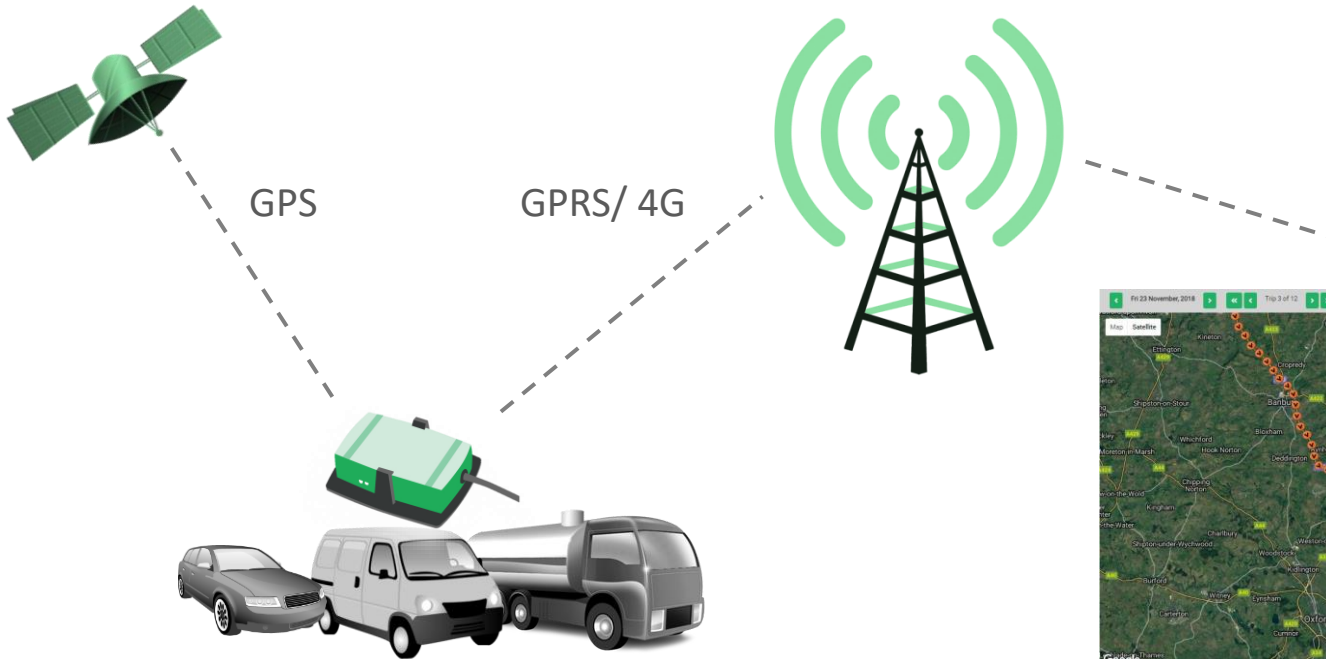


Quartix

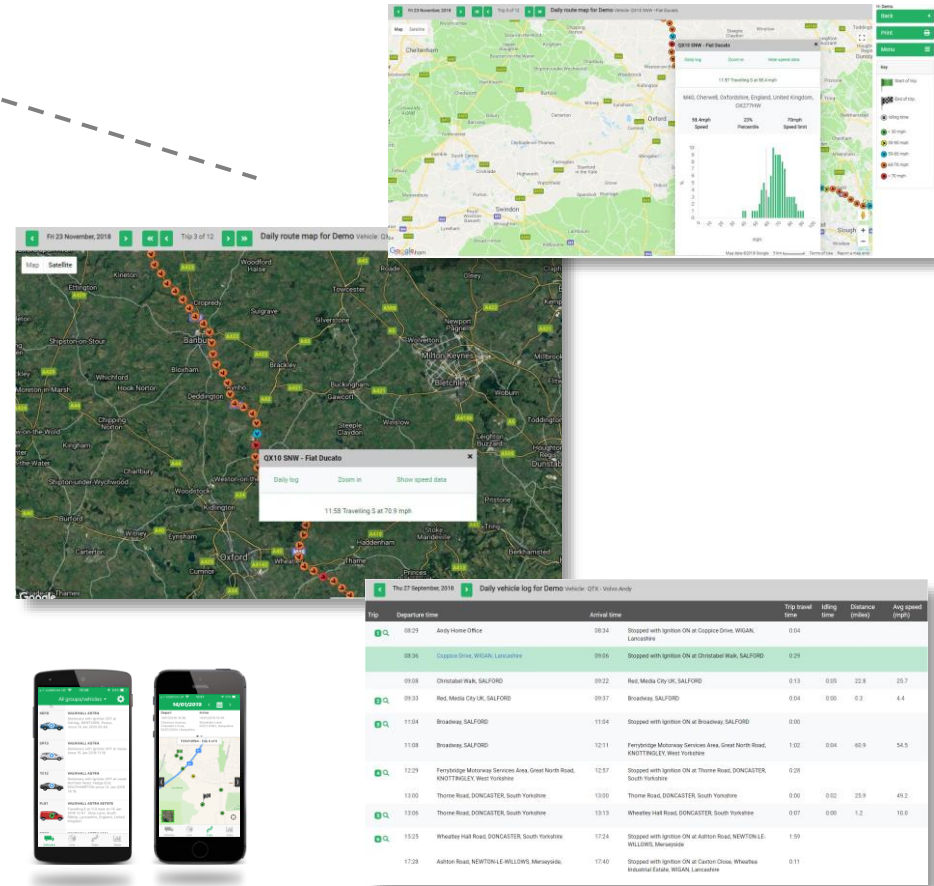
Real-Time Vehicle Tracking





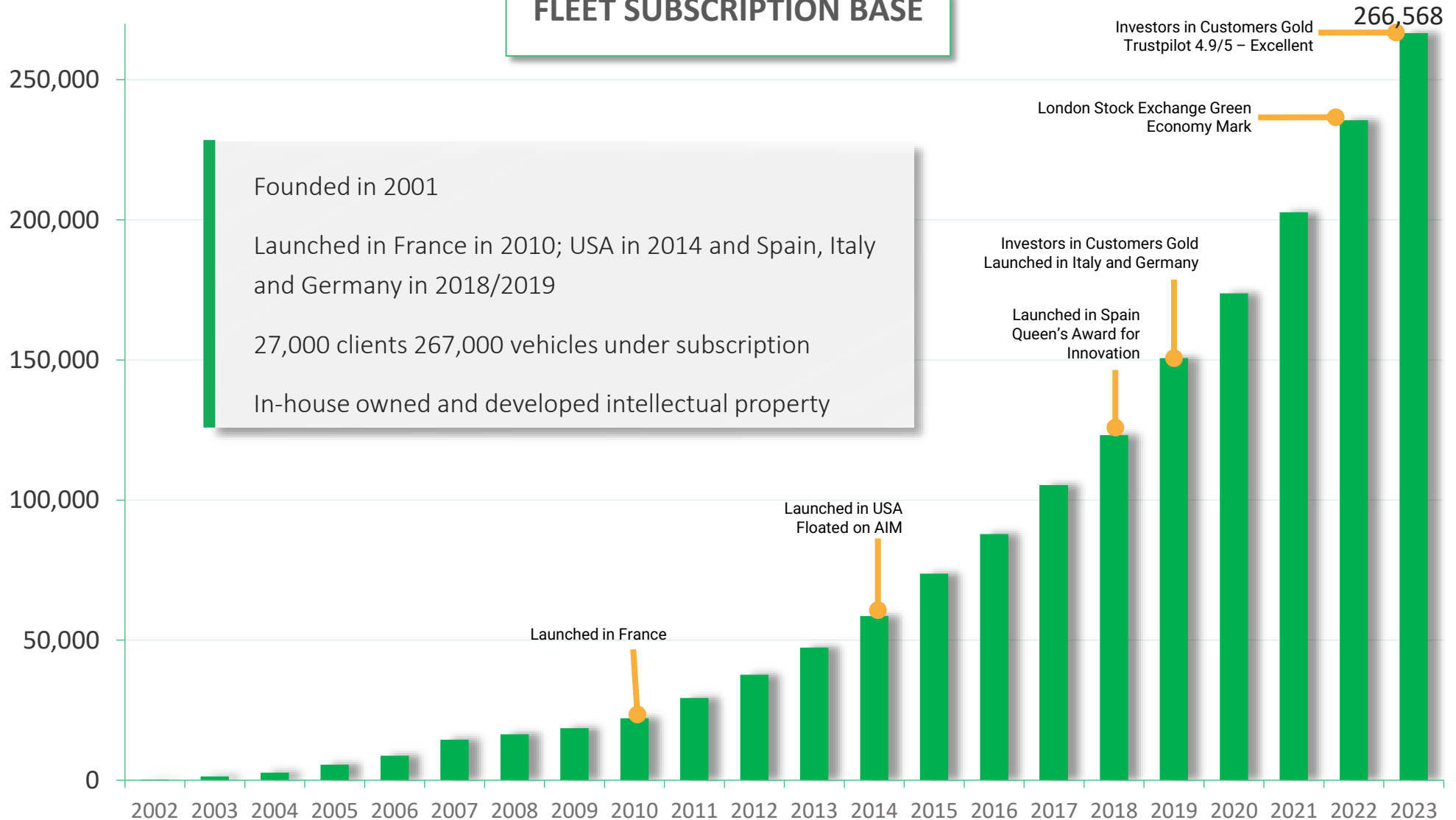
Fleet customers use our software to:

- Increase capacity
- Reduce overtime payments
- Manage risk
- Improve fuel economy
- Eliminate fraud and wastage
- Minimise carbon footprint



