

Final Results Presentation

27 February 2017



Financial Results

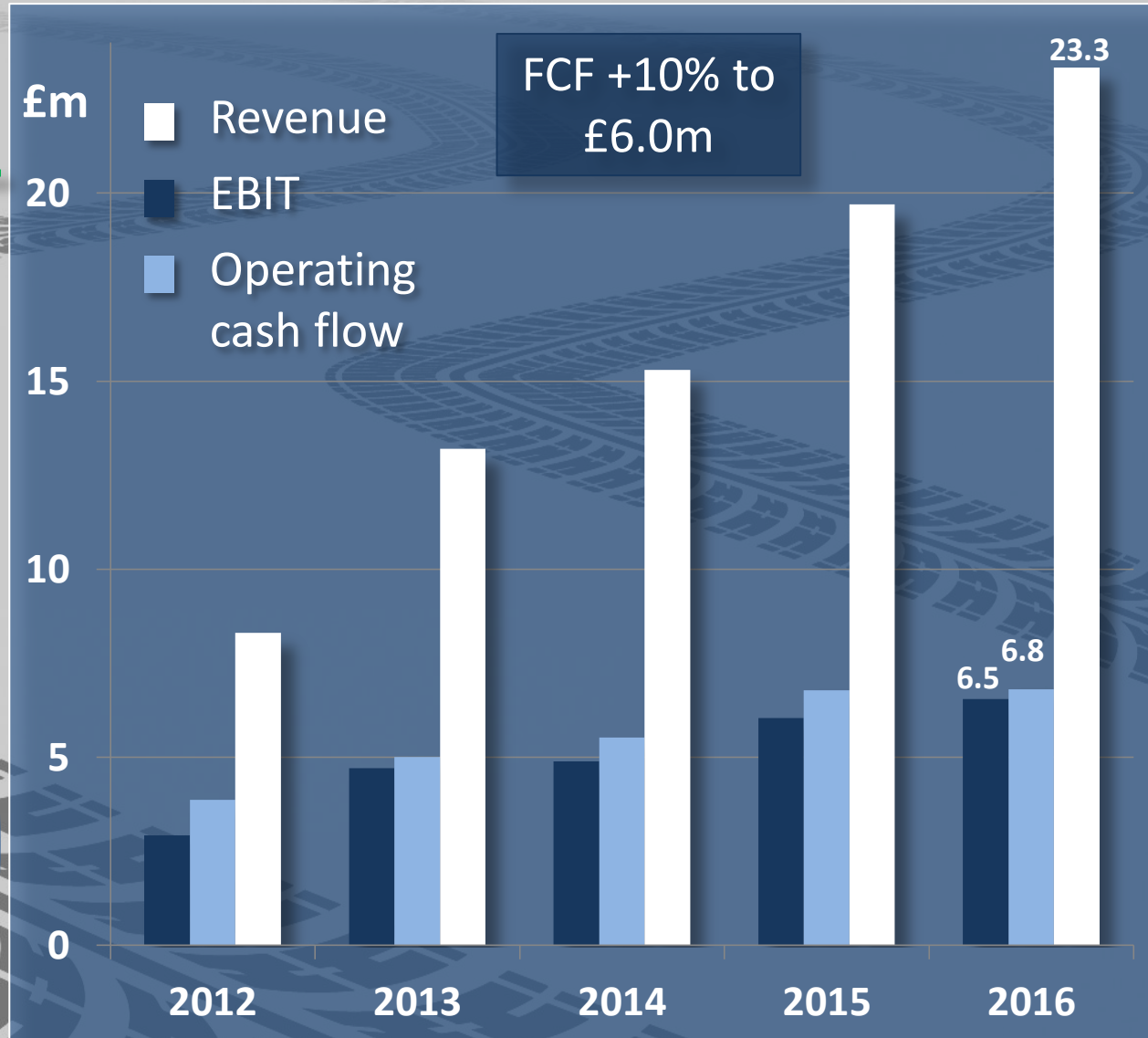
CAGRs (2012-2016):

