

2023

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MiX Telematics reports first half of fiscal year 2023 IFRS financial results

www.mixtelematics.co.za



MiX Telematics Reports First Half of Fiscal Year 2023 IFRS Financial Results

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.

First Half of Fiscal Year 2023 Highlights:

- **Total revenue of R1,145 million, up 8% year-over-year in constant currency**
- **Subscription revenue of R1,004 million, up 9% year-over-year in constant currency**
- **Concluded the acquisition of Trimble's Field Service Management business ("FSM")**
- **Annual recurring revenue ("ARR") of R2 252 million, up 17% year-over-year in constant currency**
- **Organic net subscriber adds of 61,500 subscribers, including a record 38,300 in the second quarter**
- **Ending total active subscriber base of 914,600, including 38,000 from the acquisition of FSM**
- **Net cash and cash equivalents of R138 million at period end**

Midrand, South Africa and Boca Raton, October 27, 2022 - MiX Telematics Limited (NYSE: MIXT, JSE: MIX), a leading global Software-as-a-Service ("SaaS") provider of connected fleet management solutions, today announced financial results for its first half of fiscal year 2023, which ended on September 30, 2022.

Management Commentary

"In the first half of the fiscal year, we delivered solid results and further positioned MiX to take full advantage of the growing demand for cloud-based telematics solutions," said CEO Stefan Joselowitz. "We organically added 61,500 subscribers to our platform, including a record 38,300 in the second quarter of our fiscal year. We also completed our acquisition of Trimble's FSM business, which added 38,000 subscribers and \$10.6 million of ARR to our USA business and serves to significantly expand our footprint outside of the energy sector in that geography. These are notable milestones as we execute on our dual-pronged organic growth and M&A strategy."

"For the second half of the fiscal year, in addition to maintaining our growth trajectory, we plan to continue to execute on ongoing cost savings initiatives and working-capital optimization, to improve operating margins and cash generation."

Financial performance for the first half of fiscal year 2023

Subscription revenue: Subscription revenue increased to R1,003.8 million, an increase of 12.6% compared to R891.2 million for the first half of fiscal year 2022. The FSM business acquired on September 2, 2022 contributed R15.7 million to the subscription revenues for the first half of fiscal year 2023. On a constant currency basis, subscription revenue increased by 8.5%. 1.4% of this increase is attributable to the FSM business acquisition. During the first half of fiscal year 2023, the Company's subscriber base increased by a net 99,500 subscribers. The group reported record organic net subscriber growth of 61,500 subscribers with contributions across all solution categories. 38,000 subscribers were added by MiX Telematics North America Inc., from the acquired FSM business. Subscription revenue represented 87.7% of total revenue during the first half of fiscal year 2023.

Total revenue: Total revenue was R1,144.7 million, an increase of 12.2% compared to R1,020.5 million for the first half of fiscal year 2022. Total revenue increased by 7.9% on a constant currency basis. Hardware and other revenue was R140.9 million, an increase of 8.9%, compared to R129.4 million for the first half of fiscal year 2022. Hardware and other revenues decreased by 1.7% on a constant currency basis.

Gross margin: Gross profit was R705.8 million, compared to R651.8 million for the first half of fiscal year 2022. Gross profit margin was 61.7%, compared to 63.9% for the first half of fiscal year 2022. The subscription revenue margin during the first half of fiscal year 2023 was 67.3%, compared to 70.0% for the first half of fiscal year 2022.

Operating profit: Operating profit was R71.5 million, compared to R122.7 million in the first half of fiscal year 2022. The operating margin was 6.2%, compared to 12.0% in the first half of fiscal year 2022. Operating

expenses represented 55.6% of revenue compared to 52.0% in the first half of fiscal year 2022. The increase in operating expenses included acquisition-related costs of R12.8 million and also included a R30.3 million increase in sales and marketing investments.

Loss for the period and earnings per share: Loss for the period was R2.2 million, compared to a profit of R74.2 million in the first half of fiscal year 2022. Loss for the period included a net foreign exchange gain of R24.4 million before tax, as well as a R60.0 million deferred tax charge on a U.S. Dollar intercompany loan between MiX Telematics and MiX Telematics Investments Proprietary Limited ("MiX Investments"), a wholly-owned subsidiary of the Company. During the first half of fiscal year 2022, a net foreign exchange loss of R0.2 million was recognized, as well as a R3.9 million deferred tax charge on a U.S. Dollar intercompany loan between MiX Telematics and MiX Investments.

Earnings per diluted ordinary share was negative 0.4 South African cents, compared to positive 13 South African cents in the first half of fiscal year 2022. For the first half of fiscal year 2023, the calculation was based on diluted weighted average ordinary shares in issue of 556.2 million, compared to 565.5 million diluted weighted average ordinary shares in issue during the first half of fiscal year 2022.

Adjusted Effective Tax Rate: The Company's effective tax rate was 102.3%, compared to 36.1% for the first half of fiscal year 2022. Adjusted effective tax rate, which excludes the impact of net foreign exchange gains and losses net of tax and acquisition-related costs, is the tax rate, which is used in calculating adjusted earnings below. Adjusted effective tax rate was 45.4% compared to 32.1% in the first half of fiscal year 2022.

