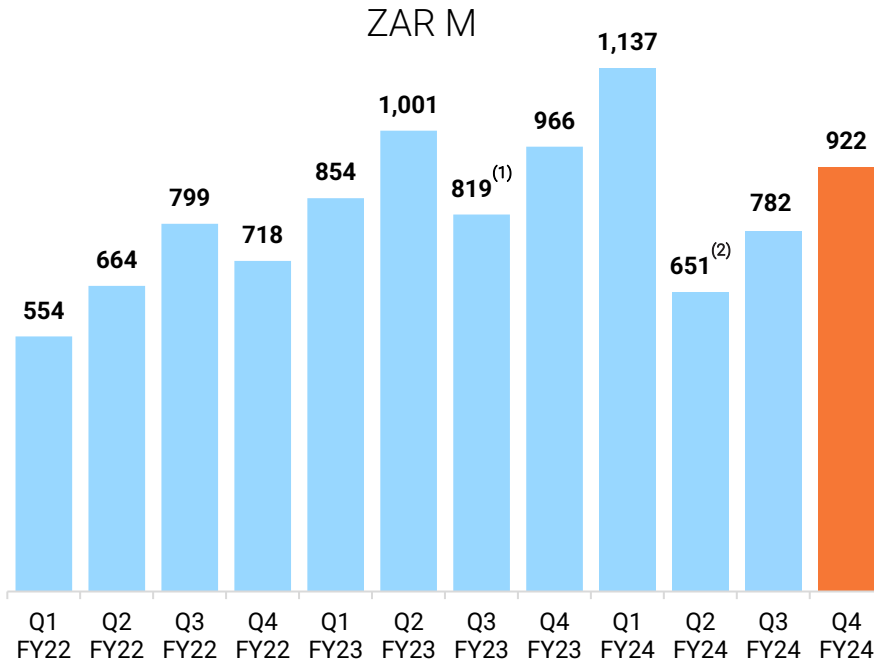
	FY23	FY24	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24
<b>CARTRACK</b>	20.61	24.77	5.40	5.89	6.96	6.52
<b>CARZUKA</b>	(1.42)	(1.40)	(0.39)	(0.42)	(0.75)	0.16
<b>KAROOOOO LOGISTICS</b>	0.10	0.48	0.08	0.14	0.13	0.13
<b>TOTAL</b>	<b>19.29</b>	<b>23.85</b>	<b>5.09</b>	<b>5.61</b>	<b>6.34</b>	<b>6.81</b>

**GOING FORWARD, CARZUKA WILL CEASE TO BE REPORTED AS A STAND-ALONE SEGMENT AS IT WILL NO LONGER ACT AS A BUYING PLATFORM FOR 2<sup>ND</sup> HAND VEHICLES**



