

Karooooo Ltd.

(a public company incorporated and registered in the Republic of Singapore)

(Unique Entity Number: 201817157Z)

JSE share code: KRO NASDAQ share code: KARO

ISIN: SGXZ19450089

("Karooooo")

Short-form Announcement: Unaudited First Quarter 2026 Results and Dividend Declaration

Karooooo reported strong results for the first quarter ("Q1 2026") ended May 31, 2025 and included such press release as an exhibit to its form 6-K (the "Report on Form 6-K") dated 18 July 2024 furnished to the United States Securities and Exchange Commission ("SEC"). Investors are referred to the full press release as published and available on the Karooooo website at www.karooooo.com.

Karooooo owns 100% of Cartrack and 74.8% of Karooooo Logistics, (collectively, "the group").

First Quarter 2026 Highlights (Unaudited):

(Comparisons are relative to Q1 2025, unless otherwise stated.)

SCALE

- **Cartrack subscribers** increased 17% to 2,386,249 (Q1 2025: 2,047,442).
- **Net Cartrack subscriber additions** increased 11% to 84,013 (Q1 2025: 75,910).

GROWTH

- **Karooooo's subscription revenue** increased 18.4% to ZAR1,141 million (Q1 2025: ZAR964 million).
- **Cartrack's subscription revenue** increased 18.5% to ZAR1,138 million (Q1 2025: ZAR960 million).
- **Cartrack's SaaS annualized recurring revenue ("ARR")** increased 18.3% to ZAR4,574 million (Q1 2025: ZAR3,864 million).
- **Cartrack's average revenue per user ("ARPU")** increased 1.9% to ZAR162 (Q1 2025: ZAR159).
- **Karooooo Logistics's B2B delivery-as-a-service ("DaaS") revenue** increased 19.8% to ZAR121 million (Q1 2025: ZAR101 million).

Presented in the U.S. Dollar Equivalent¹

- **Karooooo's subscription revenue** increased 24% to USD63 million.
- **Cartrack's subscription revenue** increased 24% to USD63 million.

¹ For convenience purposes only, amounts in South African rand as of May 31, 2025 have been translated to U.S. dollars using an exchange rate of ZAR 18.0319 to U.S.\$1.00 (May 31, 2024: ZAR 18.8402), as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System. These translations should not be considered representations that any such amounts have been, could have been or could be converted at that or any other exchange rate.

- **Cartrack's SaaS ARR** increased 24% to USD254 million.
- **Cartrack's Average revenue per user ("ARPU")** increased 6% to USD9.
- **Karoo's DaaS revenue** increased 26% to USD7 million.

PROFITABILITY

- **Karoo's operating profit** increased 17% to ZAR352 million (Q1 2025: ZAR300 million).
- **Cartrack's operating profit** increased 19% to ZAR342 million (Q1 2025: ZAR287 million).
- **Cartrack's operating profit margin** was 30% (Q1 2025: 29%).
- **Karoo's adjusted earnings per share** increased 19% to ZAR8.55 (Q1 2025: ZAR7.17).

Outlook

Our mission is to simplify decision making for physical operations, empowering customers to optimize their physical operations and workforce, drive efficiency, reduce costs, enhance safety, monitor environmental impact, ensure regulatory compliance, and manage operational risk.

We operate in an expanding and largely underpenetrated market, fueled by robust and sustained customer demand. This demand is driven by a heightened focus on digitalization, the need to improve operational efficiency and reduce costs, and increasing attention to safety in physical operations.

In FY 2026, we aim to accelerate Cartrack subscription revenue growth by further expanding our distribution footprint in existing markets, driving broader platform adoption, and capitalizing on growing demand for video solutions. We are encouraged by our positive performance in Q1 2026, as Cartrack's subscription revenue increased by 19%.

Our strong and proven track record of disciplined execution, sustained growth at scale, and highly profitable business model is supported by a solid balance sheet and a healthy cash position. We believe our ongoing investments in AI, platform innovation and customer experience will continue to drive durable growth and robust results.

We remain confident that our track record of execution and success, specifically our ability to generate healthy cash flows, is sustainable.

Actual results may differ materially from Karoo's outlook due to various factors, including those described under "Forward-Looking Statements" below and described under "Risk Factors" in our latest Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission.

Our guidance for FY 2026 remains unchanged:

- Cartrack's subscription revenue between ZAR4,700 million and ZAR4,900 million, which implies Cartrack subscription revenue growth between 16% and 21%.
- Cartrack's operating profit margin between 26% and 31%.
- Karoo's Earnings Per Share between ZAR32.50 and ZAR35.50.

