



Fleet Visibility Solved



**Richard Lilwall - CEO**

20+ years in Tracking and Telematics



**Emily Rees - CFO**

Operational & Commercial Finance Specialisation

Head of HR



- ▶ 20+ years in tracking and telematics
- ▶ Founded highly successful UK distributor
- ▶ Acquired in 2011 by Teletrac Navman
- ▶ Danaher owned – continuous improvement
- ▶ Accelerated Leadership Program and HBS CORE
- ▶ Managing Director and Vice President, Europe
- ▶ Joined Quartix October 2021 as CEO

## Over 700,000 systems installed since 2001

### A UK LEADER

**125,085** fleet vehicles currently tracked in the UK across **11,332** customers

**40,343** tracked in France and **27,912** USA across **9,339** fleet clients

**9,394** vehicles tracked in Poland, Spain, Italy, Germany across **1,997** clients

### OWN TECHNOLOGY AND IPR

R&D centred in the UK

### OFFICES WORLDWIDE

Cambridge, Newtown, Bishop's Waltham, Leatherhead - UK

Chicago – USA





**Before Quartix**



Cloud based platform for fleet visibility from any device, 24/7



Business insights that empower instant improvements



Employers can monitor and resolve high-risk behaviours



High visibility at all times increases accountability and reduces fraud risks



Real time resource allocation optimises fleet utilisation



Fewer miles and improved driving style = carbon reduction & enhanced green credentials





**25%**  
Fuel reduction



**15%**  
More vehicle utilisation



**15%**  
Overall mobile workforce  
productivity



**10%**  
Fewer miles driven



**15%**  
Reduced employee  
overtime



**25%**  
Reduction in idle time



Transport Manager, Scott Logan, has made full use of the Quartix vehicle tracking data to transform the carbon efficiency of fleet operations at WJ Road Markings. As the largest independent road markings organisation in the UK, with 25 offices, 8 depots and approximately 420 vehicles working throughout the night, the pressures on WJ to manage risks and reduce costs were mounting. Achieving a better performance on the road while considering the safety and wellbeing of drivers was critical for Scott and his team. A previous telematics system had not been satisfactory in terms of customer support and costs, which led Scott to Quartix in late 2019. The results that WJ has since achieved are astounding.

- 12% increase in MPG
- £26,000 savings in fuel costs
- 65% fewer HGV accidents
- £160,000 reduction in vehicle maintenance costs



“Quartix driver behaviour reports have saved us £160,000. A 12% improvement in MPG and reduced CO2 emissions, plus fewer vehicle breakdowns and far less workshop hours... Results like these are precisely why we use telematics.”

**Scott Logan, Transport Manager**

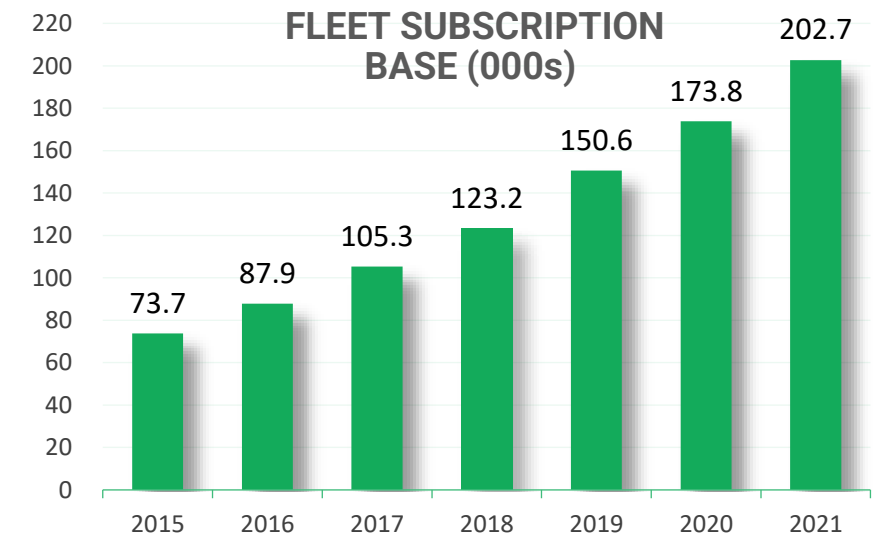
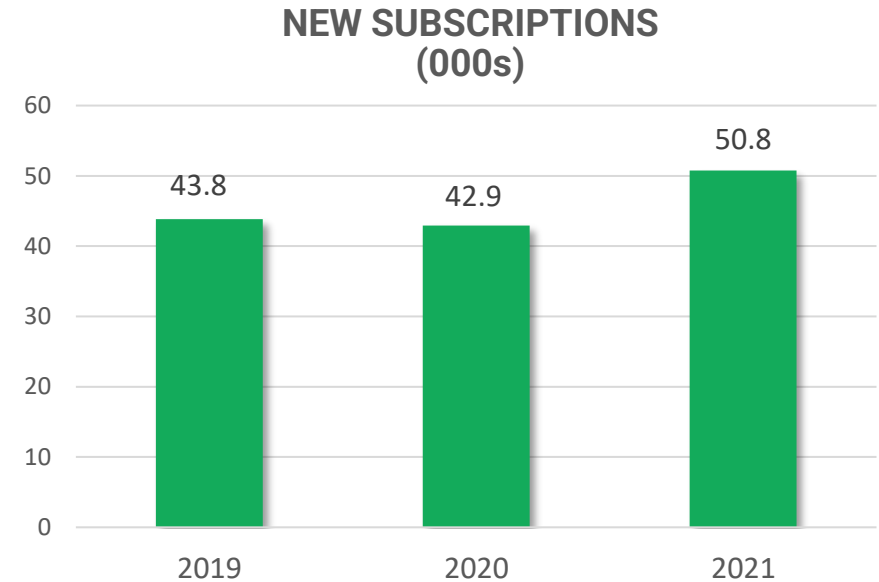


# Quartix

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**Real-Time Vehicle Tracking**

- New fleet subscriptions in 2021 increasing by 18% to 50.8k units (2020: 42.9k)
- Fleet subscription base reached +200k vehicles, up by 17% over 12 months
- Annualised value of subscription base increased by £2.0m on a constant-currency basis (2020: £1.6m)
- Generated adjusted free cash flow of £3.7m
- Following insurance withdrawal, start to see true revenue growth in the business from 2022 onwards



	2021	2020	Change
Fleet subscriptions (new units)	50,765	42,898	18%
Fleet subscription base <sup>1</sup> (units)	202,734	173,793	17%
Fleet customer base <sup>1</sup>	22,668	19,039	19%
Fleet attrition (annualised %)	11.6	12.2	
Price erosion (%) <sup>2</sup>	6.0	6.6	
Fleet revenue (£'m)	23.8	22.1	8%
Annualised Recurring Revenue (ARR) (£'m)	23.9	21.9	9% <sup>3</sup>

1: The comparative subscription and customer base figures are at 31December 2020

2: Annual decrease in average subscription price of the base expressed as a percentage of the average subscription price at the start of the period all measured in constant currency.

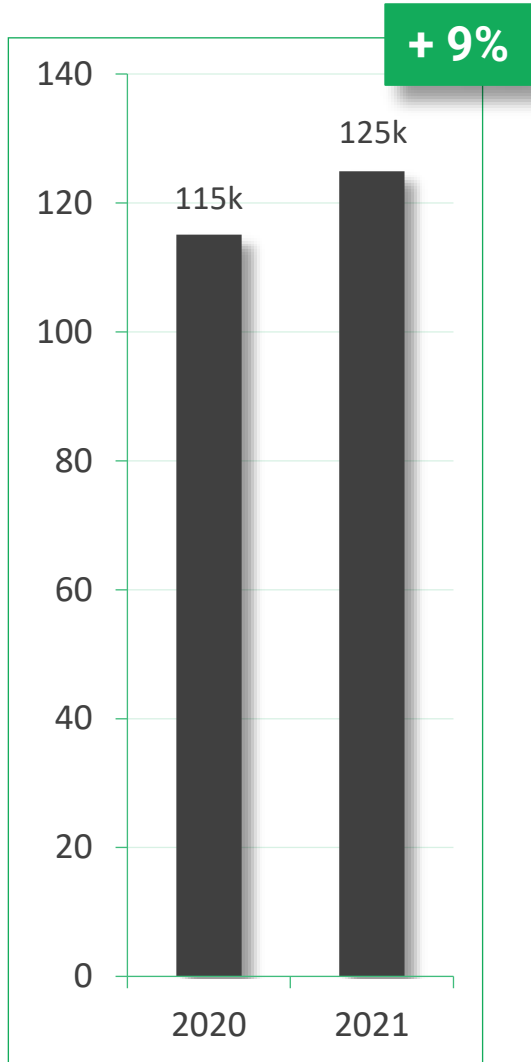
3: Growth calculated at constant exchange rates as at 31 December 2021

# 79% Margin in Underlying Fleet Business

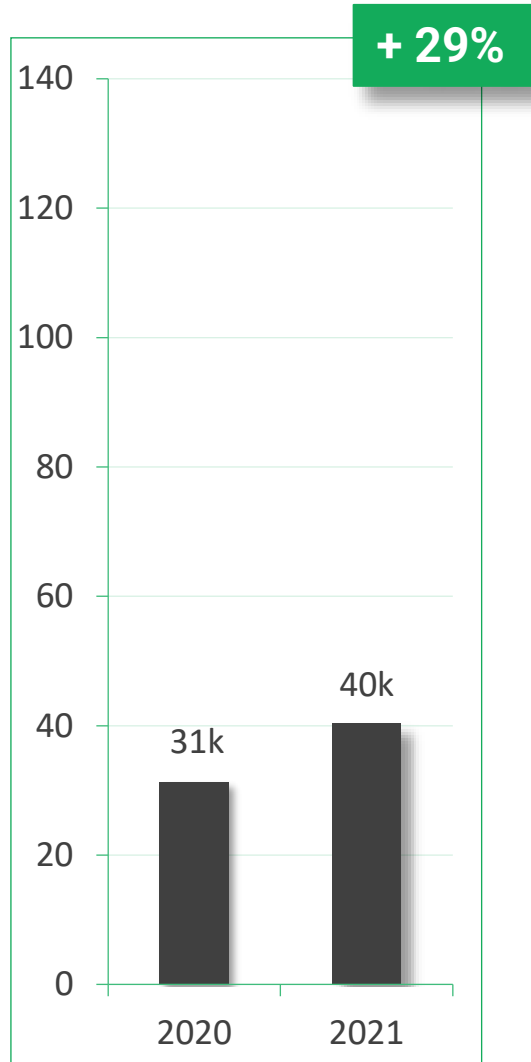
£'m	Customer Acquisition	Fleet Telematics Services	Total Business
Total revenue	0.3	25.2	25.5
Segmental Costs	(8.7)	(5.4)	(14.1)
<b>Profit before central fleet costs</b>	<b>(8.4)</b>	<b>19.8</b>	<b>11.4</b>
Central costs			(5.7)
Adjusted EBITDA			<b>5.7</b>