Revenue: +29%

EBIT: +22%

Operating

Cash flow: +15%

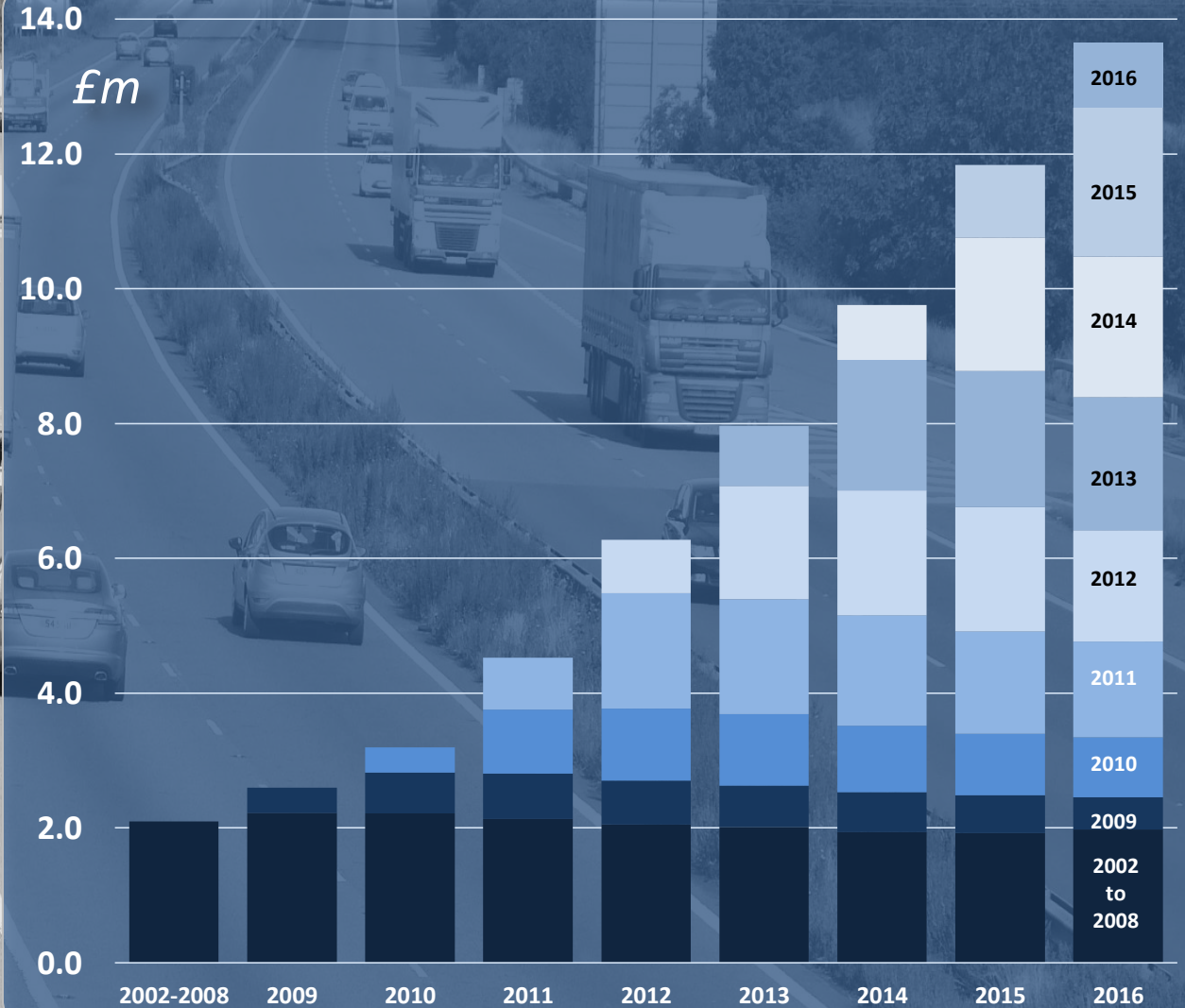


KPIs

	2016	2015	% change
Fleet installations	22,224	21,518	3.3
Fleet subscription base (units)	87,889	73,744	19.2
Fleet customer base	9,105	7,849	16.0
Fleet attrition (annualised) (%)	10.0	11.3	
Fleet invoiced recurring revenues (£'000)	13,646	11,828	15.4
Fleet revenue (£'000)	14,909	12,957	15.1
Insurance installations	69,300	57,024	21.5
Insurance revenue (£'000)	8,430	6,718	25.5

Recurring Revenue

The chart shows invoiced fleet rental and communications revenue segmented by year of customer acquisition



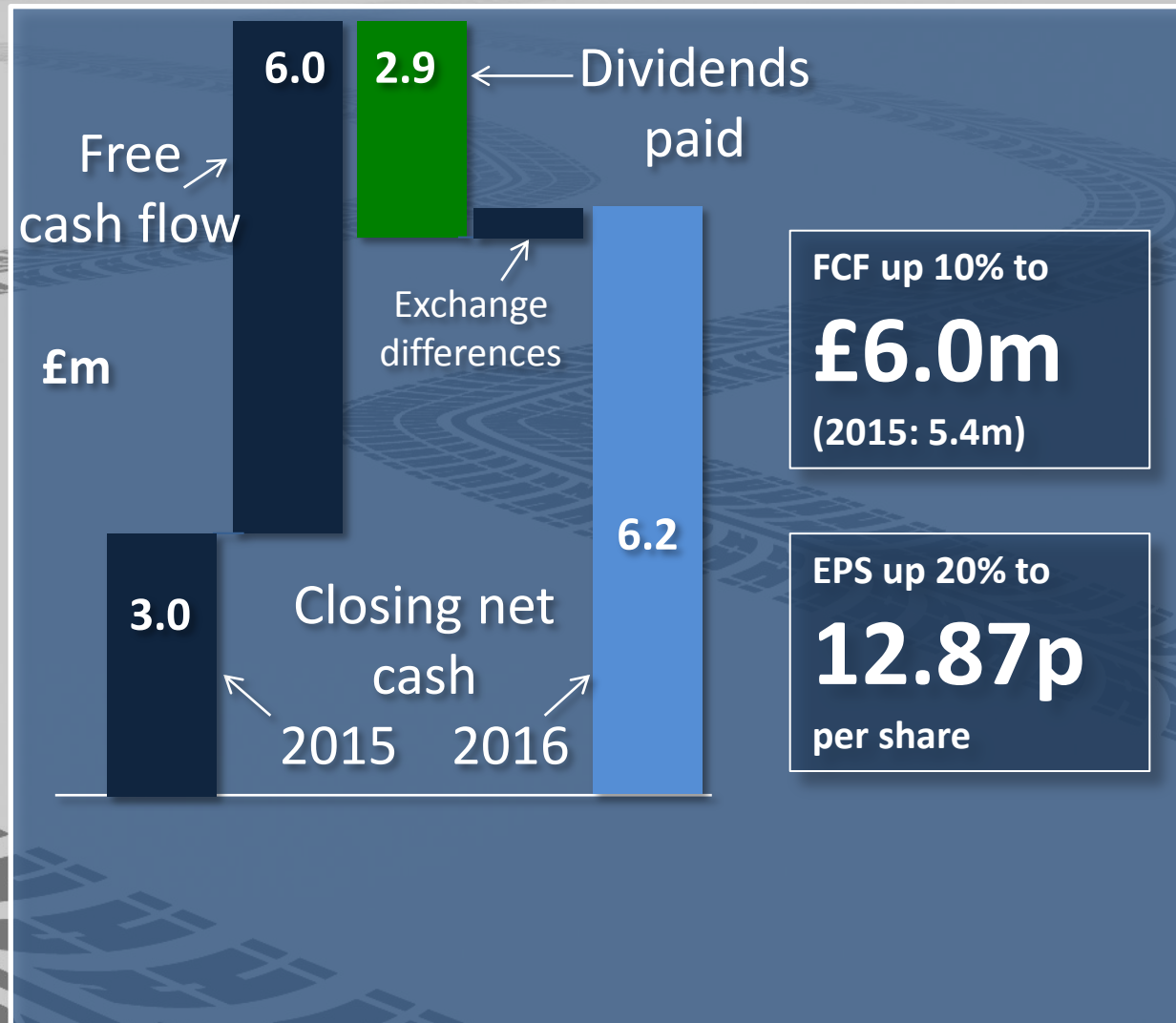
Overview

Year ended 31st December - £'000 (except where stated)

