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 2027 Results

Karooooo, that owns 100% of Cartrack and 81% of Karooooo Logistics (collectively, "the group"), issued a press release announcing its unaudited first quarter ("Q1 2027") results for the three months ended May, 31 2026 and included such press release as an exhibit to its form 6-K (the "Report on Form 6-K") dated 15 July 2026 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.

First Quarter 2027 Highlights:

(Comparisons are relative to Q1 2026, unless otherwise stated.)

SCALE

- **Cartrack subscribers** accelerated to 18% reaching 2,804,694 (Q1 2026: 2,386,249).

- **Net Cartrack subscriber additions** accelerated to 70% reaching a record of 142,472 (Q1 2026: 84,013).

GROWTH

- **Karooooo's subscription revenue** accelerated to 19% reaching ZAR1,354 million (Q1 2026: ZAR1,141 million).

- **Cartrack's subscription revenue** accelerated to 19% reaching ZAR1,351 million (Q1 2026: ZAR1,138 million).

- **Cartrack's annualized recurring revenue** ("ARR") accelerated to 19% reaching ZAR5,432 million (Q1 2026: ZAR4,574 million).

- **Karooooo Logistics's B2B delivery-as-a-service ("DaaS") revenue** accelerated to 46% reaching ZAR177 million (Q1 2026: ZAR121 million).

Presented in the U.S. Dollar Equivalent[1]

- **Karooooo's subscription revenue** increased 32% to USD84 million.

- **Cartrack's subscription revenue** increased 32% to USD83 million.

- **Cartrack's ARR** increased 32% to USD335 million.

- **Karooooo Logistics's DaaS** revenue increased 63% to USD11 million.

PROFITABILITY

- **Karooooo's operating profit** increased 16% to a record ZAR410 million (Q1 2026: ZAR352 million).

- **Cartrack's operating profit** increased 16% to a record ZAR395 million (Q1 2026: ZAR342 million).

- **Cartrack's operating profit margin** was 28% (Q1 2026: 30%).

- **Karooooo's adjusted earnings per share** increased 11% to ZAR9.53 (Q1 2026: ZAR8.55).

[1] *For convenience purposes only, amounts in South African rand as of May 31, 2026 have been translated to U.S. dollars using an exchange rate of ZAR 16.2088 to U.S.$1.00 (May 31, 2025: ZAR 18.0319), 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.*

Operating Profit and Earnings Per Share

Karooooo's operating profit increased 16% to ZAR410 million (Q1 2026: ZAR352 million), and earnings per share increased 11% to ZAR9.53 (Q1 2026: ZAR8.55).

Cartrack's operating profit increased 16% to ZAR395 million (Q1 2026: ZAR342 million), and Cartrack's operating profit margin was 28% (Q1 2026: 30%).

Karooooo Logistics's operating profit increased 50% to ZAR15 million (Q1 2026: ZAR10 million), and Karooooo Logistics's operating profit margin was 8% (Q1 2026: 8%).

Commentary from Zak Calisto, CEO and Founder:

"FY2027 has commenced with strong, accelerated growth, underpinned by Cartrack constant currency subscription revenue growth of 21% and a record 142,472 net subscriber additions in the quarter.

Despite the strengthening ZAR, which negatively impacts contributions from most of the countries in which we operate, subscription revenue and ARR each accelerated to 19%. In constant currency, ARR increased 22% and presented in USD, ARR increased 32%, reaching USD335 million.

Our product innovation continues to deliver the intended outcomes. This year, our focus remains to accelerate growth by growing sales and marketing at a moderate pace while optimizing the strong investment we made in sales capacity during FY2026.

We remain optimistic about the opportunities across our regions and believe we are well positioned to build on the momentum established in the first quarter."

Outlook

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. Our easy-to-use, operational intelligence platform empowers our customers to improve operational efficiencies, reduce risk and enhance the safety of their physical operations.