	2021	2020	Change
Fleet revenue	23,752	22,059	8%
Insurance revenue	1,761	3,776	-53%
<b>Total revenue</b>	<b>25,513</b>	<b>25,835</b>	<b>-1%</b>
<b>Gross profit</b>	<b>18,637</b>	<b>17,047</b>	<b>9%</b>
<i>Gross margin</i>	73 %	66 %	
<b>Operating profit</b>	<b>5,309</b>	<b>5,680</b>	<b>-7%</b>
<i>Operating margin</i>	21%	22 %	
<b>Adjusted EBITDA</b>	<b>5,725</b>	<b>7,871</b>	<b>-27%</b>
Earnings per share (p)	10.14	9.86	3%
<b>Cash generated from operations</b>	<b>3,963</b>	<b>6,698</b>	<b>-41%</b>
<i>% Operating profit</i>	75 %	118 %	

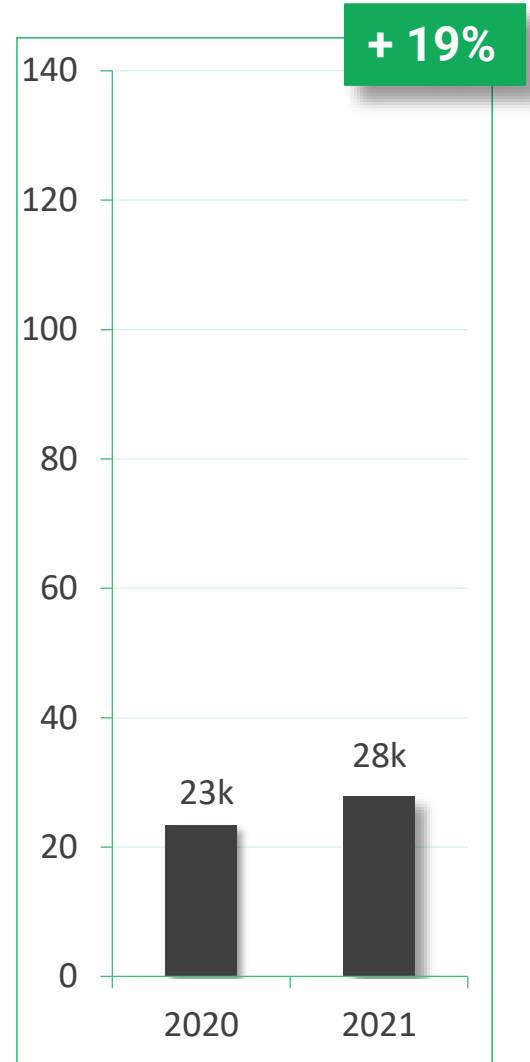
# Subscription Base Increased Across All Geographies