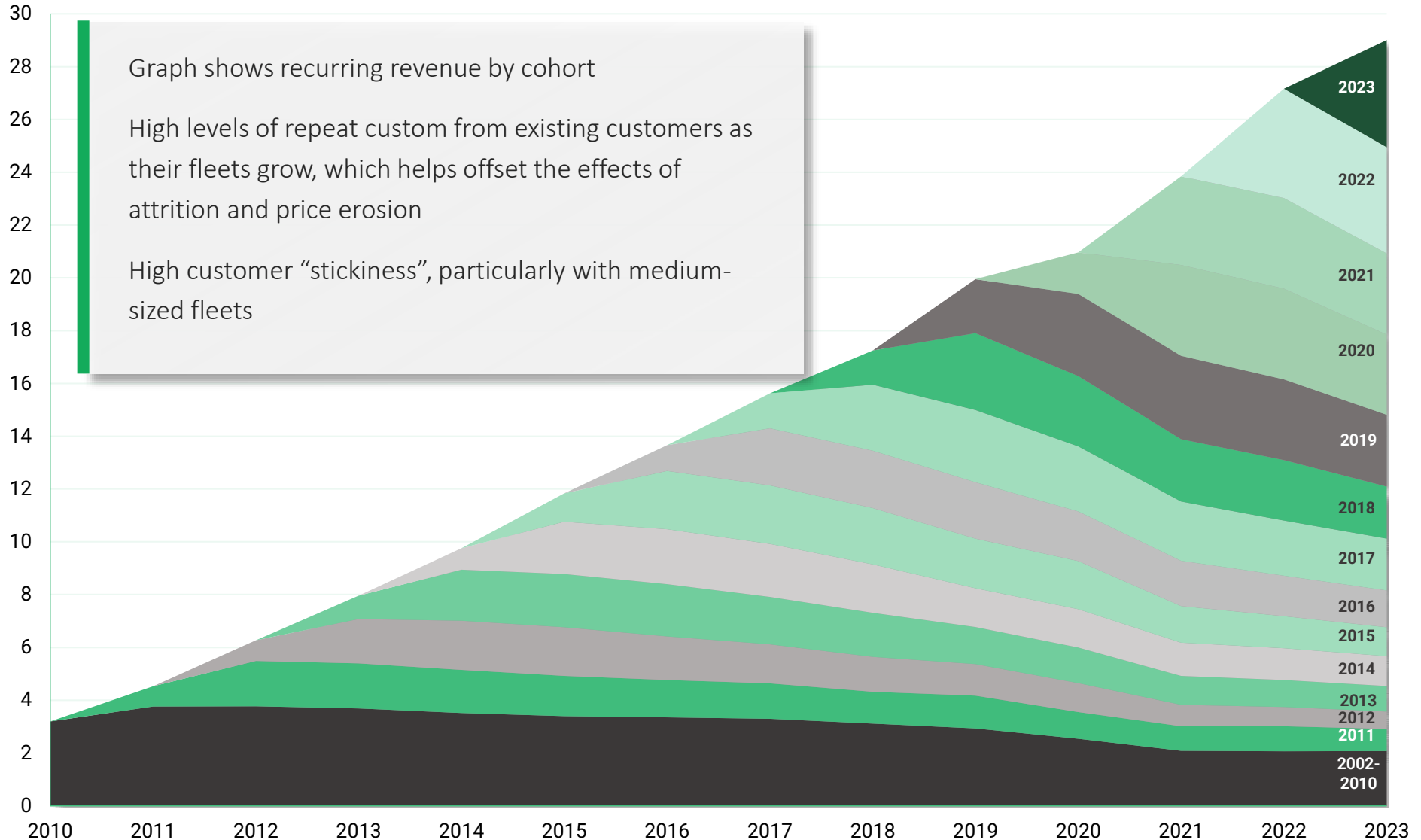
Subscription base growth

FLEET SUBSCRIPTION BASE



Recurring revenue model

£m





Heath Designs

1 review 📍 GB



2 days ago

Stolen and recovered vehicle

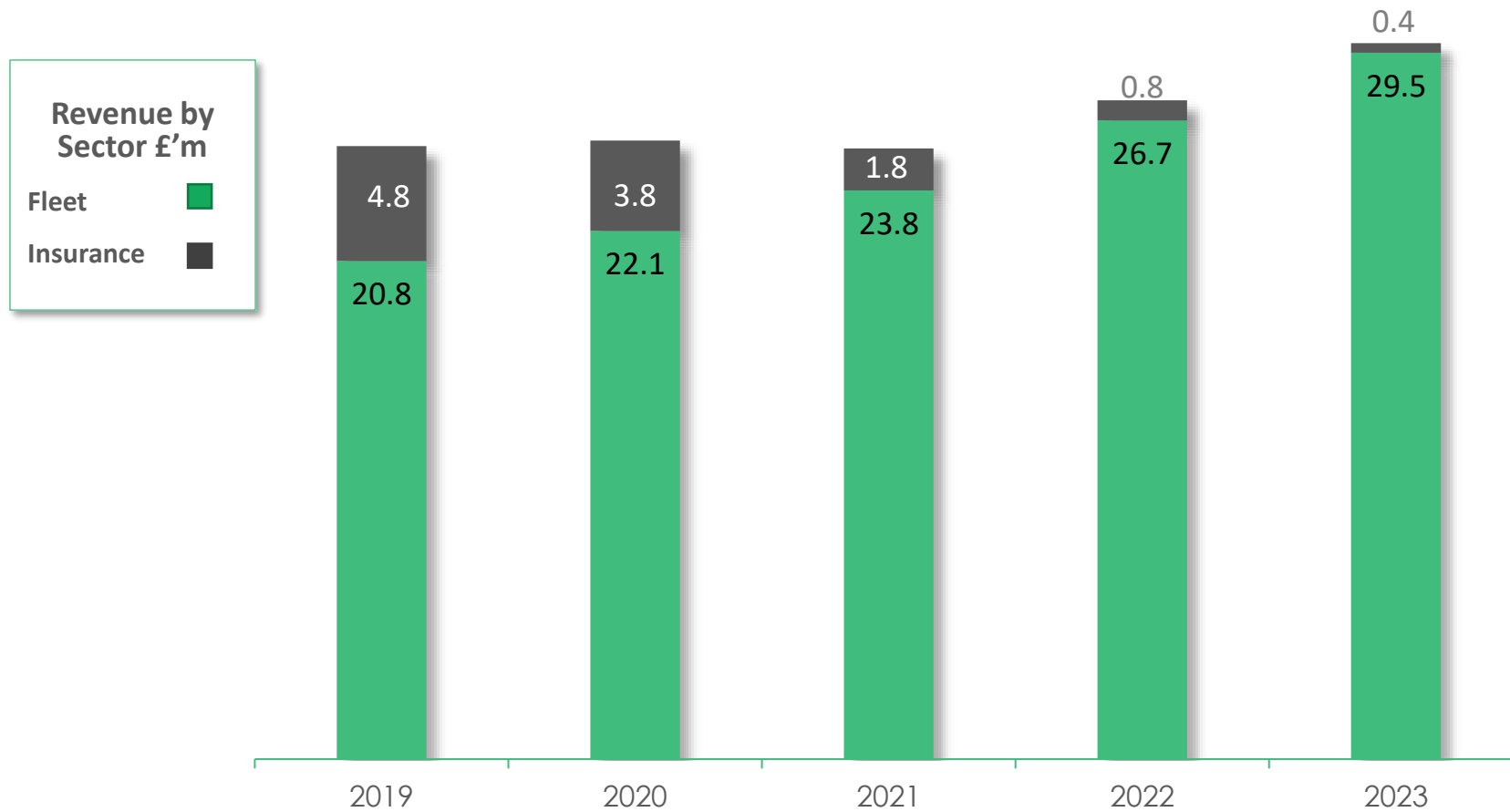
Our vehicle was stolen yesterday. We immediately called the police and Quartix. Leiam White of Quartix liaised live on the telephone with the police officer, giving her continuous live updates on where the vehicle was and within half an hour it had been recovered undamaged. Leiam was calm and professional throughout. He settled me down as I was in a state of panic and I cannot thank him enough.

