2020

IFRS Results for fourth quarter and preliminary IFRS results for full fiscal year ended March 31, 2020

www.mixtelematics.com

MiX TELEMATICS
MOBILE INFORMATION EXCHANGE

MiX Telematics Limited
(Incorporated in the Republic of South Africa)
(Registration number 1995/013858/06)
JSE share code: MIX NYSE code: MIXT ISIN: ZAE000125316
("MiX Telematics" or "the Company" or "the Group")

MiX Telematics announces IFRS results for fourth quarter and preliminary IFRS results for full fiscal year 2020

MiX Telematics changed from being a foreign private issuer to a U.S. domestic issuer, with effect from April 1, 2020. As a result of the change in status, the Company is required to comply with and report its financial results in accordance with accounting principles generally accepted in the United States ("GAAP") in U.S. Dollars from a SEC perspective as well as International Financial Reporting Standards ("IFRS") in Rands from a South African Companies Act 71 of 2008 and JSE Listings Requirements perspective. Therefore, this press release is being distributed in South Africa and the Company is also releasing a press release in the United States in order to meet the above requirements.

An explanation of non-IFRS measures used in this press release is set out in the ***Non-IFRS financial measures*** *section of this press release. A reconciliation of these non-IFRS measures to the most directly comparable IFRS measures is provided in the financial tables that accompany this release.*

Highlights:

Fourth quarter fiscal 2020 (year over year):

- **Subscription revenue of R483 million, up 6% on a constant currency basis**
- **Net subscriber additions of 5,700 bringing the total base to over 818,000, up 9%**
- **Net loss of R37 million, including R53 million deferred tax charge and R7 million foreign exchange loss**
- **Adjusted EBITDA of R176 million, or 31.7% adjusted EBITDA margin**
- **Adjusted earnings of R45 million**

Fiscal year 2020 (year over year):

- **Subscription revenue of R1,885 million, up 9% on a constant currency basis**
- **Net subscriber additions of 68,000, compared to 73,600 additions in fiscal 2019**
- **Net profit of R145 million**
- **Adjusted EBITDA of R664 million, or 30.8% adjusted EBITDA margin**
- **Adjusted earnings of R228 million**

Midrand, South Africa, May 28, 2020 - MiX Telematics Limited (NYSE: MIXT, JSE: MIX), a leading global provider of fleet and mobile asset management solutions delivered as Software-as-a-Service ("SaaS"), today announced preliminary IFRS results for its fourth quarter and for its full fiscal year 2020, which ended March 31, 2020.

"MiX's fourth quarter performance was solid in the context of the unprecedented uncertainty caused by the COVID-19 pandemic, significant related exchange rate volatility and challenges in the oil and gas market. Our mission at MiX is to continue providing the best-in-class software and support for our customers who rely on us as they adapt their businesses to the current situation," said Stefan Joselowitz, Chief Executive Officer of MiX Telematics.

Joselowitz continued, "Although the near-term demand environment is uncertain, with our continued investments in our strategic initiatives, we strongly believe MiX is well positioned to meet our long-term subscription revenue growth and profitability targets as global economic conditions begin returning to normal."

Financial performance for the three months ended March 31, 2020

Subscription revenue: Subscription revenue was R482.6 million, an increase of 8.7% compared with R443.8 million for the fourth quarter of fiscal 2019. Subscription revenue increased by 5.6% on a constant currency basis, year over year. Subscription revenue growth was primarily driven by the increase in the number of subscribers, which grew by approximately 9.1% compared to the same period in the prior year.

Total revenue: Total revenue was R555.4 million, an increase of 9.4% compared to R507.9 million for the fourth quarter of fiscal 2019. Total revenue increased by 6.0% on a constant currency basis, year over year. Hardware and other revenue was R72.8 million, an increase of 13.6%, compared to R64.1 million for the fourth quarter of fiscal 2019.

Gross margin: Gross profit was R316.9 million, compared to R339.8 million for the fourth quarter of fiscal 2019. Gross profit margin was 57.1%, compared to 66.9% for the fourth quarter of fiscal 2019. The lower gross profit margin in the fourth quarter of fiscal 2020 is attributable to accelerated amortization of in-vehicle devices following contraction in certain fleets in the oil and gas vertical in the Americas segment.

Operating margin: Operating profit was R59.6 million, compared to R97.8 million for the fourth quarter of fiscal 2019. Operating margin was 10.7%, compared to 19.3% for the fourth quarter of fiscal 2019. Operating expenses of R257.5 million increased by R15.2 million, or 6.3%, compared to the fourth quarter of fiscal 2019. Operating expenses represented 46.4% of revenue compared to 47.7% of revenue in the fourth quarter of fiscal 2019.

Adjusted EBITDA: Adjusted EBITDA, a non-IFRS measure, was R176.1 million, compared to R167.6 million for the fourth quarter of fiscal 2019. Adjusted EBITDA margin, a non-IFRS measure, was 31.7% compared to 33.0% for the fourth quarter of fiscal 2019.

Profit/loss for the period and earnings per share: Loss for the period was R37.3 million, compared to a profit of R77.0 million in the fourth quarter of fiscal 2019. Loss for the period included a net foreign exchange loss of R6.7 million before tax, as well as a R53.2 million deferred tax charge on a U.S. Dollar intercompany loan between MiX Limited and MiX Investments, a wholly-owned subsidiary of the Company. During the fourth quarter of fiscal 2019, profit for the period included a net foreign exchange loss of R0.1 million and a R1.3 million deferred tax charge on a U.S. Dollar intercompany loan between MiX Limited and MiX Investments.

Earnings per diluted ordinary share were negative 7 South African cents, compared to positive 13 South African cents in the fourth quarter of fiscal 2019. For the fourth quarter of fiscal 2020, the calculation was based on diluted weighted average ordinary shares in issue of 547.7 million compared to 580.1 million diluted weighted average ordinary shares in issue during the fourth quarter of fiscal 2019.

The Group's effective tax rate was 172.7%, compared to 22.1% in the fourth quarter of fiscal 2019. Ignoring the impact of net foreign exchange gains and losses net of tax and share-based compensation costs related to Performance Share Awards net of tax, the tax rate which was used in determining adjusted earnings below, was 26.5% compared to 20.4% in the fourth quarter of fiscal 2019.

Adjusted earnings for the period and adjusted earnings per share: Adjusted earnings for the period, a non-IFRS measure, was R45.4 million compared to R81.0 million for the fourth quarter of fiscal 2019. Adjusted earnings per diluted ordinary share, also a non-IFRS measure, were 8 South African cents, compared to 14 South African cents in the fourth quarter of fiscal 2019.

Statement of Financial Position and Cash Flow: At March 31, 2020, the Group had R275.7 million of net cash and cash equivalents, compared to R353.2 million at March 31, 2019.

The Group generated R105.9 million in net cash from operating activities for the three months ended March 31, 2020 and invested R48.8 million in capital expenditures during the quarter (including investments in in-vehicle devices of R11.1 million), leading to free cash flow, a non-IFRS measure, of R57.0 million compared to free cash flow of R79.8 million for the fourth quarter of fiscal 2019. The Group utilized R50.3 million in financing activities, compared to R18.0 million utilized during the fourth quarter of fiscal 2019. The cash utilized in financing activities during the fourth quarter of fiscal 2020 mainly consisted of dividends paid of R21.3 million, share buy backs of R24.8 million and the payment of lease liabilities of R4.2 million. The cash utilized in financing activities during the fourth quarter of fiscal 2019 mainly consisted of dividends paid of R16.8 million and the payment of lease liabilities of R1.1 million.

Financial performance for the fiscal year ended March 31, 2020

Subscription revenue: Subscription revenue increased to R1,884.9 million, an increase of 11.3% compared to R1,693.2 million for fiscal 2019. On a constant currency basis, subscription revenue increased by 8.7%. Subscription revenue benefited from an increase of 68,000 subscribers from April 2019 to March 2020, representing an increase in subscribers of 9.1% during fiscal 2020.

Total revenue: Total revenue for fiscal 2020 was R2,152.0 million, an increase of 8.9% compared to R1,975.9 million for fiscal 2019. On a constant currency basis, total revenue increased by 6.3%. Hardware and other revenue was R267.1 million, compared to R282.6 million for fiscal 2019.