Balance Sheet, Liquidity and Cash Flow

As we re-invest our earnings for customer acquisition, as of May 31, 2025, our investment in in-vehicle IOT devices increased by ZAR139 million to ZAR 1,481 million (February 28, 2025: ZAR1,342 million) and IOT devices for future use increased by ZAR 10 million to ZAR422 million (February 28, 2025: ZAR412 million).

Capitalized commission assets increased ZAR41 million to ZAR535 million (February 28, 2025: ZAR494 million).

Trade and other receivables decreased by ZAR35 million to ZAR562 million (February 28, 2025: ZAR597 million), primarily driven by ZAR52 million decrease in prepayments for IOT components. Debtor collection days remain well-managed, with collection days at a healthy 27 days (February 28, 2025: 32 days).

Cash and cash equivalents

Karooooo reported a net cash and cash equivalents balance of ZAR1,103 million at May 31, 2025 (February 28, 2025: ZAR838 million).

At May 31, 2025, the group had overdraft facilities for growth initiatives and other general corporate purposes of ZAR300 million with Capitec Bank Limited. Our liquidity position remains solid, underpinned by disciplined financial management and sustained operational cash generation.

In line with the group's cash management policy, overseen by our capital allocation committee, Karooooo's excess cash reserves are held in US Dollars.

Free Cash Flow (a non-IFRS measure)

Karooooo reported a healthy increase of 16% in cash generated from operations before working capital changes of ZAR572 million (Q1 2025: ZAR491 million), driven by strong subscription revenue growth and strong earnings.

As of February 29, 2024 the group had ZAR486 million in bank fixed deposits with maturity dates exceeding three months (these bank fixed deposits were classified under trade and other receivables as of February 29, 2024 and as cash and cash equivalents as of May 31, 2024). Adjusted free cash flow (a non-IFRS measure) is presented below on the basis that these bank fixed deposits are classified as cash and cash equivalents.

Largely as a result of the reclassification of the ZAR486 million in bank fixed deposits in Q1 of the prior year as explained above, net cash generated from operating activities decreased 23% to ZAR642 million (Q1 2025: ZAR836 million).

Share Capital and Reserves

At Karooooo's Annual General Meeting ("AGM") held on August 29, 2024, shareholders approved the repurchase of up to 10% of the Company's outstanding shares. The directors will propose that shareholders approve a similar mandate at the AGM scheduled for July 25, 2025.

As of May 31, 2025, Karooooo had 30,893,300 ordinary shares issued and outstanding, and paid-up share capital of USD505,956,659 plus SGD1,000.

The negative common control reserve of ZAR2.7 billion on the balance sheet relates to a common control transaction on November 18, 2020, in which the loan of USD194 million from Isaias Jose Calisto was converted into Karooooo share capital. Consequently, Karooooo acquired control of Cartrack. On that date,

20,331,894 shares were issued to Isaías Jose Calisto and Karooooo registered ZAR2.7 billion in paid-up capital, resulting in the common control reserve.

The ZAR3.6 billion other reserve on the balance sheet relates to the buyout of 95,350,657 Cartrack shares at ZAR42.00 per share from minorities when Cartrack delisted from the JSE, totaling ZAR4.0 billion. This was offset by the ZAR0.4 billion previously reported in the non-controlling interest. The ZAR0.4 billion relates to the net asset value of 95,350,657 Cartrack minority shares acquired by Karooooo.

ZAR27.3 million of capital reserve on the balance sheet relates to the cancellation of Karooooo's treasury shares and ZAR11.4 million of capital reserve relates to the repurchase and cancellation of 279 ordinary shares of Karooooo Logistics, which represented 6.29% of Karooooo Logistics's issued ordinary shares as of April 30, 2024.

Events subsequent to the First Quarter of 2026

As previously disclosed on June 11, 2025, Karooooo facilitated and launched an SEC-registered underwritten secondary public offering (the "Offering") pursuant to Karooooo's registration statement on Form F-3 (File No. 333-280758), as supplemented by a prospectus supplement, dated June 11, 2025, in which Isaías (Zak) Jose Calisto offered and sold 1,500,000 Ordinary Shares at a price to the public of USD50.00 per Ordinary Share for total gross proceeds to Mr. Calisto of approximately USD75,000,000. The Offering closed on June 13, 2025 and was 3.3 times oversubscribed. Mr. Calisto remains the majority shareholder with 58% of the issued shares.

Dividend Policy

The Board recognizes the importance of investment in achieving growth at scale, and endeavors to avoid swings in its dividend profile. However, the payment and timing of dividends in cash or other distributions (such as a return of capital to shareholders through share buy-backs, for example) are determined by the Board after considering factors that include: earnings and free cash flow; current and anticipated capital requirements; economic conditions; contractual, legal, tax and regulatory restrictions (including covenants contained in any financing agreements); the ability of group subsidiaries to distribute funds to Karooooo; and such other factors the Board may deem relevant.

