

Quartix
Technologies plc
2024 Results
Presentation

March 2025

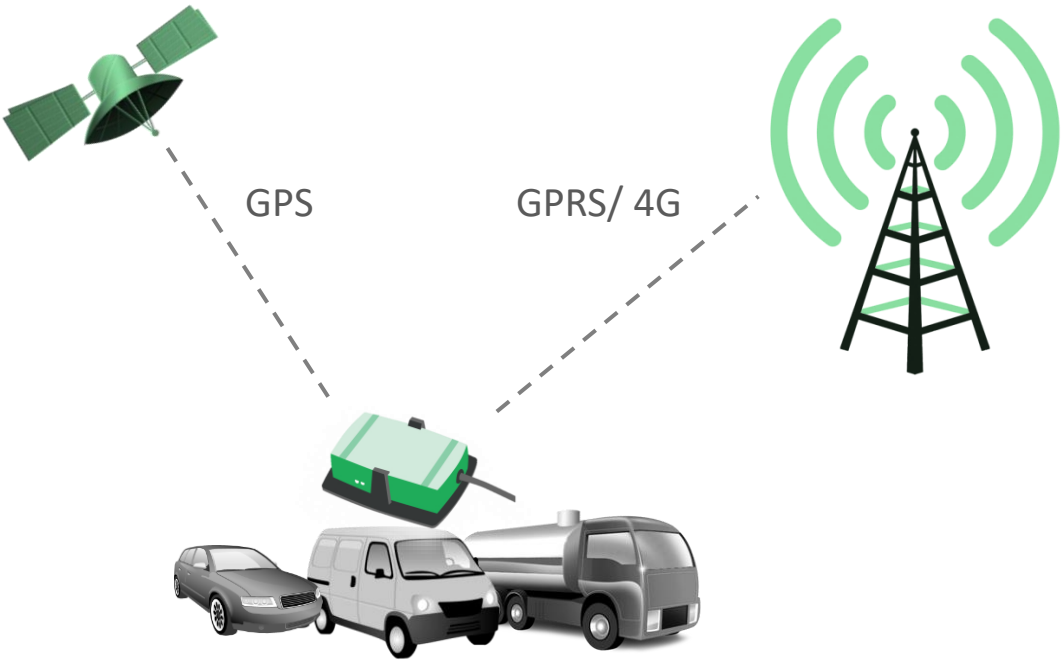
Andy Walters
Executive Chairman



- Group revenue increased by 8% to £32.4m (2023: £29.9m)
- Adjusted EBITDA increased by 21% £6.5m (2023: £5.4m)
- Adjusted profit before tax increased by 25% to £6.3m (2023: £5.1m)
- Profit for the year was £4.8m (2023: Statutory Loss - £0.9m)
- Adjusted diluted earnings per share increased to 9.78p (2023: 8.75p)
- Free cash flow increased by 99% to £2.6m (2023: £1.3m).
- Final proposed dividend payment of 3.00p per share (2023: 1.50p) giving a total dividend for the year, including the interim dividend, of 4.50p per share (2023: 3.00p)

Key Performance Indicators (“KPIs”)

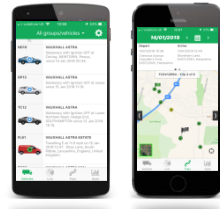
Year ended 31 December	2024	2023	% change
New Fleet subscriptions (new units)	74,673	64,418	16
Fleet subscription base (units)	300,168	266,568	13
Fleet customer base	30,134	27,268	11
Customer acquisition (new customers)	6,863	5,759	19
Annualised recurring revenue (£'000)	32,238	28,758	12
Net Revenue Retention (NRR)	96	93	3
Fleet invoiced recurring revenue (£'000)	30,442	27,764	10



