

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 20-F**

(Mark One)

**REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the financial year ended February 28, 2026**

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from \_\_\_\_\_ to \_\_\_\_\_.**

OR

**SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**Date of event requiring this shell company report \_\_\_\_\_**

**Commission file number: 001-40300**

**KAROOOOO LTD.**

**(Exact name of registrant as specified in its charter)**

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(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

<b>Title of each class</b>	<b>Trading Symbol</b>	<b>Name of each exchange on which registered</b>
Ordinary shares, no par value per share	KARO	The Nasdaq Capital Market

Securities registered or to be registered pursuant to Section 12(g) of the Act:

**None**

**(Title of Class)**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

**None**

**(Title of Class)**

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as at the close of the period covered by the annual report.

30,893,300 shares of Common Stock as at February 28, 2026

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes  No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.<sup>1</sup>

Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer  Accelerated Filer  Non-accelerated Filer  Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards<sup>†</sup> provided pursuant to Section 13(a) of the Exchange Act.

<sup>†</sup> The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Yes  No

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

- U.S. GAAP  
 International Financial Reporting Standards as issued by the International Accounting Standards Board  
 Other

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17  Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

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ANNUAL REPORT  
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## INTRODUCTION

Karoo0000 Ltd (“Karoo0000 or the “Company”) was incorporated on May 19, 2018 in the Republic of Singapore. The Company is listed on the Nasdaq (April 1, 2021) and concluded an inward secondary listing on the Johannesburg Stock Exchange (“JSE”) by April 21, 2021.

Karoo0000 digitally transforms physical operations by simplifying decision making. Our Operational Intelligence Platform serves as the central nervous system for connected operations, integrating vehicles, assets, field workforces and operational workflows into a single intelligent ecosystem. Through proprietary hardware technology and software, the platform captures, processes and analyzes real-world operational data, transforming billions of data points into actionable intelligence that helps customers make faster, better decisions across safety, productivity, compliance, cost control and service execution. Delivered through intuitive cloud-based applications, the platform combines operational visibility, workflow automation, AI-powered video intelligence and decision-support capabilities to help businesses improve performance, reduce risk and operate more efficiently at scale.

## PRESENTATION OF FINANCIAL INFORMATION

Unless otherwise indicated, all financial information contained in this annual report is prepared and presented in accordance with IFRS® Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). Certain differences exist between IFRS and generally accepted accounting principles in the United States of America (“U.S. GAAP”) which might be material to the financial information herein.

We have not prepared a reconciliation of our consolidated financial statements and related footnote disclosures between IFRS and U.S. GAAP. Potential investors should consult their own professional advisers for an understanding of the differences between IFRS and U.S. GAAP and how these differences might affect the financial information herein.

All references in this annual report to “Group” or “Company” refer to Karoo0000 and its subsidiaries.

All references in this annual report to “U.S. dollars,” “U.S.\$,” “\$” and “USD” refer to the currency of the United States of America, all references to “R”, “rand” and “ZAR” refer to the currency of South Africa and all references to “S\$” or “Singapore dollar” refer to the currency of Singapore. Unless otherwise indicated, all references to currency amounts in this annual report are in rand. Our financial year ends on February 28 or February 29 of each year. References in this annual report to a financial year, such as “financial year 2026,” relate to our financial year ended on February 28 or February 29, as applicable, of that calendar year.

## SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This annual report contains “forward-looking statements.” Forward-looking statements are based on our beliefs and assumptions and on information currently available to us and include, without limitation, statements regarding our business, financial condition, strategy, results of operations, certain of our plans, objectives, assumptions, expectations, prospects and beliefs and statements regarding other future events or prospects. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words “believe,” “expect,” “plan,” “intend,” “seek,” “anticipate,” “estimate,” “predict,” “potential,” “assume,” “continue,” “may,” “will,” “should,” “could,” “shall,” “risk” or the negative of these terms or similar expressions that are predictions of or indicate future events and future trends.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, the development of the industry in which we operate and the effect of acquisitions on us may differ materially from those made in or suggested by the forward-looking statements contained in this annual report. In addition, even if our results of operations, financial condition and liquidity, the development of the industry in which we operate and the effect of acquisitions on us are consistent with the forward-looking statements contained in this annual report, those results or developments may not be indicative of results or developments in subsequent periods.

Factors that may cause our actual results to differ materially from those expressed or implied by the forward-looking statements in this annual report include, but are not limited to, the risks described under “Risk Factors.” For example, factors that could cause actual results to vary from projected results include, but are not limited to:

- our ability to acquire new customers and retain existing customers;
- the effects of macroeconomic and geopolitical events on our business, customers and partners - including the conflicts in the Middle East and related disruptions to shipping, the Russia-Ukraine conflict, political and economic uncertainty in Mozambique, geopolitical tensions involving China, financial distress caused by bank failures, global supply chain disruptions, foreign currency fluctuations, elevated inflation and interest rates, shifting trade, tariff and monetary policies, and pandemics or widespread outbreaks of illnesses;
- our anticipated growth strategies, including our ability to increase sales to existing customers, the introduction of new solutions and international expansion;
- our ability to adapt to rapid technological change in our industry, including artificial intelligence;
- our dependence on cellular networks;
- competition from industry consolidation;
- market adoption of operational intelligence platforms;
- automotive market conditions and the evolving nature of the automotive industry towards autonomous vehicles;

- expected changes in our profitability and certain cost or expense items as a percentage of our revenue;
- our dependence on certain key suppliers and vendors;
- our ability to maintain or enhance our brand recognition;
- our ability to maintain our key personnel or attract, train and retain other highly qualified personnel;
- the impact and evolving nature of laws and regulations relating to the internet, including cybersecurity and data privacy;
- our ability to protect our intellectual property and proprietary technologies and address any infringement claims;
- significant disruption in service on, or security breaches of, our websites or computer systems, including as a result of artificial intelligence;
- dependence on third-party technology and licenses;
- fluctuations in the value of the South African rand and inflation rates in the countries in which we conduct business;
- our ability to access the capital markets in the future; and
- other risk factors discussed under “Risk Factors”.

Forward-looking statements speak only as at the date they are made, and we do not undertake any obligation to update them in light of new information or future developments or to release publicly any revisions to these statements in order to reflect later events or circumstances or to reflect the occurrence of unanticipated events.

## PART I

### Item 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

### Item 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

### Item 3. KEY INFORMATION

#### A. RESERVED

#### B. CAPITALIZATION AND INDEBTEDNESS

Not applicable.