Gross margin: Gross profit was R1,355.2 million, an increase of 2.7% compared to R1,320.0 million for fiscal 2019. Gross profit margin was 63.0%, compared to 66.8% for fiscal 2019.

Operating margin: Operating profit was R311.3 million, compared to R338.9 million in fiscal 2019. The operating margin was 14.5%, compared to the 17.2% in fiscal 2019. Operating expenses represented 48.5% of revenue compared to 49.7% of revenue in fiscal 2019 due to ongoing cost management initiatives.

Adjusted EBITDA: Adjusted EBITDA was R663.9 million, compared to R602.8 million for fiscal 2019. The Adjusted EBITDA margin for fiscal 2020 was 30.8%, compared to 30.5% in fiscal 2019.

Profit for the year and earnings per share: Profit for fiscal 2020 was R145.0 million, compared to R202.3 million in fiscal 2019. Profit for the year included a net foreign exchange loss of R9.0 million before tax, as well as a R63.1 million deferred tax charge on a U.S. Dollar intercompany loan between MiX Limited and MiX Investments, a wholly-owned subsidiary of the Company. During fiscal 2019, a net foreign exchange gain of R0.4 million was recognized and a R47.7 million deferred tax charge on a U.S. Dollar intercompany loan between MiX Limited and MiX Investments.

Earnings per diluted ordinary share were 26 South African cents, compared to 35 South African cents in fiscal 2019. For fiscal 2020, the calculation was based on diluted weighted average ordinary shares in issue of 568.0 million, compared to 583.6 million diluted weighted average ordinary shares in issue during fiscal 2019.

The Group's effective tax rate was 51.2%, compared to 40.5% for fiscal 2019. Ignoring the impact of net foreign exchange gains and losses net of tax and share-based compensation costs related to Performance Share Awards net of tax, the effective tax rate, which was used in calculating adjusted earnings, was 28.8% compared to 26.3% in fiscal 2019.

Adjusted earnings for the year and adjusted earnings per share: Adjusted earnings for fiscal 2020, a non-IFRS measure, was R227.8 million, compared to R254.4 million in fiscal 2019. Adjusted earnings per diluted ordinary share, also a non-IFRS measure, were 40 South African cents, compared to 44 South African cents for fiscal 2019.

Statement of Financial Position and Cash Flow: The Group generated R453.4 million in net cash from operating activities for fiscal 2020 and invested R321.1 million in capital expenditures during the year (including investments in in-vehicle devices of R200.6 million), leading to free cash flow of R132.2 million, compared to free cash flow of R177.4 million for fiscal 2019. Capital expenditures in fiscal 2019 were R286.5 million and included in-vehicle devices of R191.6 million.

The Group utilized R249.8 million in financing activities, compared to R138.7 million utilized during fiscal 2019. The cash utilized in financing activities in fiscal 2020 mainly consisted of the repurchase of 16.9 million ordinary shares, which resulted in a cash outflow of R144.3 million, dividends paid of R88.6 million and the repayment of lease liabilities of R16.9 million. The cash utilized in financing activities in fiscal 2019 included the repurchase of 9.2 million ordinary shares, which resulted in a cash outflow of R73.5 million, dividends paid of R67.5 million and the repayment of lease liabilities of R11.4 million, offset by proceeds from issuance of shares in respect of employee share options of R13.8 million.

Segment commentary for the fiscal year ended March 31, 2020

The segment results below are presented on an integral margin basis. In respect of revenue, this method of measurement entails reviewing the segmental results based on external revenue only. In respect of Adjusted EBITDA (the non-IFRS profit measure identified by the Group), the margin generated by our Central Services Organization ("CSO"), net of any unrealized inter-company profit, is allocated to the geographic region where the external revenue is recorded by our Regional Sales Offices ("RSOs").

CSO continues as a central services organization that wholesales our products and services to our RSOs who, in turn, interface with our end-customers and distributors. CSO is also responsible for the development of our hardware and software platforms and provides common marketing, product management, technical and distribution support to each of our other operating segments. CSO's operating expenses are not allocated to each RSO.

Each RSO's results reflect the external revenue earned, as well as the Adjusted EBITDA earned (or loss incurred) by each operating segment before the CSO and corporate cost allocations.

Segment	Subscription Revenue Fiscal 2020 R'000	Total Revenue Fiscal 2020 R'000	Adjusted EBITDA Fiscal 2020 R'000	Adjusted EBITDA % change on prior year	Adjusted EBITDA Margin Fiscal 2020
Africa	1,047,346	1,134,075	489,104	1.0%	43.1%
	Subscription revenue increased by 7.5% on a constant currency basis as a result of a 8.6% increase in subscribers since April 1, 2019. Total revenue increased by 8.0% on a constant currency basis. The region reported an Adjusted EBITDA margin above 40%.				
Americas	329,806	362,412	153,214	0.4%	42.3%
	Subscription revenue growth on a constant currency basis was 4.9%. Subscribers increased by 1.5% since April 1, 2019. Total revenue improved by 2.5% on a constant currency basis as hardware and other revenues increased by 13.6%. The region reported an Adjusted EBITDA margin above 40%.				
Middle East and Australasia	256,935	341,749	162,985	11.7%	47.7%
	Subscription revenue increased by 9.3% on a constant currency basis. Subscribers increased by 10.5% since April 1, 2019. Total revenue in constant currency improved by 1.7% as hardware revenues were lower than in fiscal 2019. The region reported an Adjusted EBITDA margin of 47.7% (up from the 45.1% Adjusted EBITDA margin reported in fiscal 2019).				
Europe	172,599	222,020	82,784	22.1%	37.3%
	Subscription revenue growth on a constant currency basis was 18.0%. However, total revenue only increased by 1.7% on a constant currency basis due to lower hardware revenues compared to fiscal 2019. Subscribers increased by 10.8% since April 1, 2019. The region reported an Adjusted EBITDA margin of 37.3% (up from the 32.3% Adjusted EBITDA margin reported in fiscal 2019).				
Brazil	76,571	85,639	34,959	26.7%	40.8%
	Subscription revenue increased by 20.9% on a constant currency basis. The increase was due to an increase in subscribers of 25.9% since April 1, 2019. On a constant currency basis, total revenue increased by 26.5%. The region reported an Adjusted EBITDA margin of 40.8% (up from the 40.3% Adjusted EBITDA margin reported in fiscal 2019).				
Central Services Organization	1,624	6,102	(135,565)	13.6%	—
	CSO is responsible for the development of our hardware and software platforms and provides common marketing, product management, technical and distribution support to each of our other operating segments. The negative Adjusted EBITDA reported arises as a result of operating expenses carried by the segment.				

Preliminary financial information

The reviewed but unaudited financial information set forth in this press release is preliminary and subject to potential adjustments. Adjustments to the consolidated financial statements may be identified when audit work has been finalized for the Group's year-end audit, which could result in potential differences from this preliminary reviewed but unaudited condensed financial information. Any changes to the financial information from the completion of the audit will be announced on SENS.

Global outbreak of COVID-19 could harm our business and impact operations and the results

In December 2019, a novel strain of coronavirus outbreak was reported in China ("COVID-19"). In January 2020, the World Health Organization (WHO) declared this outbreak a Public Health Emergency of international concern and, subsequently, it was declared a pandemic in March 2020. The outbreak continued to spread globally, affecting global economic activity and financial markets. Due to extensive measures implemented by various governments, all of our employees are required to work remotely, with the exception of our staff working in our monitoring centers, which were classified as an essential service. We have implemented appropriate safeguards for these centers. In addition, we have modified certain business and workforce practices (including suspension of all business travel and cancellation of physical participation in meetings, events and conferences) and implemented new protocols to promote social distancing and enhance sanitary measures in our offices and facilities to conform to government restrictions and best practices encouraged by governmental and regulatory authorities. There is no certainty that such measures will be sufficient to mitigate the risks posed by the virus, in which case our employees or other individuals may become sick, our ability to perform critical functions could be harmed, and we may be unable to respond to some of the needs of our global business. Further, our increased reliance on remote access to our information systems increases our exposure to potential cybersecurity breaches. We may take further actions as government authorities require or recommend or as we determine to be in the best interests of our employees, customers, suppliers and other business counterparties.