	2016	2015	% change
Revenue			
Fleet	14,909	12,957	15.1
Insurance	8,430	6,718	25.5
Total	23,339	19,675	18.6
Gross profit	14,063	12,150	15.7
<i>Gross margin</i>	<i>60%</i>	<i>62%</i>	
Operating profit	6,543	6,045	8.2
<i>Operating margin</i>	<i>28%</i>	<i>31%</i>	
Adjusted EBITDA	6,808	6,248	8.9
Net profit	6,087	5,014	21.4
Earnings per share (p)	12.87	10.69	20.4
Cash generated from operations before tax	6,812	6,781	0.5
<i>Operating profit to operating cash conversion</i>	<i>104%</i>	<i>112%</i>	
Free cash flow	6,005	5,440	10.4

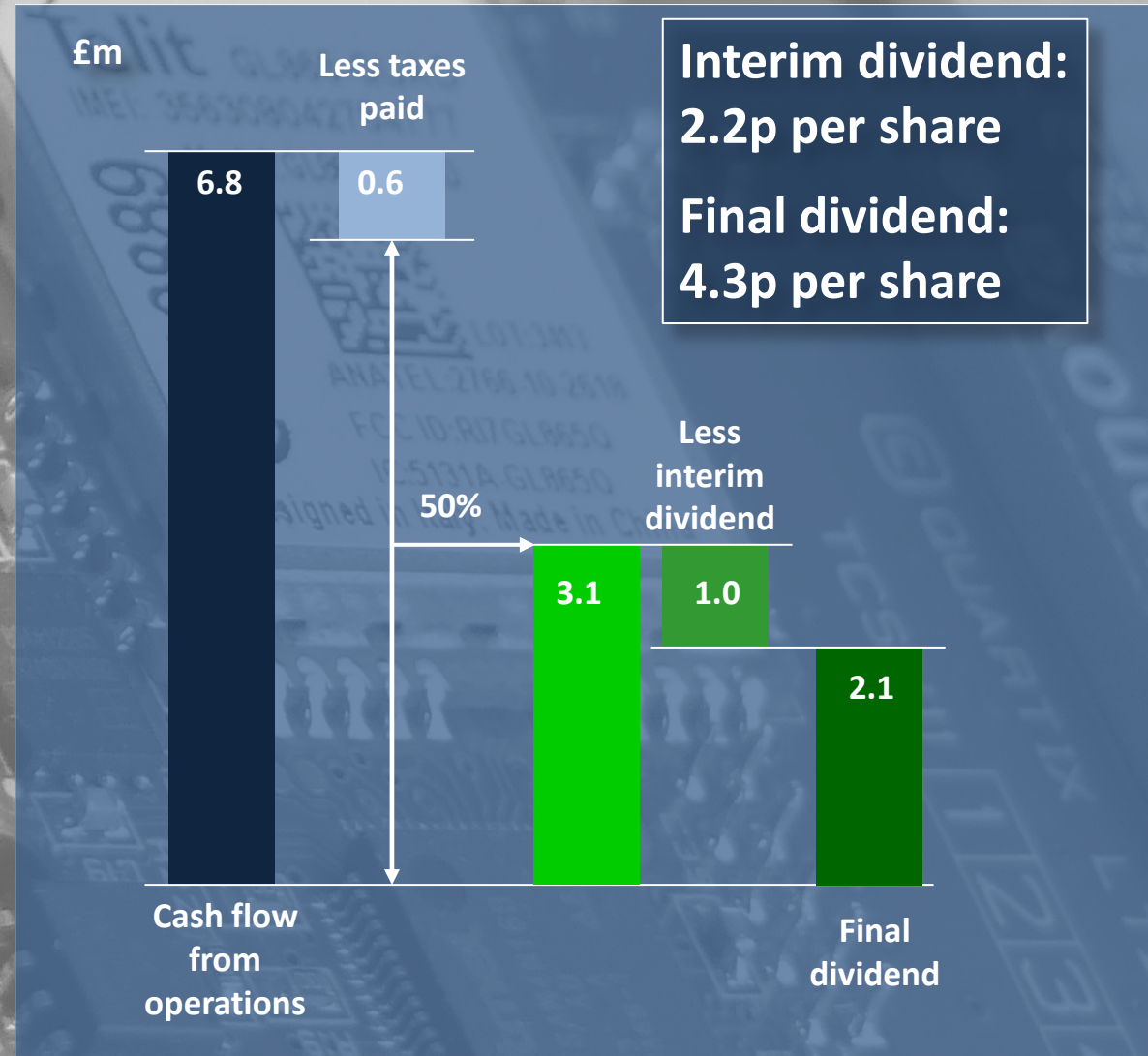
Financial Results

Net cash:
£6.2m at
year end



Dividend Policy

The current policy is to pay out 50% of cash generated from operations, less taxes.