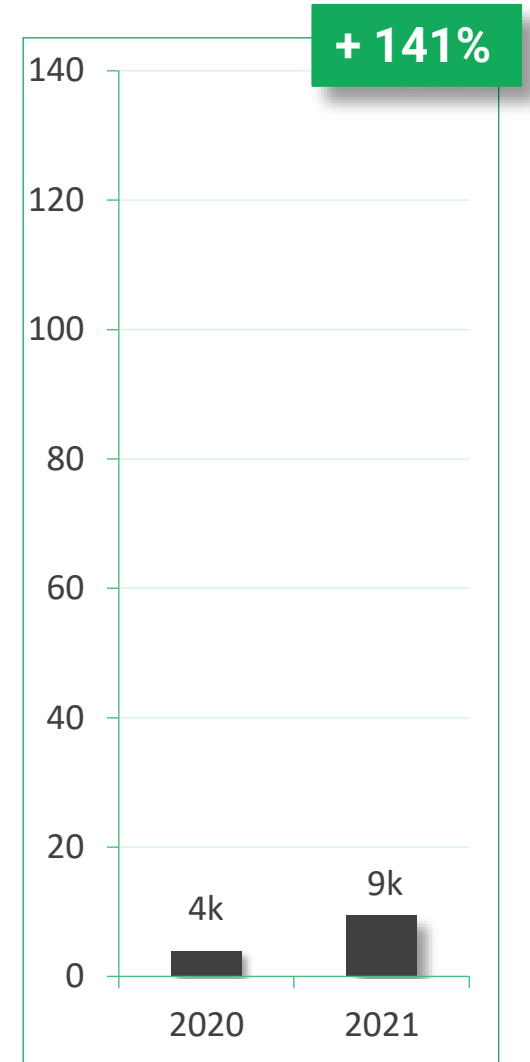
UK



FRANCE



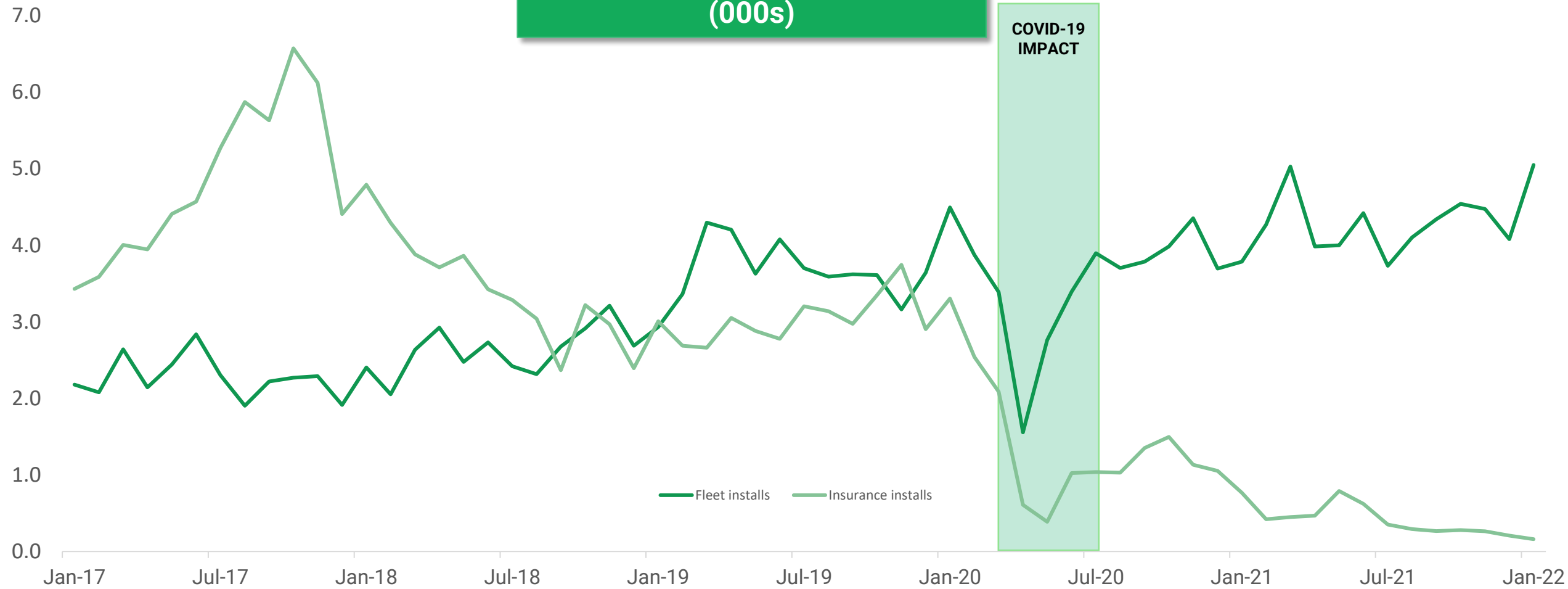
USA



REST OF EUROPE

# Strong Rebound in Fleet Installations post-COVID

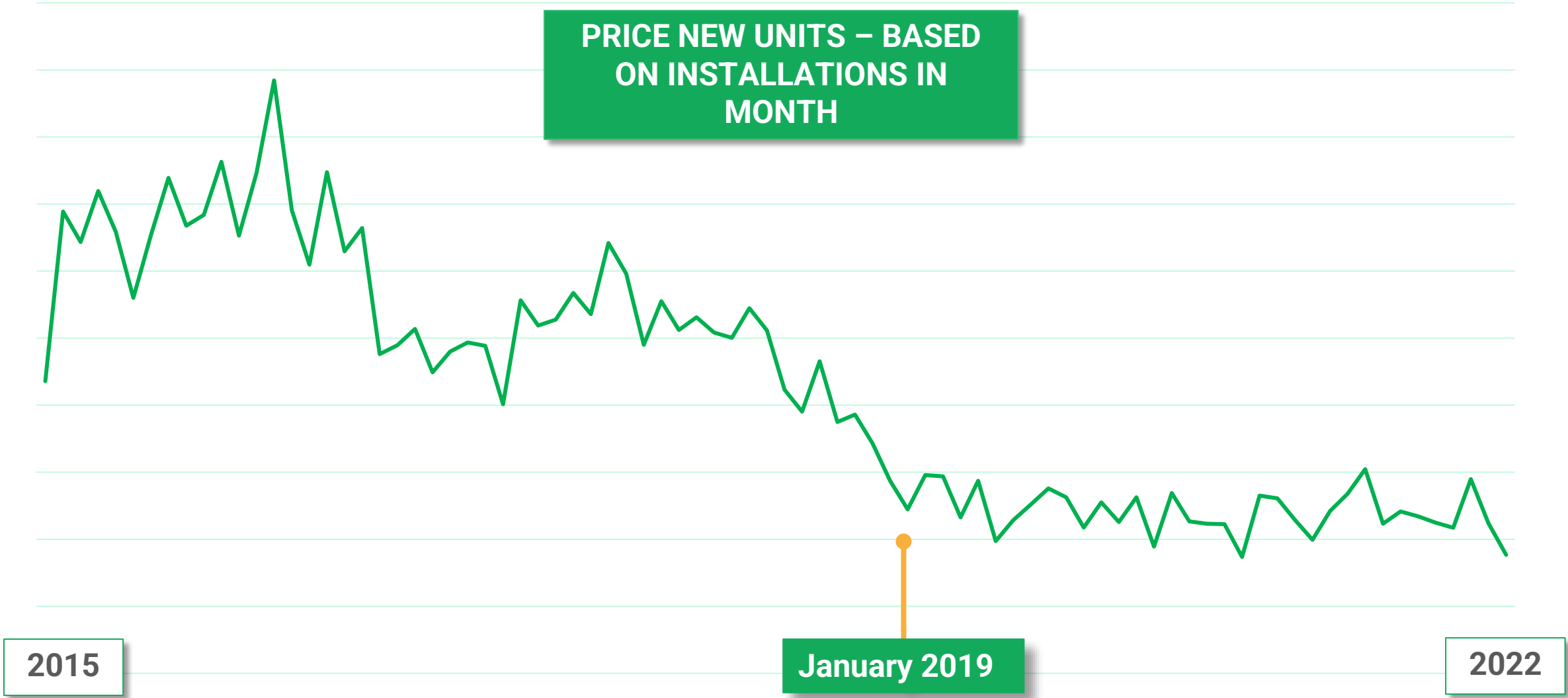
**UNIT INSTALLS FROM 2017  
(000s)**