COVID-19 has disrupted the operations of our customers and channel partners, our operations and the results of our operations. COVID-19 currently has had and, we believe, will continue to have an adverse impact on global economies and financial markets. Additionally, to the extent that access to the capital and other financial markets is adversely affected by the effects of COVID-19, we may need to consider alternative sources of funding for some of our operations and for working capital, which may increase our cost of, as well as adversely impact our access to, capital. These uncertain economic conditions may also result in the inability of our customers and other counterparties to make payments to us, on a timely basis or at all, which could adversely affect our business, cash flows, liquidity, financial condition and results of operations. If and to the extent these actions were to result in material modifications or cancellations of the underlying contracts, we could experience reductions in our revenue in future periods. In addition, worsening economic conditions could result in reductions in revenue over time, which would impact our future financial performance. We cannot successfully predict the duration and extent of such impact on the global economy.

Business Outlook

Due to the uncertainty surrounding the level of business disruption as a result of the spread of COVID-19, the Company is suspending its practice of issuing financial guidance for the full 2021 fiscal year and the first quarter of fiscal 2021.

Conference Call Information

MiX Telematics management will also host a conference call and audio webcast at 8:00 a.m. (Eastern Daylight Time) and 2:00 p.m. (South African Time) on Thursday, May 28, 2020 to discuss the Group’s financial results and current business outlook:

- The live webcast of the call will be available at the “Investor Information” page of the Group’s website, http://investor.mixtelematics.com.
- To access the call, dial +1-877-451-6152 (within the United States) or 0 800 983 831 (within South Africa) or +1-201-389-0879 (outside of the United States). The conference ID is 13702389.
- A replay of this conference call will be available for a limited time at +1-844-512-2921 (within the United States) or +1-412-317-6671 (within South Africa or outside of the United States). The replay conference ID is 13702389.
- A replay of the webcast will also be available for a limited time at http://investor.mixtelematics.com.

About MiX Telematics Limited

MiX Telematics is a leading global provider of fleet and mobile asset management solutions delivered as SaaS to customers managing over 818,000 assets in approximately 120 countries. The Group’s products and services provide enterprise fleets, small fleets and consumers with solutions for safety, efficiency, risk and security. MiX Telematics was founded in 1996 and has offices in South Africa, the United Kingdom, the United States, Uganda, Brazil, Mexico, Australia, Romania, Thailand and the United Arab Emirates as well as a network of more than 130 fleet partners worldwide. MiX Telematics shares are publicly traded on the Johannesburg Stock Exchange (JSE: MIX) and MiX Telematics American Depositary Shares are listed on the New York Stock Exchange (NYSE: MIXT). For more information visit www.mixtelematics.com.

Forward-Looking Statements

This press release includes certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation, statements concerning our position to execute on our growth strategy, and our ability to expand our leadership position. Forward-looking statements also include statements regarding the projected impact of the recent global outbreak of the coronavirus on our business activities, operating results,cash flows and financial position. These forward-looking statements reflect our current views about our plans, intentions, expectations, strategies and prospects, which are based on the information currently available to us and on assumptions we have made. Actual results may differ materially from those described in the forward-looking statements and will be affected by a variety of risks and factors that are beyond our control including, without limitation, those described under the caption “Risk Factors” in the Group’s Annual Report on Form 20-F filed with the Securities and Exchange Commission (the “SEC”) for the fiscal year ended March 31, 2019, as updated by other reports that the Group files with or furnishes to the SEC. The Group assumes no obligation to update any forward-looking statements contained in this press release as a result of new information, future events or otherwise.

Non-IFRS financial measures

Adjusted EBITDA

To provide investors with additional information regarding its financial results, the Group has disclosed within this press release, Adjusted EBITDA and Adjusted EBITDA margin. Adjusted EBITDA and Adjusted EBITDA margin are non-IFRS financial measures, and they do not represent cash flows from operations for the periods indicated, and should not be considered an alternative to net income as an indicator of the Group's results of operations, or as an alternative to cash flows from operations as an indicator of liquidity. Adjusted EBITDA is defined as the profit for the period before income taxes, net finance income/(costs) including foreign exchange gains/(losses), depreciation of property, plant and equipment including capitalized customer in-vehicle devices and right-of-use assets, amortization of intangible assets including capitalized in-house development costs and intangible assets identified as part of a business combination, share-based compensation costs, restructuring costs, profits/(losses) on the disposal or impairments of assets or subsidiaries, insurance reimbursements relating to impaired assets and certain litigation costs.

The Group has included Adjusted EBITDA and Adjusted EBITDA margin in this press release because they are key measures that the Group's management and Board of Directors use to understand and evaluate its core operating performance and trends; to prepare and approve its annual budget; and to develop short and long-term operational plans. In particular, the exclusion of certain expenses in calculating Adjusted EBITDA and Adjusted EBITDA margin can provide a useful measure for period-to-period comparisons of the Group's core business. Accordingly, the Group believes that Adjusted EBITDA and Adjusted EBITDA margin provide useful information to investors and others in understanding and evaluating its operating results.

The Group's use of Adjusted EBITDA has limitations as an analytical tool, and you should not consider this performance measure in isolation from or as a substitute for analysis of our results as reported under IFRS. Some of these limitations are:

- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and Adjusted EBITDA does not reflect cash capital expenditure requirements for such replacements or for new capital expenditure requirements;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, the Group's working capital needs;
- Adjusted EBITDA does not consider the potentially dilutive impact of equity-based compensation;
- Adjusted EBITDA does not reflect tax payments or the payment of lease liabilities that may represent a reduction in cash available to the Group; and
- other companies, including companies in our industry, may calculate Adjusted EBITDA differently, which reduces its usefulness as a comparative measure.

Because of these limitations, you should consider Adjusted EBITDA alongside other financial performance measures, including operating profit, profit for the year and our other results.

Headline Earnings

Headline earnings is a profit measure required for JSE-listed companies and is calculated in accordance with circular 1/2019 issued by the South African Institute of Chartered Accountants. The profit measure is determined by taking the profit for the period prior to certain separately identifiable re-measurements of the carrying amount of an asset or liability that arose after the initial recognition of such asset or liability net of related tax (both current and deferred) and related non-controlling interest.

Adjusted Earnings and Adjusted Earnings Per Share

Adjusted earnings per share is defined as profit attributable to owners of the parent, MiX Telematics Limited, excluding net foreign exchange gains/(losses) net of tax and share based compensation costs related to Performance Share Awards net of tax, divided by the weighted average number of ordinary shares in issue during the period.

We have included Adjusted earnings per share in this press release because it provides a useful measure for period-to-period comparisons of the Group's core business by excluding net foreign exchange gains/(losses) from earnings, as well as share based compensation costs related to Performance Share Awards. Performance Share Awards were awarded under the MiX Telematics Long-Term Incentive Plan for the first time in November 2018 and are aimed at incentivising management to achieve cumulative subscription revenue and Adjusted EBITDA targets for the 2019 and 2020 fiscal years.

Accordingly, we believe that Adjusted earnings per share provides useful information to investors and others in understanding and evaluating the Group's operating results.

Free cash flow

Free cash flow is determined as net cash generated from operating activities less capital expenditure for investing activities. We believe that free cash flow provides useful information to investors and others in understanding and evaluating the Group's cash flows as it provides detail of the amount of cash the Group generates or utilizes after accounting for all capital expenditures including investments in in-vehicle devices and development expenditure.

Constant currency financial information

Constant currency financial information presented as part of the commentary constitutes pro-forma financial information under the JSE Listings Requirements.

Constant currency information has been presented to illustrate the impact of changes in currency rates on the Group's results. The constant currency information has been determined by adjusting the current financial reporting period results to the prior period average exchange rates, determined as the average of the monthly exchange rates applicable to the period. The measurement has been performed for each of the Group's currencies, including the U.S. Dollar and British Pound. The constant currency growth percentage has been calculated by utilizing the constant currency results compared to the prior period results.

This pro-forma financial information is the responsibility of the Group's Board of Directors and is presented for illustrative purposes. Because of its nature, the pro-forma financial information may not fairly present MiX Telematics' financial position, changes in equity, results of operations or cash flows. The pro-forma financial information does not constitute pro-forma information in accordance with the requirements of Regulation S-X of the SEC or generally accepted accounting principles in the United States. In addition, the rules and regulations related to the preparation of pro-forma financial information in other jurisdictions may also vary significantly from the requirements applicable in South Africa. The pro-forma financial information contained in this results announcement has been reviewed by our auditors, Deloitte & Touche and their unmodified report thereon is available for inspection at the Company's registered office.