Adjusted EBITDA: Adjusted EBITDA was R217.1 million compared to R254.6 million for the first half of fiscal year 2022. Adjusted EBITDA margin was 19.0%, compared to 24.9% in the first half of fiscal year 2022.

Adjusted earnings for the period and adjusted earnings per share: Adjusted earnings for the period were R47.0 million, compared to R78.9 million in the first half of fiscal year 2022. Adjusted earnings per diluted ordinary share were 8 South African cents, compared to 14 South African cents for the first half of fiscal year 2022.

Cash and Cash Equivalents and Cash Flow: At September 30, 2022, the Company had R138.1 million of net cash and cash equivalents, compared to R407.8 million at March 31, 2022.

The Company generated R47.9 million in net cash from operating activities for the first half of fiscal year 2023 and invested R240.1 million in capital expenditures during the period (including investments in in-vehicle devices of R173.2 million), leading to a negative free cash flow of R192.2 million, compared to a negative free cash flow of R32.5 million for the first half of fiscal year 2022. Capital expenditures in the first half of fiscal year 2022 were R203.1 million and included in-vehicle devices of R140.1 million.

Net cash used in investing activities for the first half of fiscal year 2023 was R302.3 million, which includes R64.6 million paid by MiX Telematics North America for the acquisition of Trimble's FSM business, compared to R203.0 million net cash used in investing activities for the first half of fiscal year 2022.

The Company utilized R56.8 million in financing activities, compared to R51.2 million utilized during the first half of fiscal year 2022. The cash utilized in financing activities during the first half of fiscal year 2023 mainly consisted of dividends paid of R44.1 million, the payment of lease liabilities of R10.9 million, and the repurchase of shares of R1.7 million. The cash utilized during the first half of fiscal year 2022 consisted primarily of dividends paid of R44.0 million and the payment of lease liabilities of R7.2 million.

Segment commentary for the first half of fiscal year 2023

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 Half-year 2023 R'000	Total Revenue Half-year 2023 R'000	Adjusted EBITDA Half-year 2023 R'000	Adjusted EBITDA Half-year % change on prior period	Adjusted EBITDA Margin Half-year 2023
Africa	604,500	654,722	251,745	(1.5%)	38.5%
	Subscription revenue increased by 11.7% on a constant currency basis, as a result of 17.1% increase in subscribers since October 1, 2021. Total revenue increased by 12.6% on a constant currency basis. The region reported an Adjusted EBITDA margin of 38.5%, down from the 44.2% Adjusted EBITDA margin reported in the first half of fiscal year 2022.				
Americas	125,232	144,169	18,206	121.2%	12.6%
	Subscription revenue increased by 8.9% on a constant currency basis in the segment. The organic movement decreased by 3.6% although there was a 6.4 % increase in subscribers since October 1, 2021. The FSM business acquired on September 2, 2022 reported subscription revenue of R15.5 million in the month of September which contributed 12.5% to the constant currency subscription revenue increase and increased the segments subscriber base by 104.7%. Total revenue increased by 14.6% on a constant currency basis. The region reported an Adjusted EBITDA margin of 12.6%, up from the 7.4% Adjusted EBITDA margin reported in the first half of fiscal year 2022.				
Middle East and Australasia	131,571	176,725	64,906	(13.3%)	36.7%
	Subscription revenue decreased by 1.2% on a constant currency basis in the segment despite a 4.2% increase in subscribers since October 1, 2021. Total revenue decreased by 0.3% on a constant currency basis. The region reported an Adjusted EBITDA margin of 36.7%, down from the 45.6% Adjusted EBITDA margin reported in the first half of fiscal year 2022.				
Europe	100,342	116,609	38,011	(23.0%)	32.6%
	Subscription revenue increased by 0.7% on a constant currency basis in the segment as a result of a 0.6% increase in subscribers since October 1, 2021. Total revenue decreased by 15.3% on a constant currency basis as hardware and other revenue decreased by 56.5%. The region reported an Adjusted EBITDA margin of 32.6%, down from the 36.6% Adjusted EBITDA margin reported in the first half of fiscal year 2022.				
Brazil	41,488	51,857	13,728	57.8%	26.5%
	Subscription revenue increased by 14.7% on a constant currency basis in the segment as a result of an increase in subscribers of 16.2% since October 1, 2021. Total revenue increased by 40.2% on a constant currency basis. The segment reported an Adjusted EBITDA margin of 26.5%, down from the 27.7% Adjusted EBITDA margin reported in the first half of fiscal year 2022.				
Central Services Organization	665	665	(88,865)	(22.5%)	—
	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.				

Conference Call Information

MiX Telematics management will 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, October 27, 2022 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 13733661.
- 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 13733661.
- 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 connected fleet and mobile asset solutions delivered as SaaS to over 914,000 subscribers in over 120 countries. The Company's products and services provide enterprise fleets, small fleets and consumers with solutions for efficiency, safety, compliance and security. MiX Telematics was founded in 1996 and has offices in South Africa, the United Kingdom, the United States, Uganda, Brazil, Australia, Romania and the United Arab Emirates as well as a network of more than 130 fleet value-added resellers 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 regarding our position to execute on our growth strategy, and our ability to expand our leadership position. These forward-looking statements include, but are not limited to, the Company's beliefs, plans, goals, objectives, expectations, assumptions, estimates, intentions, future performance, other statements that are not historical facts and statements identified by words such as "expects", "anticipates", "intends", "plans", "believes", "seeks", "estimates" or words of similar meaning. 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. Although we believe that our plans, intentions, expectations, strategies and prospects as reflected in, or suggested by, these forward-looking statements are reasonable, we can give no assurance that the plans, intentions, expectations or strategies will be attained or achieved.