#### C. REASONS FOR THE OFFER AND USE OF PROCEEDS

Not applicable.

#### D. RISK FACTORS

*You should carefully consider the risks and uncertainties described below and the other information in this annual report before making an investment in our ordinary shares. Our business, financial condition or results of operations could be materially and adversely affected if any of these risks occurs and as a result, the market price of our ordinary shares could decline and you could lose all or part of your investment. Additional risks and uncertainties not currently known to us, or which we currently deem immaterial, may also adversely affect our business, financial condition or results of operations. This annual report also contains forward-looking statements that involve risks and uncertainties. See "Special Note Regarding Forward-Looking Statements". Our actual results could differ materially and adversely from those anticipated in these forward-looking statements as a result of certain factors, including the risks described below and elsewhere in this annual report.*

*A summary of the risk factors is followed by a detailed description of each risk factor.*

#### RISK FACTOR SUMMARY

##### Risks Relating to Our Business and Operations

- We may not be able to add new customers and retain existing customers, which could have a material adverse effect on our ability to grow our business and increase revenue.
- We may not be able to retain or drive margin expansion with our existing customers, which could adversely affect our financial results.

- The effects of macroeconomic and geopolitical events on our business, customers and partners – including , the conflicts in the Middle East and related disruptions to shipping, the Russia-Ukraine conflict, political and economic uncertainty in Mozambique, geopolitical tensions involving China, financial distress caused by bank failures, global supply chain disruptions, foreign currency fluctuations, elevated inflation and interest rates, shifting trade, tariff and monetary policies, and pandemic or widespread outbreak of illnesses, could have a material adverse effect on our business, financial condition and results of operations.
- Our inability to adapt to rapid technological change, including artificial intelligence, in our industry and related industries, could impair our ability to remain competitive and adversely affect the results of our operations.
- Our inability to successfully recover should we experience a disaster or other business continuity issue could cause material financial loss, loss of human capital, regulatory actions, reputational harm and/or legal liability.
- The global market for fleet management and operational intelligence solutions is highly fragmented and competitive. If we do not compete effectively in such markets, our operating results may be harmed.
- An increase in factory-fitted or embedded telematics technology in new vehicles in our markets could result in reduced demand for our operational intelligence platform, which could have a material adverse effect on our revenue.
- Our dependence on various lead generation programs could adversely affect our operating results if we are required to pay more for such programs or we are unable to attract new customers at the same historic rate.
- If we are unable to successfully convert customer sales leads into customer sales on a cost-effective basis, our revenue and results of operations would be adversely affected.

### **Risks Relating to Our Reliance on Third Parties**

- The conduct of third-party security officers engaged in stolen vehicle recovery (“SVR”) operations in support of our services from time to time involves the use of force, which could expose the Company to reputational harm or, potentially, civil and/or criminal liability.
- We depend on certain key suppliers, telemetry and video hardware vendors and original equipment manufacturers (“OEM”) as part of our hardware manufacturing process, procurement and customer acquisition process. An interruption in the supply of components, third party hardware vendors and OEM fitted telemetry could impair our customer acquisition process.
- We depend on specific open-source software and third-party software licenses, and the inability to license or use such software from third parties could render our platform inoperable or pose other risks.

### **Risks Relating to Our Growth Strategy**

- We have experienced growth in recent periods. If we fail to manage our growth effectively, we may be unable to execute our business plan, maintain high levels of service or address competitive challenges adequately.
- We may not effectively execute on our expansion strategy, which may adversely affect our ability to maintain our historical growth and earnings trends.
- Investments into our operational intelligence platform and technology infrastructure may not yield the desired results.
- If we fail to maintain or enhance our brand recognition or reputation, our business could be harmed.
- Our corporate culture has contributed to our success, and if we cannot maintain this culture, we could lose the innovation, creativity and teamwork fostered by our culture, which could harm our business.

### **Risks Relating to Our Intellectual Property, Data Privacy and Cybersecurity**

- Evolving regulation and changes in applicable laws relating to the Internet, data privacy and cybersecurity may increase our expenditure on compliance measures or otherwise limit the solutions we can offer, which may harm our business and adversely affect our financial condition.
- Any significant disruption in service on our operational intelligence platform or in our computer systems, through cybersecurity breaches, computer viruses or otherwise or disruption of our platform, including as a result of artificial intelligence, could damage our reputation and result in a loss of customers, which would harm our business and results of operations.

- Security or privacy breaches in our electronic transactions or data may expose us to additional liability, regulatory sanctions or result in a loss of customers, all of which events could harm our business.
- The development and maintenance of systems to increase cyber resilience is costly and requires ongoing monitoring and updating to address increasing prevalence and sophistication of cyberattacks. The preventive actions we take to reduce the risks associated with cyberattacks, including protection of our systems and networks, may be insufficient to repel or mitigate the effects of a cyberattack in the future.
- Any cybersecurity threats or previous cybersecurity incidents could affect our business, results of operations or financial conditions.

#### **Risks Related to Legal Proceedings**

- We may incur material losses and costs as a result of lawsuits or claims that may be brought against us which are related to product liability, warranty, product recalls, client service interruptions, patent infringement or other matters, and any litigation against us could be costly and time-consuming to defend and could harm our business, financial condition and results of operations.

#### **Risks Relating to Our Operations in South Africa and Other Emerging Markets**

- We conduct a material amount of our business in foreign currencies, which heightens our exposure to the risk of exchange rate fluctuations.
- Operating in emerging markets is impacted by infrastructure deficits, energy insecurity, poor governance, political instability, macroeconomic volatility and cultural challenges, which could negatively impact our business, financial condition and results of operations.

#### **Risks Relating to Investments in Singapore Companies**

- We are incorporated in Singapore, and our shareholders may have more difficulty in protecting their interests than they would as shareholders of a corporation incorporated in the United States.

#### **Risks Relating to Our Ordinary Shares**

- Our stock price may fluctuate and you could lose all or a significant part of your investment.
- As a foreign private issuer and “controlled company” within the meaning of the Nasdaq rules, we are permitted to, and we will, rely on exemptions from certain corporate governance standards. Our reliance on such exemptions may afford less protection to holders of our ordinary shares.
- If we fail, for any reason, to effectively or efficiently maintain proper internal control procedures for compliance with the Sarbanes Oxley Act of 2002 (“SOX”), or Section 404 of SOX, such failure could materially and adversely affect our business, results of operations and financial condition.