# 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

29

Q4 FY24

Q4 FY23: 31 days

Strong unit economics

Robust operating margins

Unleveraged balance sheet

Strong cash conversion

**GIVEN OUR STRONG CASH POSITION AND CASH GENERATION, KAROOOOO CURRENTLY EXPECTS TO DECLARE A DIVIDEND IN Q2 FY25.**

<sup>(1)</sup> USD18.6m dividend paid

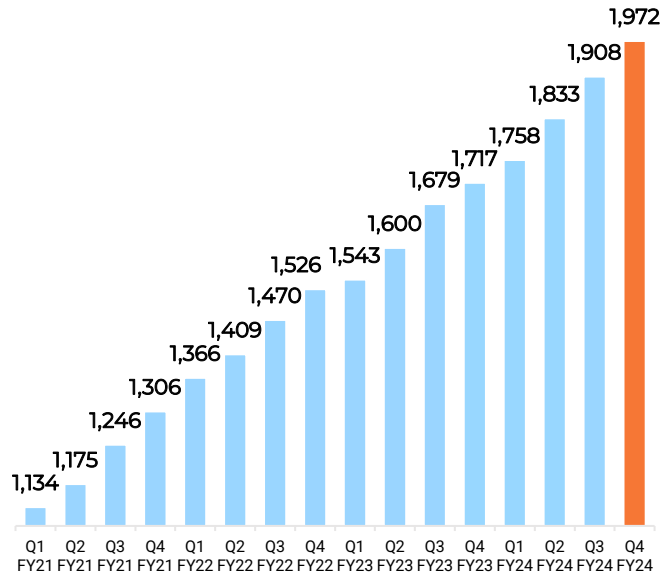
<sup>(2)</sup> USD26.3m dividend paid



# CARTRACK EXTENDS DECADE-PLUS TRACK RECORD OF EXECUTION EXCELLENCE

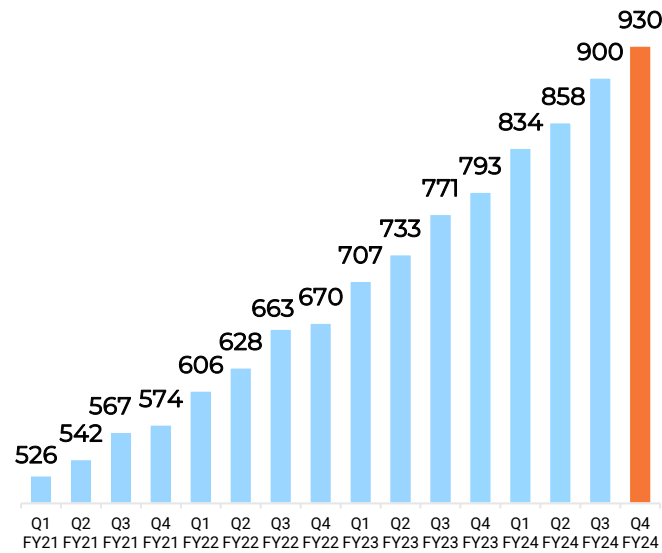
## Scale

Subscribers  
000s



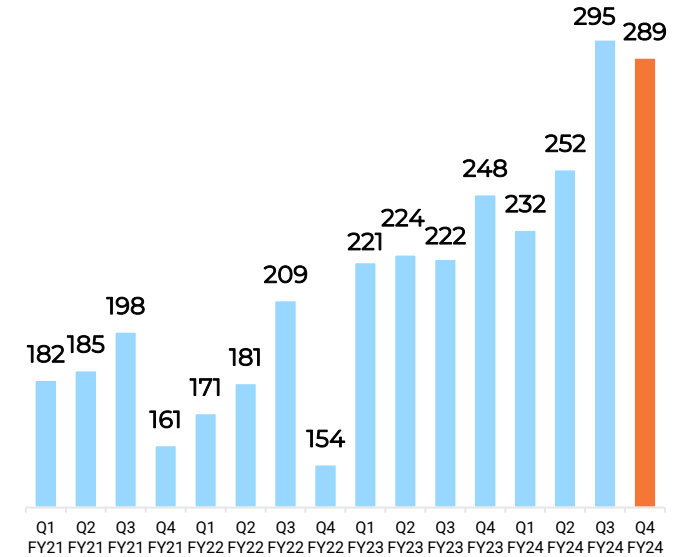
## Growth

Subscription Revenue  
ZAR M



## Profitability

Operating Profit  
ZAR M



**PROVEN ABILITY TO SCALE IN VARYING MACRO ECONOMIC CONDITIONS  
CONSISTENTLY BEATING THE RULE OF 40<sup>(1)</sup>**



<sup>(1)</sup> Revenue growth for the period of 12 months + operating margin for the period of 12 months sum to greater than 40.