Investor Contact
Brian Denyeau
ICR for MiX Telematics
ir@mixtelematics.com
+1-855-564-9835

JSE Sponsor
Java Capital

May 28, 2020

MIX TELEMATICS LIMITED
CONDENSED CONSOLIDATED INCOME STATEMENT

Figures are in thousands unless otherwise stated	South African Rand Year ended March 31, 2020 Reviewed	 Year ended March 31, 2019 Audited
Revenue	**2,151,997**	1,975,863
Cost of sales	**(796,800)**	(655,844)
Gross profit	**1,355,197**	1,320,019
Other income/(expenses) - net	**129**	1,009
Operating expenses	**(1,044,048)**	(982,116)
-Sales and marketing	**(196,861)**	(199,209)
-Administration and other charges [(1)]	**(847,187)**	(782,907)
Operating profit	**311,278**	338,912
Finance income/(costs) - net	**(14,142)**	1,386
-Finance income	**10,792**	12,286
-Finance costs	**(24,934)**	(10,900)
Profit before taxation	**297,136**	340,298
Taxation	**(152,118)**	(137,962)
Profit for the year	**145,018**	202,336
Attributable to:		
Owners of the parent	**145,022**	202,336
Non-controlling interest	**(4)**	*
	145,018	202,336
Earnings per share		
-basic (R)	**0.26**	0.36
-diluted (R)	**0.26**	0.35
Earnings per American Depositary Share (Unaudited)		
-basic (R)	**6.55**	8.98
-diluted (R)	**6.38**	8.67

** Amount less than R1,000*
[(1)] includes R58.2 million (March 31, 2019: R29.7 million) relating to IFRS 9 expected credit losses on trade receivables.

MIX TELEMATICS LIMITED

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	South African Rand	
Figures are in thousands unless otherwise stated	**Year ended March 31, 2020 Reviewed**	Year ended March 31, 2019 Audited
Profit for the year	**145,018**	202,336
Other comprehensive income:		
Items that may be subsequently reclassified to profit or loss		
Exchange differences on translating foreign operations	**145,496**	114,596
- Attributable to owners of the parent	**145,494**	114,593
- Attributable to non-controlling interest	**2**	3
Taxation relating to components of other comprehensive income	**2,045**	1,151
Other comprehensive income for the year, net of tax	**147,541**	115,747
Total comprehensive income for the year	**292,559**	318,083
Attributable to:		
Owners of the parent	**292,561**	318,080
Non-controlling interest	**(2)**	3
Total comprehensive income for the year	**292,559**	318,083

MIX TELEMATICS LIMITED
HEADLINE EARNINGS
Reconciliation of Headline Earnings

Figures are in thousands unless otherwise stated	South African Rand Year ended March 31, 2020 Reviewed	Year ended March 31, 2019 Audited
Profit for the year attributable to owners of the parent	**145,022**	202,336
Adjusted for:		
Loss/(profit) on disposal of property, plant and equipment and intangible assets	**473**	(586)
Impairment of intangible assets	**1,056**	930
Income tax effect on the above adjustments	**1,275**	(85)
Headline earnings attributable to owners of the parent	**147,826**	202,595
Headline earnings		
Headline earnings per share		
-basic (R)	**0.27**	0.36
-diluted (R)	**0.26**	0.35
Headline earnings per American Depositary Share (Unaudited)		
-basic (R)	**6.67**	8.99
-diluted (R)	**6.51**	8.68
Ordinary shares ('000)[1]		
-in issue at March 31	**547,117**	561,947
-weighted average	**553,653**	563,578
-diluted weighted average	**568,037**	583,647
Weighted average American Depositary Shares ('000)[1] (Unaudited)		
-in issue at March 31	**21,885**	22,478
-weighted average	**22,146**	22,543
-diluted weighted average	**22,721**	23,346

[1] March 31, 2020 figure excludes 53,816,750 (March 31, 2019: 40,000,000) treasury shares held by MiX Telematics Investments Proprietary Limited ("MiX Investments"), a wholly owned subsidiary of the Group.

MIX TELEMATICS LIMITED
ADJUSTED EARNINGS
Reconciliation of Adjusted Earnings

Figures are in thousands unless otherwise stated	South African Rand Year ended March 31, 2020 Reviewed	Year ended March 31, 2019 Audited
Profit for the year attributable to owners of the parent	**145,022**	202,336
Net foreign exchange losses/(gains)	**9,008**	(383)
IFRS 2 charge on performance share awards	**13,622**	5,110
Income tax effect on the above components	**60,185**	47,382
Adjusted earnings attributable to owners of the parent	**227,837**	254,445
Reconciliation of earnings per share to adjusted earnings per share		
Basic earnings per share (R)	**0.26**	0.36
Net foreign exchange losses/(gains)	**0.02**	#
IFRS 2 charge on performance share awards	**0.02**	0.01
Income tax effect on the above components	**0.11**	0.08
Basic adjusted earnings per share (R)	**0.41**	0.45
Adjusted earnings per share		
-basic (R)	**0.41**	0.45
-diluted (R)	**0.40**	0.44
Adjusted earnings per American Depositary Share (Unaudited)		
-basic (R)	**10.29**	11.29
-diluted (R)	**10.03**	10.90

 # Amount less than R0.01

MIX TELEMATICS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Figures are in thousands unless otherwise stated	South African Rand March 31, 2020 Reviewed	March 31, 2019 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	529,832	457,446
Intangible assets	1,020,505	955,646
Capitalized commission assets	64,773	54,066
Loans to external parties	8,794	—
Deferred tax assets	62,962	51,666
Total non-current assets	1,686,866	1,518,824
Current assets		
Assets classified as held for sale (note 6)	—	17,058
Inventory	58,618	51,263
Trade and other receivables	523,779	376,475
Taxation	34,565	24,119
Restricted cash	16,221	20,187
Cash and cash equivalents	318,071	383,443
Total current assets	951,254	872,545
Total assets	2,638,120	2,391,369
EQUITY		
Stated capital	642,362	786,633
Other reserves	237,201	83,212
Retained earnings	937,971	881,819
Equity attributable to owners of the parent	1,817,534	1,751,664
Non-controlling interest	11	13
Total equity	1,817,545	1,751,677
LIABILITIES		
Non-current liabilities		
Deferred tax liabilities	225,743	139,049
Provisions	2,596	2,226
Recurring commission liability	1,828	1,798
Capitalized lease liability	96,950	31,183
Total non-current liabilities	327,117	174,256
Current liabilities		
Trade and other payables	394,779	399,869
Capitalized lease liability	19,596	10,745
Taxation	13,191	2,511
Provisions	23,476	22,049
Bank overdraft	42,416	30,262
Total current liabilities	493,458	465,436
Total liabilities	820,575	639,692
Total equity and liabilities	2,638,120	2,391,369

MIX TELEMATICS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	South African Rand	
Figures are in thousands unless otherwise stated	Year ended March 31, 2020 Reviewed	Year ended March 31, 2019 Audited
Cash flows from operating activities		
Cash generated from operations	536,655	541,432
Net finance income received	2,010	7,156
Taxation paid	(85,310)	(84,742)
Net cash generated from operating activities	453,355	463,846
Cash flows from investing activities		
Capital expenditure payments	(321,131)	(286,458)
Proceeds on sale of property, plant and equipment and intangible assets	19,124	2,222
Decrease in restricted cash	13,685	2,724
Increase in restricted cash	(8,950)	(983)
Loans advanced to external parties	(5,086)	—
Net cash utilized in investing activities	(302,358)	(282,495)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	—	13,776
Repayment of capitalized lease liability	(16,883)	(11,435)
Share repurchase (note 8)	(144,271)	(73,548)
Dividends paid to Company's owners	(88,634)	(67,470)
Net cash utilized in financing activities	(249,788)	(138,677)
Net (decrease)/increase in cash and cash equivalents	(98,791)	42,674
Net cash and cash equivalents at the beginning of the year	353,181	290,538
Exchange gains on cash and cash equivalents	21,265	19,969
Net cash and cash equivalents at the end of the year	275,655	353,181