## RISK FACTORS

### Risks Relating to Our Business and Operations

*We may not be able to add new customers and retain existing customers, which could have a material adverse effect on our ability to grow our business and increase revenue.*

We market and sell our mobility data analytics solutions to a wide range of customers, from consumers and sole proprietors to small and medium-sized businesses and large enterprises. To grow our revenue, we must continue to add new customers and subscribers and retain existing subscribers. Our strategy is to increase new subscription sales by increasing penetration in our existing markets and with existing customers, upgrading and enhancing our platform and solutions and by opportunistically entering new markets that represent a potential source of demand. Our success in adding new customers may be tied to a number of factors, including demand for our operational intelligence platform, the rate of new vehicle sales, the success of our sales and marketing campaigns, our ability to generate leads, our relationships with channel partners, price and service competition, general economic conditions and, in the case of our safety and security services, the real and perceived threat of vehicle theft and discounts offered by insurers for risk mitigation.

Selling to consumers or sole proprietors and small business customers may, in some instances, be more difficult than selling to medium-sized businesses and large enterprise customers. Consumers and sole proprietors and small businesses may have higher default rates, are price sensitive, may be difficult to reach with targeted sales campaigns and may have higher churn rates, in part because of the scale of their businesses and the ease of switching solutions.

On the other hand, the typical sales cycle for medium-sized businesses and larger enterprises may be longer than that of our consumer, sole proprietor and small business customers. These customers may have more complex business, operational, procurement, integration and contractual requirements and their scale may result in less favorable contract terms. Our sales cycle runs from lead generation to the installation of the device. Our typical sales cycle for large enterprises ranges from 3 to 24 months. Medium enterprise sales cycles run between 1 to 8 months with small business and sole proprietor sale cycles running between 1 to 90 days. The consumer sales cycle runs between 1 and 60 days. A number of factors influence the length and variability of our sales cycle, including the need to educate potential customers about the uses and benefits of our solutions, the discretionary nature of purchasing and budget cycles, and the competitive nature of evaluation and purchasing approval processes. It may be difficult for us to predict the timing of when we will enter into subscription contracts with medium-sized businesses and large enterprises and how quickly such contracts can be implemented. This could make the timing of our revenues uncertain and difficult to predict.

*We may not be able to retain or drive margin expansion with our existing customers, which could adversely affect our financial results.*

We generally sell our operational intelligence platform pursuant to subscription agreements with an initial minimum term of 36 months. The majority of these agreements provide for automatic renewal on a month-to-month basis thereafter unless the customer elects otherwise. Our customers have no obligation to renew all or any of these agreements after the expiration of the initial term or any renewal term. If our efforts to satisfy our existing customers are not successful, we may not be able to retain them or expand our relationship with them and, as a result, our revenue and growth could be materially and adversely affected. Customers may choose to cancel or not renew their subscriptions or to downsize their subscriptions for a number of reasons, including the belief that our solutions are not required for their personal or business needs or are otherwise not as cost-effective as initially anticipated, a desire to reduce discretionary spending, a belief that our competitors' solutions provide better value, an economic downturn in their industries or the markets in which they operate, and customers may not renew their subscriptions when they refresh their fleet with new vehicles. Large enterprise customers may also decrease the number of vehicles covered by subscription contracts if their fleet sizes decrease. Additionally, our customers may cancel or not renew for reasons entirely out of our control, such as the dissolution of their business or personal financial distress.

Part of our growth strategy is to retain customers and drive margin expansion by providing enhanced and additional software solutions to existing customers while keeping our costs low. Our ability to provide an advanced software platform to existing customers in a cost-effective manner depends, in significant part, on our ability to anticipate industry evolution, practices and standards and to continue to enhance our platform and existing software solutions, such as integration with fuel cards, GPS navigation devices, as well as various third-party software and products manufactured by original equipment manufacturers (“OEMs”), or partnership with vehicle insurance providers, or to introduce or acquire new software features on a timely basis to keep pace with technological developments both within our industry and in related industries, including integration with developing technologies and platforms such as artificial intelligence (“AI”), machine learning and big data analytics. However, we may prove unsuccessful either in developing new software features or in expanding the third-party software and products with which our operational intelligence platform integrates, such third-party software and products may become incompatible or replace our solutions, and such efforts may not be cost-effective – See “Our platform integrates with third-party technologies and if our platform becomes incompatible with these technologies, our platform would lose functionality and flexibility and our customer acquisition and retention could be adversely affected.” In addition, the success of any enhancement or new feature depends on several factors, including the timely completion, introduction and market acceptance of the enhancement or feature. Any new software applications or features we develop or acquire might not be introduced in a timely or cost-effective manner and might not achieve the broad market acceptance necessary to generate significant revenue. If any of our competitors implements new technologies before we are able to implement them, better anticipates the innovation and integration opportunities in related industries or implements them in a more cost-effective manner, those competitors may be able to provide more effective or less expensive solutions than ours, which may also negatively affect our ability to retain our existing customers and drive margin expansion.

***The effects of macroeconomic and geopolitical events, , including the conflicts in the Middle East and related disruptions to shipping, the Russia-Ukraine conflict, political and economic uncertainty in Mozambique, geopolitical tensions involving China, financial distress caused by bank failures, global supply chain disruptions, foreign currency fluctuations, elevated inflation and interest rates, shifting trade, tariff and monetary policies, and pandemics or widespread outbreaks of illnesses, could have a material adverse effect on our business, financial condition and results of operations.***

Our growth strategy involves further expansion of our operations and customer base internationally. Macroeconomic and geopolitical events, can disrupt our business, customers or partners. These include conflicts in the Middle East and related shipping disruptions, the Russia-Ukraine conflict, political and economic uncertainty in Mozambique, geopolitical tensions involving China, financial distress caused by bank failures, global supply chain disruptions, foreign currency fluctuations, elevated inflation and interest rates, shifting trade, tariff and monetary policies, and pandemics or widespread outbreaks of illnesses, create increased uncertainty and strain on the global economy and could have a material adverse effect on our business, financial condition and results of operations. The conflicts in the Middle East have caused serious disruption to the economies of the most directly affected countries, such as the UAE, in which we have a presence, negatively affecting their short-term growth prospects.

Since the October 2024 elections, Mozambique continues to grapple with political and economic uncertainty, with an ongoing insurrection in the north and limited institutional capacity. Frequent natural disasters exacerbate these vulnerabilities. While the situation has stabilized compared to the immediate post-election period, underlying challenges remain. During the height of the disruption, we temporarily suspended billing to support our customers. Although normal operations have largely resumed, activity levels have not fully recovered to pre-election levels, and the operating environment remains constrained. The continued weakness of the Mozambican metical against the South African rand, particularly since early 2025, has further intensified the decline in reported revenue. The ongoing uncertainty could continue to have an adverse effect on our business in Mozambique.

