

MiX TELEMATICS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1995/013858/06)

JSE share code: MIX ISIN: ZAE000125316

NYSE share code: MIXT

("MiX Telematics" or "the Company" or "the Group")



SHORT-FORM ANNOUNCEMENT: MiX TELEMATICS REPORTS FULL FISCAL YEAR 2022 IFRS FINANCIAL RESULTS AND CHANGES TO THE BOARD OF DIRECTORS

Full Fiscal Year 2022 Highlights:

- **Total revenue of R2,129 million**
- **Subscription revenue of R1,836 million, representing 86% of revenue**
- **Annual recurring revenue ("ARR") of R1,907 million, up 9.1% on a constant currency basis**
- **Net subscriber additions of 70,500 bring the total base to 815,200 subscribers**
- **Profit for the year of R134 million**
- **Adjusted EBITDA of R513 million, representing a 24.1% Adjusted EBITDA margin**
- **Net cash and cash equivalents of R408 million at period end**

Midrand, South Africa and Boca Raton, May 26, 2022 - MiX Telematics Limited (NYSE: MIXT, JSE: MIX), a leading global Software-as-a-Service ("SaaS") provider of connected fleet management solutions, today announced preliminary financial results for its full fiscal year 2022, which ended March 31, 2022. MiX Telematics also announced today that John Granara, its Chief Financial Officer, has notified the Company of his intent to pursue another career opportunity and will be leaving at the end of June 2022. The Board has appointed Paul Dell, currently Chief Accounting Officer, as Chief Financial Officer beginning June 24, 2022. Mr. Granara will remain employed with the Company in an advisory capacity for a period following his resignation as Chief Financial Officer to ensure an effective transition of his duties.

"MiX closed fiscal year 2022 with a solid finish to a successful year for the Company. We executed on each of our key initiatives for fiscal year 2022, most notably returning the business to sustainable growth and delivering on our profitability targets," said Stefan Joselowitz, Chief Executive Officer of MiX Telematics.

Joselowitz continued, "We are encouraged by conversations with customers, which reflect the growing strategic importance of a comprehensive telematics solution to run their businesses more efficiently and safely. We believe MiX is well positioned to capitalize on this trend and make additional progress towards our long-term financial targets."

Financial performance for the fiscal year ended March 31, 2022

Subscription revenue: Subscription revenue decreased to R1,836.1 million, a decrease of 1.1% compared to R1,855.8 million for fiscal year 2021. Subscription revenue represented 86.2% of total revenue during fiscal 2022. On a constant currency basis, subscription revenue increased by 2.8%. During fiscal year 2022, the Company's subscriber base grew by a net 70,500 subscribers.

Total revenue: Total revenue was R2,129.1 million, an increase of 2.5% compared to R2,077.6 million for fiscal year 2021. On a constant currency basis, total revenue increased by 6.9%. Hardware and other revenue was R293.0 million, an increase of 32.2%, compared to R221.7 million for fiscal year 2021.

Gross margin: Gross profit was R1,343.8 million, a decrease of 0.1% compared to R1,344.5 million for fiscal year 2021. Gross profit margin was 63.1%, compared to 64.7% for fiscal year 2021. The decline in the gross profit margin was due to the increase in hardware and other revenues which carry lower margins than subscription revenue. The subscription revenue margin during fiscal year 2022 was 69.9%.

Operating margin: Operating profit was R227.2 million, compared to R305.0 million for fiscal year 2021. The operating margin was 10.7%, compared to the 14.7% for fiscal year 2021. Operating expenses represented 52.6% of revenue compared to 50.1% of revenue for fiscal year 2021.

Adjusted EBITDA: Adjusted EBITDA was R513.0 million, compared to R653.8 million for fiscal year 2021. The Adjusted EBITDA margin for fiscal year 2022 was 24.1%, compared to 31.5% for fiscal year 2021.