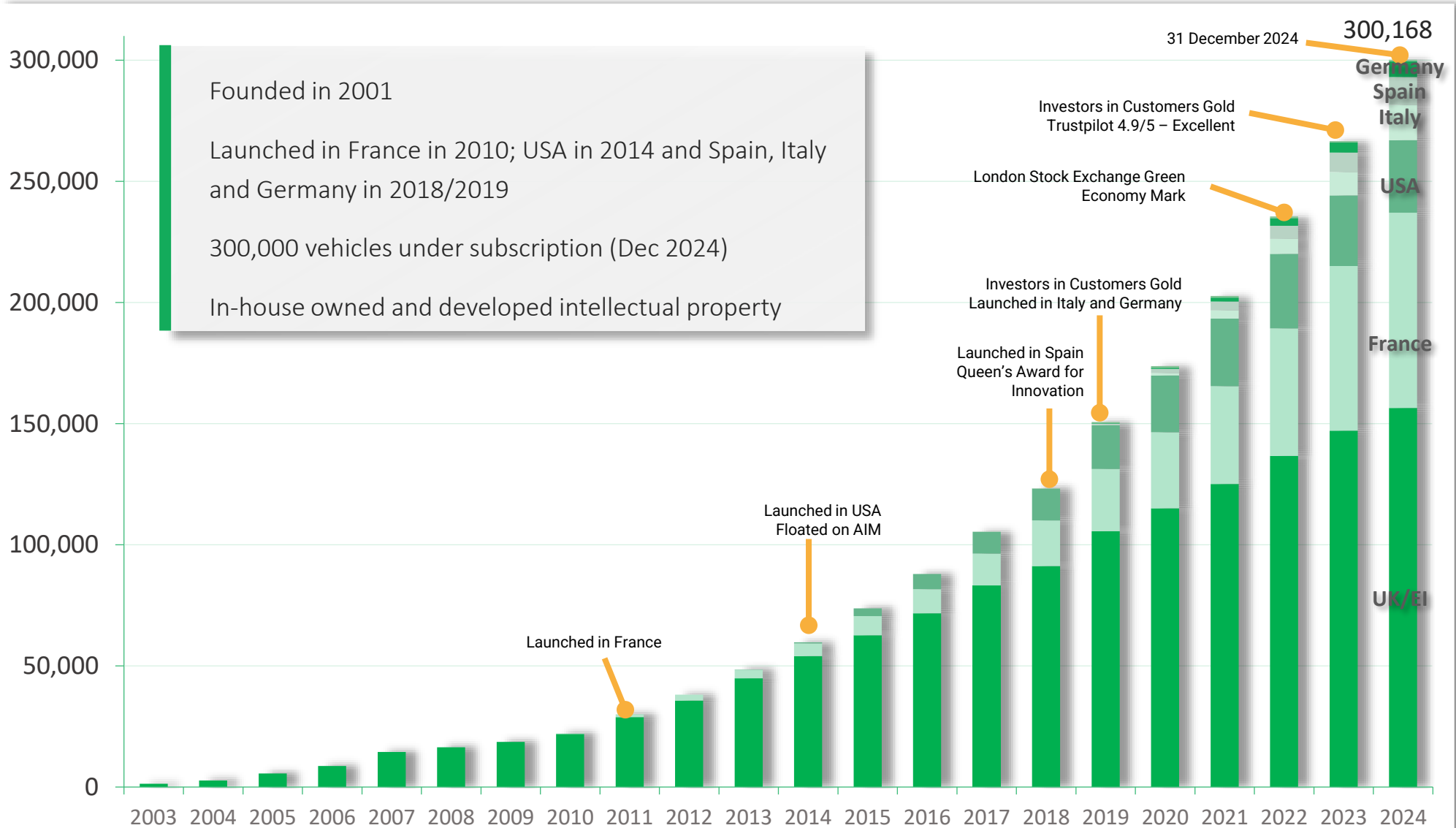
Time	Departure time	Arrival time	Trip travel time	Idling time	Distance (miles)	Avg speed (mph)
08:25	Amy Home Office	08:34	Stopped with Ignition ON at Coppice Drive, WIGAN, Lancashire	0:04		
08:36	Coppice Drive, WIGAN, Lancashire	09:06	Stopped with Ignition ON at Christobar Walk, SALFORD	0:29		
09:08	Christobar Walk, SALFORD	09:22	Red, Media City UK, SALFORD	0:13	0:05	22.8
09:33	Red, Media City UK, SALFORD	09:37	Brookway, SALFORD	0:04	0:00	0.3
11:04	Brookway, SALFORD	11:04	Stopped with Ignition ON at Brookway, SALFORD	0:00		
11:08	Brookway, SALFORD	12:11	Ferrybridge Motorway Services Area, Great North Road, NOTTINGLEY, West Yorkshire	1:02	0:04	60.9
12:57	Ferrybridge Motorway Services Area, Great North Road, NOTTINGLEY, West Yorkshire	12:57	Stopped with Ignition ON at Thorne Road, DONCASTER, South Yorkshire	0:28		
13:00	Thorne Road, DONCASTER, South Yorkshire	13:00	Thorne Road, DONCASTER, South Yorkshire	0:00	0:00	25.9
13:05	Thorne Road, DONCASTER, South Yorkshire	13:13	Wheatley Hall Road, DONCASTER, South Yorkshire	0:07	0:00	1.2
13:25	Wheatley Hall Road, DONCASTER, South Yorkshire	17:24	Stopped with Ignition ON at Ashton Road, NEWTON LE WILLOWS, Merseyside	1:59		
17:28	Ashton Road, NEWTON LE WILLOWS, Merseyside	17:40	Stopped with Ignition ON at Capton Chase, WHITWAS Industrial Estate, WIGAN, Lancashire	0:11		

Fleet customers use our software to:

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



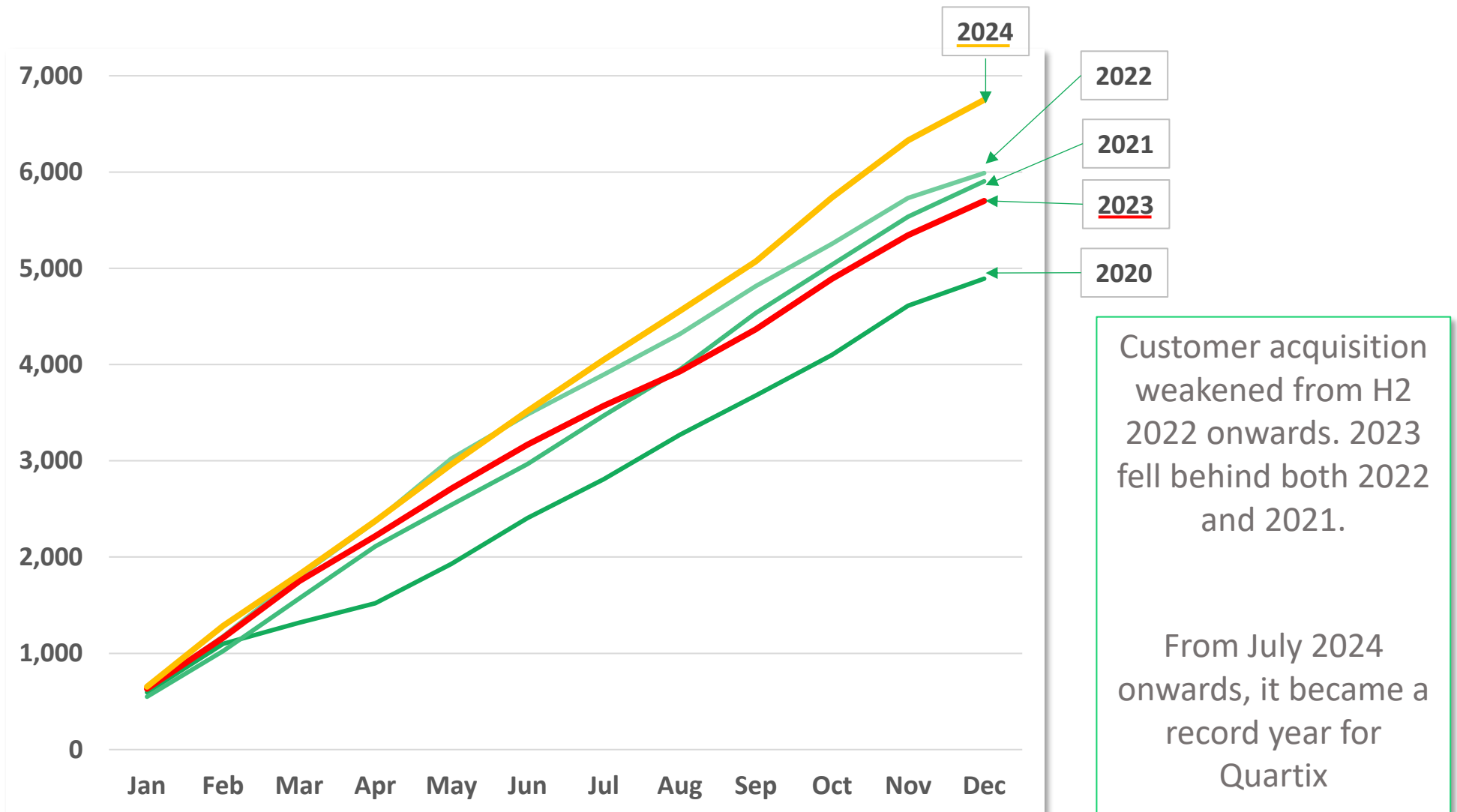
Subscription base growth



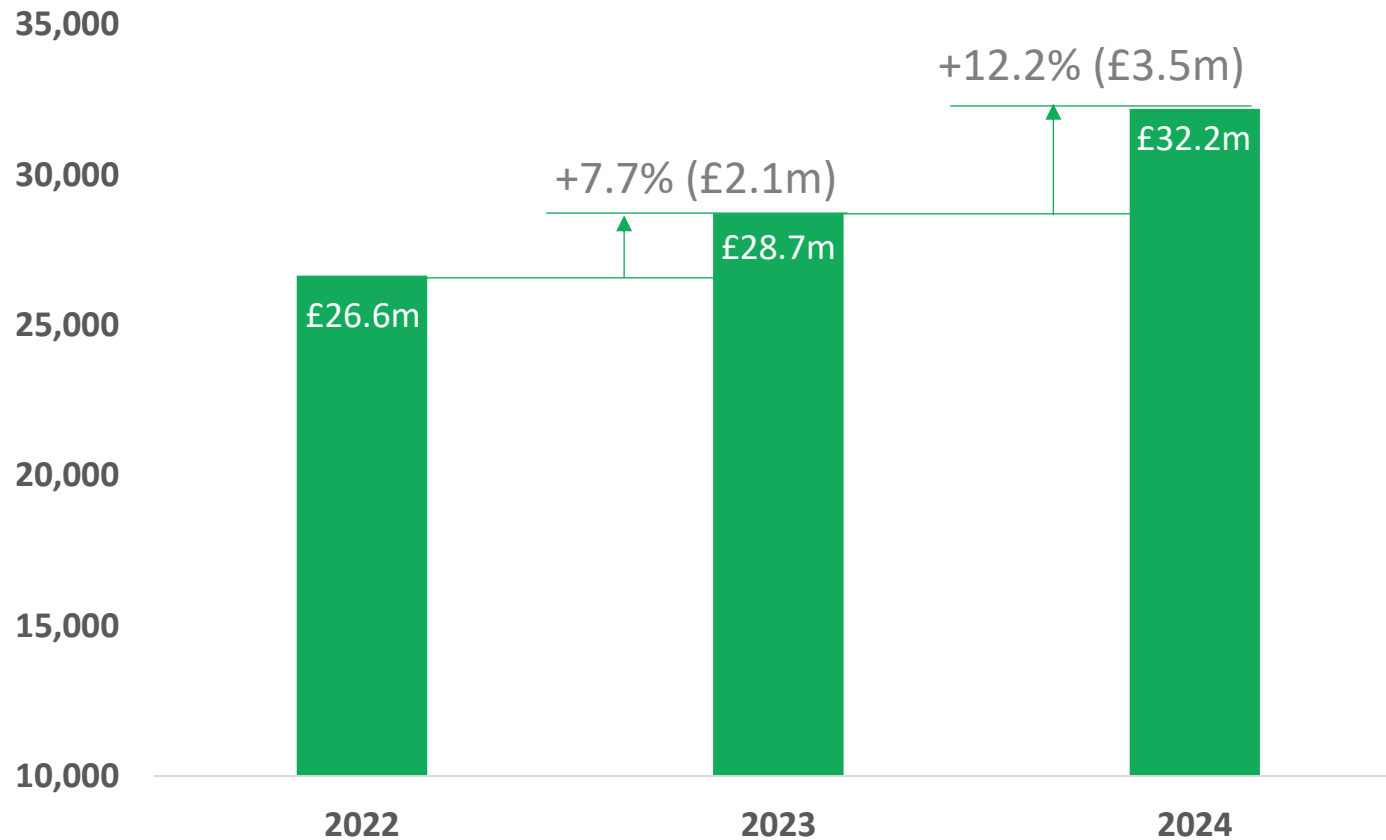
Customer base growth