Date of experience: 27 February 2024



**Investor in
Customers®**
Gold 2023

Revenue transition



	2023	2022	Change
Fleet revenue	29,511	26,680	10.6%
Insurance revenue	371	837	(55.7%)
Total revenue	29,882	27,517	8.6%
Gross profit ¹	20,737	19,793	4.8%
Gross margin ¹	69.4%	71.9%	
Operating (loss)/profit	(1,056)	5,553	(119%)
Operating margin	-3.5%	20.2%	
Adjusted EBITDA	5,397	6,051	(10.8%)
Earnings per share (p)	-1.88	10.42	-118%
Cash generated from operations	3,277	3,790	-13.5%

¹ Stated before replacement provision
Values stated in £'000s unless otherwise stated

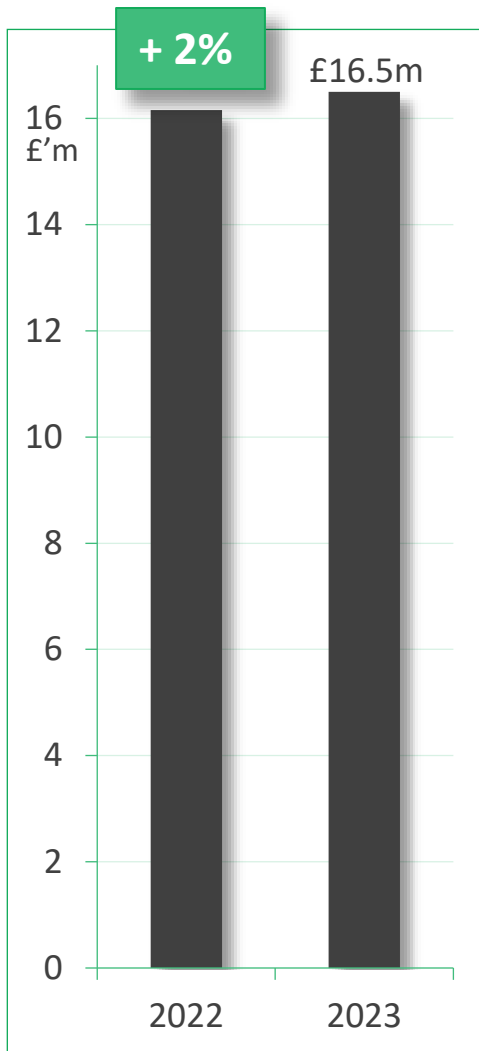
	2023	2022	Change
Fleet subscriptions (new units)	64,418	60,809	6%
Fleet subscription base (units)	266,568	235,510	13%
Fleet customer base ¹	27,268	25,342	9%
Fleet attrition (annualised %)	13.3	12.8	-
* Price erosion (%) ¹	4.6	4.7	-
Fleet revenue (£'m) ²	29.5	26.7	11%
Fleet subscription base growth (£'m) ³	2.2		

* Price erosion is being addressed by the application of an RPI clause in most contracts, effective from 2024.

