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INTERIM RESULTS TIMETABLE AND TRADING UPDATE

QUARTIX TECHNOLOGIES PLC

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Quartix Technologies plc

("Quartix", "the Group" or "the Company")

Interim Results Timetable and Trading Update

Quartix Technologies plc, a leading supplier of subscription-based vehicle tracking systems, software and services, is pleased to announce that it will publish interim results for the six-month period ending 30 June 2022 (the "Period") on Wednesday 27 July 2022. They will be posted on the Company's website that morning, together with accompanying presentations.

Company Results

The Company is delighted to report that the strong growth in new unit subscriptions previously reported for the first quarter has continued, and that as a result new unit subscriptions are up 26% for the first half compared with the same period in 2021. For the full year it expects revenue, adjusted EBITDA, and free cash flow to be in line with consensus market forecasts¹.

Following the increase in new unit subscriptions, the Group expects to report revenue of £13.3m, adjusted EBITDA of around £2.6m and underlying free cash flow² of approximately £2.0m for the Period. The Company's cash balance was £3.9m at 30 June 2022.

Fleet Results

The Company achieved excellent growth in new units installed during the Period, which were 26% ahead of the equivalent period in 2021. These totalled 32,085 units, which was the highest recorded growth ever for a 6-month period. As a consequence of the new unit subscriptions, the vehicle subscription base at 30 June increased by 9.4% during the Period to 221,800 vehicles, and the annualised subscription base value increased by £1.6m (2021 £1.0m) on a constant-currency³ basis to £26.0m. Invoiced recurring revenues remained high at 92% of sales. Price erosion over 12 months calculated at constant currency rates continues to improve and was 5.6% compared to 6.5% in the same period in 2021. Our low rate of attrition remained stable.

Quartix's long established policy of immediately expensing the cost of new units and their installation means that strong growth in new units causes a short term reduction in profitability. This is followed by increased profits due to the recurring nature of revenues.

New unit subscriptions in Europe and the UK continue to perform very strongly. Unit growth in the US does not yet reflect the impact of new strategic initiatives for the region. Growth in new unit subscriptions for the first half are shown in the table below. Exact totals may vary slightly in preparation of the interim results.

	2022	2021	Growth
UK	14,825	12,055	23%
France	8,178	5,631	45%
USA	5,237	4,852	8%
Spain, Italy, Germany	3,845	2,955	30%
Total	32,085	25,493	26%

Richard Lilwall, Chief Executive Officer of Quartix commented:

"Quartix has had a very strong first half and it is very pleasing to see first half installed units grow at 26%, especially following the strong performance in the first half of 2021. The UK saw excellent performances in all channels, and our field sales team gained some significant contract wins. Onboarding of our French field sales team is complete, and they are showing an encouraging future pipeline. The US has seen mixed results across channels with some performing significantly better than others. US initiatives are anticipated to positively impact unit growth in 2023, including some functionality that is specific for that region.

We have launched our Quartix EVOlve (electric vehicle analysis) product and the pipeline is already building with new and existing customers. We will be launching our Quartix Check (walkaround) module in the second half of our financial year.

Our work on operational scalability has been successful, allowing our team to improve customer satisfaction on our growing subscription base without adding further resources. Sales execution excellence is well underway with the imminent introduction of new tools to drive best practice and insights at every stage of the sales funnel. Initial implementation is expected to be completed within the next quarter and further refinement and improvement will allow us to achieve further revenue improvements in 2023. We are looking forward to the second half with confidence in achieving market expectations for the full year."

¹ The Board believes that consensus market expectations for 2022 prior to this announcement, were as follows: Revenue: £27.4m; Adjusted EBITDA £5.7m; Underlying Free Cash Flow²: £4.1m.

² Underlying Free Cash Flow stated before expenditure on 3G swap out in the US - see 2021 Annual Report.

³ Based on currency rates as at 30 June 2022.

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This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the company's obligations under Article 17 of MAR.

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