Geopolitical tensions, including the ongoing conflict between Russia and Ukraine, may adversely impact the economies of neighboring countries, such as Poland, in which we have a presence. Similarly, conflicts in the Middle East may negatively impact the economies of countries like the UAE, in which we have a presence. We expect minimal growth in the UAE and may have to suspend billing to support and retain our UAE customers. We have already experienced an increase in the costs of fitment and sales in Asia, due to sharp increases in fuel prices. Any increase in tensions between China and Taiwan, or other countries, including threats of military actions or escalation of military activities, could adversely affect our supply chain partners' operations in these areas – See “We depend on certain key suppliers and vendors as part of our hardware manufacturing process. An interruption in the supply chain could impair our product availability, adversely affecting distribution and growth.”

The evolving global energy crisis could continue to significantly disrupt supply chains and cause uncertainty in the global economy, which could negatively impact our business prospects. In South Africa, progress has been made in stabilizing the electricity grid, but the government owned power utility's ability to meet electricity demand remains a concern, and could continue to have an adverse effect on our business, financial condition and results of operations.

We are subject to fluctuations in foreign exchange rates between the South African rand, our reporting currency, and currencies of other countries where we market our solutions or source our raw components, for example the Euro, Singapore dollar, U.S. dollar, Polish zloty and Mozambican metical. Such fluctuations may result in significant increases or decreases in our reported revenue and other results as expressed in South African rand, and in the reported value of our assets, liabilities and cash flows – See “Risks Relating to Our Operations in South Africa and Other Emerging Markets”.

Trade barriers, including tariffs, import and export restrictions, and evolving geopolitical trade policies in regions where we operate may disrupt supply chain logistics, and affect the manufacturing of our core hardware, which could negatively impact our revenue growth and operating margins. As such, changes or uncertainties, including in international trade relations, legislation and regulations (including those related to tariffs, taxation and importation), enforcement priorities, or economic and monetary policies, could result in heightened diplomatic tensions or political and civil unrest, among other potential impacts, may have a material adverse effect on the global economy as a whole and/or our business, or may require us to significantly modify one or more of our current business practices.

The impact of these risks may also have the effect of heightening many of the other risks described in this “Risk Factors” section or otherwise directly or indirectly impact our business in unpredictable ways.

***Our inability to adapt to rapid technological change, including artificial intelligence in our industry and related industries could impair our ability to remain competitive and adversely affect our results of operations.***

The industry in which we operate, and related industries, are characterized by rapid technological change, frequent introductions of new applications and evolving industry standards. In addition to the telematics or fleet management industry, we are subject to changes in the automotive software and technology industry with rapid technological advancement to mobile handsets, multi-functional driver terminals, on-board cameras, advanced driver-assistance systems (“ADAS”) and workflow management software. As the technology used in each of these industries evolves, we will face new integration and competition challenges. For example, as mobile handsets have evolved to include GPS tracking technology, they have become competitors against our solutions. Additionally, ADAS technology, with embedded AI, may have features that are similar to or overlap with our solutions. Furthermore, major gains in fuel efficiency and electric automobiles may lead to a relative decrease in the demonstrable return on investment of our solutions as perceived by our customers. If we are unable to adapt to rapid technological change, it could have a material adverse effect on our results of operations and our ability to remain competitive.

***Our platform integrates with third-party technologies and if our platform becomes incompatible with these technologies, our platform would lose functionality and flexibility and our customer acquisition and retention could be adversely affected.***

Our platform integrates with third-party software and devices to allow our platform to perform key functions. For example, we offer integration with workflow software products, such as business intelligence software, enterprise resource planning systems, routing and scheduling and freight management logistics billing systems, among others. Although to date this integration has been accomplished using application programming interfaces (“API”), other open software interfaces and simple physical linkages, we cannot guarantee that this ease of integration will continue or that we will be able to integrate with other products as easily in future or without additional cost. Newer vehicles and devices may be developed, which include different ports and do not allow for our platform to be integrated through simple physical linkages. Further, the risk exists that undetected errors, viruses or bugs may be present in third-party software that our customers use in conjunction with our platform.

Changes to third-party software that our customers use in conjunction with our platform could also render our platform inoperable. Customers may conclude that our software is the cause of these errors, bugs or viruses and terminate their subscriptions. The inability to easily integrate with, or any defects in, third-party software could result in increased costs, or in delays in software releases or updates to our platform until such issues have been resolved, which could have a material adverse effect on our business, financial condition, results of operations, cash flows and future prospects and could damage our reputation.

***Our software solutions rely on cellular (GSM/LTE) and GNSS (including GPS, Glonass, Galileo) or regionally equivalent networks (including QZSS) and any disruption, failure or increase in costs could impede our profitability and harm our financial results.***

Two critical links in our current solutions are between telematics devices and GPS or equivalent Global Navigation Satellite Systems (“GNSS”) such as Glonass, Galileo and Quasi-Zenith Satellite System (“QZSS”) and between telematics devices and cellular networks, which allow us to obtain location data and transmit it to our system. Increases in the fees charged by cellular carriers for data transmission or changes in the cellular networks, such as a cellular carrier discontinuing support of the network currently used by our telematics devices, requiring retrofitting of our telematics devices, could increase our costs and impact our profitability. We have initiated a process to migrate new installations to the next generation of cellular network compatibility in order to maximize expected useful life of our telematics devices, however, cellular carriers could in the future migrate allotted bandwidth from one network to another. Also, while we have included the ability to store GPS data in our telematics devices in case of temporary cellular network connectivity failure, widespread disruptions or extended failures of the cellular networks would materially and adversely affect our solutions’ functionality and utility and harm our financial results.

GPS-equivalent services like Glonass, Galileo and QZSS are satellite-based positioning systems consisting of a constellation of orbiting satellites. These satellites and their ground support systems are complex electronic systems subject to electronic and mechanical failures and possible sabotage and it is not certain that the various government agencies will remain committed to the operation and maintenance of such satellites over a long period. In addition, technologies that rely on GPS or Glonass, Galileo and QZSS depend on the use of radio frequency bands and any modification of the permitted uses of these bands may adversely affect the functionality of such satellites and, in turn, our solutions.