# ARPU for New Installations Remains Static

**PRICE NEW UNITS – BASED ON INSTALLATIONS IN MONTH**

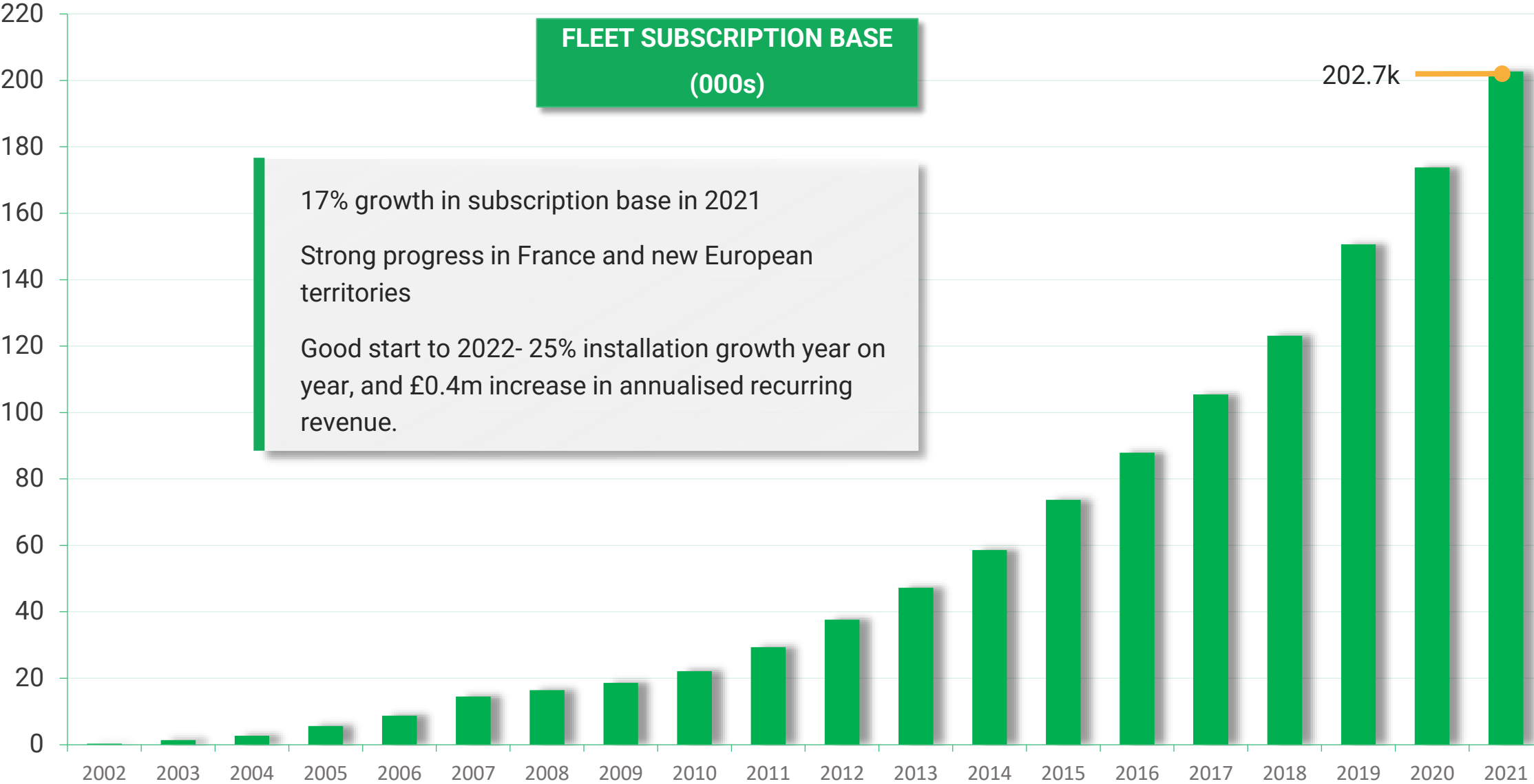


2015

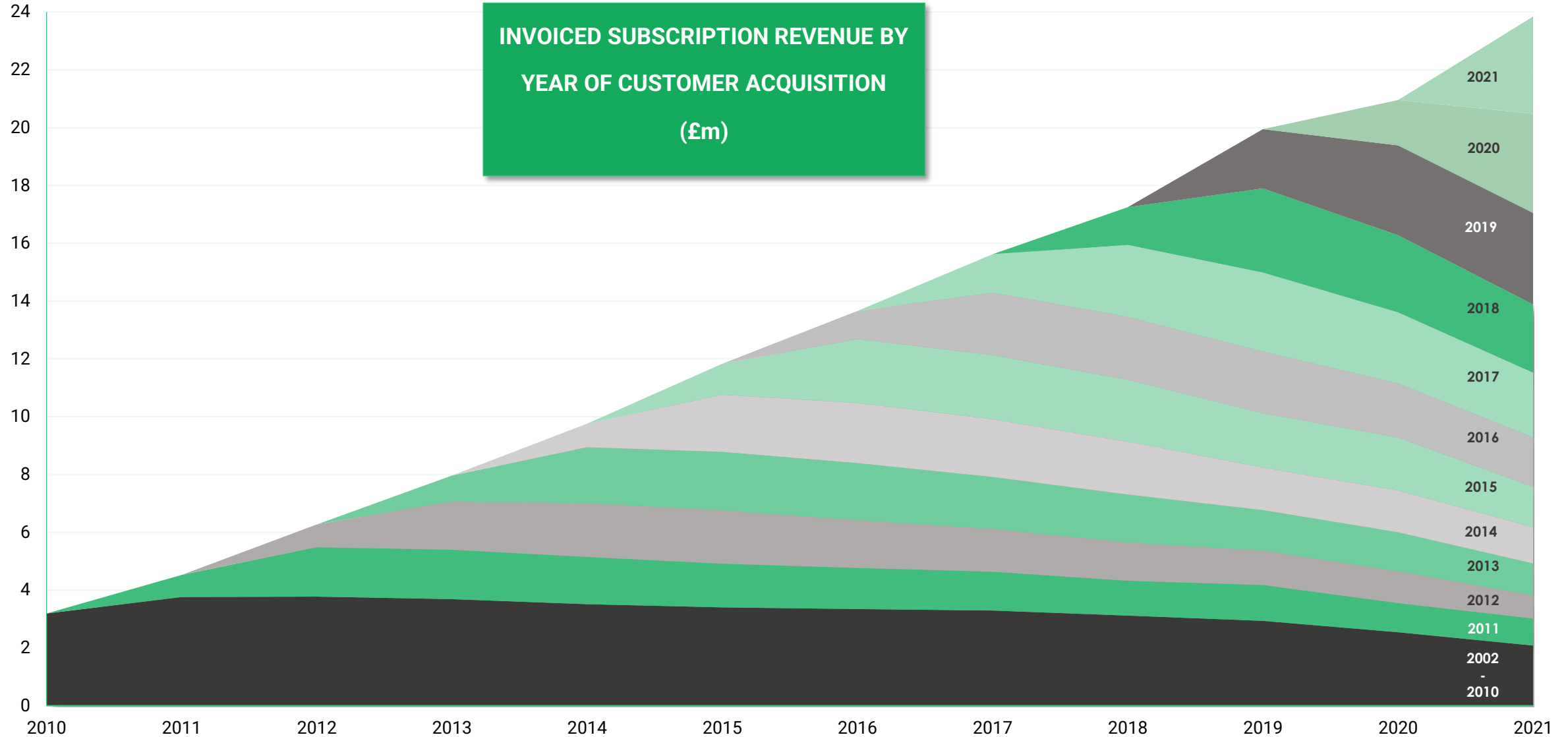
January 2019

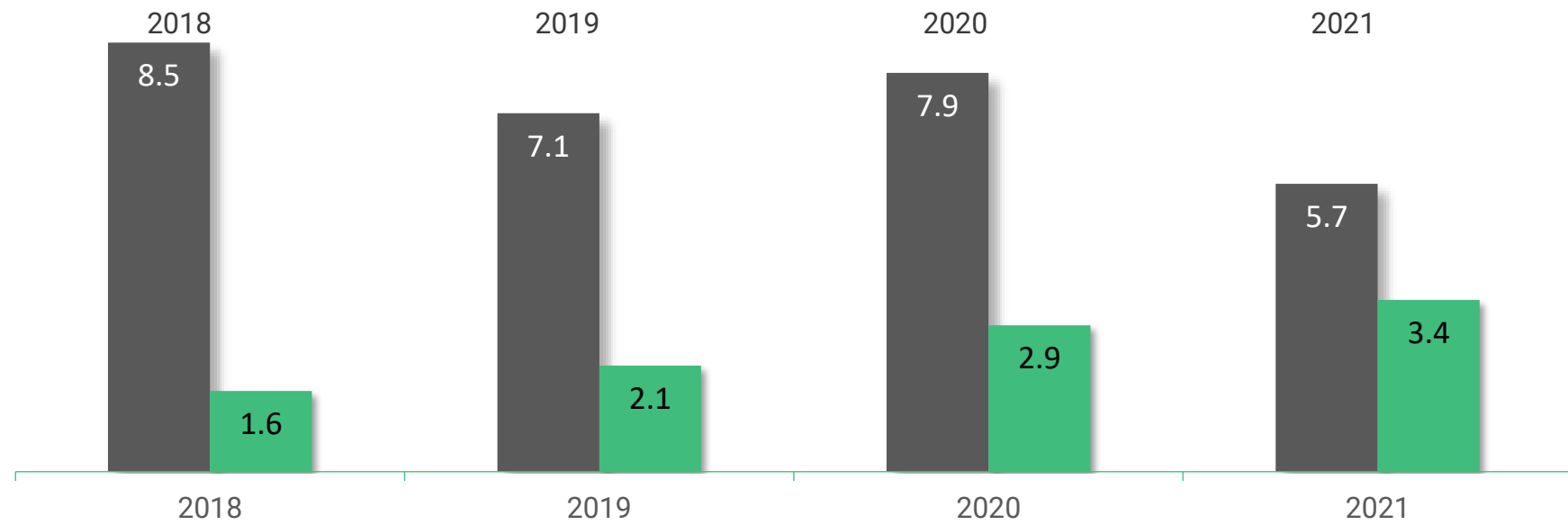
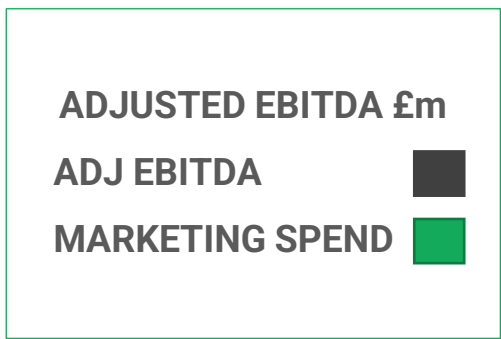