Profit for the year and earnings per share: Profit for fiscal year 2022 was R134.2 million, compared to R239.0 million for fiscal year 2021. Profit for the year included a net foreign exchange loss of R9.6 million before tax, as well as a R9.3 million deferred tax credit on the U.S. Dollar intercompany loan between MiX Telematics and MiX Telematics Investments Proprietary Limited (“MiX Investments”), a wholly-owned subsidiary of the Company. During fiscal year 2021, a net foreign exchange loss of R15.7 million was recognized and a R56.5 million deferred tax credit on a U.S. Dollar intercompany loan between MiX Limited and MiX Investments.

Earnings per diluted ordinary share were 24 South African cents, compared to 43 South African cents for fiscal year 2021. For fiscal 2022, the calculation was based on diluted weighted average ordinary shares in issue of 564.4 million, compared to 560.5 million diluted weighted average ordinary shares in issue during fiscal year 2021.

The Group’s effective tax rate was 34.0%, compared to 14.8% for fiscal year 2021. 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 37.8% compared to 33.9% in fiscal year 2021.

Adjusted earnings for the year and adjusted earnings per share: Adjusted earnings for fiscal year 2022 were R132.6 million, compared to R197.9 million for fiscal year 2021. Adjusted earnings per diluted ordinary share were 23 South African cents, compared to 35 South African cents for fiscal year 2021.

Statement of Financial Position and Cash Flow: At March 31, 2022, the Company had R407.8 million of net cash and cash equivalents, compared to R653.6 million at March 31, 2021.

The Group generated R323.9 million in net cash from operating activities for fiscal year 2022 and invested R409.6 million in capital expenditures during the year (including investments in in-vehicle devices of R272.4 million), leading to negative free cash flow of R85.7 million, compared to free cash flow of R505.7 million for fiscal year 2021. Capital expenditures in fiscal year 2021 were R159.9 million and included in-vehicle devices of R69.3 million.

The Group utilized R148.3 million in financing activities, compared to R89.2 million utilized during fiscal year 2021. The cash utilized in financing activities in fiscal year 2022 mainly consisted of dividends paid of R88.1 million, the repayment of lease liabilities of R15.5 million, and the repurchase of shares of R44.7 million. The cash utilized in financing activities in fiscal year 2021 mainly consisted of dividends paid of R87.7 million and the repayment of lease liabilities of R15.9 million, offset by the exercise of share options of R14.4 million.

Changes to the Board of Directors

“On behalf of the Board and executive team, I would like to thank John for his contributions to MiX Telematics over the years. John helped lead MiX Telematics through challenging times and has helped position the business well to achieve our long-term financial targets. We wish him well in his future endeavors,” said Stefan Joselowitz, Chief Executive Officer.

Joselowitz added, “I am thrilled that Paul will become CFO. He has been a valued member of our leadership team with a deep understanding of our business and extensive financial leadership experience. I look forward to working closely together as we guide MiX Telematics in this next phase of growth.”

Mr. Granara said, “I am grateful for my time at MiX Telematics and proud of all that we have accomplished since I joined in 2019. While I look forward to pursuing a new opportunity that will allow me to work closer to my family, I am confident that MiX Telematics has a bright future.”

Paul Dell is a chartered accountant and has served in various senior roles since joining the Company in July 2010. He currently serves as the Company’s Chief Accounting Officer and Chief Financial Officer of MiX Telematics North America Incorporated, a position he has held since July 2019. Mr. Dell served as the Company’s Interim Chief Financial Officer and as a member of the Board from February 2017 to July 2019 and was the Group Financial Controller from September 2012 to February 2017.