Furthermore, actual results may differ materially from those described in the forward-looking statements and will be affected by a variety of known and unknown risks and uncertainties, some of which are beyond our control including, without limitation:

- the ongoing effects and economic impact of COVID-19 or any other pandemic on our business, results of operations and financial conditions as well as the impact on our customer's ability to meet their financial obligations, are highly uncertain and difficult to predict;
- our ability to attract, sell to and retain customers;
- our ability to improve our growth strategies successfully, including our ability to increase sales to existing customers;
- our ability to adapt to rapid technological change in our industry and the use of artificial intelligence;
- competition from industry consolidation and new entrants into the industry;
- loss of key personnel or our failure to attract, train and retain other highly qualified personnel;
- our ability to integrate any businesses we acquire;
- the introduction of new solutions and international expansion;
- the impact of the global component shortage and supply chain disruptions;
- our dependence on key suppliers and vendors to manufacture our hardware;
- our dependence on our network of dealers and distributors to sell our solutions;
- our ability to navigate and adapt in adverse global economic and market conditions;
- businesses may not continue to adopt fleet management solutions;
- our future business and system development, results of operations and financial condition;

- expected changes in our profitability and certain cost or expense items as a percentage of our revenue;
- changes in the practices of insurance companies;
- the impact of laws and regulations relating to the Internet and data privacy;
- our ability to ensure compliance with export laws, customs and import regulations, economic sanctions and Export Administration Regulations;
- our ability to protect our intellectual property and proprietary technologies and address any infringement claims;
- our ability to defend ourselves from litigation or administrative proceedings relating to labor, regulatory, tax or similar issues;
- significant disruption in service on, or security breaches of, our websites or computer systems;
- our dependence on third-party technology;
- fluctuations in the value of the South African Rand;
- economic, social, political, labor and other conditions and developments in South Africa and globally;
- our ability to issue securities and access the capital markets in the future; and
- other risks set forth in our filings with the U.S. Securities Exchange Commission.

We assume no obligation to update any forward-looking statements contained in this press release and expressly disclaim any obligation to do so, whether as a result of new information, future events or otherwise, except as required by law.

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/loss 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 and acquisition-related costs. We define Adjusted EBITDA margin as Adjusted EBITDA divided by total revenue.

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;
- other companies, including companies in our industry, may calculate Adjusted EBITDA differently, which reduces its usefulness as a comparative measure; and

- certain of the adjustments (such as restructuring costs, impairment of long-lived assets and others) made in calculating Adjusted EBITDA are those that management believes are not representative of our underlying operations and, therefore, are subjective in nature.

Because of these limitations, you should consider Adjusted EBITDA and Adjusted EBITDA margin 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 1/2021 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 acquisition-related costs 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 as well as acquisition-related costs from earnings.

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

Adjusted Effective Tax Rate

The adjusted effective tax rate on adjusted earnings is defined as income tax expense excluding the income tax effect of net foreign exchange gains/losses divided by profit before income tax expense excluding net foreign exchange gains/losses and acquisition-related costs.

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 not been reviewed by our auditors.

Key Business Metrics

Annual Recurring Revenue (“ARR”)

We believe that the ARR is a key indicator of the trajectory of our business performance and serves as an indicator of future subscription revenue growth. We define ARR as the annualized value of subscription contracts that have commenced revenue recognition as of the measurement date. ARR is calculated by taking the subscription revenue for the last month of the period, multiplied by 12. It provides a 12 month forward view of revenue, assuming unit numbers, pricing and foreign exchange rates (the average monthly exchange rates applicable to the last month of the period) remain unchanged during the year. Constant currency ARR growth has been determined by adjusting the prior financial reporting period results to the last month of the current period average exchange rates, determined as the average monthly exchange rates applicable to the last month of the period.

ARR does not have a standardized meaning and is not necessarily comparable to similarly titled measures presented by other companies. ARR should be viewed independently of revenue and is not intended to be combined with or to replace it. ARR is not a forecast and the active contracts at the date used in calculating ARR may or may not be extended or renewed.

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October 27, 2022

Unaudited interim financial results

for the six months ended September 30, 2022

CONDENSED CONSOLIDATED INCOME STATEMENT

South African Rand

Figures are in thousands unless otherwise stated

	Six months ended September 30, 2022 Unaudited	Six months ended September 30, 2021 Unaudited
Revenue	1,144,747	1,020,517
Cost of sales	(438,923)	(368,736)
Gross profit	705,824	651,781
Other income/(expenses) - net	1,851	1,162
Operating expenses	(636,177)	(530,254)
-Sales and marketing	(136,501)	(106,182)
-Administration and other charges ¹	(499,676)	(424,072)
Operating profit	71,498	122,689
Finance income/(costs) - net	26,163	(6,656)
-Finance income	38,848	3,485
-Finance costs	(12,685)	(10,141)
Profit before taxation	97,661	116,033
Taxation	(99,868)	(41,840)
(Loss)/Profit for the period	(2,207)	74,193
Attributable to:		
Owners of the parent	(2,214)	74,195
Non-controlling interest	7	(4)
	(2,207)	74,193
(Loss)/earnings per share		
-basic (R)	(0.004)	0.13
-diluted (R)	(0.004)	0.13
(Loss)/earnings per American Depositary Share		
-basic (R)	(0.10)	3.36
-diluted (R)	(0.10)	3.28
Ordinary shares ('000) ²		
-in issue at September 30	552,086	552,618
-weighted average	551,792	552,124
-diluted weighted average	556,206	565,465
Weighted average American Depositary Shares ('000) ²		
-in issue at September 30	22,083	22,105
-weighted average	22,072	22,085
-diluted weighted average	22,248	22,619