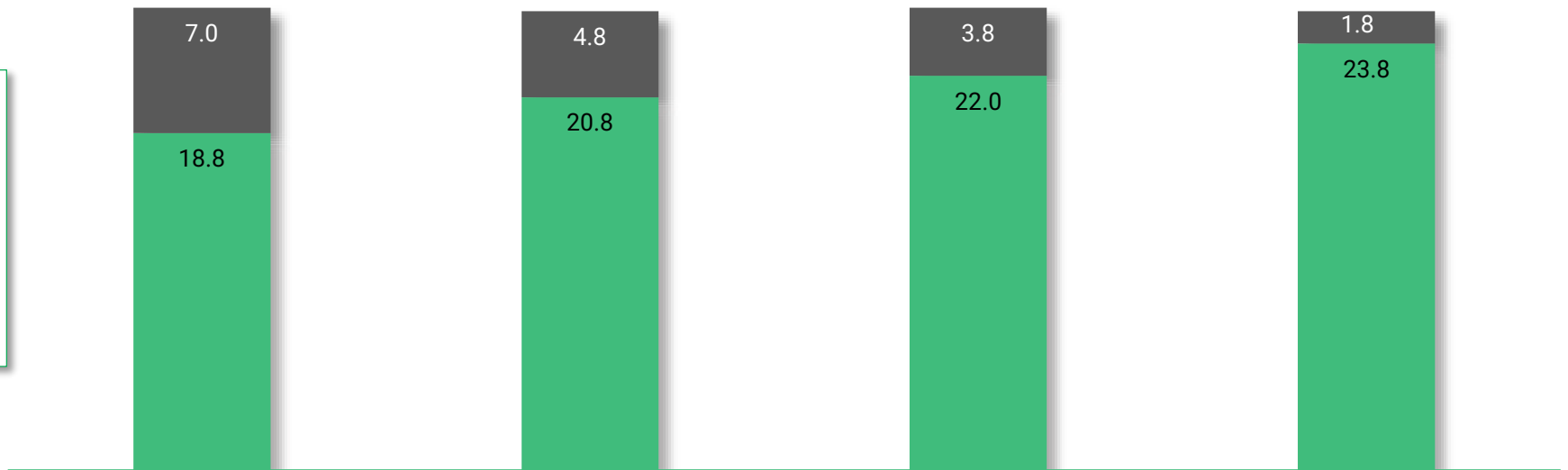
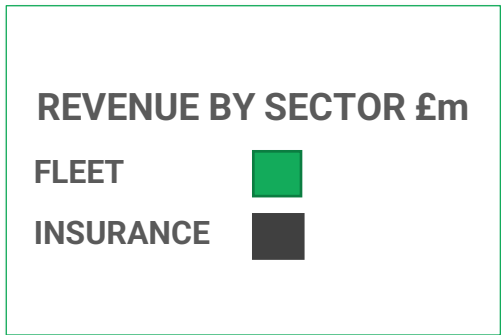
2022

# Strong Growth in Subscription Base



# Recurring Revenue Retains Strong Customer Acquisition From All Years



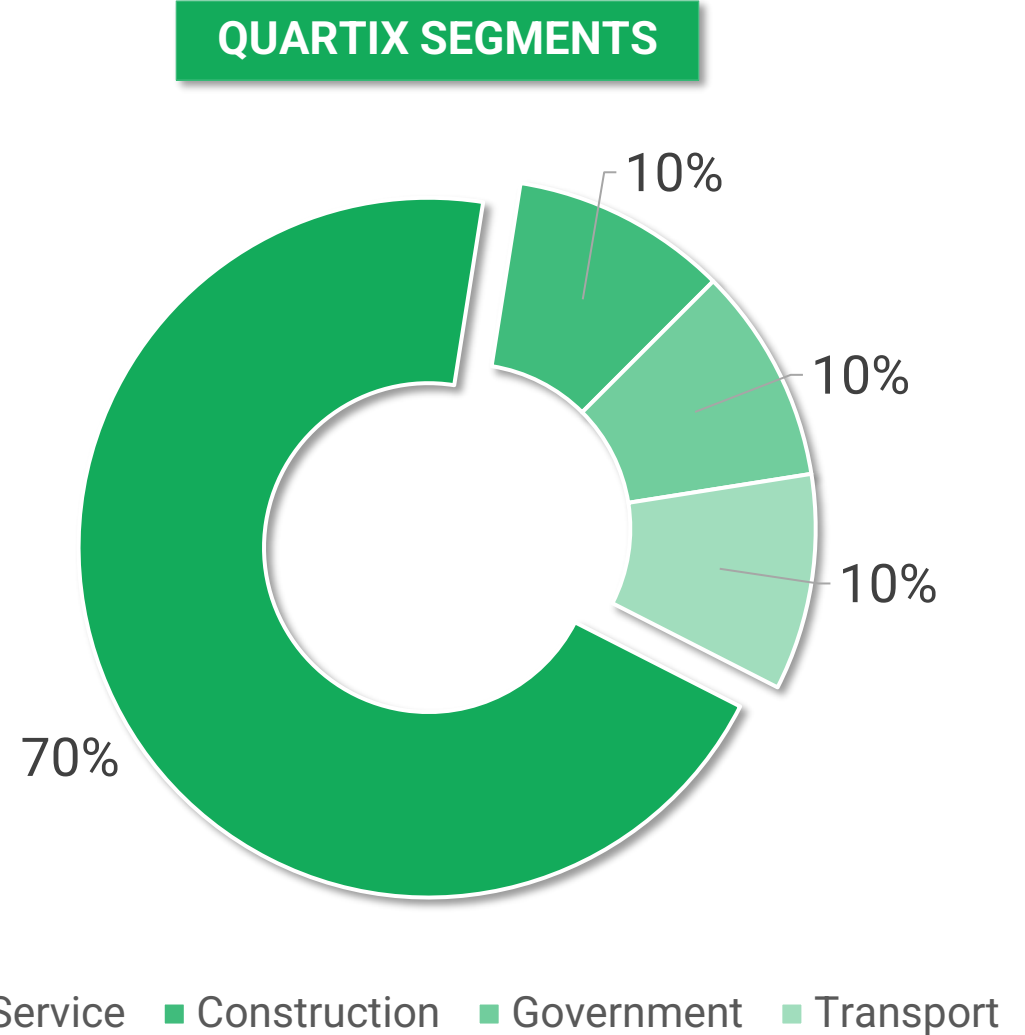
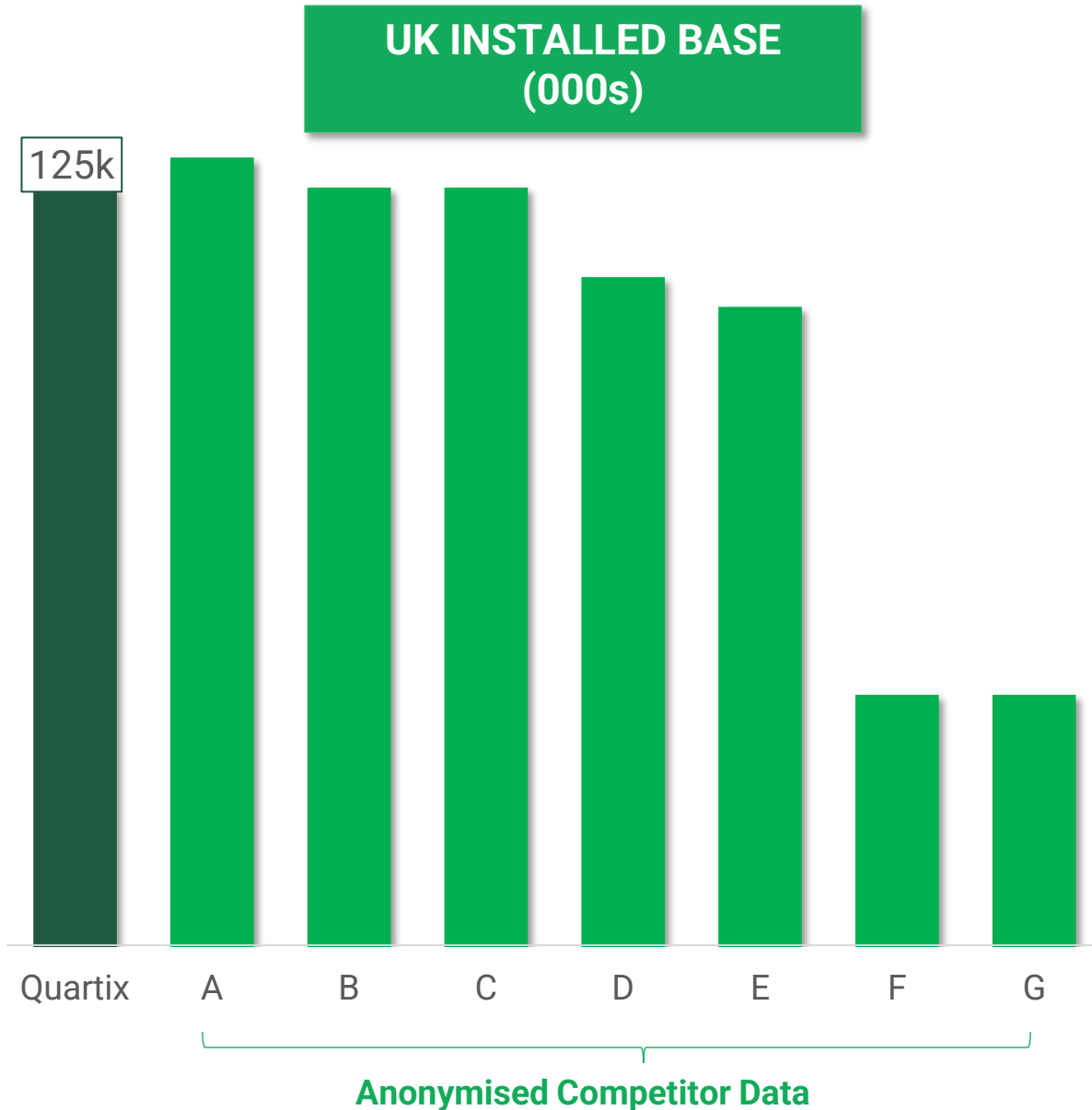