Cumulative New Customer Acquisition by Month



ARR is the key indicator of future revenue
and it should grow faster than overheads



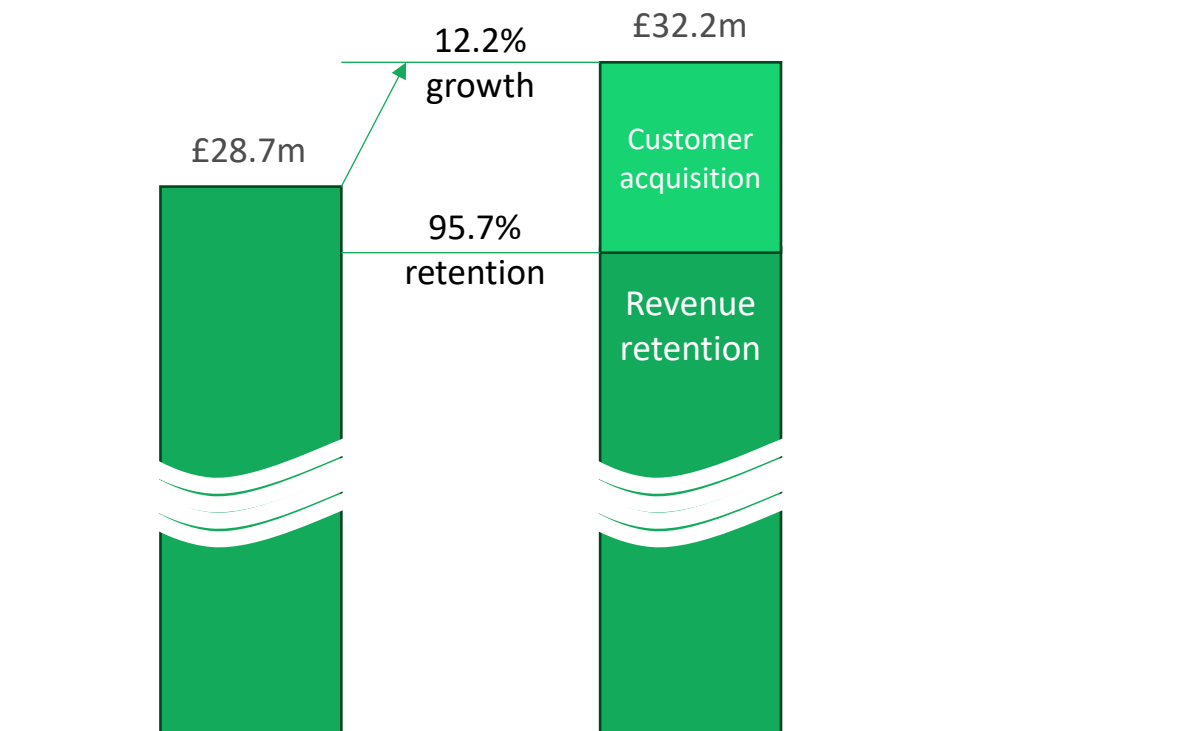
In 2024 ARR growth increased by 68% to £3.5m

