



# Cartrack moves to float shares on services sector

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CARTRACK Holdings is set to float its shares on the support services sector of the JSE next month on December 11.

The company issued a pre-listing statement on Friday saying it was coming to the JSE with a vision of achieving "global industry leadership in the telematics industry including fleet management (FM), stolen vehicle recovery (SVR) and insurance telematics".

The statement said the company comes to the JSE with a commitment by the founding shareholder and management team. The management team is led by founder, Isaias Calisto.

The company reported revenue of R637m in the year ended February and forecast revenue to jump to R847.7m in 2015.

The pre-listing statement said: "To augment the ongoing commitment to the company, Cartrack's founder, through Onecell, has entered into a lock-up agreement to retain a controlling interest in Cartrack post the listing for a period of two years."

"Since founded in South Africa in 2001, Cartrack has evolved into a leading provider of FM, SVR and insurance telematics. The business incorporates global asset tracking, monitoring and recovery services together with the provision of FM information systems from a platform of innovative telematics technologies."

Cartrack's principal operations are situated in SA and the company has embarked on an expansion drive into the rest of Africa, Europe and Asia.

"Initially, Cartrack focused on SVR

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services, which led to the Cartrack system being developed and implemented for the sub-Saharan African market where vehicle theft was, and remains, among the highest in the world."

In 2007 Cartrack expanded the scope of its offering to include full telematics services, in particular FM. This included data management information, such as fuel consumption and driver behaviour. The company said

it comes to the JSE with a "proven track record of profitability and strong financial metrics".

"The track record is demonstrated by Cartrack having achieved an average compound annual growth rate for the 2012 to 2014 financial year reporting period in revenue and net profit after tax of 19% and 21%, respectively."

The company said its revenue is generated through product sales and subscription fees from over 386 000 units worldwide of which about 305 000 are in South Africa.

The company said it achieved among the leading gross profit, earnings before interest, tax, depreciation and amortisation and profit before tax margins relative to its South African listed peers, being 81.4%, 33.7% and 32.2%, respectively."



**KEEPING WATCH:** Cartrack offers full Telematics services and hopes to drive into the rest of Africa. PICTURE: SHUTTERSTOCK

The company said the awareness of the benefits of telematics coupled with decreasing data and telematics charges had facilitated increased usage

of telematics services globally. This trend promised huge growth potential, the company said.

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