FY 2027 is off to a strong start with record net subscriber additions and healthy retention driving 21% Cartrack constant currency subscription revenue growth. We believe we are on track to accelerate total subscription revenue growth in FY 2027 as we realize the benefits of our recent investments in sales capacity. We aim to drive our growth by balancing subscriber growth with the increased adoption of Video and Cartrack-Tag. We also believe increased sales efficiency, coupled with realizing other efficiencies in the business due to scale and leveraging AI, will support strong EPS growth.

We believe our ongoing investments in AI innovation, platform capabilities and customer experience position us to drive durable long-term growth. We remain confident that our track record of success, specifically our ability to generate healthy cash flows, is sustainable.

Actual results may differ materially from Karooooo'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.

With Cartrack's revenue making up the majority of group revenue, the guidance below relates primarily to Cartrack and assumes current foreign exchange rates.

Despite providing a contracting gross profit margin outlook for FY 2027, assuming current exchange rates and the planned accelerated growth, the midpoint of our EPS outlook implies growth of 21% in FY 2027 compared to FY 2026 Adjusted EPS excluding secondary offering costs. We envisage a slow-down in hiring in FY 2027 while we drive sales force efficiency.

Our guidance for FY 2027 remains unchanged:

- Cartrack's subscription revenue between ZAR5,700 million and ZAR6,000 million, which implies subscription revenue growth between 18% and 24%;

- Cartrack's gross profit margin between 70% and 72%;

- Cartrack's operating profit margin between 27% and 30%; and

- Karooooo's Earnings Per Share between ZAR38.50 and ZAR40.00, which implies EPS growth between 18% and 23% compared to FY 2026 Adjusted EPS, which excludes secondary offering costs.

Balance Sheet, Liquidity and Cash Flow

As we re-invest our earnings for customer acquisition, as of May 31, 2026, our investment in in-vehicle IoT devices increased by ZAR115 million to ZAR2,061 million (February 28, 2026: ZAR1,946 million), IoT devices held for future use increased by ZAR163 million to ZAR524 million (February 28, 2026: ZAR362 million) and Capitalized commission assets increased by ZAR42 million to ZAR513 million (February 28, 2026: ZAR470 million).

Trade and other receivables increased by ZAR202 million to ZAR788 million (February 28, 2026: ZAR586 million), primarily driven by an acceleration in subscription sales and a ZAR53 million increase in prepayments for IoT components.

Debtor collection days remain within our range of historical norms at a healthy 31 days (February 28, 2026: 27 days).

Cash and Cash Equivalents

Karooooo reported a net cash and cash equivalents balance of ZAR755 million at May 31, 2026 (February 28, 2026: ZAR746 million). Because we hold our cash reserves in USD, movements in the USD/ZAR exchange rate may impact our reported ZAR balance.

At May 31, 2026, the group had overdraft facilities for growth initiatives and other general corporate purposes of ZAR750 million, between Capitec Bank and Standard Bank. Our liquidity position remains strong, underpinned by prudent financial management, sustained operational cash generation and disciplined capital allocation.

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 21% in cash generated from operations before working capital changes of ZAR690 million (Q1 2026: ZAR572 million), driven by strong subscription revenue growth and operating profit. Net cash generated from operating activities, the most directly comparable IFRS measure, decreased 16% to ZAR537 million (Q1 2026: ZAR642 million), reflecting increased working capital investment to support accelerated subscriber growth.

	Three Months Ended May 31,	
	2026	**2025**
	(Rand Thousands)	
Free Cash Flow (a non-IFRS measure)	59,662	338,125

As Cartrack accelerated customer acquisition, we made an increased investment of ZAR462 million (Q1 2026: ZAR284 million) in both in-vehicle IoT devices and IoT devices for future use.

Free cash flow (a non-IFRS measure) for the three months ended May 31, 2026, was ZAR60 million (Q1 2026: ZAR338 million).