Karooooo aims to reinvest retained earnings to the extent that it aligns with the group's required return on incrementally reinvested capital, return on equity, and short- to medium-term growth strategy.

Subject to Karooooo's constitution and in accordance with the Singapore Companies Act, the Board may, without the approval of shareholders, declare and pay interim dividends. Any final dividends must be approved by an ordinary resolution at a general meeting of shareholders.

The Board may review and amend the dividend policy from time to time.

Dividend Declaration

Considering the consistent strong earnings, healthy balance sheet and free cash flow of the Company and in accordance with the dividend policy set out above, an interim dividend of USD1.25 per ordinary share, pertaining to the first quarter of Karooooo's 2026 financial year, will be paid on Aug 18, 2025 to JSE shareholders on record as at the close of business on Friday, August 15, 2025 (South African time) and on August 22, 2025 to Nasdaq shareholders on record as at the close of business on August 15, 2025 (New York time). Although Karooooo's reporting currency is ZAR, its statutory filings in Singapore are reported in USD, as a result of which dividends are declared in USD. The details with respect to the dividends declared for holders of our ordinary shares are as follows:

	NASDAQ	JSE
Declaration date	Tuesday, July 22, 2025	Wednesday, July 23, 2025
Finalization announcement, date of currency conversion and confirmation of record date	Wednesday, July 30, 2025	Thursday, July 31, 2025
Last date to trade cum dividend	Thursday, August 14, 2025	Tuesday, August 12, 2025
Shares commence trading Ex-dividend	Friday, August 15, 2025	Wednesday, August 13, 2025
Record date	Friday, August 15, 2025	Friday, August 15, 2025
Dividend payment date	Friday, August 22, 2025	Monday, August 18, 2025

Shareholders registered on the South African section of the share register will not be allowed to dematerialize or rematerialize their shareholdings between Wednesday, August 13, 2025 and Friday, August 15, 2025, both dates inclusive, and transfers between the Nasdaq and South African register will not be permitted between Wednesday, July 30, 2025 and Friday August 15, 2025, both days inclusive.

A summary of the tax considerations applicable to South African shareholders will be included in the currency conversion and confirmation of record date announcement which is expected to be published on the NASDAQ on Wednesday, July 30, 2025 and on the JSE on Thursday, 31 July.

Short-form Announcement

This short-form announcement is the responsibility of the directors of Karooooo. This short-form announcement is only a summary of the information in the full announcement (defined below) and does not contain full or complete details. Any investment decision by investors and/or shareholders should be based on consideration of, inter alia, the full announcement.

The full announcement ("full announcement") includes the contents of the Report on Form 6-K as furnished to the SEC dated 22 July 2025, being the press release incorporating the unaudited condensed consolidated and combined financial statements of Karooooo for the first quarter ended 31 May 2025.

The full announcement has been released on SENS today, 23 July 2025 and is available for viewing on the Company's website (www.karooooo.com) and at the following address:

<https://senspdf.jse.co.za/documents/2025/jse/isse/KROE/Q12025.pdf>

The full announcement is available for inspection at the offices of the Company (17 Kallang Junction #0605/06 Singapore 339274) at no charge during normal office hours on business days from Wednesday, 23 July 2025 to Wednesday, 30 July 2025. Copies of the full announcement may also be requested from the sponsor by emailing dg.mlsa_corporate_broking@bankofamerica.com.

Webinar Information

Karooooo management will host a Zoom webinar on Wednesday, July 23, 2025 at 08:00 a.m. Eastern Time (02:00 p.m. South African time; 08:00 p.m. Singaporean time).

Investors are invited to join the Zoom at: <https://us02web.zoom.us/j/83241343701>

Webinar ID: **832 4134 3701**

Telephone:

- US (New York) Toll-free: +1 646 558 8656
- South Africa Toll-free: +27 87 551 7702

A replay will be available at www.karoo0000.com approximately three hours after the conclusion of the live event.

About Karoo0000

Karoo0000 digitally transforms physical operations by simplifying decision making. Through its cloud platform, Karoo0000 empowers businesses to conquer operations including fleet maintenance, fuel management and asset utilization, workforce management, logistics, safety, compliance, risk and environmental impact. Karoo0000's differentiated insights and analytics simplify day-to-day operations and enable businesses to decrease costs, increase efficiency, improve safety and strengthen workforce and customer satisfaction.

Karoo0000 is headquartered in Singapore and services more than 125,000 commercial customers and more than 2,400,000 active subscribers in more than 20 countries.

For more information, visit www.karoo0000.com.

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Johannesburg
Wednesday, 23 July 2025

Sponsor

Merrill Lynch South Africa Proprietary Limited
t/a BofA Securities