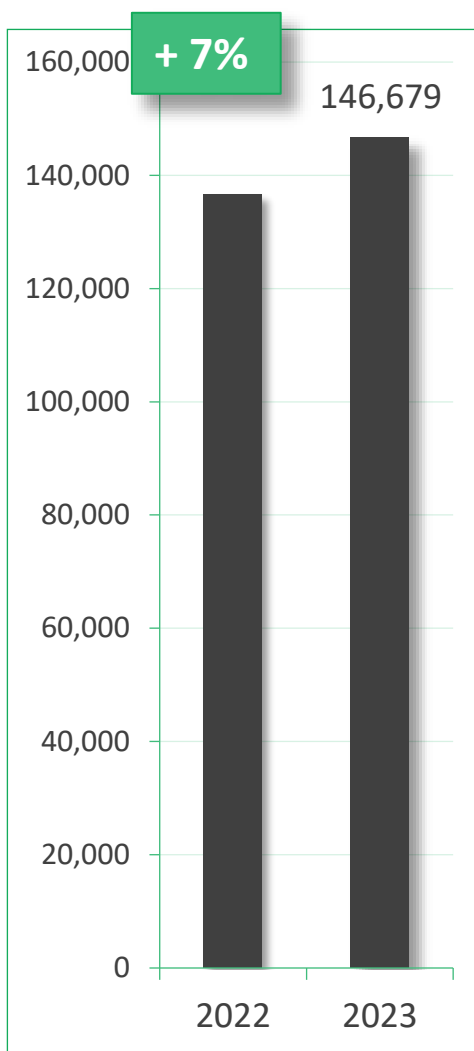
1: Annual decrease in average subscription price of the base expressed as a percentage of the average subscription price at the start of the period all measured in constant currency.