Supplementary Dividend

£'000

2016 calculation

Year end cash balance	6,249
-----------------------	-------

Year end final dividend (4.3p)	2,036
--------------------------------	-------

4,214

Amount over £2m	2,213
-----------------	-------

Final dividend:	4.3p
Supplementary dividend:	4.7p

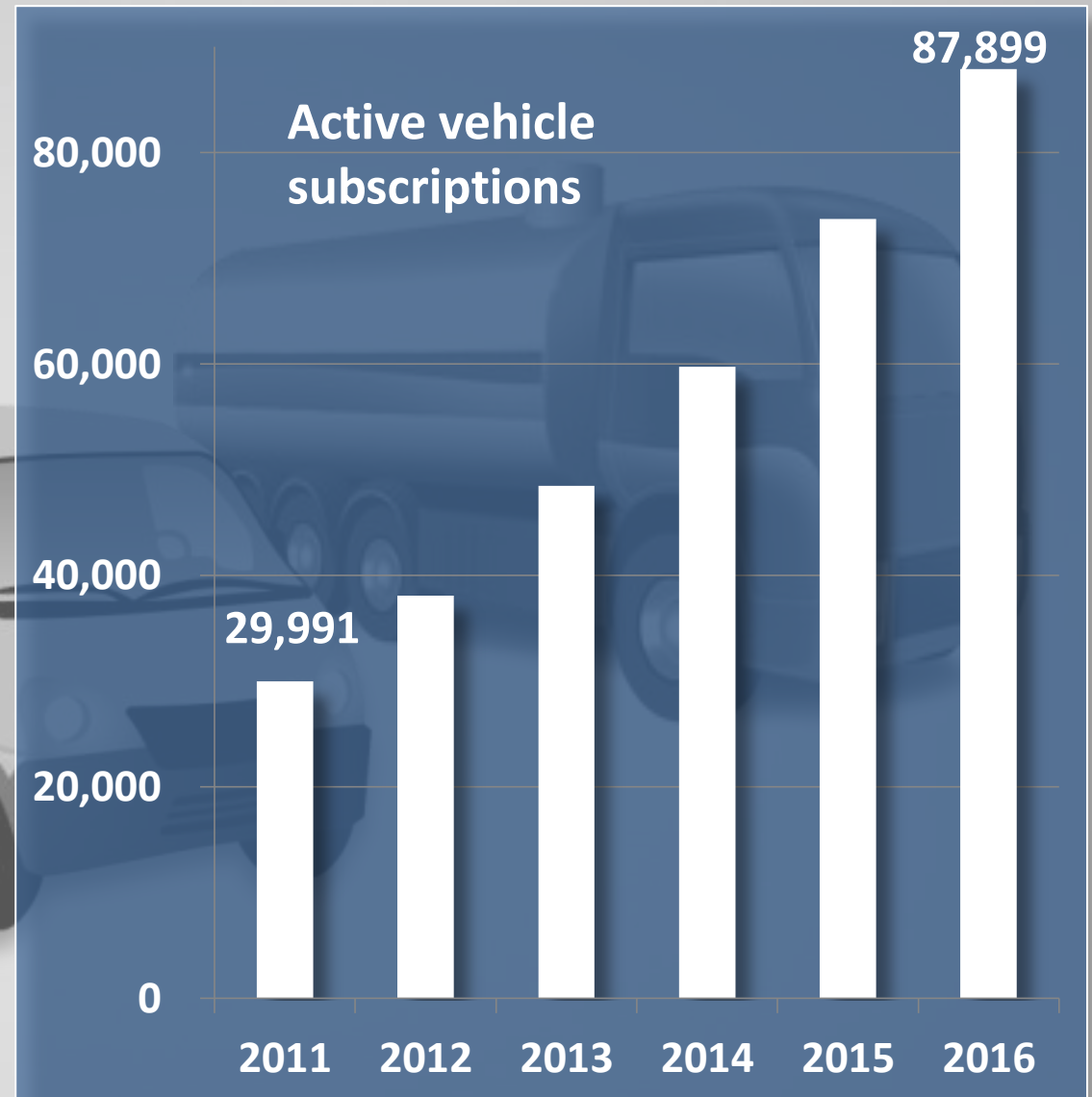
Proposed final payment:	9.0p per share
-------------------------	-----------------------

Total for year:	11.2p per share
-----------------	------------------------

Year end cash balances in excess of £2m after the final dividend will be paid as a supplementary dividend, subject to minimum of 2p per share

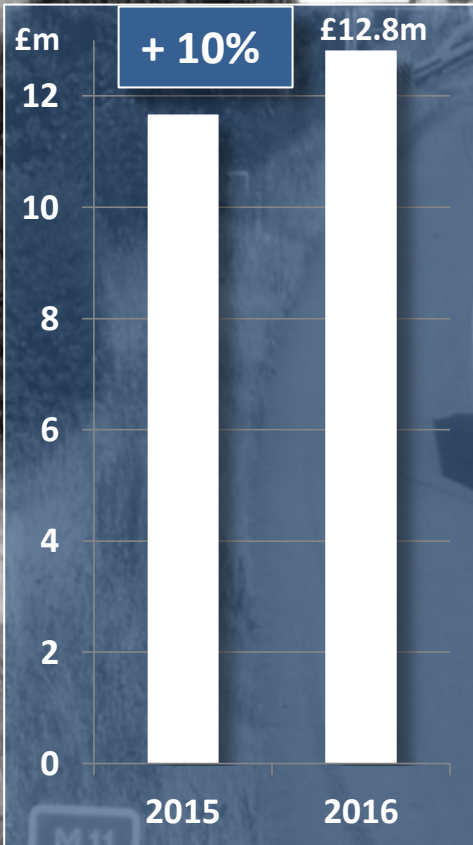
Fleet Tracking

CAGR
since 2011
24%

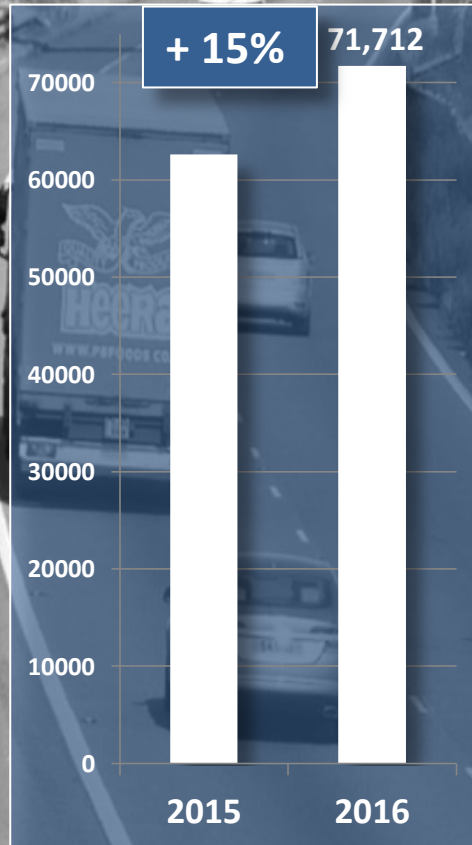


Second half subscription base growth 59% higher than first half (8,675 vs. 5,470)