# CARTRACK'S CONSISTENT TRACK RECORD OF STRONG CAGR

	FY14	FY19	FY23	FY24	CAGR		
					1 Year	5 Years	10 Years
<b>SUBSCRIBERS</b>	348 430	960 798	1 717 077	1 971 532	15%	15%	19%
<b>SUBSCRIPTION REVENUE (ZAR M)</b>	467	1,521	3,004	3,523	17%	18%	22%
<b>GROSS PROFIT (ZAR M)</b>	503	1,208	2,202	2,589	18%	17%	18%
<b>OPERATING PROFIT (ZAR M)</b>	254	500	915	1,069	17%	16%	15%





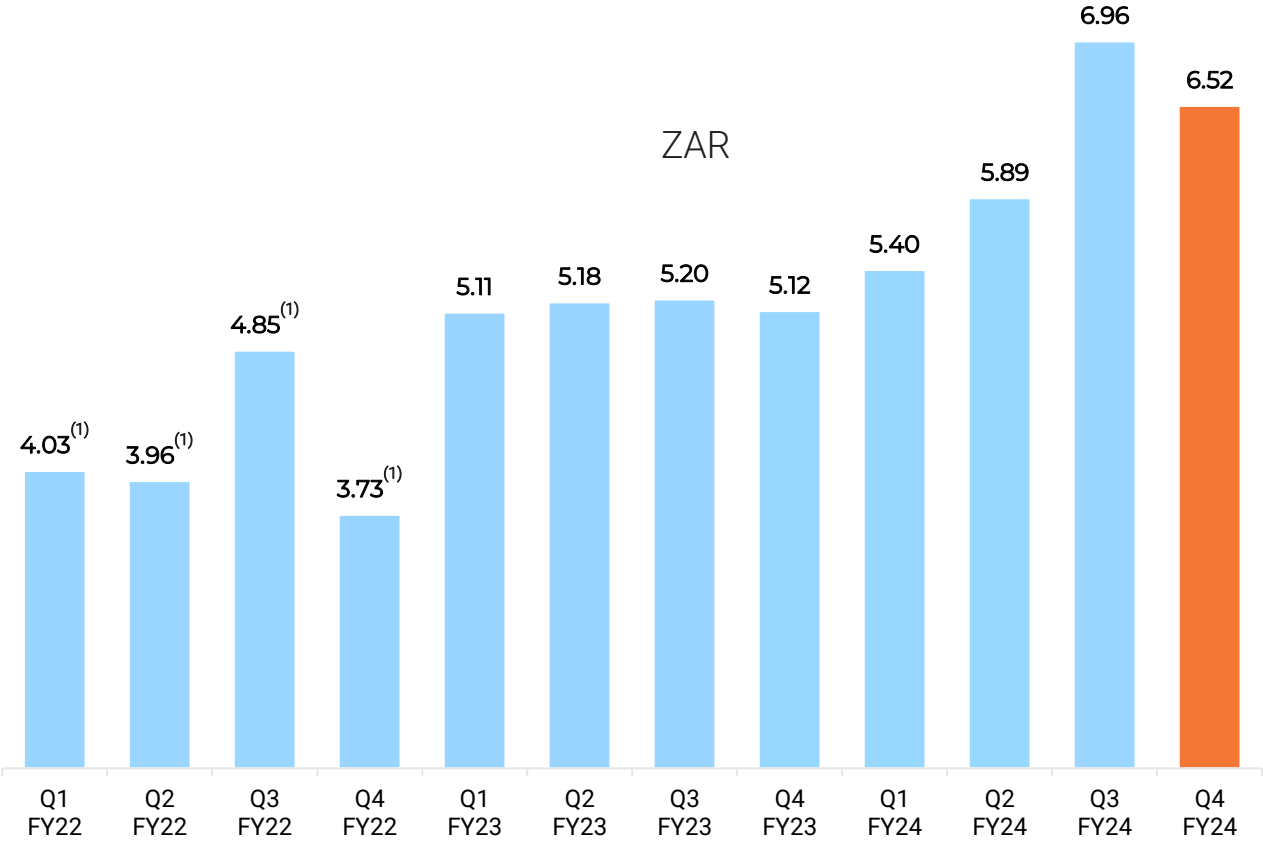
# CARTRACK CONTINUES WITH DECADE-PLUS TRACK RECORD OF STRONG SaaS REVENUE GROWTH