2: Calculated at exchange rates applicable on 31 Dec 2023 and 2022, respectively

3: Calculated at constant currency rates – at 31 Dec 2023



ARR



Subscription base

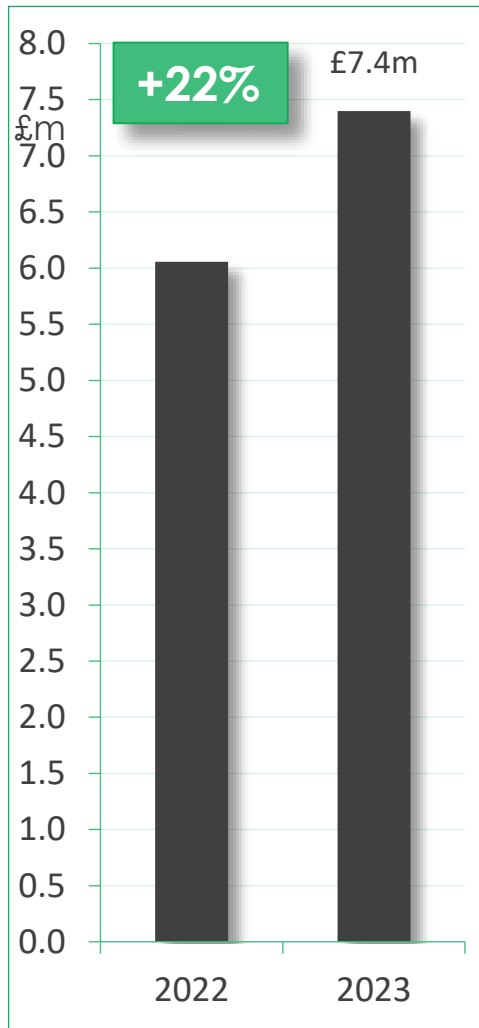


Good progress in subscription base

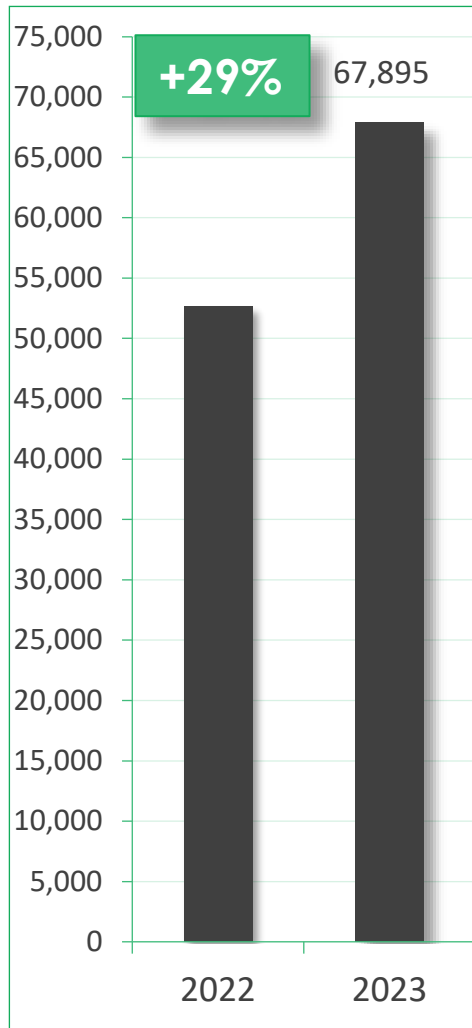
Recurring revenue growth disappointing

Further development of channels to market and recruitment planned for 2024

Increased focus on core business expected to boost UK growth



ARR