Many GPS satellites currently in orbit have outlived their expected lifespans and are subject to damage by the hostile space environment in which they operate. If a significant number of satellites were to become inoperable, there could be a substantial delay before they are replaced with new satellites. A reduction in the number of operating satellites below the 24-satellite standard established for GPS may impair the utility of the GPS system and the growth of current and additional market opportunities. In addition, natural phenomena such as solar storms, software updates to GPS satellites and ground control segments, and infrequent known constellation-related events, such as GPS week number rollover, may adversely affect our products and customers. We depend on public access to open technical specifications in advance of system updates to mitigate these problems, which may not be available or complete.

The GPS satellites and their ground control and monitoring stations are maintained and operated by the U.S. Department of Defense. The Department of Defense does not currently charge users for access to the satellite signals, but we cannot provide assurance that they will not do so in the future. It is also possible that agencies that operate GPS equivalent services like Glonass, Galileo and QZSS begin to charge users for access. Any such disruption, failure or increase in costs could impede the functionality and/or cost of our solutions which could have a material adverse effect on our financial condition and results of operations.

***The pace of 5G adoption is uncertain, and we may not be able to meet customer expectations and timelines.***

5G adoption continues to grow, but at different speeds across the countries where we operate. The 5G market may require us to design hardware that meets certain technical specifications. If 5G is adopted faster than we expect, we may have difficulty introducing new solutions and meeting such technical specifications within the expected timelines. If 5G is adopted more slowly than we expect, we may not realize the growth we anticipate, and our related investments may not pay off as planned. If we are unable to manage challenges with regard to 5G markets and related opportunities, it could have a material adverse effect on our financial condition and results of operations.

***Our inability to successfully recover should we experience a disaster or other business continuity issue could cause material financial loss, loss of human capital, regulatory actions, reputational harm and/or legal liability.***

Should we experience a local or regional disaster or other business continuity problem, such as an earthquake, hurricane, terrorist attack, pandemic, security breach, power loss, telecommunications failure or other natural or man-made disaster, our continued success will depend, in part, on the availability of personnel, office facilities, and the proper functioning of computer, telecommunication and other related systems and operations. We could potentially experience material adverse interruptions to our operations or delivery of services to customers in a disaster recovery scenario.

For example, due to historic levels of relative under-investment in infrastructure, in particular, electricity, the South African government owned power utility, Eskom, continues electricity rationing and planned blackouts due to its inability to meet demand. Although we have made contingency arrangements for use of generators at our various locations, the lack of a constant, reliable supply of electricity could have a material adverse effect on our business, financial condition and results of operations.

Even with our disaster recovery arrangements in place, our services could be interrupted. Our suppliers and customers are also subject to the risk of catastrophic events. In those circumstances, our ability to deliver our services in a timely manner, as well as the demand for our solutions, may be adversely impacted by factors outside our control. If our systems were to fail or be negatively impacted as a result of a natural disaster, pandemic or other catastrophic event, the ability to deliver our services to our customers would be impaired, our reputation could suffer and we could be subject to contractual penalties.

***The global market for fleet management and operational intelligence solutions is highly fragmented and competitive. If we do not compete effectively in such markets, our operating results may be harmed.***

The global market for fleet management and operational intelligence solutions, including telematics, tracking and mobility solutions, is highly fragmented, competitive and rapidly changing. Competition in such markets is based primarily on the level of difficulty in installing, using and maintaining solutions, total cost of ownership, product performance, functionality, customer service, interoperability, brand and reputation, distribution channels, industries and the financial resources of the vendor. We expect competition in such markets to intensify in the future with the introduction of new technologies and market entrants.

The global market for fleet management and operational intelligence solutions is highly competitive. Our growth will depend, in part, on a combination of the continued growth in the market for these solutions, our ability to increase our market share and our customers' continued operation in the regions in which we operate. We compete with a number of companies in each of the geographic markets in which we operate, some of which have established sizable market shares in the relevant markets. We expect competition to intensify in the future with the introduction of new technologies, the use of mobile devices and new market entrants from outside the telematics industry, such as enterprise software vendors or large technology companies expanding into the category. As competition intensifies, we expect that price competition for telematics solutions, including fleet management and operational intelligence solutions, to intensify, which could cause our revenues to decline and have a material adverse effect on our results of operations.

For example, mobile service providers and global software platforms, such as Google, provide limited services at lower prices or at no charge, such as basic GPS based mapping, tracking and turn-by-turn navigation that could be expanded or further developed to more directly compete with our operational intelligence solutions. In addition, wireless carriers, such as Verizon, offer SaaS fleet management solutions that benefit from the carrier's scale and cost advantages, which we may be unable to match. Similarly, vehicle OEMs may provide factory embedded or after-market installed devices and effectively compete against us by directly or indirectly partnering with other fleet management service providers. Furthermore, companies such as Google, Amazon and others have substantially greater financial, technical and marketing resources, relationships with large vendor partners, larger global presence, larger customer bases, longer operating histories, greater brand recognition and more established relationships than we do and may decide to compete in the market for fleet management and operational intelligence solutions.

Such competition could result in reduced operating margins, increased sales and marketing expenses and the loss of market share, any of which could have a material adverse effect on our results of operations.

***Industry consolidation may give our competitors advantages over us, which could result in a loss of customers and/or a reduction in revenue.***

Some of our competitors have made or may make acquisitions or enter into partnerships or other strategic relationships to offer more comprehensive services or achieve greater economies of scale. In addition, new entrants not currently considered competitors may enter our market through acquisitions, partnerships or strategic relationships. Potential entrants may have competitive advantages over us, such as greater name recognition, longer operating histories, more varied services and larger marketing budgets, as well as greater financial, technical and other resources. Industry consolidation may result in competitors with more compelling service offerings or greater pricing flexibility than we have or business practices that make it more difficult for us to compete effectively, including on the basis of price, sales and marketing programs, technology or service functionality. These pressures could result in a loss of subscribers and/or a reduction in revenue.

***Failure of businesses to adopt fleet management and operational intelligence solutions could reduce the demand for our platform.***

We derive, and expect to continue to derive, substantial revenue from the sale of subscriptions to customers choosing our operational intelligence platform. Widespread acceptance and usage of fleet management and operational intelligence solutions is critical to our future revenue growth and success. If the market for fleet management and operational intelligence solutions fail to grow, or grows more slowly than we currently anticipate, demand for our solutions would be negatively affected.