	Q4 FY24	FY24
Revenue	<b>UP 20%</b>	<b>UP 17%</b>
	Q4 FY24    ZAR 958M	FY24    ZAR 3,614M
	Q4 FY23    ZAR 796M	FY23    ZAR 3,077M
Subscription Revenue	<b>UP 17%</b>	<b>UP 17%</b>
	Q4 FY24    ZAR 930M	FY24    ZAR 3,523M
	Q4 FY23    ZAR 793M	FY23    ZAR 3,004M

**97% OF CARTRACK'S REVENUE IS SUBSCRIPTION REVENUE**



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



**UP 27%**

Q4 FY24	6.52
Q4 FY23	5.12

## 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 <sup>(1)</sup>		Gross Profit Margin		Operating Profit Margin		Adjusted EBITDA Margin <sup>(1)</sup>	
<b>UP 21%</b>		<b>UP 17%</b>		<b>UP 22%</b>		<b>CONSISTENT</b>		<b>CONSISTENT</b>		<b>CONSISTENT</b>	
Q4 FY24	ZAR 686M	Q4 FY24	ZAR 289M	Q4 FY24	ZAR 454M	Q4 FY24	72%	Q4 FY24	30%	Q4 FY24	47%
Q4 FY23	ZAR 568M	Q4 FY23	ZAR 248M	Q4 FY23	ZAR 371M	Q4 FY23	71%	Q4 FY23	31%	Q4 FY23	47%
<b>UP 18%</b>		<b>UP 17%</b>		<b>UP 17%</b>		<b>CONSISTENT</b>		<b>CONSISTENT</b>		<b>CONSISTENT</b>	
FY24	ZAR 2,589M	FY24	ZAR 1,069M	FY24	ZAR 1,710M	FY24	72%	FY24	30%	FY24	47%
FY23	ZAR 2,202M	FY23	ZAR 915M	FY23	ZAR 1,456M	FY23	72%	FY23	30%	FY23	47%

## CARTRACK HAS STRONG VISIBILITY OF FUTURE SaaS REVENUE

<sup>(1)</sup> 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<sup>(1)</sup>