A significant record for Quartix

All figures quoted on a constant currency basis: 31 Dec 2024

NRR is the ARR at the end of a year divided by the starting ARR, **but** excluding any revenue derived from new customers during the year.

It is a key measure of quality of our service and recurring revenues.

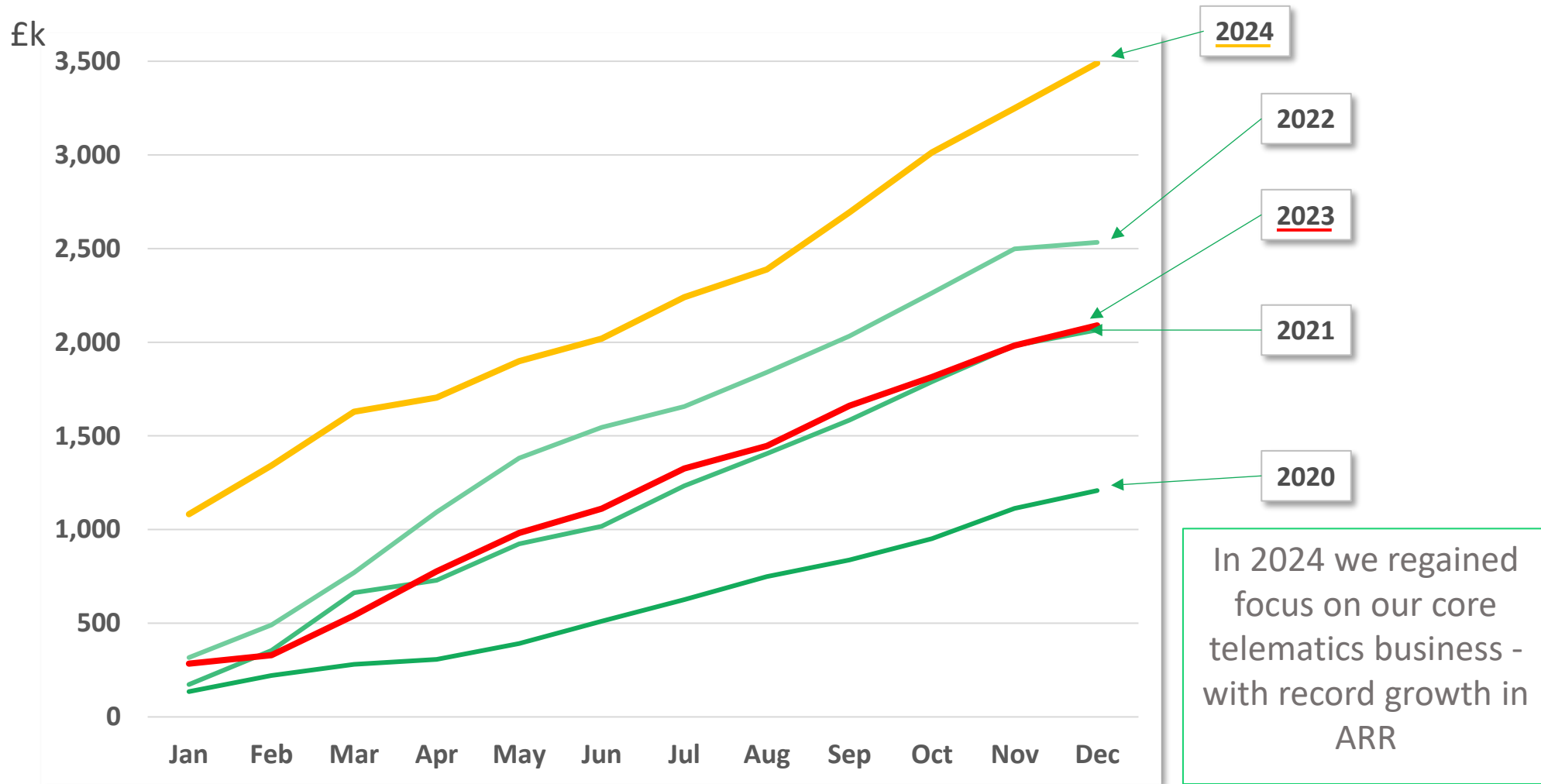


In 2024 revenue retention increased by 2.7% to 95.7%

New business increased by 20% to £4.7m

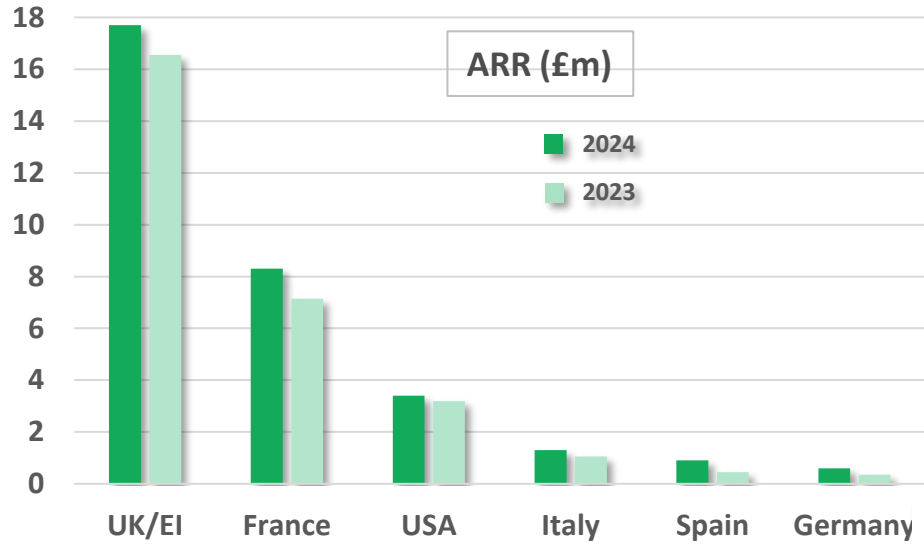
All figures quoted on a constant currency basis: 31 Dec 2024