**SUMMARIZED CONSOLIDATED INCOME
STATEMENT**

	Year ended March 31, 2022	Year ended March 31, 2021
Figures are in thousands unless otherwise stated		
Revenue	2,129,100	2,077,560
Operating profit	227,191	304,989
Adjusted EBITDA	513,013	653,784
Profit for the period attributable to owners of the parent	134,224	239,043
Adjusted earnings attributable to owners of the parent ¹	132,600	197,891
Headline earnings attributable to owners of the parent	134,404	239,313
Basic earnings per share - (R)	0.24	0.44
Basic adjusted earnings per share - (R) ¹	0.24	0.36
Basic headline earnings per share - (R)	0.24	0.44
Dividends per share - (R)	0.16	0.16
Ordinary shares ('000) ²		
-in issue at March 31	551,360	551,762
-weighted average	551,923	549,415
-diluted weighted average	564,372	560,519

¹ 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.

² March 31, 2022 figure excludes 53,816,750 (March 31, 2021: 53,816,750) treasury shares held by MiX Investments, a wholly owned subsidiary of the Group.

**SUMMARIZED CONSOLIDATED
STATEMENT OF FINANCIAL
POSITION**

March 31, March 31,
2022 2021

Figures are in thousands unless
otherwise stated

ASSETS

Non-current assets	1,606,775	1,470,120
Current assets	1,082,141	1,149,456
Total assets	2,688,916	2,619,576

EQUITY AND LIABILITIES

Equity	1,898,283	1,892,178
Non-current liabilities	203,001	239,606
Current liabilities	587,632	487,792
Total equity and liabilities	2,688,916	2,619,576
Net cash	407,805	653,571
Cash and cash equivalents	488,921	678,546
Net asset value per share (R)	3.44	3.43

Dividend declared

The board of directors declared in respect of the fourth quarter of fiscal 2022 which ended on March 31, 2022, a dividend of 4 South African cents per ordinary share to be paid on June 20, 2022.

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

Last day to trade cum dividend	Monday, June 13, 2022
Securities trade ex dividend	Tuesday, June 14, 2022
Record date	Friday, June 17, 2022
Payment date	Monday, June 20, 2022

Share certificates may not be dematerialized or rematerialized between Tuesday, June 14, 2022 and Friday, June 17, 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 605,176,483 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 16, 2022
Record date	Friday, June 17, 2022
Approximate date of currency conversion	Monday, June 20, 2022
Approximate dividend payment date	Thursday, June 30, 2022

Short-form announcement

This short-form announcement is the responsibility of the board of directors and the contents have been approved by the board of directors on May 24, 2022. This short-form announcement is a summary of the full announcement

released on SENS and published on the Group's website (<https://www.mixtelematics.com/investor-relations/sens>) on May 26, 2022. The preliminary condensed consolidated financial statements for the year ended March 31, 2022 have been reviewed by Deloitte & Touche, who expressed an unmodified review conclusion thereon. The review conclusion is included in the full announcement published on the Group's website and a copy of the auditor's review report is also available for inspection at the Company's registered office together with accompanying financial information. This short-form announcement does not contain the complete or full announcement details. Any investment decision by investors and/or shareholders should be based on consideration of the full announcement. The short-form announcement has not been audited or reviewed by the Group's external auditors. A copy of the full announcement may be requested from the Company Secretary at Herman@statucor.co.za or the sponsor, Java Capital at sponsor@javacapital.co.za. Any investment decision should be based on the full announcement which is available for inspection at the Company's registered office and on the Company's website.

The full announcement is available at <https://senspdf.jse.co.za/documents/2022/jse/isse/MIX/FY-Q42022.pdf>.

Directors

RA Frew* (Chairman), SB Joselowitz (CEO), SR Bruyns*# (Lead Independent Director), JR Granara (CFO), F Futwa*#, IV Jacobs*#, CD Flemming*#, CWR Tasker

* Non-executive

Independent

Company secretary

Statucor Proprietary Limited

Registered office

Matrix Corner, Howick Close, Waterfall Park, Midrand

Auditors

Deloitte & Touche

Sponsor

Java Capital

May 26, 2022

Sponsor

JAVACAPITAL