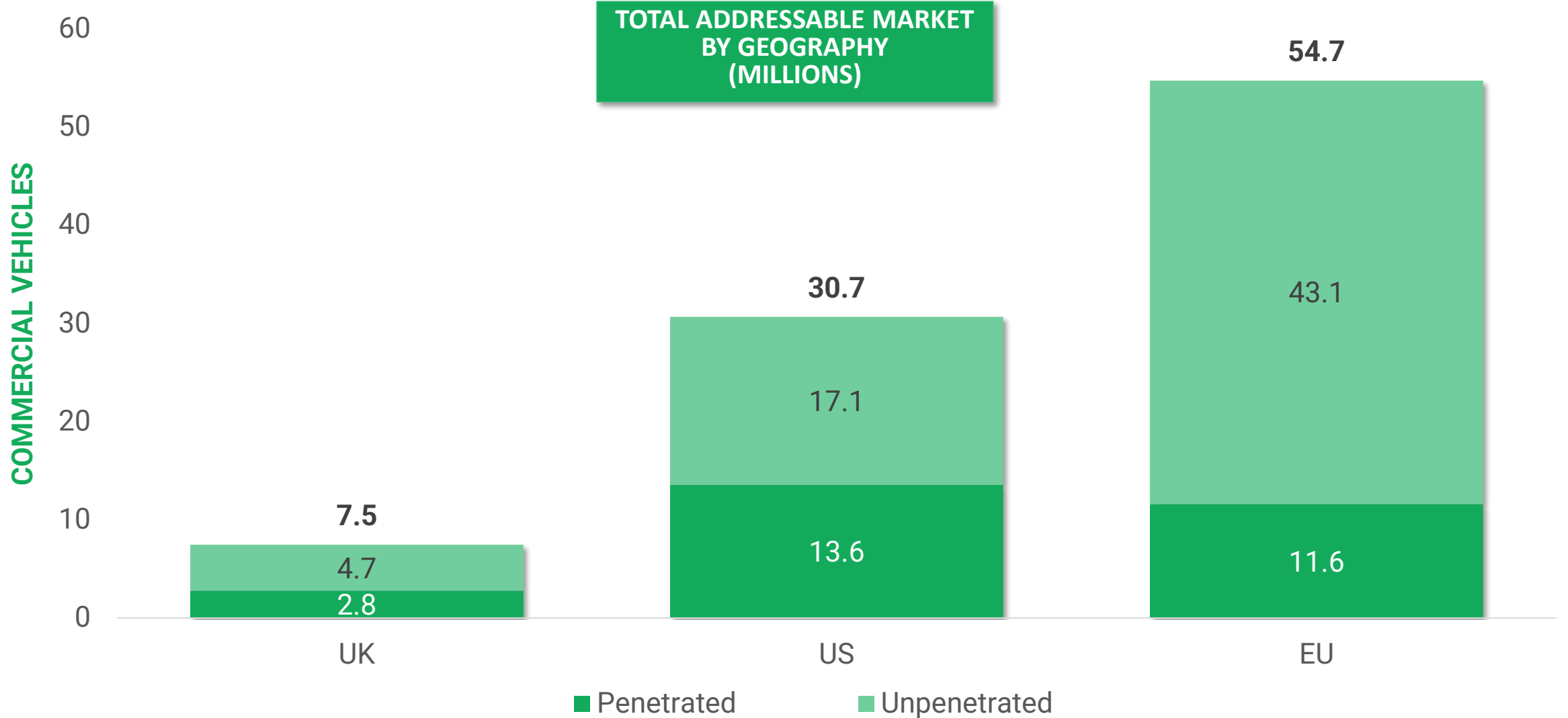
# Quartix

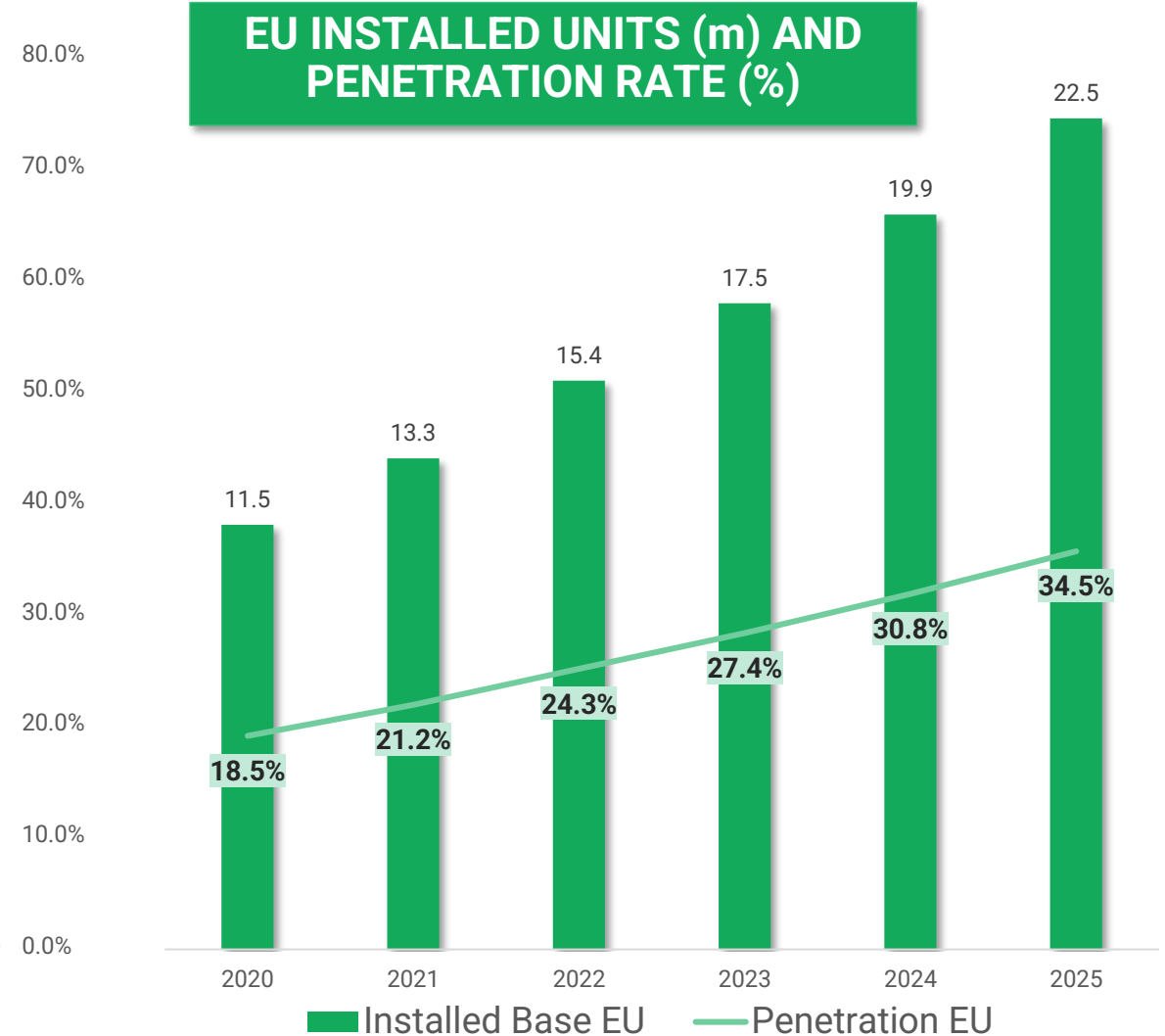
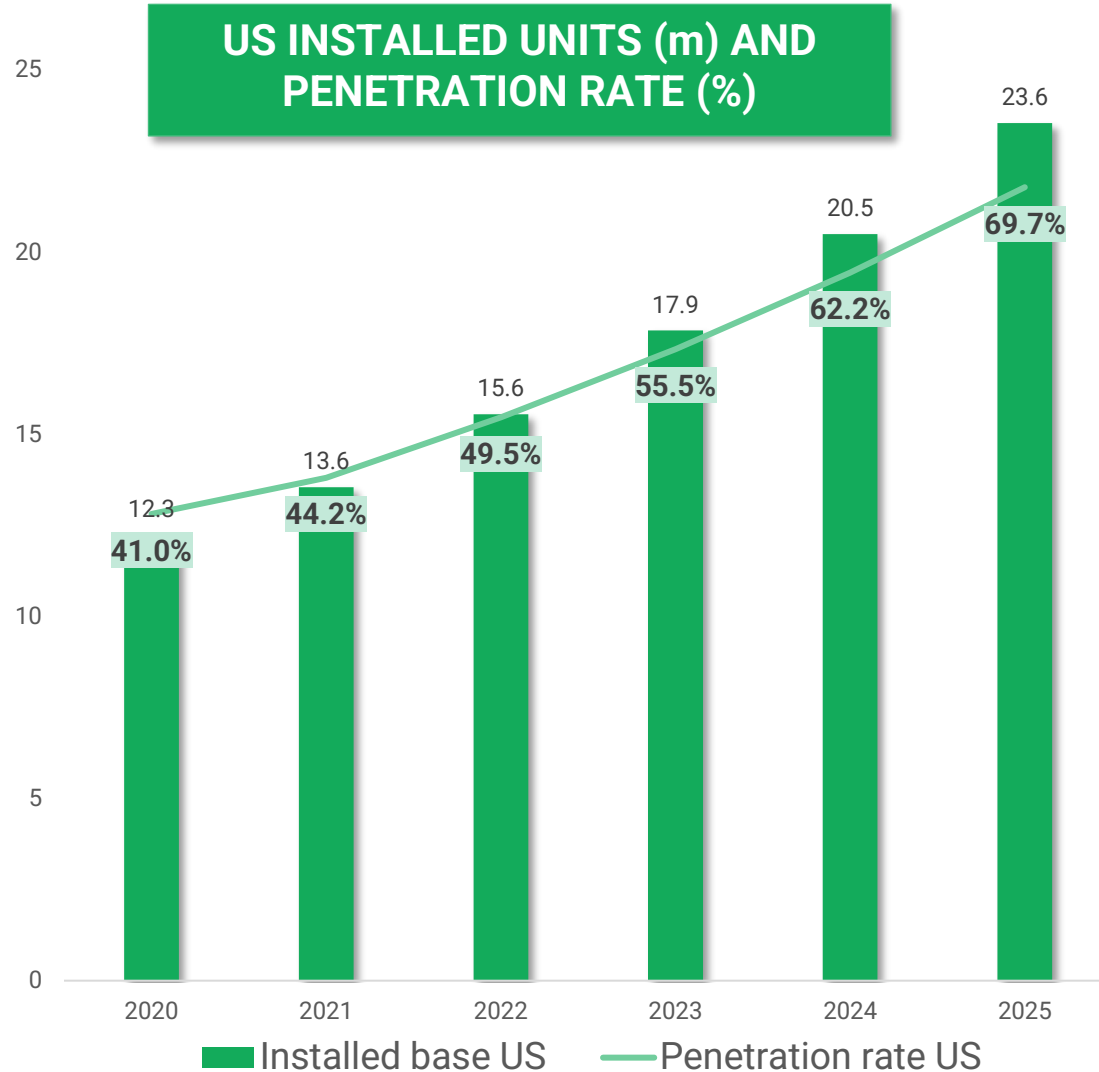
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**Real-Time Vehicle Tracking**

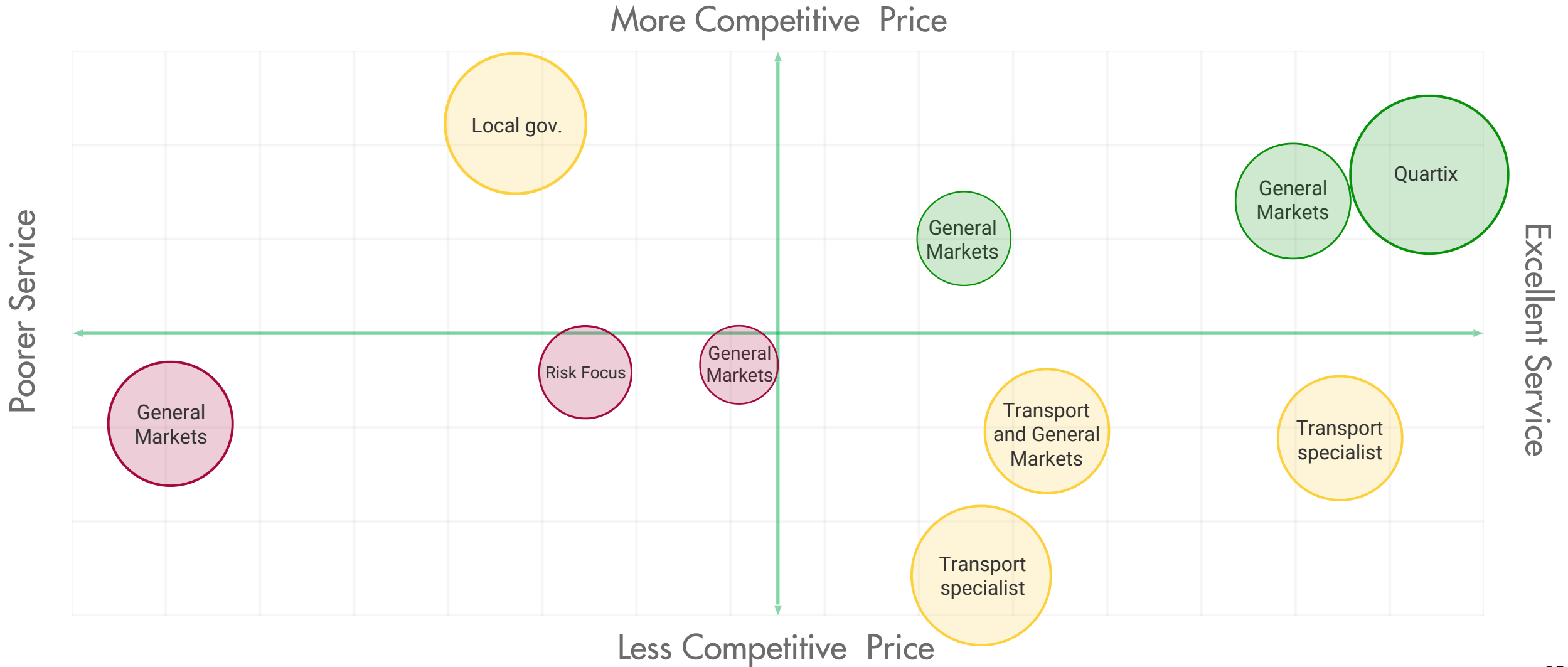
Growth Opportunity













## Sales Execution Excellence

Multi-year project will include best-in-class product demo and pitch, an improved scoring and grading system for leads allowing us to optimally match spend, and best practice funnel-management to deliver insights.



## Build Operational Scalability

We will drive scalability with a firm focus on simplification, digital transformation and automation, ensuring we can offer a value-based offering with excellent levels of service to more customers whilst controlling costs.



## Deeply Understand Customers

By listening to customers more closely than ever before we will understand and anticipate their unmet needs. Our whole leadership team will, personally, be getting to know our customers and their needs



## Electric Vehicle

Consulting and integration



## Quartix CHECK

Walk-around inspection app



## Vehicle Cameras

Functionality improvements



## User Experience

User Interface refresh



**59** out of 66

analysed vehicles is recommended to electrify.



**92**

is your fleet's E-Feasibility Score.



**-72 328 €**

is the Total Cost of Ownership change by electrifying the recommended vehicles.



**32**

chargers are recommended to install, 4 at work and 28 at home locations.



**-63 024 kg / year**

CO<sub>2</sub> is the potential emission reduction of the analysed vehicles.



