

Quartix Holdings plc
("Quartix" or the "Company")

AGM Trading Statement

Quartix Holdings plc, one of Europe's leading suppliers of subscription-based vehicle tracking systems, software and services, issues the following trading statement ahead of its Annual General Meeting later today.

The Board reports that trading for the two-month period to 29 February 2020 was consistent with meeting market expectations for the year*.

Fleet tracking

Strong progress at the end of 2019 continued into 2020, with new installations for the first two months 30% ahead of the same period last year (8,400 versus 6,300). Order intake has continued strongly throughout March, despite the Coronavirus pandemic, but its effects on our customers and installation appointments are beginning to become evident. Management estimates that growth in installations completed will reduce to 12% by the end of the first quarter (circa 12,000 versus 10,600) leaving up to 1,500 installations due for March to be carried over to subsequent months, with the majority of this backlog in the UK.

Growth in new orders has been broadly spread across our existing territories, with France showing the strongest progress. We made a good start to the year in our new territories, with 600 new installations in the first two months, but orders have dropped considerably in March, particularly in Italy and Spain.

Coronavirus

The Company published a detailed note concerning the measures it had taken on 19th March. Virtually all staff are now working remotely and, so far, business capacity is unaffected. Over the past few days, however, we have heard from a number of customers who are taking vehicles off the road because of falling demand. This has not been restricted to the catering, hospitality and leisure sectors. We are working hard to help these customers and it is a priority of ours to maintain our fleet customer base through this crisis.

We recognise that this is a period of significant uncertainty for our shareholders, as well as for our employees and customers and will, therefore, schedule a further update by RNS at the beginning of May.

Insurance telematics

As previously outlined, new installations for our insurance clients have continued to decline and are expected to be approximately 8,100 units in the first quarter, which is approximately 3% lower than they were in the same period of 2019. This is in line with the Board's expectations, but further declines are expected later in the year.

Andy Walters, Chief Executive Officer of Quartix Holdings plc, commented: "whilst we are pleased with the progress made in the first three months, our priorities have been the safeguarding and well-being of our employees. We took early action to move to remote working and followed that up with

measures to preserve our cash reserves in order to be able to continue investment in our fleet business. We are entering a period of significant uncertainty for our clients, employees and shareholders and will therefore provide a further update at the beginning of May. "

The information communicated in this announcement is inside information for the purposes of Article 7 of Regulation 596/2014.

Footnote:

** The Board believes that consensus market expectations for 2020 (based upon forecasts from finnCap and Shore Capital) prior to this announcement, were as follows: Revenue: £26.0m; Adjusted EBITDA £6.7m; Free Cash Flow: £5.3m.*

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