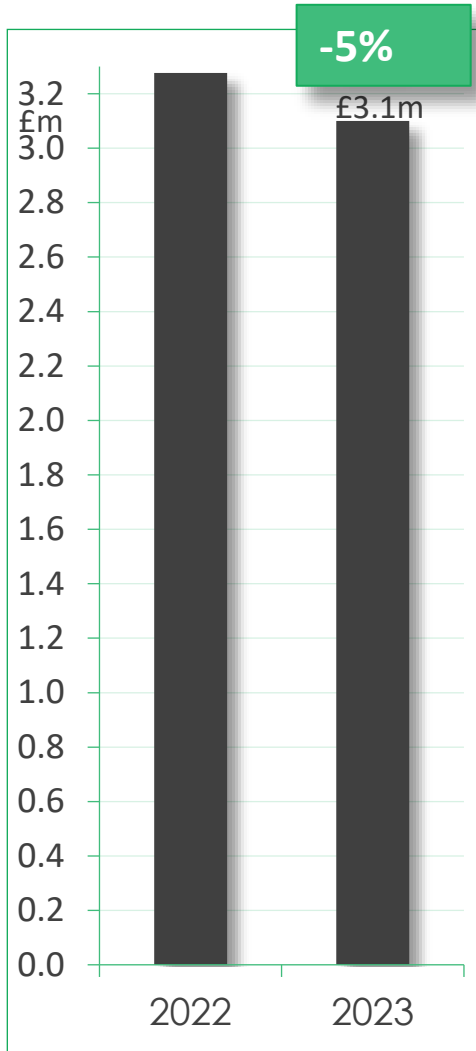
Subscription base



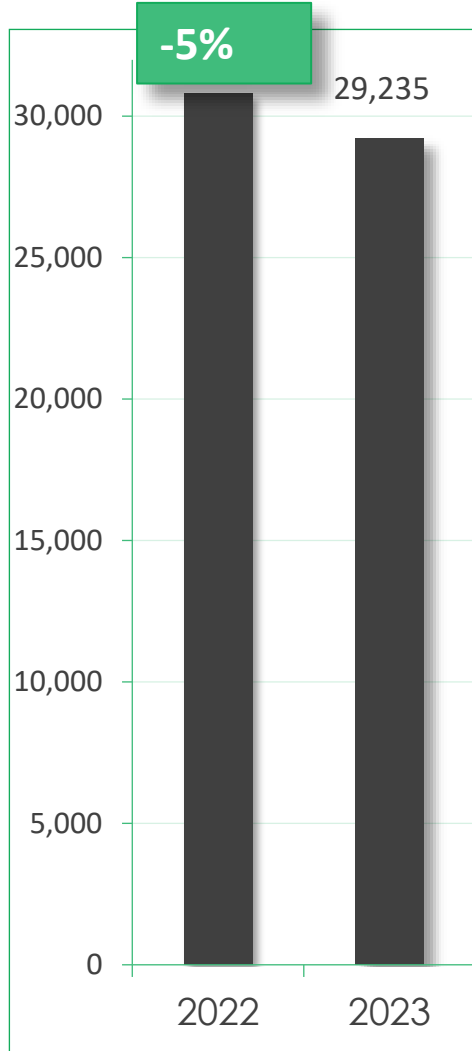
Excellent progress in revenue and subscription base

New installations increased by 30%

All channels to market performing well, following increased investment in 2021/2022



ARR



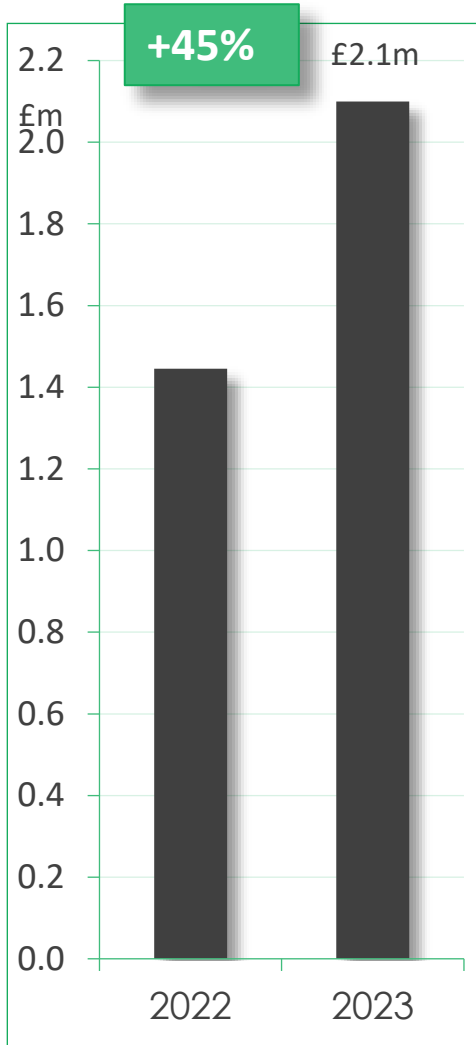
Subscription base



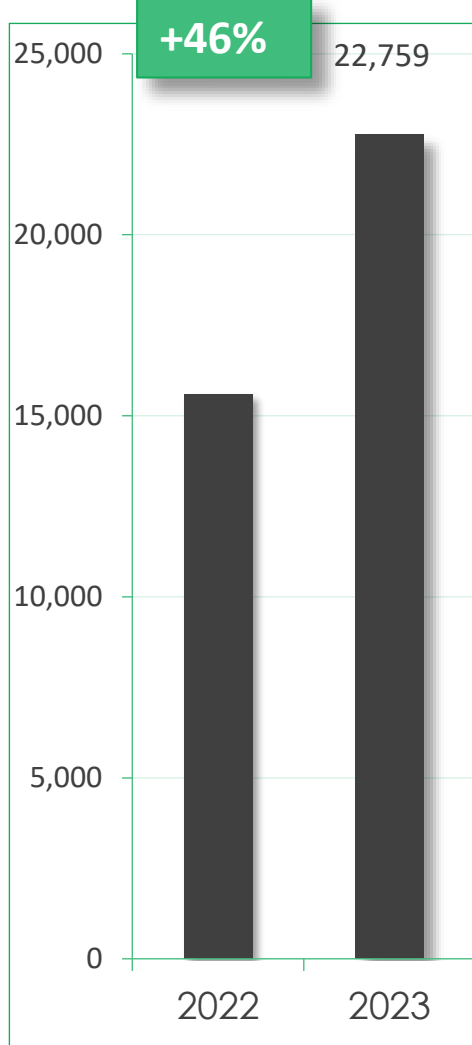
Disappointing performance

New installations suffered from some organisational changes and loss of some skilled resources