¹ Includes R26.7 million (September 30, 2021: R22.5 million) relating to IFRS 9 expected credit losses on trade receivables.

² September 30, 2022 figure excludes 53,816,750 (September 30, 2021: 53,816,750) treasury shares held by MiX Telematics Investments Proprietary Limited ("MiX Investments"), a wholly owned subsidiary of the Group.

Unaudited interim financial results

for the six months ended September 30, 2022

MIX TELEMATICS LIMITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

South African Rand

	Six months ended September 30, 2022 Unaudited	Six months ended September 30, 2021 Unaudited
Figures are in thousands unless otherwise stated		
(Loss)/Profit for the period	(2,207)	74,193
Other comprehensive income:		
<i>Items that may be subsequently reclassified to profit or loss</i>		
Exchange differences on translating foreign operations	101,351	3,700
- Attributable to owners of the parent	101,349	3,700
- Attributable to non-controlling interest	2	—
Taxation relating to components of other comprehensive income	1,306	(231)
Other comprehensive income for the period, net of tax	102,657	3,469
Total comprehensive income for the period	100,450	77,662
Attributable to:		
Owners of the parent	100,448	77,664
Non-controlling interest	2	(2)
Total comprehensive income for the period	100,450	77,662

Unaudited interim financial results

for the six months ended September 30, 2022

MIX TELEMATICS LIMITED

HEADLINE EARNINGS

Reconciliation of headline earnings

South African Rand	Six months ended September 30, 2022 Unaudited	Six months ended September 30, 2021 Unaudited
Figures are in thousands unless otherwise stated		
(Loss)/profit for the period attributable to owners of the parent	(2,214)	74,195
<i>Adjusted for:</i>		
Profit on disposal of property, plant and equipment and intangible assets	(610)	(617)
Impairment of intangible assets	—	398
Income tax effect on the above components	168	61
Headline (loss)/earnings attributable to owners of the parent	(2,656)	74,037
Headline (loss)/earnings		
Headline (loss)/earnings per share		
-basic (R)	(0.005)	0.13
-diluted (R)	(0.005)	0.13
Headline (loss)/earnings per American Depositary Share		
-basic (R)	(0.12)	3.35
-diluted (R)	(0.12)	3.27

Unaudited interim financial results

for the six months ended September 30, 2022

ADJUSTED EARNINGS

Reconciliation of adjusted earnings

South African Rand

Figures are in thousands unless otherwise stated

	Six months ended September 30, 2022 Unaudited	Six months ended September 30, 2021 Unaudited
(Loss)/profit for the period attributable to owners of the parent	(2,214)	74,195
Net foreign exchange (gains)/losses	(24,386)	234
Acquisition-related costs	12,759	—
Income tax effect on the above components	60,802	4,462
Adjusted earnings attributable to owners of the parent	46,961	78,891
Reconciliation of (loss)/earnings per share to adjusted earnings per share		
Basic (loss)/earnings per share (R)	(0.004)	0.13
Net foreign exchange (gains)/losses	(0.04)	#
Acquisition-related costs	0.02	—
Income tax effect on the above components	0.11	0.01
Basic adjusted earnings per share (R)	0.09	0.14
Adjusted earnings per share		
-basic (R)	0.09	0.14
-diluted (R)	0.08	0.14
Adjusted earnings per American Depositary Share		
-basic (R)	2.13	3.57
-diluted (R)	2.11	3.49

Amounts less than R0.01

Unaudited interim financial results

for the six months ended September 30, 2022

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

South African Rand

Figures are in thousands unless otherwise stated

	September 30, 2022 Unaudited	March 31, 2022 Unaudited
ASSETS		
Non-current assets		
Property, plant and equipment	596,048	458,812
Intangible assets	1,184,652	1,021,168
Capitalized commission assets	85,479	59,920
Loans to external parties	8,950	9,616
Deferred tax assets	44,690	57,259
Finance lease receivable	5,702	—
Total non-current assets	1,925,521	1,606,775
Current assets		
Inventory	78,001	43,856
Trade and other receivables	628,097	498,553
Finance lease receivable	6,652	4,781
Indemnification asset	26,532	—
Taxation receivable	21,322	31,807
Restricted cash	13,397	14,223
Cash and cash equivalents	353,637	488,921
Total current assets	1,127,638	1,082,141
Total assets	3,053,159	2,688,916
EQUITY		
Stated capital	610,266	612,015
Other reserves	249,851	151,276
Retained earnings	1,088,621	1,134,986
Equity attributable to owners of the parent	1,948,738	1,898,277
Non-controlling interest	15	6
Total equity	1,948,753	1,898,283
LIABILITIES		
Non-current liabilities		
Deferred tax liabilities	207,047	140,085
Contingent consideration	17,351	—
Provisions	6,838	7,102
Recurring commission liability	3,998	2,850
Capitalized lease liability	49,666	52,964
Total non-current liabilities	284,900	203,001
Current liabilities		
Trade and other payables	484,766	451,045
Contingent consideration	55,885	—
Capitalized lease liability	9,761	13,512
Taxation payable	5,745	8,556
Provisions	47,786	33,403
Bank overdraft	215,563	81,116
Total current liabilities	819,506	587,632
Total liabilities	1,104,406	790,633
Total equity and liabilities	3,053,159	2,688,916