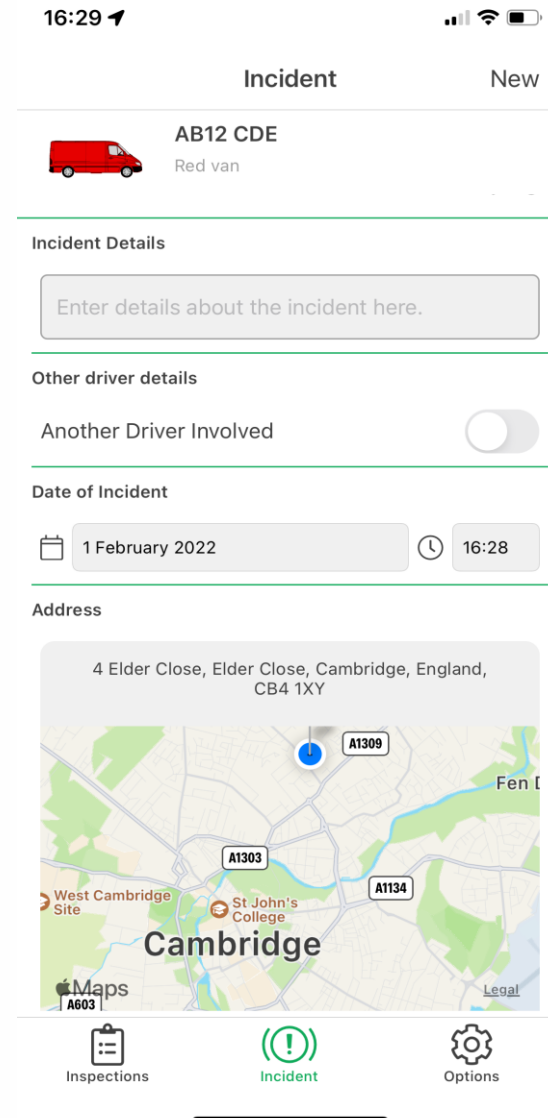
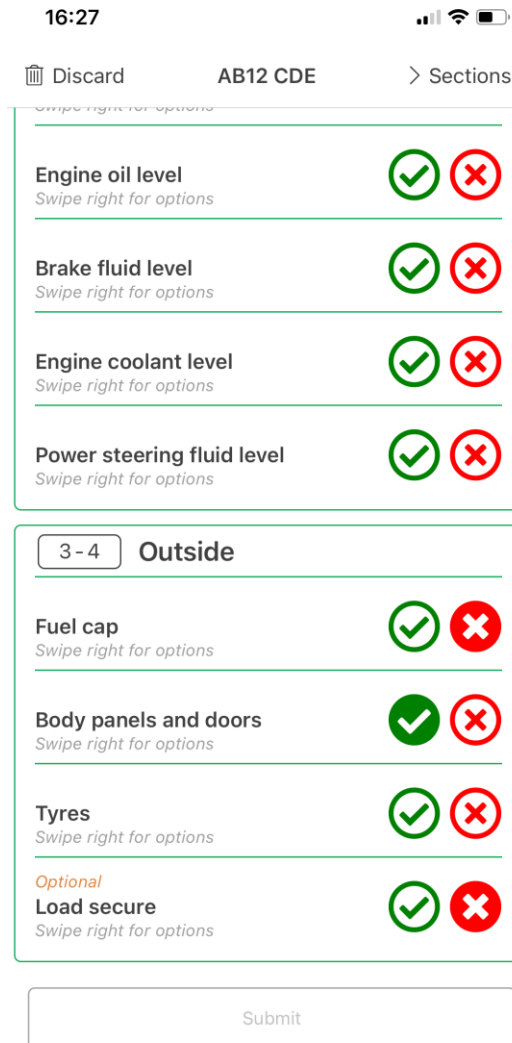
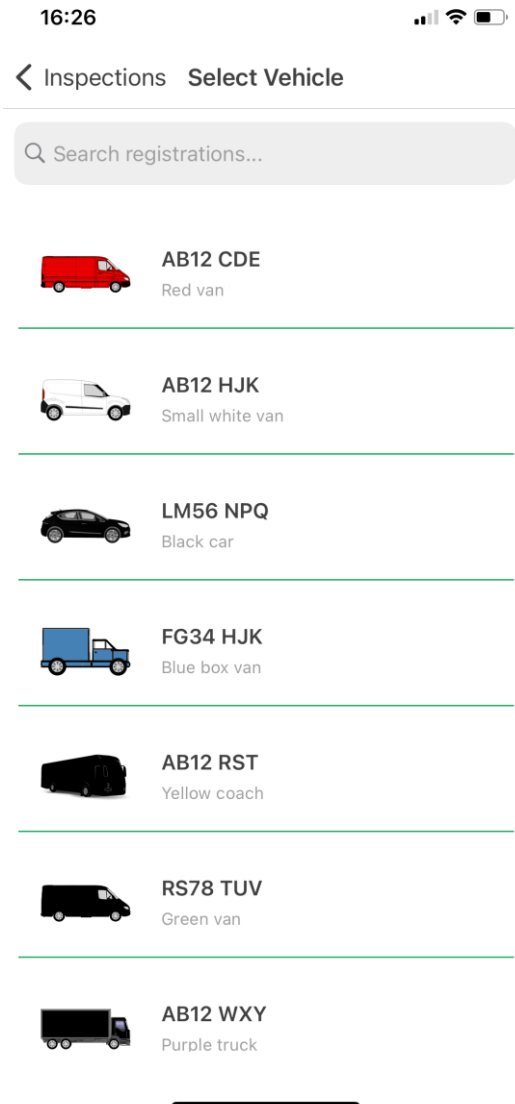
**-38 496 € / year**

is the fuel costs change by electrifying the recommended vehicles.

Utilise customer data to provide insight on EV migration

Recommendation on specific vehicles

Total cost of ownership change vs. current fleet

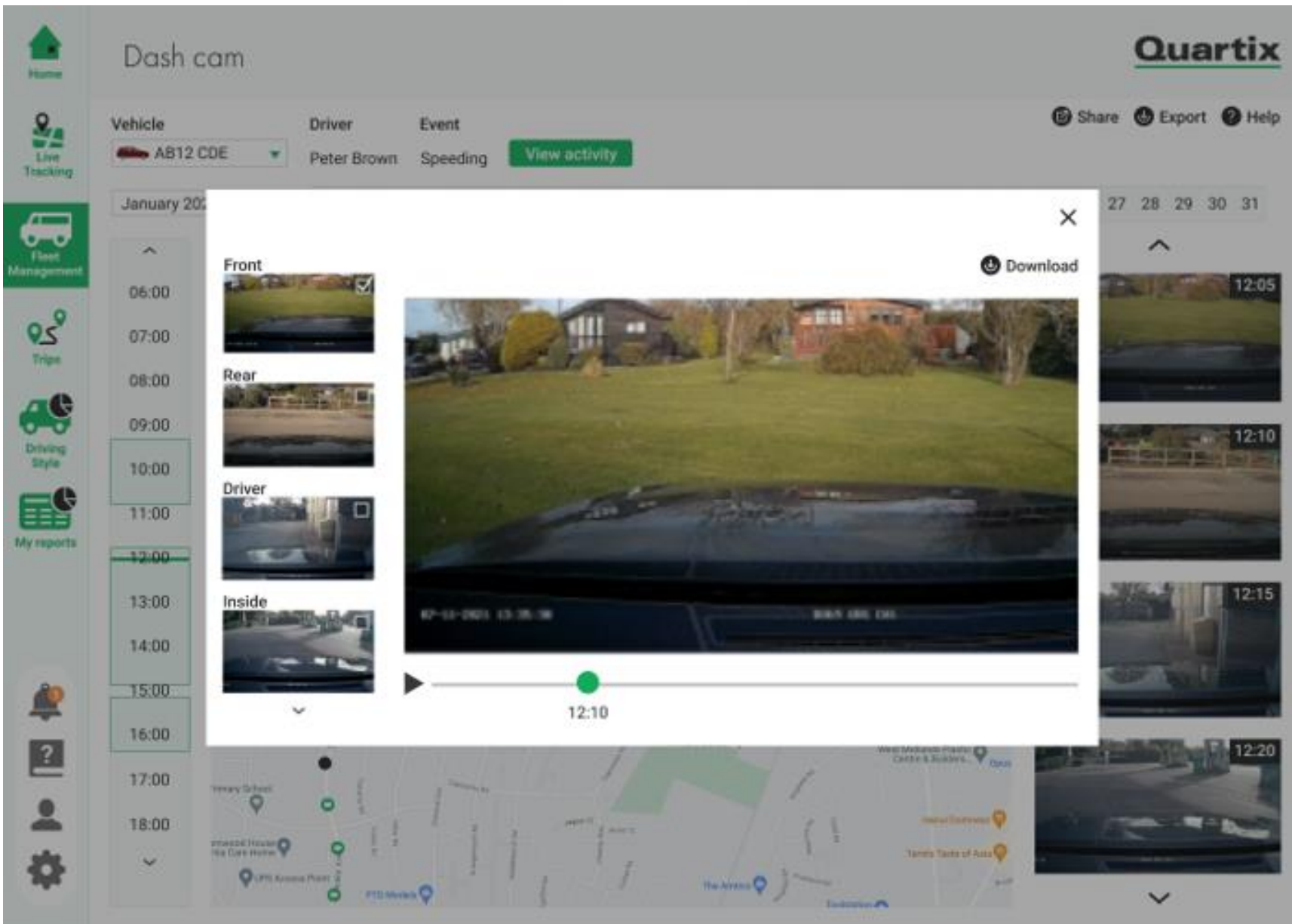


Drivers confirm their company vehicle is safe-to-use before they drive

Record, report and photograph any defects.