Fleet UK



Revenue



Subscriptions

- Good subscription growth in 2nd half
- Customer base expanded by 11% to 6,602
- New installations of 15,766 units
- New software features released at mid-year point aided 2nd half growth
- Senior appointment made in February 2017 as head of fleet UK business

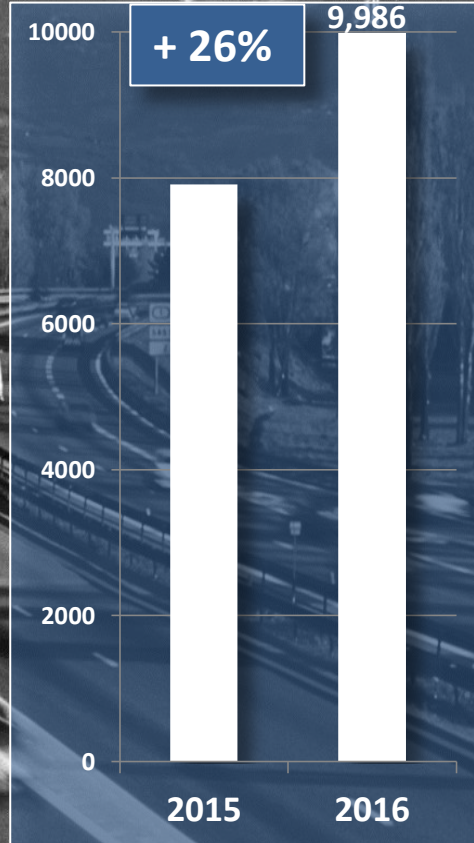
Fleet France



11



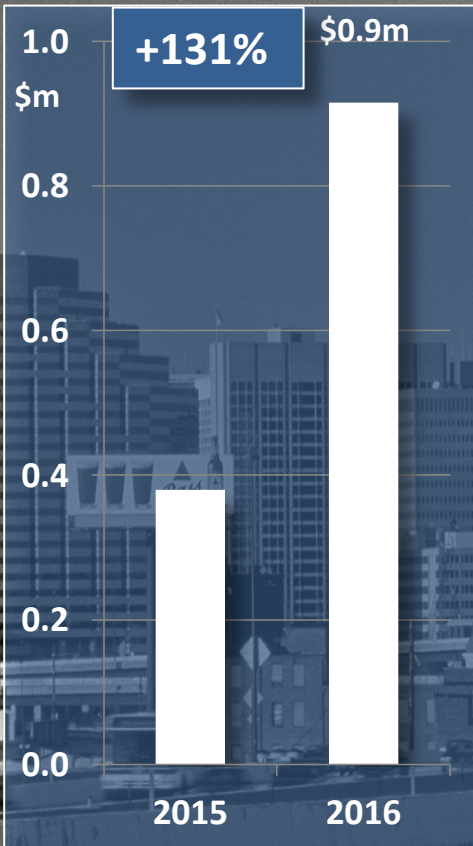
Revenue



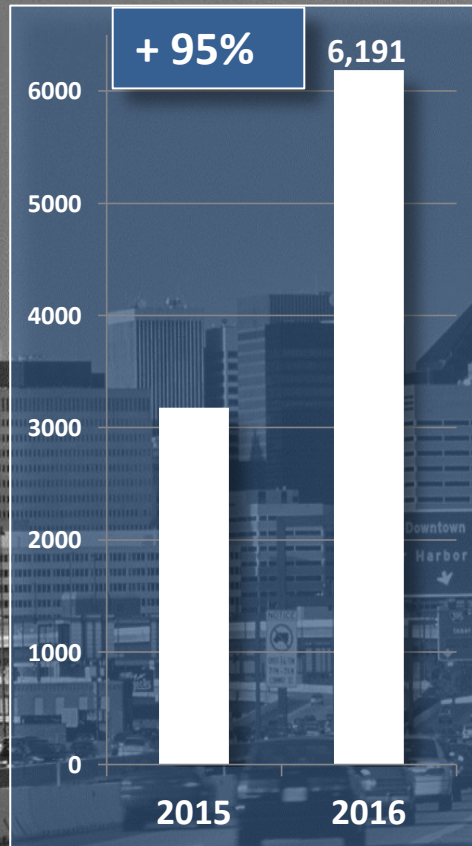
Subscriptions

- Customer base increased by 19% to 1,428
- Head of French operations appointed on 1st July
- Privacy functionality released to meet changed CNIL legislation
- Continued improvements in marketing and communications processes for French market
- Positive contribution to Group

Fleet USA



Revenue



Subscriptions

- Customer base increased by 55% to 1,075
 - Product continues to be well received
 - ELD legislation slowed demand in first half; product in beta test by year end
- Nationwide installation network helped accelerate new business in second half**
- Enhancements to digital marketing and e-commerce capabilities key to future growth**