Regeneration and rebuilding of channels underway



ARR



Subscription base



Good progress in revenue and subscription base

Growth in new subscriptions has scope for improvement as we build our direct and distribution channels

Further investment planned in these promising markets

EVolve – EV transition software tool

- Demand reduced by postponement of ban on sales of ICE vehicles
- Technical review identified need for substantial investment and lack of scalability
- Customer acquisition and support costs higher than planned
- Renewal rates and repeat customer usage weak –take-up from existing customers only.

Acquisition of Konetik Deutschland GmbH

- Konetik provided the underlying technology for Evolve, but had negligible revenue
- Acquired in September 2023 for €2.5m plus potential €1.4m earnout
- Accounted for cash spend of approx. £2.65m in 2023 (which includes both post-acquisition operational costs and capital investment).
- Continuing costs in 2024/2025
- Reduction of impact on Quartix of highest priority
- Impairment of both the goodwill (£2.5m) and intangible asset acquired (£0.2m) recognised in 2023 results

France

- Closure of 2G networks in France in 2026
- Retrofit programme necessary in 2024/2025
- Business decision to offer this service free of charge
- Provision of £3.8m recognised in 2023 results

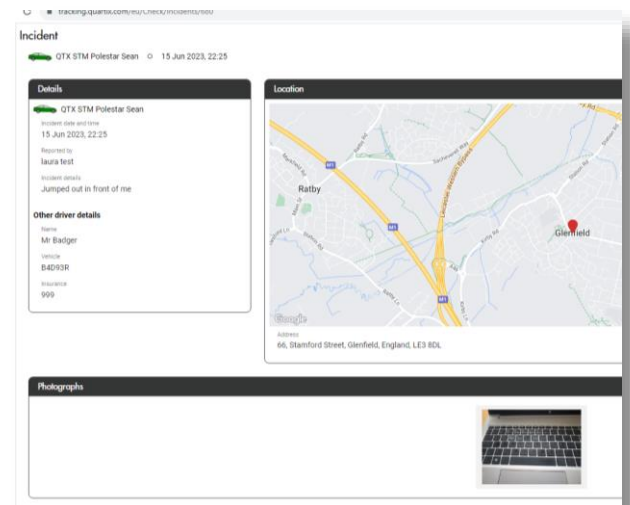
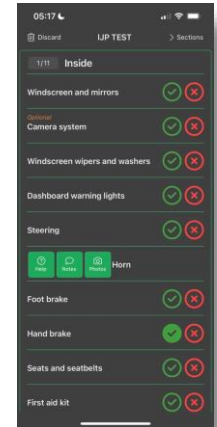
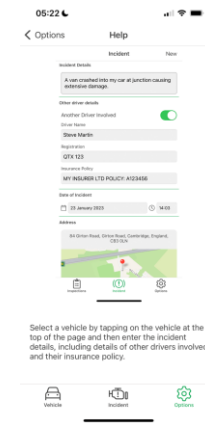
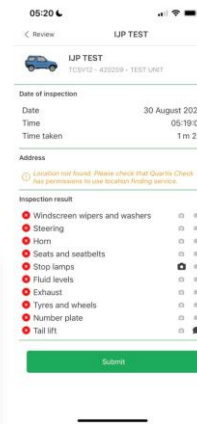
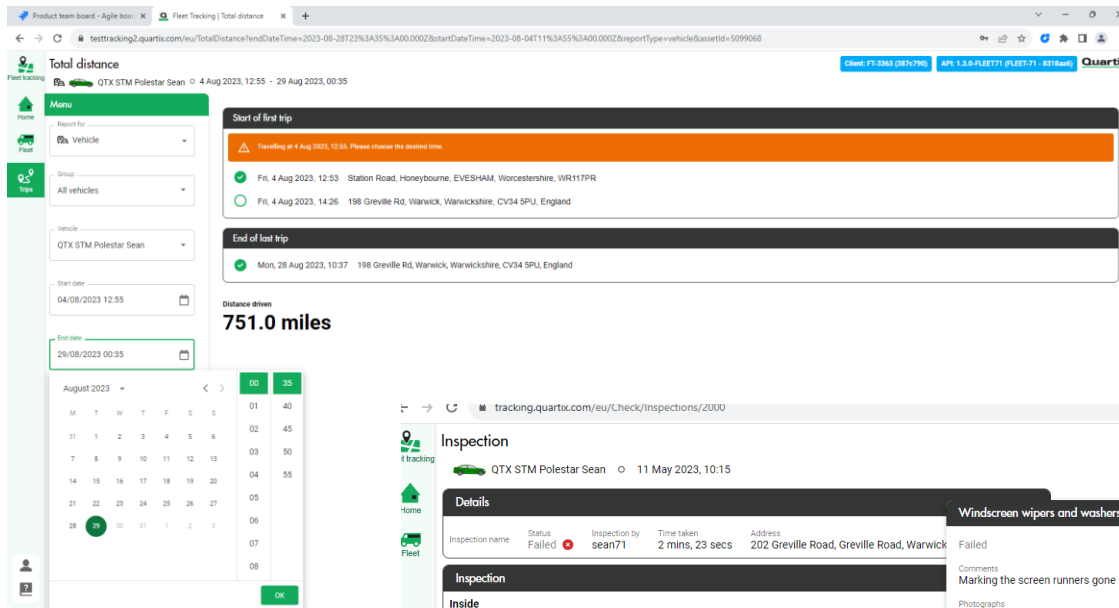
UK