Cumulative growth in ARR by month



All figures quoted on a constant currency basis: 31 Dec 2024

ARR and ARR Growth by Country



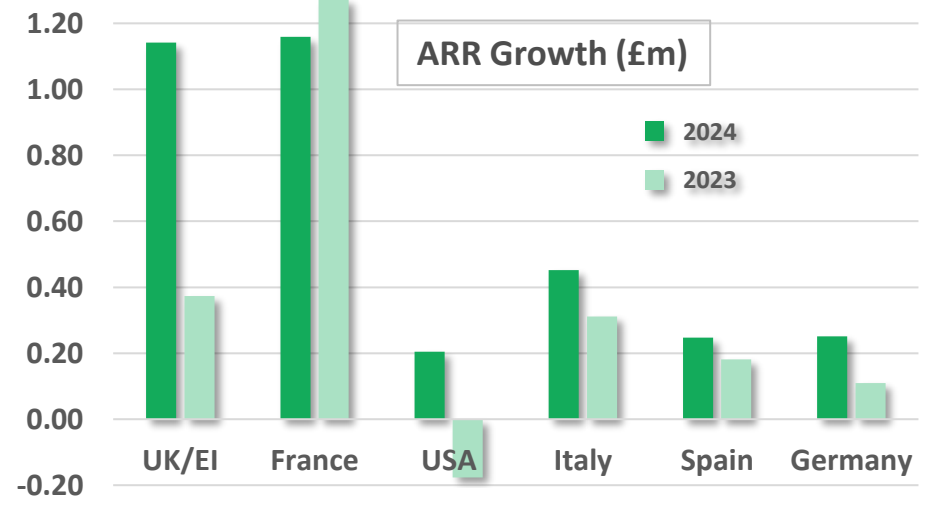
45% of ARR now outside the UK

ARR growth in UK trebled

Growth in Italy Spain and Germany accelerated, with notable progress in Italy

France was again strongest contributor to growth

USA turned around from fall of £0.18m in 2023 to increase of £0.20m in 2024



All figures quoted on a constant currency basis: 31 Dec 2024

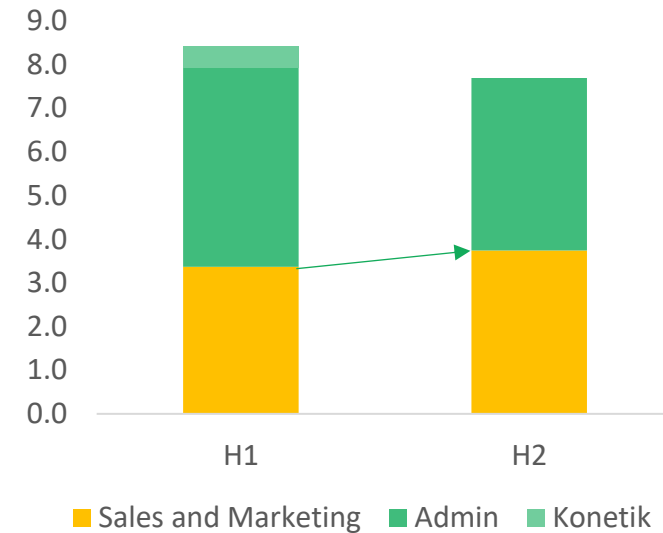
Year ended 31 December £'000 (except where stated)	2024	2023	% change
Revenue	32,402	29,882	8
Gross profit	22,516	16,978	33
Gross margin	69%	57%	
Adjusted operating profit	6,313	5,050	25
Operating margin	20%	17%	
Adjusted EBITDA	6,538	5,397	21
Profit/(Loss) for the year	4,766	(908)	
Earnings per share	9.85	(1.88)	
Diluted earnings per share	9.78	(1.88)	
Cash generated from operations	4,097	4,465	(8)
Adjusted operating profit to operating cash flow conversion	63%	88%	
Free cash flow	2,569	1,291	99