UK Insurance Telematics



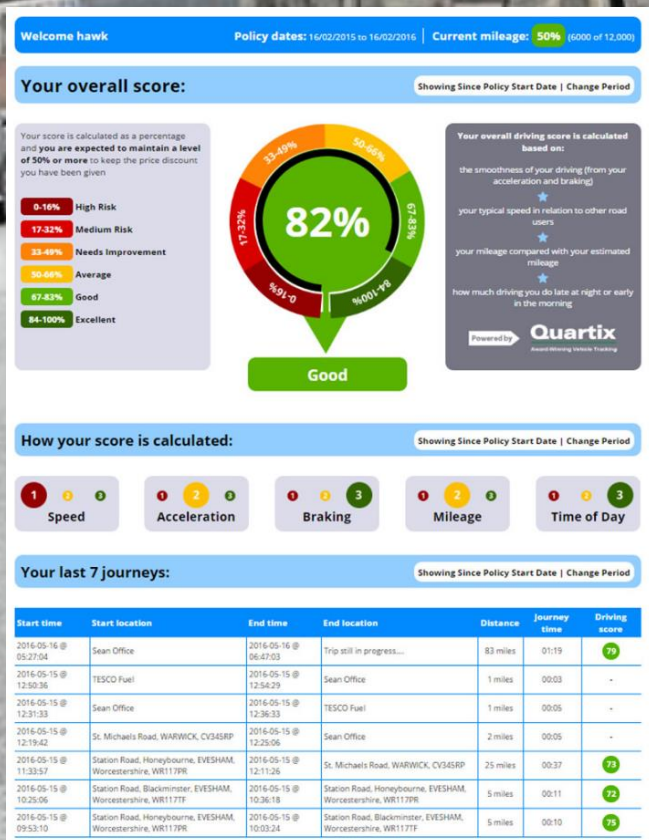
Revenue



Installations

- Strong growth with margins maintained, but significant demands on management time
- Market limited in size by demographics
- Price pressure demands selective approach to business development
- Management focus on those opportunities which complement our fleet business

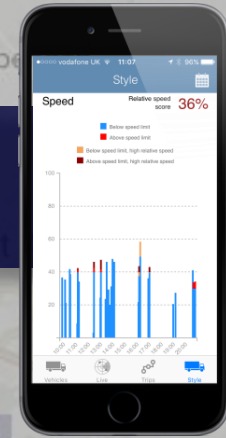
Powered By Quartix



- A standard product aimed at specialised brokers, using our fleet platform
- Each broker equivalent to a large fleet customer
- Monetaring Quartix's SafeSpeed Database and other innovations
- One small project launched, a second due to launch and further opportunities being evaluated

Research and Development

Driving style enhancements to mobile apps



New privacy features



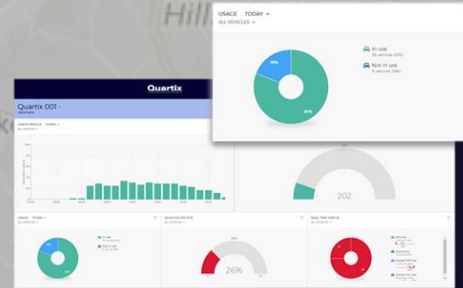
Nouveau

Support du groupe quotidien pour Société Jacques et Fils Tous les véhicules

	Total	Q1 2016	Q2 2016	Q3 2016	Q4 2016
Nombre de trajets	10	4.02	2.38		
Distance totale (km)	236.0	131.7	96.3		
Vitesse moyenne (km/h)	35.3	34.6	36.5		
Consommation moyenne de carburant (l/100)	8.0	8.0	8.0		
Estimation quotidienne de carburant utilisé (litres)	18.9	11.2	7.7		
Estimation émissions de CO2 (kg)	36.6	20.8	13.8		
Départ du premier trajet	07:48	08:00			
Fin du dernier trajet	21:02	19:43			
Distance de la tournée	26.16	13.23	10.52		
Arrivée au premier lieu	08:41	08:10			
Départ du dernier lieu	21:01	19:43			
Distance de la tournée sur site	22.54	12.79	10.24		
Kilométrage professionnel	236.0	131.7	96.3		
Kilométrage - Autres usages	12.7	12.7	12.7		
Total général	248.7	144.4	109.0		

© 2016 Quartix Ltd. Tous les droits réservés.

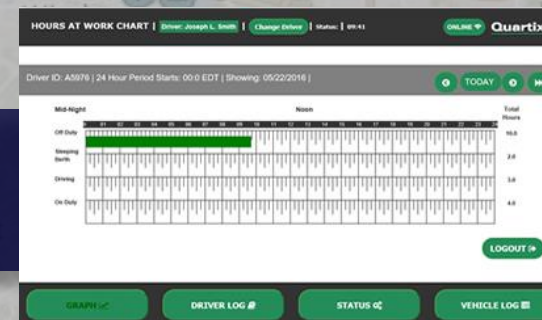
Real-time dashboards



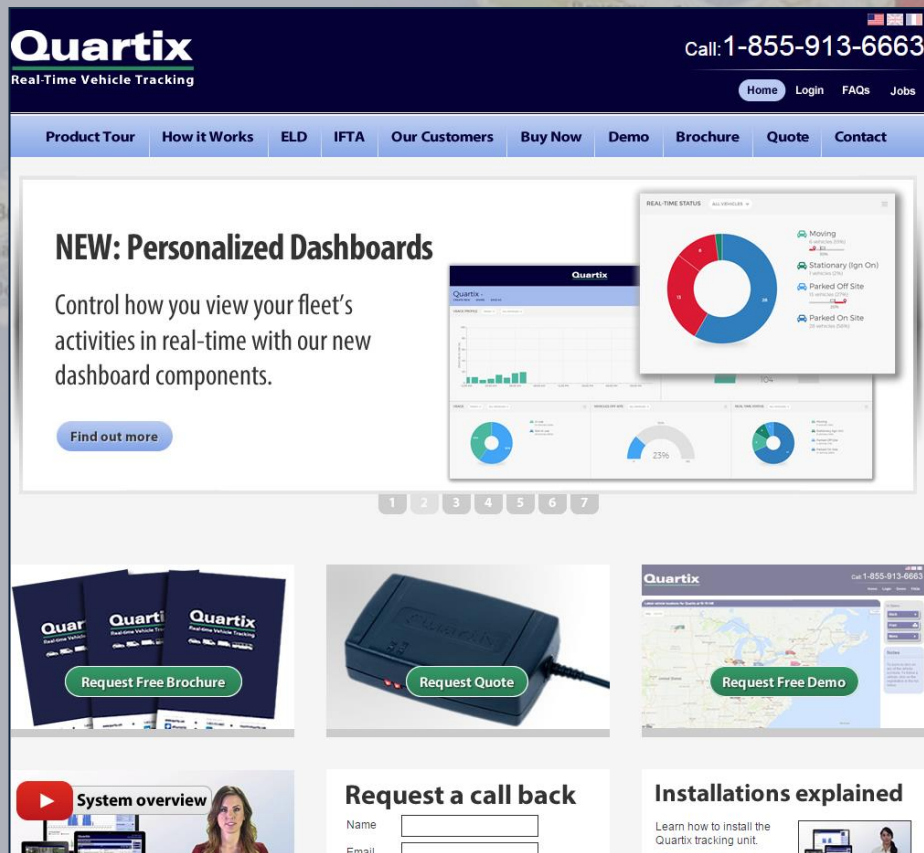
Miniature self-install system: the TCSV12