MIX TELEMATICS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

South African Rand Figures are in thousands unless otherwise stated	Attributable to owners of the parent Stated capital	Other reserves	Retained earnings	Total	Non-controlling interest	Total equity
Balance at March 31, 2018 (Audited)	846,405	(51,614)	722,380	1,517,171	10	1,517,181
Adjustment on initial application of IFRS 15, IFRS 16 and IFRS 9	—	—	24,675	24,675	—	24,675
Adjusted balance at April 1, 2018	846,405	(51,614)	747,055	1,541,846	10	1,541,856
Total comprehensive income	—	115,744	202,336	318,080	3	318,083
Profit for the year	—	—	202,336	202,336	—	202,336
Other comprehensive income	—	115,744	—	115,744	3	115,747
Total transactions with owners	(59,772)	19,082	(67,572)	(108,262)	—	(108,262)
Shares issued in relation to share options and share appreciation rights exercised	13,776	—	—	13,776	—	13,776
Share-based payment transaction	—	12,140	—	12,140	—	12,140
Share-based payment - excess tax benefit	—	6,942	—	6,942	—	6,942
Dividends declared (note 9)	—	—	(67,572)	(67,572)	—	(67,572)
Share repurchase (note 8)	(73,548)	—	—	(73,548)	—	(73,548)
Balance at March 31, 2019 (Audited)	786,633	83,212	881,819	1,751,664	13	1,751,677
Total comprehensive income	**—**	**147,539**	**145,022**	**292,561**	**(2)**	**292,559**
Profit for the year	**—**	**—**	**145,022**	**145,022**	**(4)**	**145,018**
Other comprehensive income	**—**	**147,539**	**—**	**147,539**	**2**	**147,541**
Total transactions with owners	**(144,271)**	**6,450**	**(88,870)**	**(226,691)**	**—**	**(226,691)**
Share-based payment transaction	**—**	**23,372**	**—**	**23,372**	**—**	**23,372**
Share-based payment - excess tax benefit	**—**	**(16,922)**	**—**	**(16,922)**	**—**	**(16,922)**
Dividends declared (note 9)	**—**	**—**	**(88,870)**	**(88,870)**	**—**	**(88,870)**
Share repurchase (note 8)	**(144,271)**	**—**	**—**	**(144,271)**	**—**	**(144,271)**
Balance at March 31, 2020 (Reviewed)	**642,362**	**237,201**	**937,971**	**1,817,534**	**11**	**1,817,545**

NOTES TO PRELIMINARY CONDENSED CONSOLIDATED FINANCIAL RESULTS

1. Basis of preparation and accounting policies

The preliminary condensed consolidated financial statements are prepared in accordance with the requirements of the JSE Limited ("JSE") Listings Requirements for preliminary condensed financial statements and the requirements of the Companies Act applicable to financial statements. The JSE Listings Requirements require preliminary condensed financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 *Interim Financial Reporting*.

The accounting policies applied in the preparation of the preliminary condensed consolidated financial statements are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements, except for the adoption of IFRIC 23 *Uncertainty over Income Tax Treatments* ("IFRIC 23") which had no material effect.

The preliminary condensed consolidated financial statements were prepared under the supervision of the Group Chief Financial Officer, JR Granara. The results were made available on May 28, 2020.

Presentation currency

The Group's presentation currency is South African Rand.

2. Independent review

The preliminary condensed consolidated financial statements for the year ended March 31, 2020 have been reviewed by Deloitte & Touche, who expressed an unmodified review conclusion thereon, which is available from the Company secretary on request. The auditor's review conclusion does not necessarily report on all the information contained in these financial results. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's review conclusion together with the accompanying financial information from the Company secretary on request. Any reference to future financial performance included in this announcement and quarterly information have not been reviewed or reported on by the Company's auditors.

3. Segment information

Our operating segments are based on the geographical location of our Regional Sales Offices ("RSOs") and also include our Central Services Organization ("CSO"). CSO is our central services organization that wholesales our products and services to our RSOs who, in turn, interface with our end-customers, distributors and dealers. CSO is also responsible for the development of our hardware and software platforms and provides common marketing, product management, technical and distribution support to each of our other operating segments.

The chief operating decision maker ("CODM") reviews the segment results on an integral margin basis as defined by management. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified collectively as the executive committee and the Chief Executive Officer who make strategic decisions. In respect of revenue, this method of measurement entails reviewing the segmental results based on external revenue only. In respect of Adjusted EBITDA (the profit measure identified by the CODM), the margin generated by CSO, net of any unrealized intercompany profit, is allocated to the geographic region where the external revenue is recorded by our RSOs. The costs remaining in CSO relate mainly to research and development of hardware and software platforms, common marketing, product management and technical and distribution support to each of the RSOs. CSO is a reportable segment of the Group because it produces discrete financial information which is reviewed by the CODM and has the ability to generate external revenues.

Each RSO's results therefore reflect the external revenue earned, as well as the Adjusted EBITDA earned (or loss incurred) by each operating segment before the remaining CSO and corporate costs allocations. Segment assets are not disclosed as segment information is not reviewed on such a basis by the CODM.

SEGMENTAL ANALYSIS

South African Rand Figures are in thousands unless otherwise stated	**Subscription revenue**	**Hardware and other revenue**	**Total revenue**	**Adjusted EBITDA**
Year ended March 31, 2020 (Reviewed)				
Regional Sales Offices				
Africa	**1,047,346**	**86,729**	**1,134,075**	**489,104**
Europe	**172,599**	**49,421**	**222,020**	**82,784**
Americas	**329,806**	**32,606**	**362,412**	**153,214**
Middle East and Australasia	**256,935**	**84,814**	**341,749**	**162,985**
Brazil	**76,571**	**9,068**	**85,639**	**34,959**
Total Regional Sales Offices	**1,883,257**	**262,638**	**2,145,895**	**923,046**
Central Services Organization	**1,624**	**4,478**	**6,102**	**(135,565)**
Total Segment Results	**1,884,881**	**267,116**	**2,151,997**	**787,481**
Corporate and consolidation entries	**—**	**—**	**—**	**(123,597)**
Total	**1,884,881**	**267,116**	**2,151,997**	**663,884**

South African Rand Figures are in thousands unless otherwise stated	**Subscription revenue**	**Hardware and other revenue**	**Total revenue**	**Adjusted EBITDA**
Year ended March 31, 2019 (Audited)				
Regional Sales Offices				
Africa	969,377	75,029	1,044,406	484,497
Europe	140,539	69,218	209,757	67,796
Americas	292,577	36,386	328,963	152,575
Middle East and Australasia	226,020	97,474	323,494	145,887
Brazil	63,987	4,421	68,408	27,598
Total Regional Sales Offices	1,692,500	282,528	1,975,028	878,353
Central Services Organization	745	90	835	(156,894)
Total Segment Results	1,693,245	282,618	1,975,863	721,459
Corporate and consolidation entries	—	—	—	(118,674)
Total	1,693,245	282,618	1,975,863	602,785

4. Reconciliation of Adjusted EBITDA to Profit for the year

Figures are in thousands unless otherwise stated	South African Rand Year ended March 31, 2020 Reviewed	Year ended March 31, 2019 Audited
Adjusted EBITDA	**663,884**	602,785
Add:		
Net (loss)/profit on sale of property, plant and equipment and intangible assets	**(473)**	586
Decrease in restructuring costs provision	**8**	—
Less:		
Depreciation [(1)]	**(257,323)**	(183,478)
Amortization [(2)]	**(70,390)**	(64,877)
Impairment of product development costs capitalized	**(1,056)**	(930)
Share-based compensation costs	**(23,372)**	(12,140)
Equity-settled share-based compensation costs	**(23,372)**	(12,140)
Cash-settled share-based compensation costs	**—**	—
Increase in restructuring costs provision	**—**	(3,034)
Operating profit	**311,278**	338,912
Add: Finance (costs)/income - net	**(14,142)**	1,386
Less: Taxation	**(152,118)**	(137,962)
Profit for the year	**145,018**	202,336

[(1)] *Includes depreciation of property, plant and equipment (including in-vehicle devices and right-of-use assets).*

[(2)] *Includes amortization of intangible assets (including product development costs and intangible assets identified as part of a business combination).*