Free Cash Flow reflected our increased investment in both in-vehicle IoT devices and IoT devices for future use of 62%, or ZAR178 million, together with higher prepayments for IoT devices and an increase in trade and other receivables driven by increased subscription revenue.

The Free Cash Flow (a non-IFRS measure) generated is in line with Karooooo's disciplined capital allocation strategy and supports the group's growth objectives.

See "Reconciliation of Free Cash Flow (a non-IFRS measure) for a reconciliation of free cash flow to net cash generated from operating activities, their most directly comparable IFRS financial measure.

Share Capital and Reserves

As of May 31, 2026, 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 Isaias 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. A further ZAR18.6 million of capital reserves relates to the repurchase and cancellation of 316 ordinary shares of Karooooo Logistics, which represented 7.60% of Karooooo Logistics's issued ordinary shares. ZAR5.2 million relates to the repurchase and cancellation of 150 ordinary shares of Cartrack New Zealand, which represented 15% of Cartrack New Zealand's issued ordinary 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

As previously reported, 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 USD1.50 per ordinary share, pertaining to the first quarter of Karooooo's 2027 financial year, will be paid on July 20, 2026 to JSE shareholders on record as at the close of business on Friday, July 17, 2026 (South African time) and on July 27, 2026 to Nasdaq shareholders on record as at the close of business on July

17, 2026 (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	Wednesday, May 13, 2026	Thursday, May 14, 2026
Finalization announcement, date of currency conversion and confirmation of record date	Thursday, July 9, 2026	Thursday, July 9, 2026
Last date to trade cum dividend	Thursday, July 16, 2026	Tuesday, July 14, 2026
Shares commence trading Ex-dividend	Friday, July 17, 2026	Wednesday, July 15, 2026
Record date	Friday, July 17, 2026	Friday, July 17, 2026
Dividend payment date	Monday, July 27, 2026	Monday, July 20, 2026

Shareholders registered on the South African section of the share register will not be allowed to dematerialize or rematerialize their shareholdings between Wednesday, July 15, 2026 and Friday, July 17, 2026, both dates inclusive, and transfers between the Nasdaq and South African register will not be permitted between Thursday, July 9, 2026 and Friday July 17, 2026, both days inclusive.

A summary of the tax considerations applicable to South African shareholders was included in the currency conversion and confirmation of record date announcement which has been published on Thursday, July 9, 2026.

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 15 July 2026, being the press release incorporating the unaudited condensed consolidated and combined financial statements of Karooooo for the first quarter ended 31 May 2026.

The full announcement has been released on SENS today, 16 July 2026 and is available for viewing on the Company's website (www.karooooo.com) and at the following address:

https://senspdf.jse.co.za/documents/2026/jse/isse/KROE/Q12027.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 Thursday, 16 July 2026 to Thursday, 23 July 2026. 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 Thursday, July 16, 2026 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/86950143303

Webinar ID: **869 5014 3303**
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.karooooo.com approximately three hours after the conclusion of the live event.

About Karooooo

Karooooo digitally transforms physical operations by simplifying decision making. Its Operational Intelligence Platform serves as the central nervous system for connected operations, integrating vehicles, assets, field workforces and operational workflows into a single intelligent ecosystem. Through proprietary hardware technology and software, the platform captures, processes and analyzes real-world operational data, transforming billions of data points into actionable intelligence that helps customers make faster, better decisions across safety, productivity, compliance, cost control and service execution. Delivered through intuitive cloud-based applications, the platform combines operational visibility, workflow automation, AI-powered video intelligence and decision-support capabilities to help businesses improve performance, reduce risk and operate more efficiently.

Karooooo is headquartered in Singapore and services more than 125,000 commercial customers and more than 2.8 million active subscribers in more than 20 countries.

For more information, visit www.karooooo.com.

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Johannesburg
Thursday, 16 July 2026

Sponsor

Merrill Lynch South Africa Proprietary Limited t/a
BofA Securities