Unaudited interim financial results

for the six months ended September 30, 2022

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	South African Rand	
	Six months ended September 30, 2022 Unaudited	Six months ended September 30, 2021 Unaudited
Figures are in thousands unless otherwise stated		
Cash flows from operating activities		
Cash generated from operations	57,355	225,283
Net financing income	(644)	(3,163)
Taxation paid	(8,773)	(51,508)
Net cash generated from operating activities	47,938	170,612
Cash flows from investing activities		
Capital expenditure payments	(240,129)	(203,069)
Cash paid for business combination	(64,633)	—
Proceeds on sale of property, plant and equipment and intangible assets	1,182	773
Decrease in restricted cash	553	3,309
Increase in restricted cash	694	(4,016)
Net cash used in investing activities	(302,333)	(203,003)
Cash flows from financing activities		
Share repurchase	(1,749)	—
Repayment of capitalized lease liability	(10,942)	(7,225)
Dividends paid to Company's owners	(44,079)	(43,965)
Net cash used in financing activities	(56,770)	(51,190)
Net decrease in cash and cash equivalents	(311,165)	(83,581)
Net cash and cash equivalents at the beginning of the period	407,805	653,571
Exchange gains on cash and cash equivalents	41,434	103
Net cash and cash equivalents at the end of the period	138,074	570,093

Unaudited interim financial results

for the six months ended September 30, 2022

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Attributable to owners of the parent

South African Rand Figures are in thousands unless otherwise stated	Attributable to owners of the parent				Non-controlling interest	Total equity
	Stated capital	Other reserves	Retained earnings	Total		
Balance at April 1, 2021 (Audited)	656,747	146,287	1,089,136	1,892,170	8	1,892,178
Total comprehensive income	—	3,469	74,195	77,664	(2)	77,662
Profit for the period	—	—	74,195	74,195	(2)	74,193
Total comprehensive income	—	3,469	—	3,469	—	3,469
Transactions with owners	—	9,598	(44,180)	(34,582)	—	(34,582)
Share-based payment transaction	—	10,001	—	10,001	—	10,001
Share-based payment - excess tax benefit	—	(403)	—	(403)	—	(403)
Dividends declared (note 8)	—	—	(44,180)	(44,180)	—	(44,180)
Balance at September 30, 2021 (Unaudited)	656,747	159,354	1,119,151	1,935,252	6	1,935,258
Total comprehensive income	—	(27,410)	60,029	32,619	—	32,619
Profit for the period	—	—	60,029	60,029	—	60,029
Other comprehensive income	—	(27,410)	—	(27,410)	—	(27,410)
Transactions with owners	(44,732)	19,332	(44,194)	(69,594)	—	(69,594)
Share-based payment transaction	—	9,682	—	9,682	—	9,682
Share-based payment - excess tax benefit	—	9,650	—	9,650	—	9,650
Dividends declared (note 8)	—	—	(44,194)	(44,194)	—	(44,194)
Share repurchase	(44,732)	—	—	(44,732)	—	(44,732)
Balance at March 31, 2022 (Audited)	612,015	151,276	1,134,986	1,898,277	6	1,898,283
Total comprehensive income	—	100,448	(2,214)	98,234	9	98,243
Profit for the period	—	—	(2,214)	(2,214)	7	(2,207)
Other comprehensive	—	100,448	—	100,448	2	100,450
Transactions with owners	(1,749)	(1,873)	(44,151)	(47,773)	—	(47,773)
Share-based payment transaction	—	825	—	825	—	825
Share-based payment - change in excess tax benefit	—	(2,698)	—	(2,698)	—	(2,698)
Dividends declared (note 8)	—	—	(44,151)	(44,151)	—	(44,151)
Share repurchase	(1,749)	—	—	(1,749)	—	(1,749)
Balance at September 30, 2022 (Unaudited)	610,266	249,851	1,088,621	1,948,738	15	1,948,753

Unaudited interim financial results

for the six months ended September 30, 2022

NOTES TO CONDENSED CONSOLIDATED FINANCIAL RESULTS

1. Basis of preparation and accounting policies

Condensed unaudited Group interim financial results for the half year ended September 30, 2022

These condensed unaudited Group interim financial results for the half year ended September 30, 2022 have been prepared in accordance with International Financial Reporting Standard (“IFRS”), IAS 34: Interim financial reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council (“FRSC”), the JSE Listings Requirements and the requirements of the South African Companies Act, No. 71 of 2008. The interim financial results have not been audited or reviewed by the Group’s external auditors.