Capture details of any road traffic incident

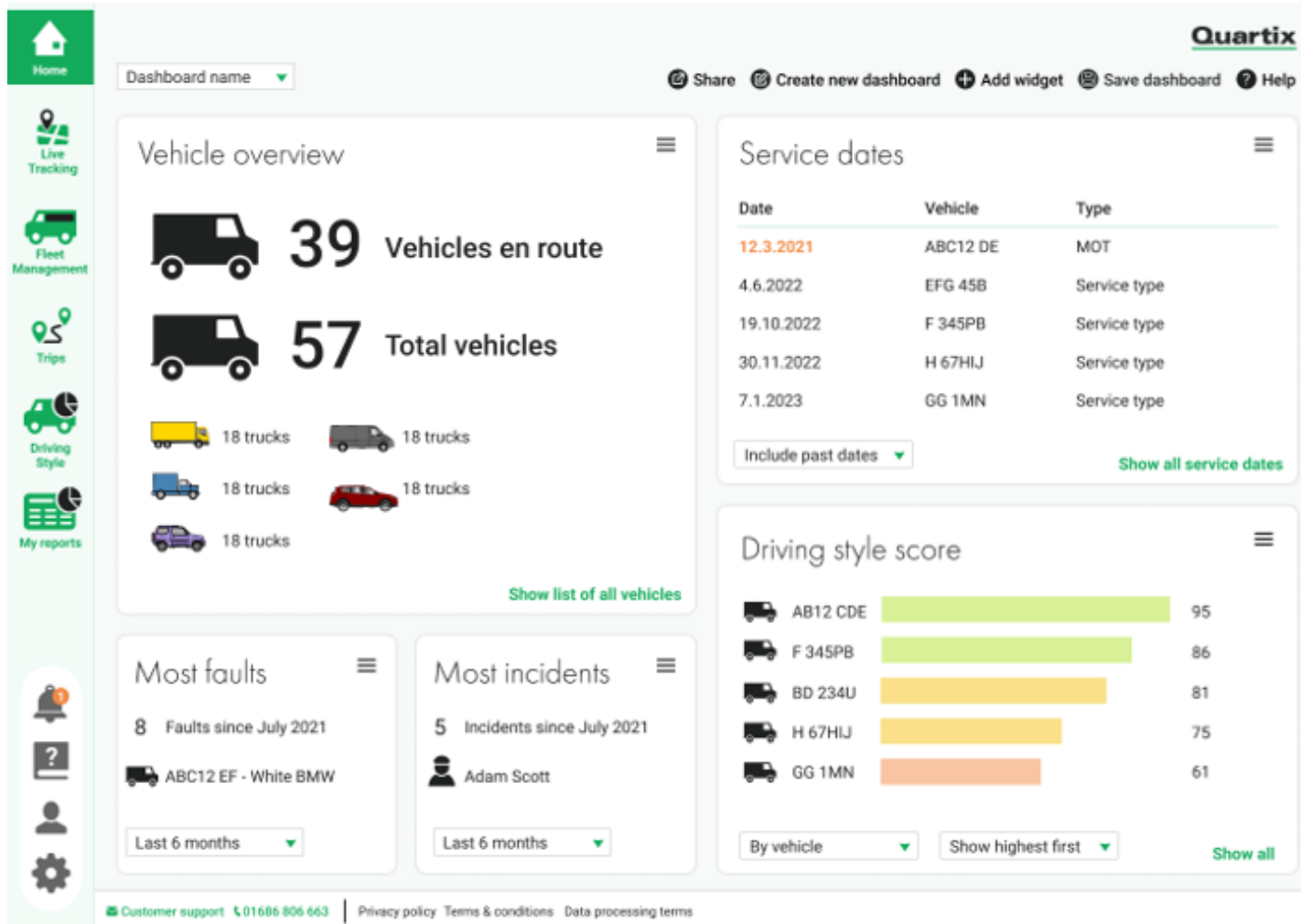




Captures real-time footage

Hyperlapse technology to get to the right data fast

Improvements in camera product and solution



New, modernised interface

Improved ease of use

More features without compromise



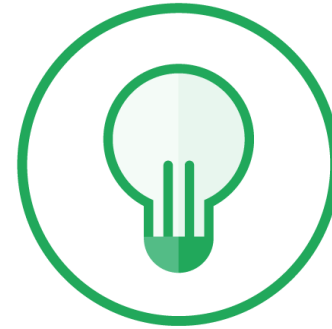
## Marketing

Increase spend in region to generate an additional 3-4k potential addressable vehicles each month



## E-Commerce

Allowing Quartix to serve smaller customers in the most convenient way with low cost and a highly competitive price point



## Product Developments

Launch of a Connected Camera solution and significant mobile app improvements  
Improve win ratio and average monthly revenues per user



## Differentiated Distribution

Two tiers of sales partner. Dedicated partners responsible for full sales cycle and Advocate partners handing interested customers to Quartix to win



## GROWTH OF ANNUAL RECURRING REVENUES



### Return on Investment seen in ARR Growth

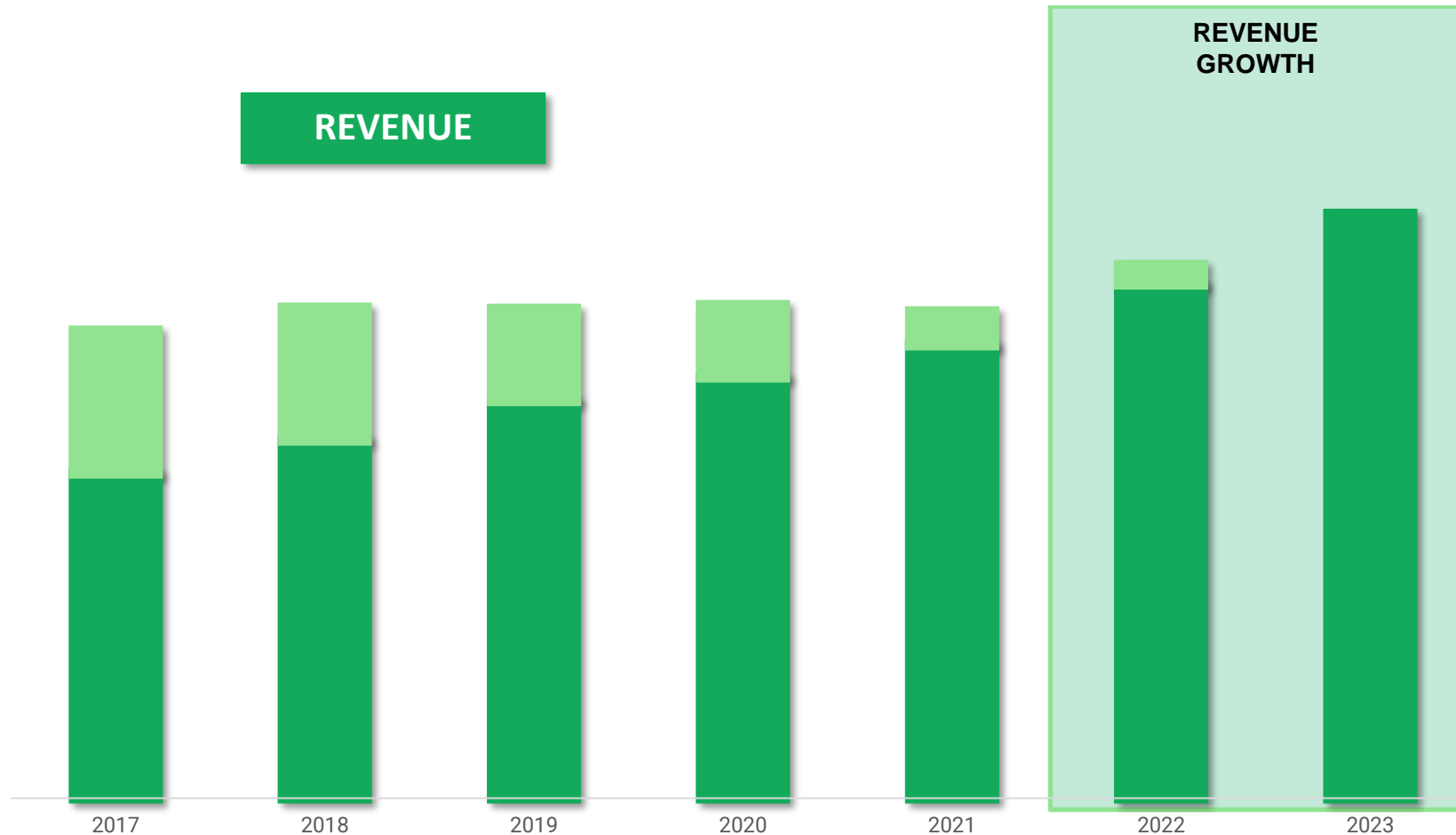
New installations growth will accelerate following the investment made in 2021

ARR will continue to see double digit growth over the next two years

Annual recurring revenue of at least £30.0m by the end of 2023

ARR is 94% of total Revenue

# 2022 & 2023 Revenue Will Reflect Growth in Subscription Base



REVENUE

REVENUE GROWTH

**Revenue growth starts to show results following withdrawal from Insurance market**

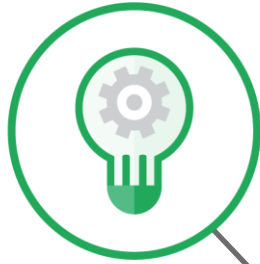
Expectations are that total revenue will grow increasingly year on year in 2022 and 2023.

The plateau of the current price erosion and improvements to ARPU through product innovation and upselling opportunities will help revenue growth in the short and medium term.

■ Fleet Revenue ■ Insurance Revenue

## Innovation

Keeping our product simple to use whilst adding valuable features that address customer challenges and unfolding mobility changes



## Customer lens

Deeply know our customers, visit them, listen to them and view through their lens



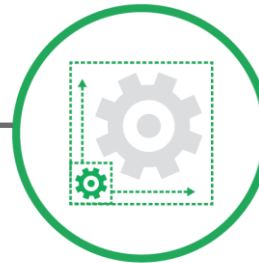
## Value

Build on our successful value-based strategy with very competitive prices and excellent levels of service



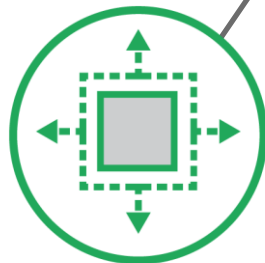
## Scalability

Process and digital transformation set platform for cost efficient growth



## Land & expand

Build upsell products and our capability to delight our existing customers even more



## Sales execution

Best in class demo/pitch, sales execution and funnel management



**The next  
5 years  
2022 - 2027**

A Market leader  
in fleet visibility  
across Europe and  
North America

Over the next 5 years we will maintain UK Leadership. Using best-in-class sales execution, operational scalability and product innovation we will seek significant growth in North America and European markets to become a top quartile player.

## Investment Case

### Assessment

- Successful value-based strategy
- Market credibility
- Customer outcome focused culture

### Results

- 17% growth in Fleet Subscription Base
- 18% increase in Fleet Subscriptions
- Low attrition at 11.6%

### Opportunity

- US and EU with large addressable markets
- Penetration rates leave room for growth
- UK Customer Base upsell opportunity

### Strategy

- Sales execution excellence
- Operational scalability
- Deeply understand customers
- Specific US investments

### Destination

- Top quartile in US and EU
- Extend UK leadership
- Partner with customers to provide the world's best-value fleet visibility



Fleet Visibility Solved