Segmental analysis		Fleet			
Year ended 31	Customer	Telematics	Total		Total
December 2024	Acquisition	Services	Fleet	Konetik	Business
	£'000	£'000	£'000	£'000	£'000
Recurring revenue	2,001	28,066	30,067	-	30,067
Other sales	357	1,944	2,301	34	2,335
Total revenue	2,358	30,010	32,368	34	32,402
Segmental costs:					
Cost of goods sold	(1,976)	(7,910)	(9,886)	-	(9,886)
Sales and marketing costs	(6,672)	(433)	(7,105)	-	(7,105)
Cost of service	(768)	(4,205)	(4,973)	-	(4,973)
(Loss)/profit before central costs	(7,058)	17,462	10,404	34	10,438
Central costs			(3,586)	(461)	(4,047)
Fair value gain			-	73	73
Operating profit/(loss)			6,818	(354)	6,464

Operating profit increased by £1m in H2:

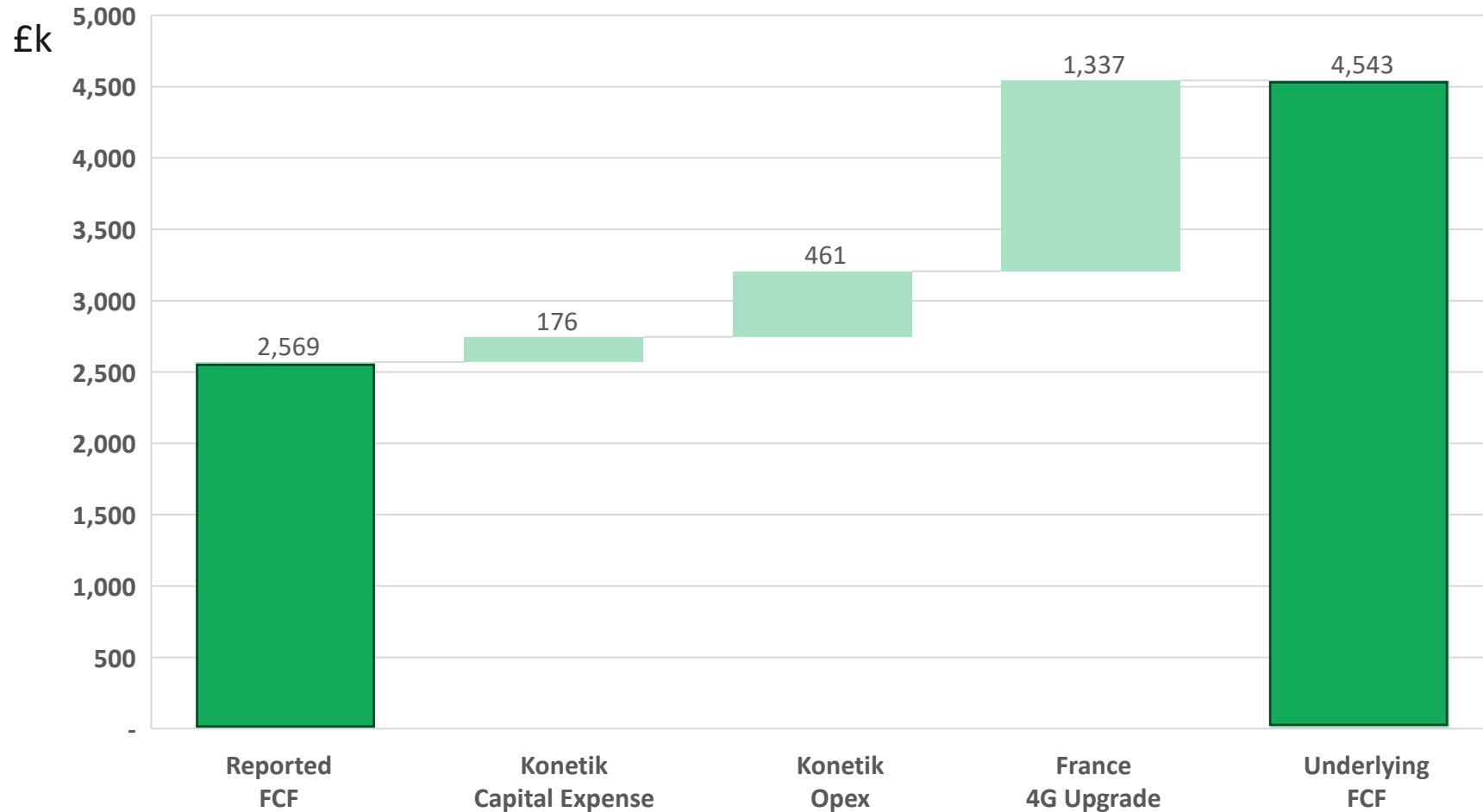
- Overheads reduced by £0.7m:
 - Administration costs reduced by £0.7m
 - Konetik costs reduced by £0.4m
 - Sales and marketing investment increased by £0.4m
- Revenue increased through strong ARR growth in H1
- Reduction in future French upgrade costs through achievement of manufacturing and other cost savings