The condensed unaudited Group interim financial results do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements for the year ended March 31, 2022, which have been prepared in accordance with IFRS.

The preparation of interim financial results requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. In preparing these condensed interim financial results, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation and uncertainty were the same as those applied to the consolidated financial statements for the year ended March 31, 2022.

The condensed unaudited Group interim financial results were prepared under the supervision of the Group Chief Financial Officer, PM Dell. These results were made available on October 27, 2022.

Presentation currency

The Group’s presentation currency is South African Rand.

2. Accounting policies

The accounting policies used in preparing these financial results are in terms of IFRS and 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, 2022.

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 as 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.

Unaudited interim financial results

for the six months ended September 30, 2022

South African Rand Figures are in thousands unless otherwise stated	Subscription revenue	Hardware and other revenue	Total revenue	Adjusted EBITDA
Six months ended September 30, 2022 (Unaudited)				
Africa	604,500	50,222	654,722	251,745
Europe	100,342	16,267	116,609	38,011
Americas	125,232	18,937	144,169	18,206
Middle East and Australasia	131,571	45,154	176,725	64,906
Brazil	41,488	10,369	51,857	13,728
Total Regional Sales Offices	1,003,133	140,949	1,144,082	386,596
Central Services Organization	665	—	665	(88,865)
Total Segment Results	1,003,798	140,949	1,144,747	297,731
Corporate and consolidation entries	—	—	—	(80,619)
Total	1,003,798	140,949	1,144,747	217,112

Six months ended September 30, 2021 (Unaudited)	Subscription revenue	Hardware and other revenue	Total revenue	Adjusted EBITDA
Africa	537,733	40,415	578,148	255,634
Europe	97,577	37,358	134,935	49,359
Americas	101,622	9,537	111,159	8,230
Middle East and Australasia	123,024	41,055	164,079	74,887
Brazil	30,787	684	31,471	8,702
Total Regional Sales Offices	890,743	129,049	1,019,792	396,812
Central Services Organization	407	318	725	(72,521)
Total Segment Results	891,150	129,367	1,020,517	324,291
Corporate and consolidation entries	—	—	—	(69,710)
Total	891,150	129,367	1,020,517	254,581

Unaudited interim financial results

for the six months ended September 30, 2022

4. Reconciliation of Adjusted EBITDA to Profit for the Period

South African Rand	Six months ended September 30, 2022 Unaudited	Six months ended September 30, 2021 Unaudited
Figures are in thousands unless otherwise stated		
Adjusted EBITDA	217,112	254,581
<i>Add:</i>		
Net profit on sale of property, plant and equipment and intangible assets	610	617
<i>Less:</i>		
Depreciation ⁽¹⁾	(85,816)	(85,228)
Amortization ⁽²⁾	(46,824)	(36,137)
Impairment of intangible assets	—	(398)
Equity-settled share-based compensation costs	(825)	(10,001)
Acquisition-related costs	(12,759)	—
Increase in restructuring cost provision	—	(745)
Operating profit	71,498	122,689
<i>Add:</i> Finance (costs)/income - net	26,163	(6,656)
<i>Less:</i> Taxation	(99,868)	(41,840)
(Loss)/profit for the period	(2,207)	74,193

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

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

Unaudited interim financial results

for the six months ended September 30, 2022

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

	Six months ended September 30, 2022 Unaudited	Six months ended September 30, 2021 Unaudited
Adjusted EBITDA margin	19.0%	24.9%
<i>Add:</i>		
Net profit on sale of property, plant and equipment and intangible assets	(0.1%)	(0.1%)
<i>Less:</i>		
Depreciation	(7.4%)	(8.3%)
Amortization	(4.1%)	(3.4%)
Equity-settled share-based compensation costs	(0.1%)	(1.0%)
Acquisition-related costs	(1.1%)	—%
Increase in restructuring cost provision	—%	(0.1%)
Operating profit margin	6.2%	12.0%
<i>Add:</i> Finance (costs)/income - net	2.3%	(0.7%)
<i>Less:</i> Taxation	(8.7%)	(4.0%)
(Loss)/profit for the period margin	(0.2%)	7.3%

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

	Six months ended September 30, 2022 Unaudited	Six months ended September 30, 2021 Unaudited
South African Rand		
Figures are in thousands unless otherwise stated		
Net cash generated from operating activities	47,938	170,612
Capital expenditure payments	(240,129)	(203,069)
Free cash flow	(192,191)	(32,457)

7. 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”). On December 3, 2021, the Board approved an increase to the share repurchase program under which the Company may repurchase ordinary shares, including ADSs. As a result of this increase, and after giving effect to shares already purchased under the program as at December 2, 2021, the Company could repurchase additional shares with a cumulative value of R160 million. The total value of the whole share repurchase program following the December 3, 2021 increase is R396.5 million. Subsequent to the approved increase in the share repurchase program, shares with a value of R44.7 million were repurchased. At September, 30 2022, additional shares to the value of R113.5 million may still be repurchased.

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 repurchase program is funded out of existing cash resources.

Unaudited interim financial results

for the six months ended September 30, 2022

Refer below for purchases made under the share repurchase program during the first half of fiscal year 2023.