The market for fleet management and operational intelligence solutions is subject to changing customer demand and trends in preferences. Some of the potential factors that could affect interest in and demand for fleet management and operational intelligence solutions include:

- the effectiveness and reliability of the software platforms;
- fluctuations in fuel and vehicle maintenance costs, which are significant drivers of customer demand for fleet management and operational intelligence solutions;
- assumptions regarding general mobile workforce inefficiency and the extent to which efficiency can be improved through fleet management and operational intelligence solutions;
- the extent of governmental and regulatory burden placed on the fields of transportation and occupational health and safety;
- the price, performance, features, functionality, customer service and availability of solutions that compete with ours; and
- our ability to maintain high levels of customer satisfaction.

Failure of businesses to adopt fleet management and operational intelligence solutions could have a material adverse effect on our business, results of operations and financial condition.

***Automotive market conditions and the evolving nature of the automotive industry towards autonomous vehicles could adversely affect demand for our solutions.***

New vehicle sales may decline for various reasons, including adverse changes in the general economic environment, a reduction in our customers' discretionary spending or an increase in new vehicle tariffs, taxes or fuel prices. A decline in vehicle production levels or labor disputes affecting the automobile industry in the markets in which we operate may also impact the volume of new vehicle sales. A decline in vehicle production levels or sales of new vehicles in the markets in which we operate could result in a long-term decrease in the overall number of vehicles and consequently, a decrease in our total addressable market, resulting in reduced demand for our solutions which could have a material adverse effect on our business, results of operations and financial condition.

The automotive industry is also increasingly focused on the development of Autonomous Driving ("AD") and Advanced Driver Assistance System ("ADAS") technologies, including the utilization of artificial intelligence, with the goal of developing and introducing a commercially viable, fully automated driving experience. There has also been an increase in consumer preferences for mobility on demand ("MoD") services, such as vehicle and ride-sharing, as opposed to automobile ownership, which may result in a long-term reduction in the number of vehicles per capita and sales of new vehicles. A reduction in the number of vehicles per capita and sales of new vehicles could reduce our addressable market for solutions.

The increase in MoD services has also attracted increased competition from entrants outside the traditional automotive industry. If we do not continue to innovate to develop or acquire new and compelling solutions that capitalize upon new technologies in response to OEM and consumer preferences, this could have a material adverse effect on our results of operations.

***An increase in factory-fitted or embedded telematics technology in new vehicles in our markets could result in reduced demand for our operational intelligence platform, which could have a material adverse effect on our revenue.***

Certain OEMs have begun embedding technology similar to our own technology in new vehicles prior to their initial sale, creating the potential for products and services that may overlap with our operational intelligence platform. This may preclude us from increasing sales to customers purchasing such vehicles. The inability to market and sell our solutions to new customers or partner with OEMs to embed our solutions into their devices prior to their initial sale could have a material adverse effect on our ability to grow our subscriber base and increase revenue.

***Our dependence on various lead generation programs could adversely affect our operating results if we need to pay more for such programs or we are unable to attract new customers at the same rate.***

We use a number of lead generation channels to promote our operational intelligence platform, along with inside sales and field sales teams. Significant increases in the costs of one or more of our lead generation channels would increase our overall lead generation costs or cause us to choose less expensive and perhaps less effective channels. For example, a portion of our potential customers locate our website through search engines and social media platforms, representing one of the most efficient means for generating cost-effective customer leads. If search engine companies modify their search algorithms in a manner that reduces the prominence of our listing, or if our competitors' search engine optimization efforts are more successful than ours, fewer potential customers may click through to our website or lead pages. In addition, the cost of purchased listings has increased in the past and may continue to increase in the future. In regions where we are reliant on inside sales and field sales teams, an increase in labor costs may increase our lead generation costs and cost of customer acquisition. As we add to or change the mix of our lead generation strategies, we may need to expand into channels with significantly higher costs than our current channels, which could have a material adverse effect on our cost of subscriber acquisition and results of operations. If we are unable to maintain effective advertising programs, our ability to attract new customers could be materially and adversely affected and our advertising and marketing expenses could increase substantially, further affecting our results of operations.

***If we are unable to successfully convert customer sales leads into customers on a cost-effective basis, our revenue and results of operations would be adversely affected.***

We generate a substantial amount of our revenue from the sale of subscriptions to our operational intelligence platform. In order to grow, we must continue to efficiently and cost effectively convert customer leads, many of whom have not previously used fleet management and operational intelligence solutions, into customers.

We rely on our inside sales teams and our field sales representatives to drive cost-effective conversion of customer leads into customers. To execute our growth plan, we must continue to attract and retain highly qualified inside sales and field sales personnel. We may experience difficulty in hiring, training and retaining highly skilled inside sales and field sales personnel. An inability to convert customer sales leads into customers on a cost-effective basis could have a material adverse effect on our financial condition and results of operations. See “—The loss of one or more of our key management team members or personnel, or our failure to attract, train and retain other highly qualified personnel, could harm our business,” below.

***An actual or perceived reduction in theft rates may adversely impact demand for certain of our applications, which could result in a loss of customers and a decline in growth.***

Demand for our vehicle tracking and asset recovery solutions is influenced by prevailing or expected theft rates. Vehicle theft rates may decline as a result of various factors, such as the availability of improved security systems, implementation of improved or more effective law enforcement measures and improved economic or political conditions in markets that have high theft rates. If vehicle theft rates in our markets decline significantly, or if vehicle owners or insurance companies believe that vehicle theft rates have declined or are expected to decline, demand for some of our operational intelligence platform applications may decline, which could result in a loss of customers and a decline in growth.

***We are subject to the risk of defaults by our customers and business partners.***

Entering into subscription agreements with customers, particularly consumers and sole proprietors whose credit may not be as strong as that of our large enterprise customers, exposes us to credit risk in the event of customer defaults, and we may not be paid all amounts due under our subscription agreements. In deciding whether to enter into subscription agreements with prospective customers, we may rely on information furnished by or on behalf of them. We may also rely on representations of those prospective customers as to the accuracy and completeness of that information. The inaccuracy of such information or representations affects our ability to accurately evaluate the credit risk of a customer, and an increase in the default rates of our customers could have a material adverse effect on our business, results of operations and financial condition.

Although bank failures in the United States and Europe have prompted global regulators to implement resolution plans to handle failures of systemically important banks, the risk of banks and financial institutions winding down and liquidating, entering receivership or becoming insolvent in the future in response to financial conditions affecting the banking system and financial markets, remains, which may cause our customers and business partners to face difficulties accessing cash, cash equivalents or financing. This would lead to an increase in default rates and could have an adverse effect on our business, results of operations and financial condition.