Low Cost of Acquiring a  
Customer<sup>(2)</sup>

Strong Benefits from  
Economies of Scale

**FY24**  
Gross Profit Margin based only  
on Subscription Revenue

**72%**

FY23: 73%

**>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.

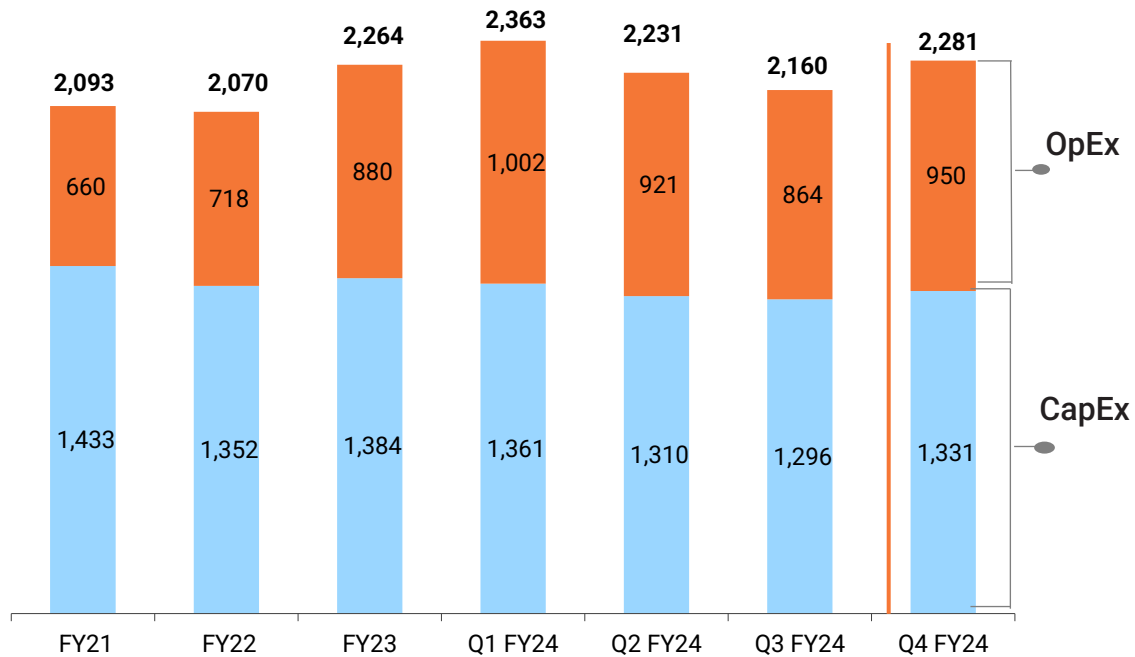
(2) Annual sales and marketing expense measured over the past 12 months

# CARTRACK'S STRONG TRACK RECORD OF SUBSCRIBER UNIT ECONOMICS CONTINUES

Average Cost of adding a Subscriber to our cloud <sup>(1)</sup>

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

ZAR



■ Sales Commission & telematics devices

■ Sales and Marketing OpEx

Capitalized<sup>(2)</sup>

Non-Capitalized<sup>(3)</sup>

	FY21	FY22	FY23	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24
ARPU (ZAR)	154	151	155	160	159	160	160
Subscriber contract life cycle (Months)	60	60	60	60	60	60	60
Average life cycle revenue per subscriber <sup>(4)</sup> (A)	9,266	9,065	9,323	9,604	9,556	9,629	9,593
Average cost of adding a subscriber to our cloud (B)	(2,093)	(2,070)	(2,264)	(2,363)	(2,231)	(2,160)	(2,281)
(A) – (B)	7,173	6,995	7,059	7,241	7,325	7,469	7,312

(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

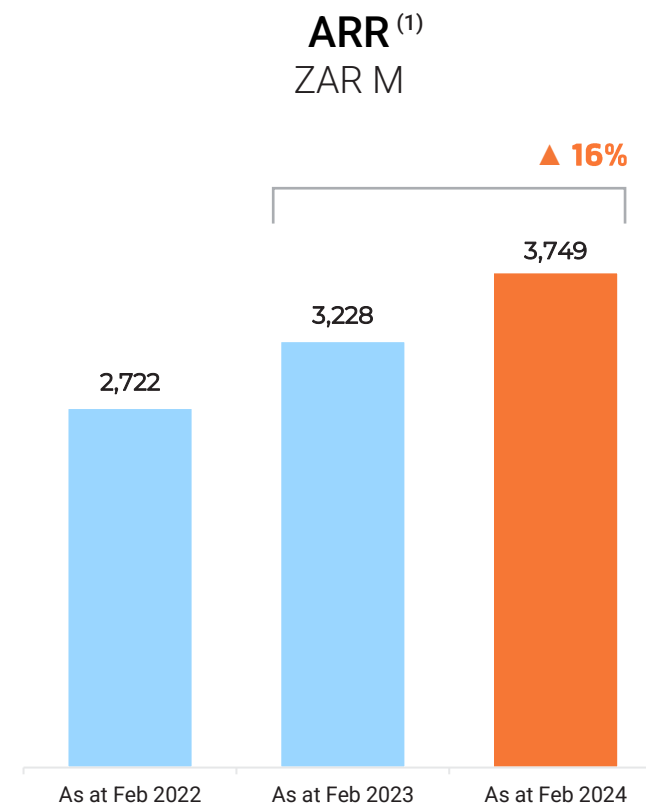
(4) ARPU multiplied by the contract life cycle months.