5. Reconciliation of Adjusted EBITDA margin to Profit for the year margin

	Year ended March 31, 2020 Reviewed	Year ended March 31, 2019 Audited
Adjusted EBITDA margin	**30.8%**	30.5%
Add:		
Net (loss)/profit on sale of property, plant and equipment and intangible assets	**(0.0%)**	0.0%
Decrease in restructuring costs provision	**0.0%**	—
Less:		
Depreciation	**(11.9%)**	(9.3%)
Amortization	**(3.3%)**	(3.2%)
Impairment of product development costs capitalized	**(0.0%)**	(0.0%)
Share-based compensation costs	**(1.1%)**	(0.6%)
Equity-settled share-based compensation costs	**(1.1%)**	(0.6%)
Cash-settled share-based compensation costs	**—**	—
Increase in restructuring costs provision	**—**	(0.2%)
Operating profit margin	**14.5%**	17.2%
Add: Finance (costs)/income - net	**(0.7%)**	0.1%
Less: Taxation	**(7.1%)**	(7.1%)
Profit for the year margin	**6.7%**	10.2%

6. Assets Classified as Held for Sale

The assets previously classified as held for sale in the comparative period and Q1 2020, related to the property owned by the Central Services Organization, a division of MiX Telematics International Proprietary Limited. MiX Telematics entered into agreements pertaining to a Broad-Based Black Economic Empowerment ("B-BBEE") transaction, in which the sale of this property is included. The transaction was subject to certain conditions precedent which were fulfilled on May 17, 2019. The sale and leaseback of this property was recognized in Q2 2020 as the transfer of this property was concluded on July 25, 2019. This transaction was fully accounted for in the second quarter of fiscal 2020.

7. Free Cash Flow

Reconciliation of Free Cash Flow to Net Cash generated from Operating Activities

	South African Rand	
Figures are in thousands unless otherwise stated	Year ended March 31, 2020 Reviewed	Year ended March 31, 2019 Unaudited
Net cash generated from operating activities	**453,355**	463,846
Capital expenditure payments	**(321,131)**	(286,458)
Free cash flow	**132,224**	177,388

8. Share Repurchase

On May 23, 2017, the MiX Telematics Board of Directors approved a share repurchase program of up to R270 million under which the Company may repurchase its ordinary shares, including American Depositary Shares ("ADSs"). The Company may repurchase its shares from time to time at its discretion through open market transactions and block trades, based on ongoing assessments of the capital needs of the Company, the market price of its securities and general market conditions. This share repurchase program may be discontinued at any time by the Board of Directors, and the Company has no obligation to repurchase any amount of its securities under the program. The share repurchase program will be funded out of existing cash resources.

Fiscal 2020 purchase

The following repurchases have been made under the share repurchase program during fiscal 2020:

South African Rand	Total number of shares repurchased	Average price paid per share (R) [1]	Shares canceled under the share repurchase program	Value of shares purchased as part of publicly announced program (R'000)	Maximum value of shares that may yet be purchased under the program (R'000)
Opening balance April 1, 2019	14,173,355	6.51	14,173,355	92,214	177,786
Transactions per quarter	16,856,001	8.54	3,039,251	144,271	33,515
ended June 30, 2019	—	—	—	—	177,786
ended September 30, 2019	13,816,750	8.62	—	119,125	58,661
ended December 31, 2019	166,615	7.25	—	1,207	57,454
ended March 31, 2020	2,872,636	8.33	3,039,251	23,939	33,515
Closing balance March 31, 2020	31,029,356	7.61	17,212,606	236,485	33,515

(1) *Including transaction costs.*

Purchases made in fiscal 2019 and fiscal 2018 are detailed in item 18, financial statements of the Form 20-F filed for fiscal 2019. This is also included in the Group's published annual financial statements for fiscal 2019.

Share repurchases in Q3 2020 and Q4 2020 were delisted in the current quarter and now form part of the authorized unissued share capital of the Company.

9. Dividends Paid

Dividend payments are currently considered on a quarter-by-quarter basis.

The following dividends were declared by the Company in fiscal 2020 (excluding dividends paid on treasury shares):

- In respect of the fourth quarter of fiscal 2019, a dividend of R22.5 million was declared on May 7, 2019 and paid on May 31, 2019. Using shares in issue of 561,455,639 (excluding 40,000,000 treasury shares), this equated to a dividend of 4 South African cents per share.
- In respect of the first quarter of fiscal year 2020, a dividend of R22.5 million was declared on July 30, 2019 and paid on August 26, 2019. Using shares in issue of 562,537,269 (excluding 40,000,000 treasury shares), this equated to a dividend of 4 South African cents per share.
- In respect of the second quarter of fiscal year 2020, a dividend of R22.0 million was declared on October 29, 2019 and paid on November 25, 2019. Using shares in issue of 550,132,895 (excluding 53,816,750 treasury shares), this equated to a dividend of 4 South African cents per share.

- In respect of the third quarter of fiscal year 2020, a dividend of R21.9 million was declared on January 31, 2019 and paid on February 24, 2020. Using shares in issue of 547,117,143 (excluding 56,856,001 treasury shares), this equated to a dividend of 4 South African cents per share.

The following dividends were declared by the Company in fiscal 2019 (excluding dividends paid on treasury shares):

- In respect of the fourth quarter of fiscal 2018, a dividend of R16.9 million was declared on May 8, 2018 and paid on June 4, 2018. Using shares in issue of 564,420,145 (excluding 40,000,000 treasury shares), this equated to a dividend of 3 South African cents per share.

- In respect of the first quarter of fiscal year 2019, a dividend of R16.9 million was declared on July 31, 2018 and paid on August 27, 2018. Using shares in issue of 564,634,076 (excluding 40,000,000 treasury shares), this equated to a dividend of 3 South African cents per share.

- In respect of the second quarter of fiscal year 2019, a dividend of R16.8 million was declared on October 30, 2018 and paid on November 26, 2018. Using shares in issue of 561,807,639 (excluding 40,000,000 treasury shares), this equated to a dividend of 3 South African cents per share.

- In respect of the third quarter of fiscal year 2019, a dividend of R16.9 million was declared on January 31, 2019 and paid on February 25, 2019. Using shares in issue of 561,807,639 (excluding 40,000,000 treasury shares), this equated to a dividend of 3 South African cents per share.

10. Fair values of financial assets and liabilities measured at amortized cost

The fair values of trade and other receivables, restricted cash, cash and cash equivalents, trade payables, accruals, bank overdrafts and other payables approximate their book values as the impact of discounting is not considered material due to the short-term nature of both the receivables and payables.

11. Contingencies

Service agreement

In terms of an amended network services agreement with Mobile Telephone Networks Proprietary Limited ("MTN"), MTN is entitled to claw back payments from MiX Telematics Africa Proprietary Limited, a subsidiary of the Group, in the event of early cancellation of the agreement or certain base connections not being maintained over the term of the agreement. No connection incentives will be received in terms of the amended network services agreement. The maximum potential liability under the arrangement is R34.5 million. No loss is considered probable under this arrangement.

Competition Commission of South Africa matter

On April 15, 2019 the Competition Commission of South Africa ("Commission") referred a matter to the Competition Tribunal of South Africa ("Tribunal"). The Commission contends that the Group and a number of our channel partners have engaged in market division. Should the Tribunal rule against MiX Telematics, the Group may be liable to an administrative penalty in terms of the Competition Act, No. 89 of 1998. The Group had cooperated fully with the Commission during its preliminary investigation. We cannot predict the timing of a resolution or the ultimate outcome of the matter, however, the Group and our external legal advisers continue to believe that we have consistently adhered to all applicable laws and regulations and that the referral from the Commission is without merit. We have therefore currently not made any provisions for this matter.

12. Taxation

Section 11D Allowances relating to tax assets recognized

MiX Telematics International Proprietary Limited ("MiX International"), a subsidiary of the Group, historically claimed a 150% allowance for research and development spend in terms of section 11D ("S11D") of the South African Income Tax Act No. 58 of 1962 ("the Act"). As of October 1, 2012, the legislation relating to the allowance was amended. The amendment requires pre-approval of development project expenditure on a project specific basis by the South African Department of Science and Innovation ("DSI") in order to claim a deduction of the additional 50% over and above the expenditure incurred (150% allowance). Since the amendments to S11D of the Act, MiX International had been claiming the 150% deduction resulting in a recognized tax benefit. MiX International has complied with the amended legislation by submitting all required documentation to the DSI in a timely manner, commencing in October 2012.