In addition, the Middle Eastern conflicts, political and economic uncertainty in Mozambique, currency fluctuations and elevated inflation and interest rates has made the operating environment challenging and has disrupted our customers' normal operations, which may cause an increase in the default rates of our customers and could lead to an adverse effect on our business, results of operations and financial condition.

*We provide minimum service level commitments to certain of our customers, and our failure to meet them could cause us to issue credits for future subscriptions, which could harm our results of operations.*

Certain of our subscription agreements currently, and may in the future, provide minimum service level commitments regarding items such as unit and platform uptime, functionality, platform performance or operational turnaround times. If we are unable to meet the stated service level commitments for these subscribers or suffer extended periods of service unavailability, we are or may be contractually obligated to provide these subscribers with credits for future subscriptions, or provide services at no cost, which could adversely impact our revenue.

### **Risks Relating to Our Reliance on Third Parties**

*The conduct of third-party security officers engaged in stolen vehicle recovery ("SVR") operations in support of our services from time to time involves the use of force, which could expose the Company to reputational harm or, potentially, civil and/or criminal liability.*

We work with local law enforcement authorities and licensed third-party security officers to recover our customers' stolen vehicles. These recovery teams are armed and undergo training on recovery procedures including conflict management and the controlled use of force in response to threats, including being the target of gunfire by vehicle theft suspects.

SVR operations in South Africa, which are provided in connection with our services, are conducted under an arm's length agreement by a third-party service provider, for which the agreement requires the service provider to comply with local law and our policies and procedures related to SVR operations.

From March 1, 2020 through February 28, 2026, 0.028% of SVR operations conducted by our service provider have resulted in injury or death as a result of weapons discharge. While in each of these incidents local law enforcement authorities determined that the security officers engaged in the action acted lawfully and in compliance with the policies and procedures outlined in our service level agreement with the service provider, there can be no assurance that a later determination will not find fault on the part of such security personnel.

In light of the nature of SVR operations, future incidents in which force is required are likely to occur. If the security officers engaged in such SVR operations are found to be at fault in any similar incident in the future, it could result in civil and/or criminal liability for us, including monetary damages or other penalties. Even if we are not found liable, we could suffer reputational harm if we are negatively associated with such incidents. While we have policies and procedures in place governing the use of force by our service provider, there can be no assurance that these policies and procedures, even if followed, would entirely mitigate any resulting reputational harm or civil and/or criminal liability that may result from an incident.

***Our financial results are affected directly by the operating results of our licensees and their employees, over whom we do not have direct control.***

Our operations in Botswana, Malawi, Rwanda and Zimbabwe, which are conducted by independent businesses that are licensees pursuant to franchise agreements with us, comprised 0.1% of our revenue for the financial year ended February 28, 2026 and 0.1% of our revenue for the financial year ended February 28, 2025. Our licensees generate revenue in the form of hardware and subscription revenue billed to customers. Accordingly, our financial results depend in part upon the operational and financial success of our licensees. We may have to terminate licensees due to various reasons, including non-payment. Additionally, if licensees fail to renew their license agreements, or if we decide to restructure license agreements in order to induce licensees to renew these agreements, then our revenues may decrease and profitability from new licensees may be lower than in the past due to reduced royalties and other incentives we may need to provide.

We rely in part on our licensees and the manner in which they operate their locations to develop and promote our business in Botswana, Malawi, Rwanda and Zimbabwe. Although we have developed criteria to evaluate and screen prospective licensees, we cannot be certain that our licensees will have the business acumen or financial resources necessary to operate successful businesses in their franchise areas and local laws may limit our ability to terminate or modify these franchise agreements. Moreover, despite our training, support and monitoring, licensees may not successfully operate in a manner consistent with our standards and requirements or may not hire and train qualified employees. The failure of our licensees to operate their franchises successfully could have a material adverse effect on us, our reputation, our brand and our ability to attract prospective licensees, which could have a material adverse effect on our business, financial condition or results of operations.

***Our licensees and their employees could take actions that could harm our business.***

Our licensees are independent businesses and the employees who work for them are not our employees, nor do we exercise control over their day-to-day operations. Our licensees may not operate their businesses in a manner consistent with industry standards or may not attract and retain qualified employees. If licensees were to provide diminished quality of service to customers, engage in fraud, misappropriation, misconduct or negligence or otherwise violate the law, including with respect to any laws relating to sanctions, our brand and reputation may suffer materially, and we may become subject to liability claims based upon such actions of our licensees and their employees.

Brand value can be severely damaged even by isolated incidents, particularly if the incidents receive considerable negative publicity or result in litigation. Some of these incidents may relate to the way we manage our relationship with our licensees, our growth strategies or the ordinary course of our business or our licensees' business. Other incidents may arise from events that are, or may be, beyond our control and may damage our brand, such as actions taken (or not taken) by one or more licensees or their employees relating to health, safety, welfare or other matters, litigation and claims, failure to maintain high ethical and social standards for all of our operations and activities, failure to comply with local laws and regulations and illegal activity targeted at us or others. Our brand value could diminish significantly if any such incidents or other matters erode consumer confidence in us, which may result in a decrease in our revenue, which in turn would materially and adversely affect our business, financial condition and results of operations.

***We depend on certain key suppliers and vendors as part of our hardware manufacturing process. An interruption in the supply chain could impair our product availability, thereby adversely affecting distribution and growth.***

The manufacturing of our core hardware requires advanced production planning, including the purchase of specific components and evaluation of component-related design elements. We currently purchase the latest Global System for Mobile Communications ("GSM"), including Long-Term Evolution ("LTE"), module components of our hardware, semiconductors and other passive components from certain third-party suppliers, and we also source other hardware and devices from third-party suppliers that integrate into our device agnostic operational intelligence platform. In addition, we currently depend principally on certain third-party suppliers to supply and manufacture components of our hardware for our PC boards and to manufacture our GSM, LTE and GNSS components. These modules and many of the other components used in the manufacture of our devices have extended lead times on orders. We do not have contracts or volume commitments in place with our third-party suppliers but instead place purchase orders on a periodic as-needed basis.

We have in the past experienced, and may in the future experience, component shortages and the predictability of the availability of these components may be limited. For example, we utilize semiconductor chips in certain of the hardware products that we manufacture. Over the last several financial years, there was an ongoing global silicon component shortage, which resulted in increases in the cost of devices and components and delays in shipments of goods across many industries, including components used in our Internet of Things (“IoT”) devices. Although the semiconductor chip supply crisis has been largely resolved, it still carries a degree of uncertainty.