	Total number of shares repurchased	Average price paid per share ⁽¹⁾ R	Shares canceled under the share repurchase program	Total 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, 2022	37,049,441	7.58	23,232,691	281,217	115,283
<i>Transactions per quarter</i>	328,228	5.33	323,228	1,749	113,534
ended 30 June, 2022	—	—	—	—	—
ended September 30, 2022	328,228	5.20	323,228	1,749	113,534
Closing balance September 30, 2022	37,377,669	7.57	23,555,919	282,966	113,534

Refer below for purchases made in fiscal 2022. Further information is detailed in item 5, Market for registrant's common equity, related stockholder matters and issuer purchases of equity securities of the Form 10-K filed for fiscal 2022. This is also included in the Group's published annual financial statements for fiscal 2022.

	Total number of shares repurchased	Average price paid per share ⁽¹⁾ R	Shares canceled under the share repurchase program	Total 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, 2021	31,029,356	7.61	17,212,606	236,485	33,515
Additional value authorized	—	—	—	—	126,500
Balance as at December 3, 2021	31,029,356	7.61	17,212,606	236,485	160,015
<i>Fiscal 2022 repurchases:</i>	6,020,085	7.43	6,020,085	44,732	115,283
Quarter ended December 31, 2021	1,567,791	7.52	—	11,795	148,220
Quarter ended March 31, 2022	4,452,294	7.40	6,020,085	32,937	115,283
Closing balance March 31, 2022	37,049,441	7.58	23,232,691	281,217	115,283

Unaudited interim financial results

for the six months ended September 30, 2022

8. Dividends Paid

The following dividends were declared by the Company during the six months ended September 30, 2022 (excluding dividends paid on treasury shares):

- In respect of the fourth quarter of fiscal year 2022, a dividend of 4 South African cents per ordinary share was paid on June 20, 2022. Using shares in issue of 551,359,733 (excluding 53,816,750 treasury shares), this equated to a dividend of R22.1 million; and
- In respect of the first quarter of fiscal 2023, a dividend of 4 South African cents per ordinary share was paid on August 22, 2022. Using shares in issue of 552,414,160 (excluding 53,816,750 treasury shares), this equated to a dividend of R22.1 million.

9. Contingent Liabilities

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 R22.8 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.

The Commission's lawyer recently approached the Tribunal to secure a pre-hearing date. The pre-hearing will be used to set a timetable for the further process towards a hearing in due course. The parties expect the pre-hearing (once held) to result in dates for a hearing being established (along with a timeline for the production of documents such as the Commission's investigative record, discovery, exchange of factual witness statements etc). The Tribunal has not yet reverted on the pre-hearing date.

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.

Unaudited interim financial results

for the six months ended September 30, 2022

10. Other Operating and Financial Data

South African Rand

Figures are in thousands except for subscribers

	Six months ended September 30, 2022 Unaudited	Six months ended September 30, 2021 Unaudited
Total revenue	1,144,747	1,020,517
Subscription revenue	1,003,798	891,150
Hardware revenue	118,098	106,351
Driver training, installation and other revenue	22,851	23,016
Adjusted EBITDA	217,112	254,581
Cash and cash equivalents	353,637	602,438
Net cash ⁽¹⁾	138,074	570,093
Capital expenditure incurred	240,129	203,681
Property, plant and equipment expenditure ⁽²⁾	182,259	152,901
Intangible asset expenditure	57,870	50,780
Capital expenditure authorized but not spent	133,913	157,367
Total development cost incurred	81,935	67,682
Development cost capitalized	44,275	38,159
Development cost expensed within administration and other charges	37,660	29,523
Subscribers	914,629	770,159

South African Rand

	September 30, 2022 Unaudited	March 31, 2022 Audited
Net asset value per share	3.53	3.44
Net tangible asset value per share	1.23	1.48

⁽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.

Unaudited interim financial results

for the six months ended September 30, 2022

	Six months ended September 30, 2022 Unaudited	Six months ended September 30, 2021 Unaudited
The following major rates of exchange were used:		
SA rand : United States dollar - closing		
South African Rand: United States Dollar		
-closing	17.98	15.12
-average	16.28	14.38
South African Rand: British Pound		
-closing	19.65	20.39
-average	19.79	19.96

11. Fair Value 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 overdraft 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.

12. Taxation

Impact of foreign exchange movements

The impact of foreign exchange movements and the related tax effects on the Group's effective tax rate is shown below:

South African Rand	Six months ended September 2022 Unaudited				Six months ended September 2021 Unaudited			
	Profit for the period	Foreign exchan ge losses	Acquisti on- related costs	Adjusted earnings	Profit for the period	Foreign exchan ge losses	Acquisti on- related costs	Adjusted earnings
Profit before tax	97,661	(24,386)	12,759	86,034	116,033	234	—	116,267
Taxation	(99,868)	63,760	(2,958)	(39,066)	(41,840)	4,462	—	(37,378)
Profit after tax	(2,207)	39,374	9,801	46,968	74,193	4,696	—	78,889
Attributable to:								
Owners of the parent	(2,214)	39,374	9,801	46,961	74,195	4,696	—	78,891
Non-controlling interest	7	—	—	7	(2)	—	—	(2)
	(2,207)	39,374	9,801	46,968	74,193	4,696	—	78,889
Effective tax rate	102.3 %	—	—	45.4 %	36.1 %	—	— %	32.1 %

Excluding the impact of foreign exchange gains and losses and its related tax consequences, the effective tax rate is 13.3% higher than the first six months of fiscal 2022.