Electronic logging



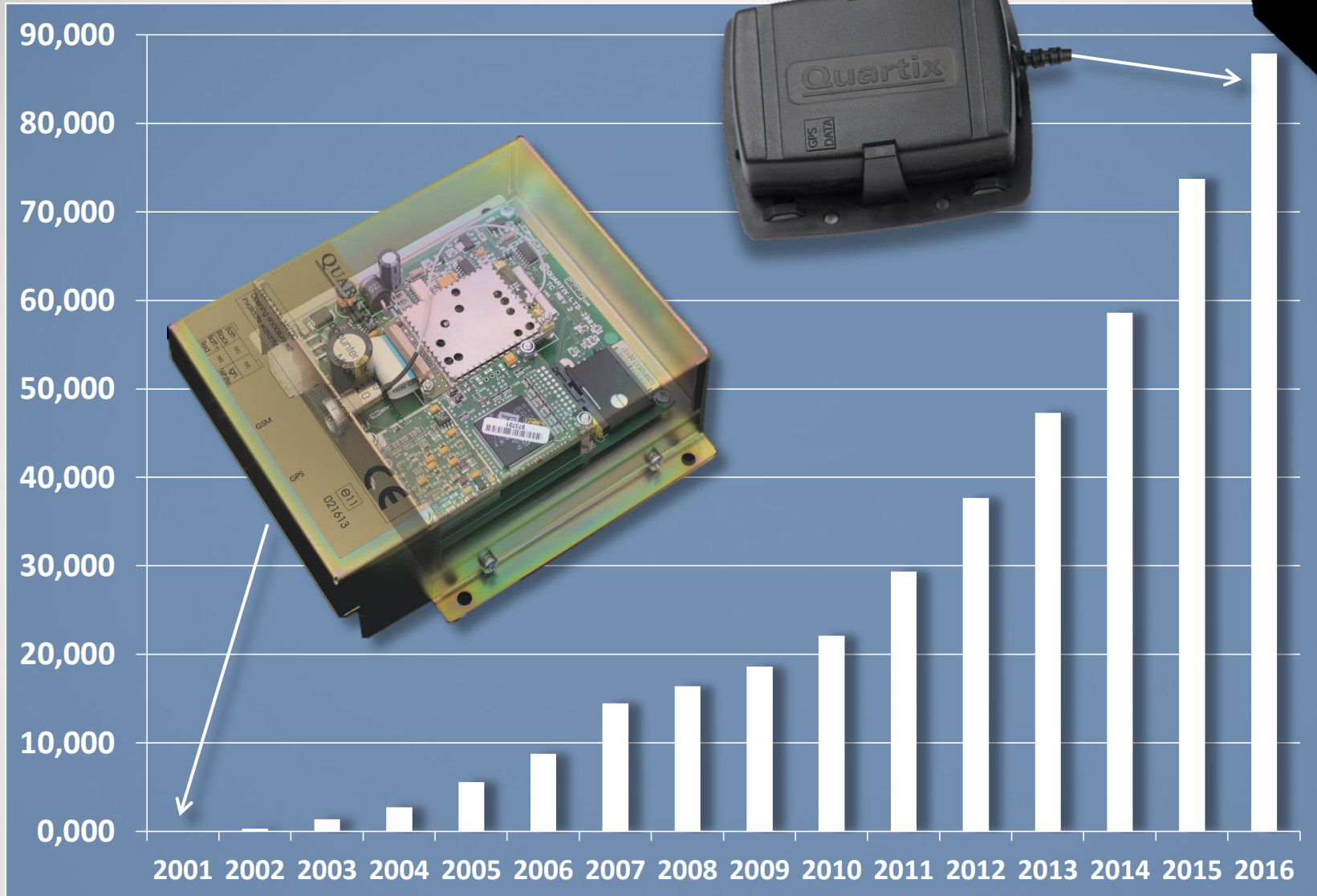
Customer Acquisition



The screenshot shows the Quartix website homepage. At the top, the Quartix logo is on the left, and the phone number 'Call: 1-855-913-6663' is on the right. Below the logo is the tagline 'Real-Time Vehicle Tracking'. A navigation bar contains links: Home, Login, FAQs, Jobs, Product Tour, How it Works, ELD, IFTA, Our Customers, Buy Now, Demo, Brochure, Quote, and Contact. The main content area features a section titled 'NEW: Personalized Dashboards' with the text 'Control how you view your fleet's activities in real-time with our new dashboard components.' and a 'Find out more' button. To the right of this text are three dashboard preview images showing various charts and maps. Below this section is a row of three images: three brochures, a black tracking device, and a map interface, each with a 'Request Free Brochure', 'Request Quote', and 'Request Free Demo' button respectively. At the bottom, there are three sections: 'System overview' with a video player icon, 'Request a call back' with a form for Name and Email, and 'Installations explained' with a video player icon.