# CARTRACK

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

'000s Subscribers	FY22	FY23	FY24	Y-on-Y Change
<b>SOUTH AFRICA</b>	1,186	1,315	1,493	14%
<b>ASIA, MIDDLE EAST, USA</b>	145	185	230	24%
<b>EUROPE</b>	127	144	167	16%
<b>AFRICA- OTHER</b>	68	73	82	12%
<b>TOTAL</b>	<b>1,526</b>	<b>1,717</b>	<b>1,972</b>	<b>15%</b>



<sup>(1)</sup>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

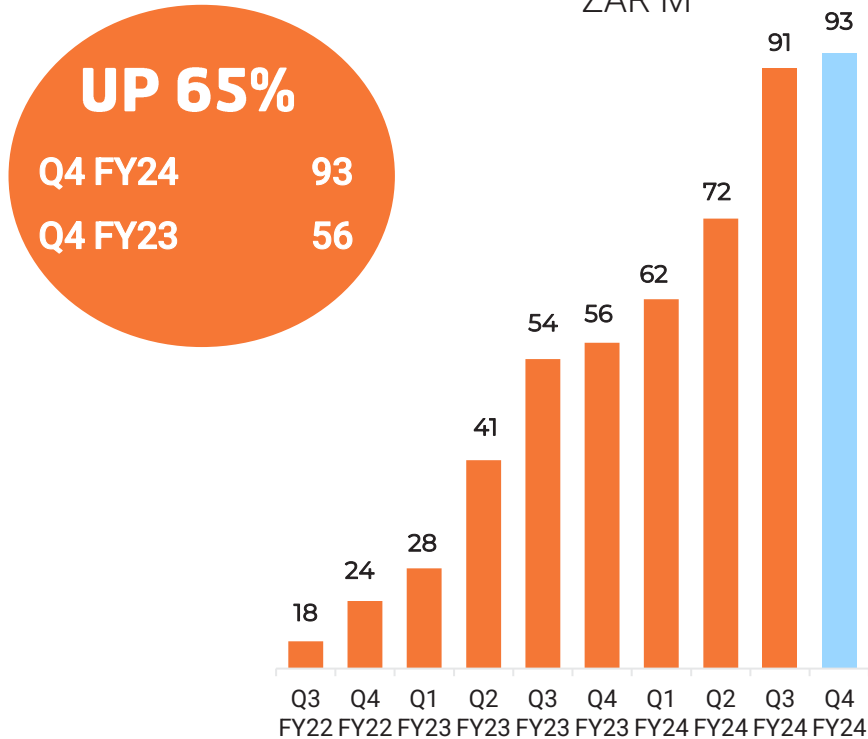
	FY21	FY22	FY23	FY24
Subscription Revenue Gross Profit Margin	72%	70%	73%	72%
Research & Development as a % of Subscription Revenue	5%	6%	6%	6%
Sales & Marketing as a % of Subscription Revenue	11%	13%	13%	13%
General & Administration as a % of Subscription Revenue	22%	21%	22%	21%
Operating Profit as a % of Subscription Revenue	33%	28%	30%	30%
Adjusted EBITDA <sup>(1)</sup> as a % of Subscription Revenue	51%	48%	48%	49%