Unaudited interim financial results

for the six months ended September 30, 2022

13. Acquisition

MiX Telematics North America, a 100% owned subsidiary of the Company, acquired Trimble's FSM business in North America on September 2, 2022 (the "Transaction").

FSM's North American operations include the sale and support of telemetry and video solutions that enable back-office monitoring and visualization for fleet services management in a number of industries. The Transaction presents an opportunity for the Company to increase its scale in North America and to further diversify its North America business by expanding its presence in market verticals such as construction and last mile logistics.

All existing FSM subscription contracts and the related revenue streams were acquired by MiX Telematics North America.

During a transitional period, until all the FSM subscribers have been migrated to the Company's SaaS platform, Trimble will (i) supply certain hardware comprising telematics kits and other parts as required for the fulfillment of subscription contracts; (ii) grant MiX Telematics North America a non-exclusive, non-transferable license to certain software in respect of hardware used by subscribers; and (iii) provide access to certain applications and network connections to support ongoing operations and customer account management.

The purchase consideration for the FSM business comprised an upfront cash payment of \$3.7 million (R64.6 million) and additional payments, depending on the hardware requirements of these customers and specific contract terms, Trimble will be paid between \$200 and \$300 per subscription contract. These additional payments will be made in respect of the renewal of existing subscriptions as well as for new subscriptions entered into by FSM customers with MiX Telematics North America. The additional payments will be made approximately every three months, ending on March 2, 2024, as the periods expire, and have been treated as contingent consideration. The initial fair value of the contingent consideration of \$4.1 million (R70.4 million) was included in the purchase price for purposes of calculating goodwill and reflects an expectation of approximately a 75% retention rate. Subsequent changes in fair value will be recognized in the Consolidated Income Statement.

The following table summarizes the consideration transferred and the amounts of identified assets acquired and liabilities assumed at the acquisition date (in thousands):

Unaudited interim financial results

for the six months ended September 30, 2022

	September 2, 2022 Unaudited
Fair value of consideration transferred	
Cash	64,633
Contingent consideration	70,411
Recognized amounts of identifiable assets acquired and liabilities assumed	
Intangible assets	103,720
Finance lease receivable	7,122
Indemnification asset ⁽¹⁾	25,509
Loss contingency ⁽¹⁾	(25,509)
Product warranties	(702)
Goodwill	24,904

⁽¹⁾ With the acquisition, the Company assumed a Hardware Purchase Plan ("HPP") loss contingency of \$1.5 million (R25.5 million) with a corresponding indemnification asset against Trimble. The HPP represents a contractual obligation, requiring the replacement of equipment should this become technically obsolete. The key event triggering the provision is the imminent shut down of the 3G network across different states in America. The Company has entered into an agreement with Trimble whereby Trimble will be responsible for covering these costs.

The initial accounting for the business combination is not yet complete given that the acquisition occurred less than a month before the reporting date. The fair values of the identifiable assets acquired and liabilities assumed have only been determined on a provisional basis and therefore, adjustments to them and the resulting goodwill may occur in future.

Acquisition-related costs of \$0.8 million (R12.8 million) were incurred, and are included in administration and other charges in the income statement.

The goodwill is attributable to the workforce of the acquired business and the opportunity for the Company to increase its scale in North America and to further diversify its North America business. The goodwill is assigned to the Americas segment and is deductible for tax purposes.

The acquired business contributed revenues of R15.7 million and earnings of R60 000 for the period from September 2, 2022 to September 30, 2022. If the business was acquired on April 1, 2022, the acquired business would have contributed revenues of R92.6 million and earnings of R7.9 million, after amortization of customer relationships, for the 6 months ended September 30, 2022.

14. Events after the reporting period

The directors are not aware of any matter material or otherwise arising since September 30, 2022 and up to the date of this report, not otherwise dealt with herein.

Dividend Declared

The Board of Directors declared in respect of the second quarter of fiscal year 2023, which ended on September 30, 2022, a dividend of 4 South African cents per ordinary share to be paid on Monday, November 21, 2022.

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

Last day to trade <i>cum</i> dividend	Tuesday, November 15, 2022
Securities trade <i>ex</i> dividend	Wednesday, November 16, 2022
Record date	Friday, November 18 2022
Payment date	Monday, November 21, 2022

Unaudited interim financial results

for the six months ended September 30, 2022

Share certificates may not be dematerialized or rematerialized between Wednesday, November 16, 2022 and Friday, November 18, 2022, 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 605,902,682 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:

<i>Ex</i> dividend on New York Stock Exchange (NYSE)	Thursday, November 17, 2022
Record date	Friday, November 18, 2022
Approximate date of currency conversion	Monday, November 21, 2022
Approximate dividend payment date	Thursday, December 1, 2022

For and on behalf of the Board of Directors:

RA Frew

Midrand

October 27, 2022

SB Joselowitz

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), P Dell (CFO), F Futwa**,
IV Jacobs**, CD Flemming**, CWR Tasker

* Non-executive

Independent

Company secretary

Statucor Proprietary Limited

Auditors

Deloitte & Touche

Sponsor

Java Capital

October 27, 2022