- Cost of customer acquisition is key to future growth
- Digital marketing , e-commerce and ease of installation are all vital to this
- Additional investment is planned
- Chief operating officer with strong track record in digital joined in February 2017

Subscription Base



Summary and Outlook

- Strong growth in subscriptions underpins recurring revenue in fleet
- Good progress in all three fleet markets
- Good profit growth despite increased investment in new markets, new installations and R & D
- Strong cash generation enables high returns to shareholders
- Good start to 2017



Final Results Presentation

Appendix: Introduction to Quartix



Our Proposition: Increased Productivity and Reduced Risk

Fleet customers use our software to:

- Increase capacity
- Improve fuel economy
- Reduce overtime payments
- Eliminate fraud and wastage

Insurers use our data and alerts to:

- Assess risk
- Respond to accidents
- Verify agreed vehicle usage
- Reduce loss ratios



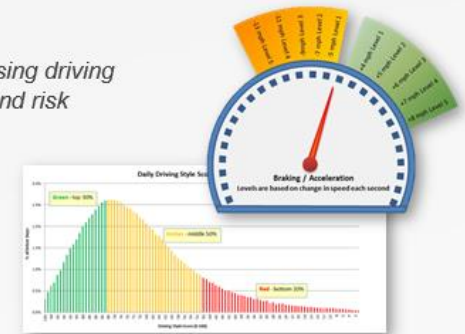
Managing a mobile workforce



Locating employees



Assessing driving style and risk

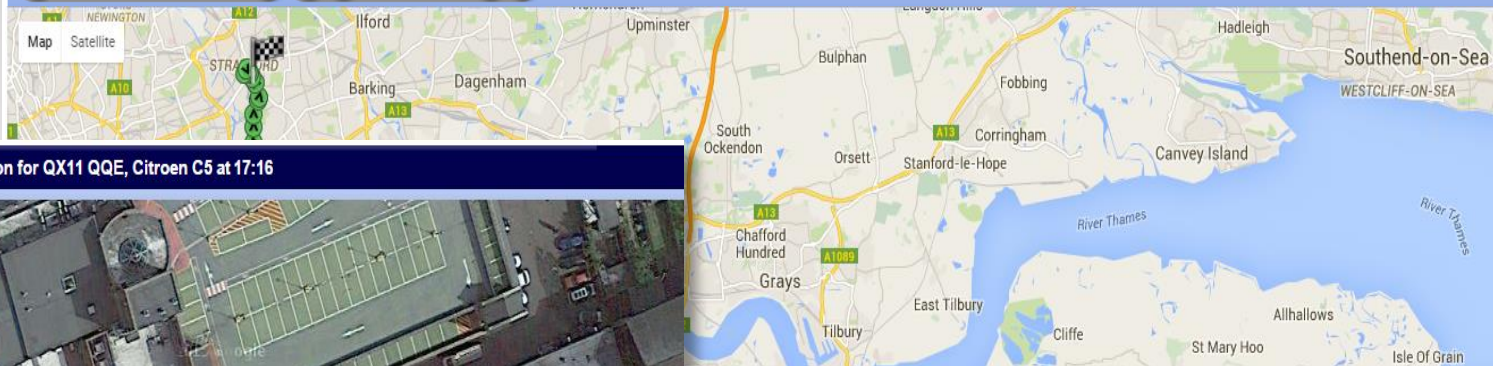


Monitoring timesheets

Daily route map for Demo

Vehicle: QX11 QQE Citroen C5

Mon 22 February, 2016 Trip 2 of 4



Hi Demo

[Back](#)

[Print](#)

[Menu](#)

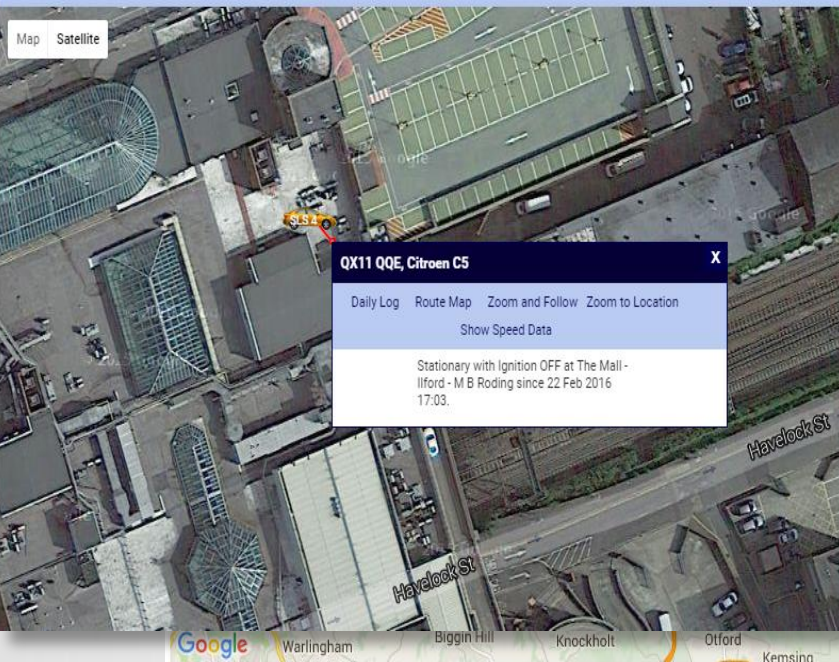
Key

Start of trip

End of trip

Idling time

Latest vehicle location for QX11 QQE, Citroen C5 at 17:16

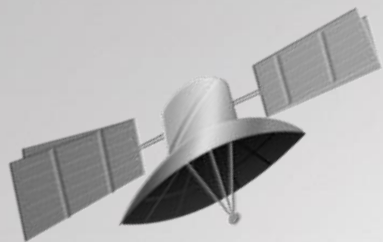


Daily Vehicle Log for Demo

QX11 QQE Citroen C5

Mon 22 February, 2016

Trip	Depart	Arrive	Travel Time	Idling time	Distance (miles)	Average Speed (mph)
1	13:36 HOME	15:00 Goose Stratford - Stonegate Pub Company	1:23		38.0	27.5
2	15:07 Goose Stratford - Stonegate Pub Company	15:08 Goose Stratford - Stonegate Pub Company	0:01		0.2	10.4
3	15:30 Goose Stratford - Stonegate Pub Company	16:16 The Mercury - Romford - Mayor Bergman	0:46		10.6	13.9
4	16:39 The Mercury - Romford - Mayor Bergman	17:01 The Mall - Ilford - M B Roding	0:21		5.7	16.2
Totals			2:31	0:00	54.5	21.7



GPS



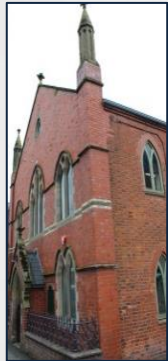
GPRS



Operations



Chicago



Newtown



Cambridge



Leatherhead



Bishop's Waltham



Final Results Presentation

27 February 2017