In June 2014, correspondence was received from the DSI indicating that the research and development expenditure on certain projects for which the 150% allowance was claimed in the 2013 and 2014 fiscal years did not, in the DSI's opinion, constitute qualifying expenditure in terms of the Act. MiX International, through due legal process, had formally requested a review of the DSI's decision not to approve this expenditure. While approvals were obtained for a portion of this project expenditure as a result of a further review performed by the DSI in February 2017, we continued to seek approval for for the remaining projects relating to prior financial years. MiX International had previously reported a current tax asset of R2.8 million relating to this uncertain tax position in respect of S11D deductions where approvals were pending. During January 2020 , the DSI advised that all outstanding applications relating to prior years had been approved and a further tax benefit of R4.3 million has been processed during the fourth quarter of fiscal 2020.

Impact of foreign exchange movements and share-based compensation costs related to Performance Share Awards
The impact of foreign exchange movements, share-based compensation costs related to Performance Share Awards, and the related tax effects on the Group's effective tax rate is shown below:

South African Rand	**Year ended March 2020 Reviewed**				Year ended March 2019 Reviewed			
	Profit for the period	**Foreign exchange losses**	**Share-based compensation costs**	**Adjusted earnings**	Profit for the period	Foreign exchange gains	Share-based compensation costs	Adjusted earnings
Profit before tax	**297,136**	**9,008**	**13,622**	**319,766**	340,298	(383)	5,110	345,025
Taxation	**(152,118)**	**59,507**	**678**	**(91,933)**	(137,962)	48,060	(678)	(90,580)
Profit after tax	**145,018**	**68,515**	**14,300**	**227,833**	202,336	47,677	4,432	254,445
Attributable to:								
Owners of the parent	**145,022**	**68,515**	**14,300**	**227,837**	202,336	47,677	4,432	254,445
Non-controlling interest	**(4)**	**—**	**—**	**(4)**	—	—	—	—
	145,018	**68,515**	**14,300**	**227,833**	202,336	47,677	4,432	254,445
Effective tax rate	**51.2%**	**—**	**(5.0)%**	**28.8%**	40.5%	—	13.3%	26.3%

Excluding the impact of foreign exchange gains and losses, share-based compensation costs related to performance share awards and the related tax consequences, the effective tax rate in fiscal 2020 is 2.5% above the effective tax rate in fiscal 2019.

14. Other Operating and Financial Data

Figures are in thousands except for subscribers	South African Rand Year ended March 31, 2020 Reviewed	Year ended March 31, 2019 Audited
Total revenue	**2,151,997**	1,975,863
Subscription revenue	**1,884,881**	1,693,245
Hardware revenue	**223,035**	241,837
Driver training, installation and other revenue	**44,081**	40,781
Adjusted EBITDA	**663,884**	602,785
Cash and cash equivalents	**318,071**	383,443
Net cash (1)	**275,655**	353,181
Capital expenditure incurred	**301,840**	302,047
Property, plant and equipment expenditure (2)	**203,245**	208,910
Intangible asset expenditure	**98,595**	93,137
Capital expenditure authorized but not spent	**102,908**	110,707
Total development costs incurred	**130,402**	132,341
Development costs capitalized	**69,761**	69,911
Development costs expensed within administration and other charges	**60,641**	62,430
Subscribers (number)	**818,487**	750,455
Net asset value per share (R)	**3.32**	3.12
Net tangible asset value per share (R)	**1.34**	1.32

(1) *Net cash is calculated as being net cash and cash equivalents, excluding restricted cash.*

(2) *Excludes non-cash additions related to the right-of-use assets arising from IFRS 16 Leases.*

	Year ended March 31, 2020 Unaudited	Year ended March 31, 2019 Unaudited
Exchange Rates		
The following major rates of exchange were used:		
South African Rand: United States Dollar		
-closing	**17.92**	14.48
-average	**14.78**	13.75
South African Rand: British Pound		
-closing	**22.21**	18.90
-average	**18.78**	18.03

The Group's functional and presentation currency is South African Rand. The weakening of the closing rate of the South African Rand against the functional currencies of the Group's foreign operations resulted in an increase in assets and liabilities in respect of the foreign operations and the resulting foreign currency translation reserve increase of R145.5 million since March 31, 2019.

15. Changes to the Board of Directors

John Granara has been appointed as Chief Financial Officer (“CFO”) and Executive Vice President, effective July 8, 2019. John Granara will succeed Paul Dell, who has filled the role of interim CFO since early 2017 and who resigned from the Board as interim CFO and Director of the Company with effect from July 8, 2019. Paul will continue at MiX Telematics as Chief Accounting Officer and Americas CFO.

Anthony (Tony) Welton retired with effect from September 30, 2019. Following Tony’s retirement, the Board of Directors has elected Fundiswa Roji-Maplanka, an independent non-executive Director and a member of the Audit and Risk Committee, as chairperson of the Audit and Risk Committee. Fikile Futwa, an independent non-executive Director, assumed the role of chairperson of the Social and Ethics Committee with effect from October 1, 2019.

16. Events after the reporting period

Other than the items below, the directors are not aware of any matter material or otherwise arising since March 31, 2020 and up to the date of this report.

Global outbreak of COVID-19

As discussed in the commentary above the global outbreak of COVID-19 has had and, we believe, will continue to have an adverse impact on global economies and financial markets. We have taken into account the impact of COVID-19, to the extent possible, on our financial statements as at reporting date. However, future changes in economic conditions related to COVID-19 could have an impact on future estimates and judgements used, particularly those relating to Goodwill sensitivities and impairment assessments.

Dividend declared

The Board of Directors declared in respect of the fourth quarter of fiscal 2020 which ended on March 31, 2020, a dividend of 4 South African cents per ordinary share to be paid on June 22, 2020.

Details of Dividend Declared

The details with respect to the dividends declared for ordinary shareholders are as follows:

Last day to trade cum dividend	Monday, June 15, 2020
Securities trade ex dividend	Wednesday, June 17, 2020
Record date	Friday, June 19, 2020
Payment date	Monday, June 22, 2020

Share certificates may not be dematerialized or rematerialized between Wednesday, June 17, 2020 and Friday, June 19, 2020, both days inclusive.

Shareholders are advised of the following additional information:

- the dividend has been declared out of income reserves;
- the local dividends tax rate is 20%;
- the gross local dividend amounts to 4 South African cents per ordinary share;
- the net local dividend amount is 3.2 South African cents per ordinary share for shareholders liable to pay dividends tax;
- the issued ordinary share capital of MiX Telematics is 600,933,893 ordinary shares of no par value; and
- the Company's tax reference number is 9155/661/84/7.

The details with respect to the dividends declared for holders of our ADSs are as follows:

Ex dividend on New York Stock Exchange (NYSE)	Thursday, June 18, 2020
Record date	Friday, June 19, 2020
Approximate date of currency conversion	Monday, June 22, 2020
Approximate dividend payment date	Thursday, July 2, 2020

Annual general meeting

The annual general meeting of shareholders of MiX Telematics will be held at Matrix Corner, Howick Close, Waterfall Park, Midrand, Johannesburg on Wednesday, September 9, 2020 at 2:30 p.m. (South African time). For South African shareholders, the last day to trade in order to be eligible to participate in and vote at the annual general meeting is Tuesday, September 1, 2020 and the record date for voting purposes is Friday, September 4, 2020. The notice of annual general meeting will be distributed to shareholders no later than Friday June 30, 2020.

