

Cartrack Holdings Limited
(Incorporated in the Republic of South Africa)
(Registration number 2005/036316/06)
JSE share code: CTK
ISIN: ZAE000198305
(“Cartrack” or the “Company” or the “Group”)

SUMMARISED CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 29 FEBRUARY, 2020 AND CASH DIVIDEND DECLARATION

YEAR-ON-YEAR HIGHLIGHTS

- Robust year-on-year subscriber growth of 17% to 1,126,515 (FY19: 960,798)

FINANCIAL HIGHLIGHTS

- Subscription revenue of R1,888 million (FY19: R1,521 million), up 24%
- Subscription revenue is 97% of the total revenue and growing (FY19: 90%)
- Total revenue of R1,942 million (FY19: R1,693 million), up 15%
- Operating profit of R642 million (FY19: R500 million), up 28%
- Operating profit margin of 33% (FY19: 30%)
- EBITDA of R969 million (FY19: R761 million), up 27%
- EBITDA margin of 50% (FY19: 45%)
- Basic earnings per share (‘EPS’) of 148.3 cents, up 27%
- Headline EPS (‘HEPS’) of 148.1 cents, up 28%
- Cash generated from operating activities of R914 million (FY19: R472 million), up 94%
- Final cash dividend per share of 54 cents (FY19: 12 cents), with full year dividend of 74 cents (FY19: 30 cents)

DIVIDEND DECLARATION

With the actions in place to mitigate the impact of COVID-19 on the financial performance of Cartrack for the year ahead, coupled with the inherently strong cash flow of the Group as well as the access to funding, shareholders are advised that the board of directors is satisfied with the solvency and liquidity of the Group and has declared a final gross cash dividend of 54 cents per ordinary share (43,2 cents net of dividend withholding tax) for the year ended 29 February 2020 (the cash dividend). The cash dividend will be paid out of profits of the company.

The Group will continue to invest heavily in research and development, data analytic skills and distribution channels to expand and grow the subscriber base significantly.

The cash dividend is in line with the current dividend policy, which provides for a cover of between 2 and 6 times HEPS, effective for FY20. Although the COVID-19 pandemic has resulted in significant uncertainties in the market, the Group remains strongly cash generative notwithstanding the decline in new contracts since lockdowns were implemented. Hence, in keeping with the Group’s philosophy to invest cash generated from operations in growth opportunities as its first priority and thereafter optimise dividend payments, the Group has decided to provide for more flexibility in its dividend policy. The policy has accordingly been amended to provide for cover of between 1 and 8 times HEPS for FY21.

Share code	CTK
ISIN	ZAE000198305
Company registration number	2005/036316/06
Company tax reference number	9108121162
Dividend number	12
Gross cash dividend per share	54 cents
Issued share capital as at declaration date	300 000 000
Declaration date	Wednesday, 13 May 2020
Last date to trade cum dividend	Tuesday, 2 June 2020
Shares commence trading ex-dividend	Wednesday, 3 June 2020
Record date	Friday, 5 June 2020
Dividend payment date	Monday, 8 June 2020

Share certificates may not be dematerialised or re-materialised between Wednesday, 3 June 2020, and Friday, 5 June 2020, both days inclusive.

TAX IMPLICATIONS

The cash dividend is likely to have tax implications for both resident and non-resident shareholders. Shareholders are therefore encouraged to consult their professional tax advisers should they be in any doubt as to the appropriate action to take.

In terms of the Income Tax Act, the cash dividend will, unless exempt, be subject to dividend withholding tax ('DWT'). South African resident shareholders that are liable for DWT, will be subject to DWT at a rate of 20% of the cash dividend and this amount will be withheld from the cash dividend. Non-resident shareholders may be subject to DWT at a rate of less than 20% depending on their country of residence and the applicability of any double tax treaty between South Africa and their country of residence.

This short-form announcement is the responsibility of the directors and was approved by the board on 13 May 2020. The content is extracted from the audited financial statements but is itself not audited.

The full announcement is available on the Company's website at [https://www.cartrack.co.za/pdf/2020/Cartrack Results Booklet 2020.pdf](https://www.cartrack.co.za/pdf/2020/Cartrack%20Results%20Booklet%202020.pdf) and can be accessed directly using the following JSE link: <https://senspdf.jse.co.za/documents/2020/jse/isse/ctke/FY2020.pdf>

The consolidated annual financial statements including the audit opinion from Deloitte & Touche which sets out the key audit matters and the basis for the unmodified opinion is furthermore available www.cartrack.co.za/investor-relations

The full announcement is available from the Company Secretary at no charge, by request via email at: anname.devilliers@cartrack.com, from Wednesday, 13 May 2020 to Wednesday, 20 May 2020 and at the registered office of the Company.

Any investment decision should be based on the full announcement available on the company's website.

On behalf of the board

David Brown Zak Calisto

Chairman Group Chief Executive Officer

Johannesburg

13 May 2020

Sponsor

The Standard Bank of South Africa Limited

Registered office

Cartrack Corner, 11 Keyes Road, Rosebank, Johannesburg, 2196

(PO Box 4709, Rivonia, 2128)

Directors

Independent non-executive directors

David Brown (Independent Chairman)

Thebe Ikalafeng

Kim White

Sharoda Rapeti

Executive directors

Isaias Jose Calisto (Group Chief Executive Officer)

Morne Grundlingh (Group Chief Financial Officer)

Company Secretary

Anname de Villiers

Cartrack Corner, 11 Keyes Road, Rosebank, Johannesburg, 2196

(PO Box 4709, Rivonia, 2128)

Sponsor

The Standard Bank of South Africa Limited

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(PO Box 61344, Marshalltown, 2107)

Transfer Secretary

Computershare Investor Services Proprietary Limited

Rosebank Towers, 15 Biermann Street, Rosebank, Johannesburg, 2001

(PO Box 61051, Marshalltown, 2107)