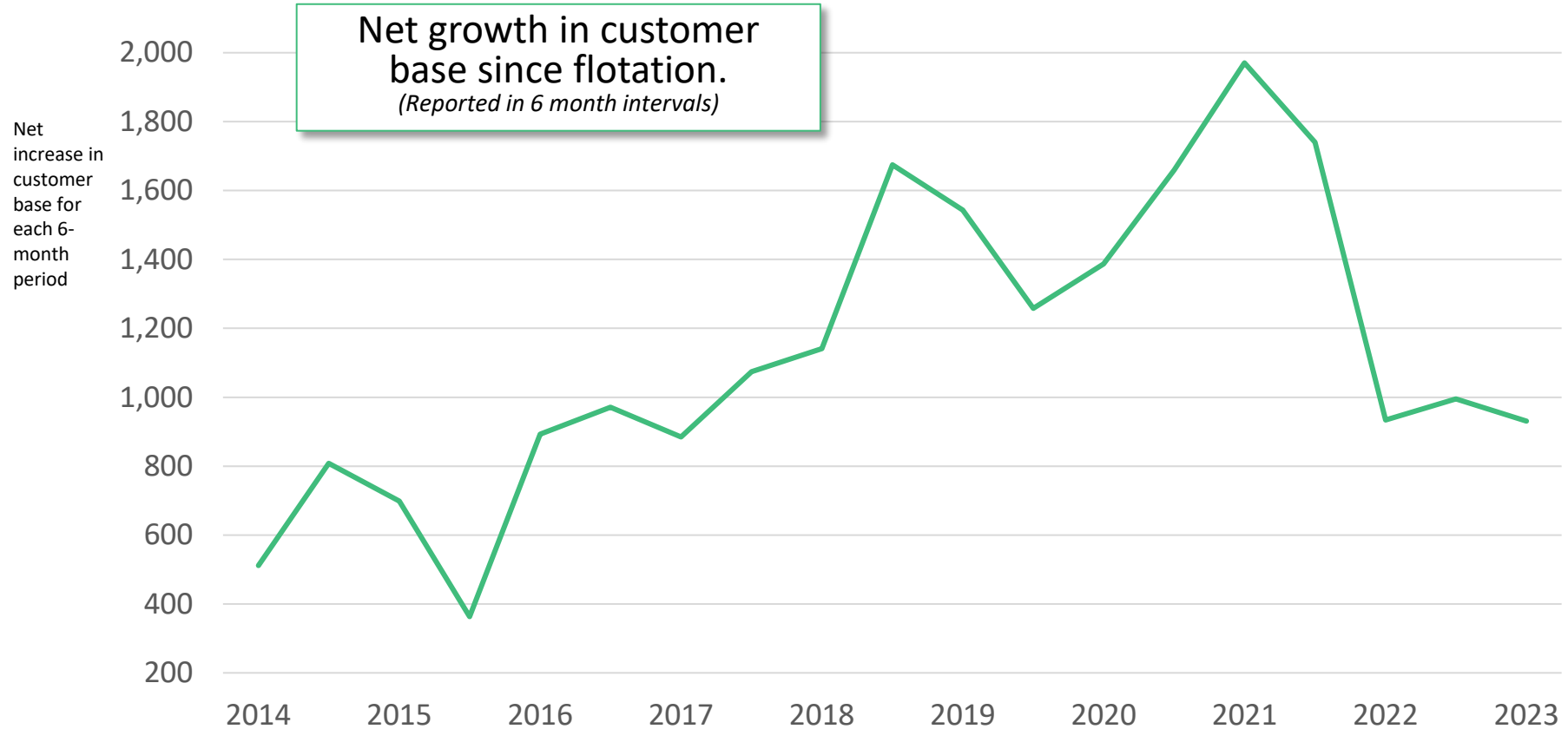
- Continue to monitor situation
- All new units installed are either 4G or fitted with roaming SIMs
- It is believed that some 2G networks will continue to operate beyond 2028

The Group continues to seek avenues for reduction in manufacturing costs

Product enhancement

Recent developments have focused on vehicle maintenance and inspection tools (web and mobile app). These have paved the way for an updated user interface in 2024





1. Accelerate growth in customer base (graph above)
2. Eliminate cost of Konetik
3. ARR to grow faster than overheads
4. Channel effectiveness (and balance) in existing fleet markets
5. Manufacturing cost
6. User interface and mobile app enhancements

- Quartix has a strong, cash-generative subscription business model with 90%+ recurring revenue
- The company has a highly competitive product offering and has an excellent reputation for customer service.
- Renewed focus on Quartix's core business of vehicle telematics services will underpin profitable growth in all 6 target markets
- Confident in achieving market expectations for 2024.

Quartix

Real-Time Vehicle Tracking