Overheads: H2 vs H1



Overhead analysis

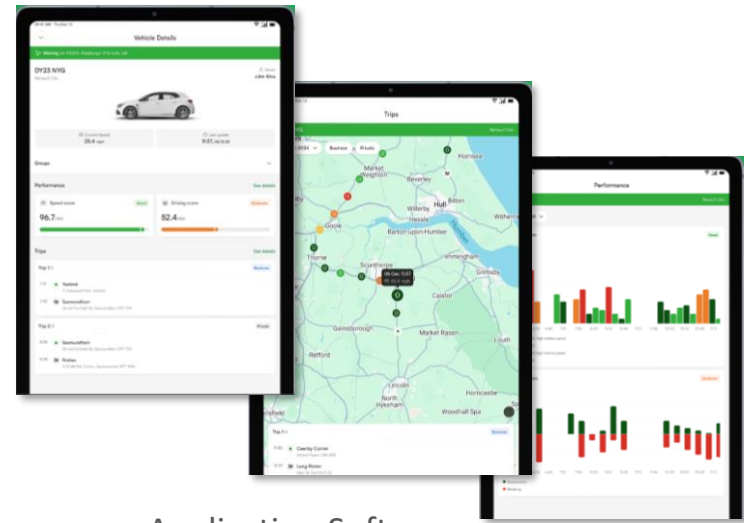
£'000 (except where stated)	6 months to 30 June 2024	6 months to 31 Dec 2024	% change	Full year 2024
Sales and marketing expenses	3,367	3,738	11%	7,105
Administrative expenses	4,654	3,905	(14%)	8,559
Konetik costs	411	50	(88%)	461
Total overheads	8,432	7,693	(9%)	16,125



In addition to the French upgrade cash costs detailed above, the Group has increased stock holding at its logistics hub in France to accommodate the upgrade programme.



Telematics



Application Software

- Radical new design of telematics hardware – completed in under 12 months
- Cost saving of £8 per unit –direct positive impact on FCF from H2
- Supports GPS, GLONASS, Galileo and BeiDou – tracking 30+ satellites simultaneously
- Will account for 7,000+ units per month of usage in 2025 from July

- Updates to mobile app commissioned and developed during 2024
- Initial release of new web application
- Completion of new fleet tracking web application to be accelerated and released in 2025

Executive Management Team



Dan Mendis
Commercial and
Operations Director
2017



Laura Seffino
Chief Technology
Officer
2018



Sean Maher
Sales Director
2008



Sally Grinham
Finance Director
2019



Glen Middleton
Head of Telematics
2010



Malik Bahri
Head of Sales,
Europe
2018



Sofie Westlake
Head of Marketing
2017



Ian Pawley
Head of Support
2004

Our Executive Management Team, with combined 90 years' service to Quartix, provides strategic leadership, ensuring that Quartix continues to deliver exceptional and reliable solutions to our customers.

Strong progress in 2024

- Record growth in ARR (£3.5m, +12%: 68% up on growth in 2023)
- Increase in NRR to 95.7% - including successful introduction of price indexation
- Record levels of customer acquisition (6,863 new customers, +19%)
- Adjusted profit before tax increased by 25% to £6.3m
- Substantial reductions in overheads in H2
- Increased investment in sales and marketing to drive ARR
- French upgrade programme on track
- Manufacturing costs reduced
- Konetik and other 2023 issues resolved
- New product developments completed and application development to be accelerated in 2025

Outlook

- Strong start to 2025 with installations significantly ahead in first two months
- Further upgrade to financial outlook
- Quartix's 6 target markets offer excellent potential for future progress
- Price indexation to be increased in 2025 – reflecting inflationary cost pressures in 2022/2023
- ARR growth target of > £3.5m

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Executive Chairman