For and on behalf of the board:

RA Frew **SB Joselowitz**

Midrand

May 28, 2020

MIX TELEMATICS LIMITED
CONDENSED CONSOLIDATED INCOME STATEMENT

Figures are in thousands unless otherwise stated	South African Rand Three months ended March 31, 2020 Unaudited	Three months ended March 31, 2019 Unaudited
Revenue	**555,417**	507,897
Cost of sales	**(238,491)**	(168,054)
Gross profit	**316,926**	339,843
Other income/(expenses) - net	**134**	218
Operating expenses	**(257,479)**	(242,251)
-Sales and marketing	**(47,878)**	(48,678)
-Administration and other charges (1)	**(209,601)**	(193,573)
Operating profit	**59,581**	97,810
Finance income/(costs) - net	**(8,286)**	1,003
-Finance income	**2,177**	3,838
-Finance costs	**(10,463)**	(2,835)
Profit before taxation	**51,295**	98,813
Taxation	**(88,584)**	(21,833)
(Loss)/Profit for the period	**(37,289)**	76,980
Attributable to:		
Owners of the parent	**(37,287)**	76,979
Non-controlling interest	**(2)**	1
	(37,289)	76,980
Earnings per share		
-basic (R)	**(0.07)**	0.14
-diluted (R)	**(0.07)**	0.13
Earnings per American Depositary Share		
-basic (R)	**(1.70)**	3.43
-diluted (R)	**(1.70)**	3.32
Adjusted earnings per share		
-basic (R)	**0.08**	0.14
-diluted (R)	**0.08**	0.14
Adjusted earnings per American Depositary Share		
-basic (R)	**2.07**	3.61
-diluted (R)	**2.07**	3.49

(1) *includes R25.9 million (March 31, 2019: R7.2 million) relating to IFRS 9 expected credit losses on trade receivables.*

NOTES TO CONDENSED CONSOLIDATED FINANCIAL RESULTS

1. Basis of preparation and accounting policies

Financial results for the fourth quarter of fiscal year 2020

Further to the Group's financial results for the year ended March 31, 2020, additional financial information in respect of the fourth quarter of fiscal year 2020 has been presented together with the relevant comparative information. The quarterly information comprises a condensed consolidated income statement, a reconciliation of Adjusted earnings to profit for the period (note 3), a reconciliation of Adjusted EBITDA to profit for the period (note 4) and a reconciliation of Adjusted EBITDA margin to profit for the period margin (note 5) and other financial and operating data (note 6).

The accounting policies used in preparing the financial results for the fourth quarter of fiscal year 2020 are consistent in all material respects with those applied in the preparation of the Group's annual financial statements for the year ended March 31, 2019, except for the adoption of IFRIC 23 *Uncertainty over Income Tax Treatments* ("IFRIC 23") which had no material effect.

The quarterly financial results have not been audited or reviewed by the Group's external auditors.

2. Presentation currency

The Group's presentation currency is South African Rand.

3. Reconciliation of Adjusted Earnings to Profit for the Period

	South African Rand	
Figures are in thousands unless otherwise stated	**Three months ended March 31, 2020 Unaudited**	Three months ended March 31, 2019 Unaudited
(Loss)/Profit for the period attributable to owners of the parent	**(37,287)**	76,979
Net foreign exchange losses	**6,657**	90
IFRS 2 charge on performance share awards	**3,689**	2,869
Income tax effect on the above components	**72,327**	1,106
Adjusted earnings attributable to owners of the parent	**45,386**	81,044
Reconciliation of earnings per share to adjusted earnings per share		
Basic earnings per share (R)	**(0.07)**	0.14
Net foreign exchange losses	**0.01**	#
IFRS 2 charge on performance share awards	**0.01**	#
Income tax effect on the above components	**0.13**	#
Basic adjusted earnings per share (R)	**0.08**	0.14
Adjusted earnings per share		
-basic (R)	**0.08**	0.14
-diluted (R)	**0.08**	0.14
Adjusted earnings per American Depositary Share		
-basic (R)	**2.07**	3.61
-diluted (R)	**2.07**	3.49
Ordinary shares ('000)(1)		
-in issue at March 31	**547,117**	561,947
-weighted average	**547,664**	561,859
-diluted weighted average	**547,664**	580,077
Weighted average American Depositary Shares ('000)(1)		
-in issue at March 31	**21,885**	22,478
-weighted average	**21,907**	22,474
-diluted weighted average	**21,907**	23,203

 # Amount less than R0.01.

(1) Excludes 53,816,750 treasury shares held by MiX Investments, a wholly owned subsidiary of the Group (March 2019: 40,000,000).

4. Reconciliation of Adjusted EBITDA to Profit for the Period

	South African Rand	
Figures are in thousands unless otherwise stated	**Three months ended March 31, 2020 Unaudited**	Three months ended March 31, 2019 Unaudited
Adjusted EBITDA	**176,087**	167,631
Add:		
Net (loss)/profit on sale of property, plant and equipment and intangible assets	**(1,459)**	21
Less:		
Depreciation (1)	**(89,556)**	(49,026)
Amortization (2)	**(17,728)**	(15,255)
Impairment of product development costs capitalized	**(635)**	(878)
Equity-settled share-based compensation costs	**(7,128)**	(3,991)
Increase in restructuring costs provision	**—**	(692)
Operating profit	**59,581**	97,810
Add: Finance (costs)/income - net	**(8,286)**	1,003
Less: Taxation	**(88,584)**	(21,833)
Profit for the period	**(37,289)**	76,980

(1) Includes depreciation of property, plant and equipment (including in-vehicle devices and right-of-use assets).

(2) Includes amortization of intangible assets (including product development costs and intangible assets identified as part of a business combination).

5. Reconciliation of Adjusted EBITDA margin to Profit for the Period margin

	Three months ended March 31, 2020 Unaudited	Three months ended March 31, 2019 Unaudited
Adjusted EBITDA margin	**31.7%**	33.0%
Add:		
Net (loss)/profit on sale of property, plant and equipment and intangible assets	**(0.3%)**	0.0%
Less:		
Depreciation	**(16.1%)**	(9.6%)
Amortization	**(3.2%)**	(3.0%)
Impairment	**(0.1%)**	(0.2%)
Equity-settled share-based compensation costs	**(1.3%)**	(0.8%)
Increase in restructuring costs provision	**—**	(0.1%)
Operating profit margin	**10.7%**	19.3%
Add: Finance (costs)/income - net	**(1.5%)**	0.2%
Less: Taxation	**(15.9%)**	(4.3%)
Profit for the period margin	**(6.7%)**	15.2%

6. Other Operating and Financial Data

	South African Rand	
Figures are in thousands unless otherwise stated	Three months ended March 31, 2020 Unaudited	Three months March 31, 2019 Unaudited
Total revenue	**555,417**	507,897
Subscription revenue	**482,590**	443,791
Hardware revenue	**62,977**	53,025
Driver training, installation and other revenue	**9,850**	11,081
Adjusted EBITDA	**176,087**	167,631
Cash and cash equivalents	**318,071**	383,443
Net cash [(1)]	**275,655**	353,181
Capital expenditure incurred	**33,796**	58,663
Property, plant and equipment expenditure	**12,082**	28,856
Intangible asset expenditure	**21,714**	29,807
Total development costs incurred	**31,289**	31,543
Development costs capitalized	**17,186**	17,189
Development costs expensed within administration and other charges	**14,103**	14,354
Subscribers (number)	**818,487**	750,455

(1) *Net cash is calculated as being net cash and cash equivalents, excluding restricted cash.*

(2) *Excludes non-cash additions related to the right-of-use assets arising from IFRS 16 Leases.*

	Three months ended March 31, 2020 Unaudited	Three months ended March 31, 2019 Unaudited
Exchange Rates		
The following major rates of exchange were used:		
South African Rand: United States Dollar		
-closing	**17.92**	14.48
-average	**15.32**	14.01
South African Rand: British Pound		
-closing	**22.21**	18.90
-average	**19.61**	18.24

7. Development costs historical data

The table below sets out development costs incurred and capitalized for each of the last eight quarters including the period ended March 31, 2020.

Figures are in thousands (Unaudited)

	South African Rand Three months ended							
	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018
Total development costs incurred	**31,289**	32,858	32,660	33,595	31,543	32,707	33,983	34,108
Development costs capitalized	**17,186**	17,752	17,173	17,650	17,189	17,907	17,571	17,245
Development costs expensed within administration and other charges	**14,103**	15,106	15,487	15,945	14,354	14,800	16,412	16,863

For more information please visit our website at: **www.mixtelematics.com**

MiX Telematics Limited
(Incorporated in the Republic of South Africa)
(Registration number: 1995/013858/06)
JSE share code: MIX   NYSE code: MIXT   ISIN: ZAE000125316
("MiX Telematics" or "the Company" or "the Group")

Registered office
Matrix Corner, Howick Close, Waterfall Park, Midrand

Directors
RA Frew* (Chairman), SB Joselowitz (CEO), SR Bruyns*# (Lead Independent Director), JR Granara (CFO), F Futwa*#, IV Jacobs*#, F Roji-Maplanka*#, CWR Tasker.
* Non-executive
# Independent

Company secretary
Statucor Proprietary Limited
CelesteS@statucor.co.za

Auditors
Deloitte & Touche

Sponsor
Java Capital

May 28, 2020