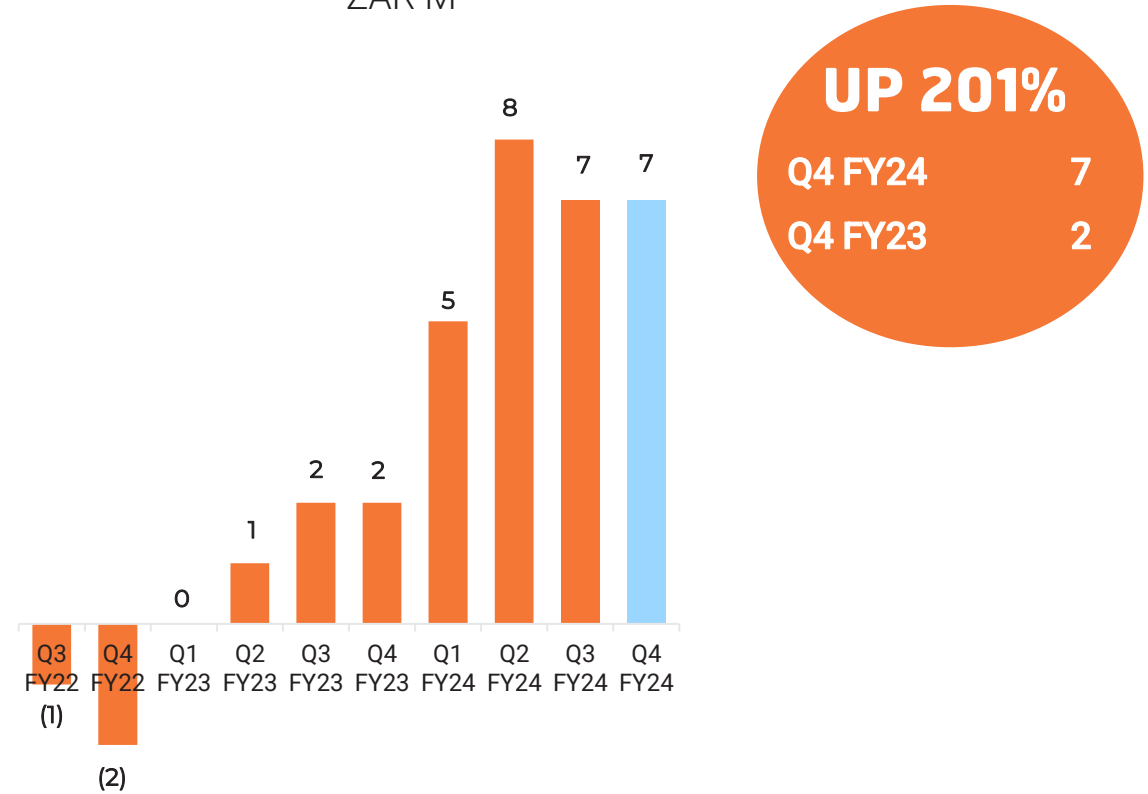
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# KAROOOOO LOGISTICS CONTINUES TO GAIN ADOPTION BY OUR E-COMMERCE CUSTOMERS

Karooooo Logistics <sup>(1)</sup>  
Revenue  
ZAR M



Karooooo Logistics <sup>(1)</sup>  
Operating Profit  
ZAR M



## STRONG Q-ON-Q DaaS REVENUE GROWTH

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





# KAROOOOO COMFORTABLY MEETS 2024 OUTLOOK

	FY22	FY23	FY24	FY24 Outlook
Number of Subscribers (000s)	1,526	1,717	1,972	1,900 – 2,100
Cartrack's Subscription Revenue (ZAR M)	2,566	3,004	3,523	3,400 – 3,600
Cartrack's Operating Profit Margin	27%	30%	30%	28% – 31%



# KAROOOOO'S OUTLOOK FOR 2025

	FY22	FY23	FY24	FY25 Outlook
Number of Subscribers (000s)	1,526	1,717	1,972	2,200 – 2,400
Cartrack's Subscription Revenue (ZAR M)	2,566	3,004	3,523	3,900 – 4,150
Cartrack's Operating Profit Margin	27%	30%	30%	27% – 31%
Karoooooo's Earnings Per Share (ZAR)	15.24	19.29	23.85	27.50 – 31.00





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Questions