Supply chain disruptions such as of port congestion with the challenges facing shipping routes and shippers having to explore alternative routes, jet fuel shortages and air freight delays can impede supply chains, leading to depleted inventories and resulting in a backlog of merchandise stranded in transit. Increases in the cost of devices or components, or freight to transport those items, could negatively impact our ability to fulfill engineering design changes or customer demand, each of which could adversely impact our results of operations. The ongoing conflict in the Middle East and disruption to shipping through the Strait of Hormuz have contributed to inflationary pressures globally, resulting in fuel and shipping costs increases. Shipping costs to the European Union and Africa have increased recently, and we expect device product costs to also increase.

While our hardware is designed such that components may be interchanged in case of supply disruptions or unavailability, any interruptions or delays in the supply of components could require us to identify and integrate our manufacturing logistics with an alternate supplier or use a substitute component. If the facilities of one of our contract manufacturers were to suffer a major business interruption event, it could take up to three months or longer to replace production capacity. Interruption in the supply of components from our contract manufacturers could impair our production capacity, and we may not have recourse against our suppliers through contractual representations, warranties, indemnification provisions or otherwise, which could have a material adverse effect on our business, results of operations and financial condition.

These suppliers or vendors could fail to provide equipment or service on a timely basis, or fail to meet our performance expectations, for a number of reasons, including, for example, disruption to the global supply chain as a result of geopolitical factors, effects of a pandemic, natural disasters or the potential impacts of global climate change. The introduction of tariffs by the US presidential administration may have significant ripple effects on global supply chains, requiring manufacturers and supply chain leaders to adjust sourcing strategies, manage cost fluctuations, and rethink global trade dependencies. This may result in higher prices of certain components and may lead to growth constraints on specific product categories.

Although we have extended our supply orders in terms of lead times and have made pre-emptive purchases to build out our inventory, we cannot guarantee that we will have sufficient inventory for our needs at all times. Any interruption or delay in the supply of any of these devices or components, or the inability to obtain these devices or components from alternate sources at acceptable prices and within a reasonable amount of time, could harm our ability to onboard new customers.

***Our operational intelligence platform relies on specific third-party software and any inability to license or use such software from third parties could render our platform inoperable.***

We rely on software and other intellectual property licensed from third parties, including mapping software, business intelligence tools and data from third party vendors such as Google, HERE and Sisense to develop and provide solutions to our customers. In addition, we may need to obtain future licenses from third parties to use software or other intellectual property associated with our solutions. We cannot assure you that these licenses will be available to us on acceptable terms, without significant price increases or at all. Any loss of the right or inability to obtain the right to use any such software or other intellectual property required for the development and maintenance of our solutions could result in interruptions in the provision of our solutions until equivalent technology is either developed by us, or, if available from others, is identified, obtained, and integrated, which could harm our business.

***Our use of open-source software may pose particular risks to our proprietary software and systems.***

We use open-source software in our proprietary software and systems and intend to continue using open-source software in the future. The terms of many open-source licenses to which we are subject have not been interpreted by European, Singaporean, South African or U.S. courts or courts of other jurisdictions, and there is a risk that those licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to commercialize our solutions. Open-source software providers may also change their open-source offerings to commercial products. The licenses applicable to our use of open-source software may require that source code that is developed using open-source software be made available to the public and that any modifications or derivative works to certain open-source software continue to be licensed under open-source licenses. Moreover, we cannot ensure that we have not incorporated additional open-source software in our software in a manner that is inconsistent with the terms of the applicable license or our current or future policies and procedures. In that event, we could be required to seek licenses from third parties in order to continue offering our solutions, to re-develop our solutions, to discontinue sales of our solutions, or to release our proprietary software source code under the terms of an open-source license, any of which could have a material adverse effect on our business.

Although we employ open-source software license screening measures, if we were to combine our proprietary software products with open-source software in a certain manner we could, under certain open-source licenses, be required to release the source code of our proprietary software products. If we fail to comply with these licenses, we may be subject to certain requirements, including requirements that we offer our solutions that incorporate the open-source software for no cost, that we make available source code for modifications or derivative works we create based upon, incorporating or using the open-source software and that we license such modifications or derivative works under the terms of applicable open-source licenses. If an author or other third party that distributes such open-source software were to allege that we had not complied with the conditions of one or more of these licenses, we could be required to incur significant legal expenses defending against such allegations and could be subject to significant damages, enjoined from the sale of our products that contained the open-source software and required to comply with onerous conditions or restrictions on these products, which could disrupt the distribution and sale of these products.

From time to time, there have been claims challenging the rights in open-source software against companies that incorporate it into their products. We and our customers may face claims from third parties claiming infringement of their intellectual property rights for what we believe to be permissive open-source software, or demanding the release or license of the open-source software or derivative works that we developed using such software (which could include our proprietary source code) or otherwise seeking to enforce the terms of the applicable open-source license. These claims could result in litigation that could be costly to defend, have a negative effect on our business, financial condition and results of operations, and could require us to purchase a costly license, publicly release the affected portions of our source code, be limited in or cease the sale or use of the implicated software unless and until we can re-engineer such software to avoid infringement or change the use of, or remove, the implicated open-source software, which could require us to devote additional research and development resources, or take other remedial actions.

In addition to risks related to license requirements, use of certain open-source software can lead to greater risks than use of third-party commercial software, as open-source licensors generally do not provide warranties, indemnities or other contractual protections with respect to the software (for example, non-infringement or functionality). Some open-source projects have known vulnerabilities and architectural instabilities and are provided on an “as-is” basis which, if not properly addressed, could negatively affect the performance of our product. Our use of open-source software may also present additional security risks because the source code for open-source software is publicly available, which may make it easier for hackers and other third parties to determine how to breach our website, our software platform and systems that rely on open-source software.

Any of these risks could be difficult to eliminate or manage, and, if not addressed, could have a material adverse effect on our business, financial condition, results of operations and prospects.

## Risks Relating to Our Growth Strategy

*We have experienced growth in recent periods. If we fail to manage our growth effectively, we may be unable to execute our business plan, maintain high levels of service or address competitive challenges adequately.*

We increased the number of our full-time employees from 5,711 as at February 28, 2025 to 7,405 as at February 28, 2026. Our subscription revenue increased from ZAR 4,068.2 million for the financial year ended February 28, 2025 to ZAR 4,843.7 million for the financial year ended February 28, 2026 and our total subscribers increased from 2,302,236 as at February 28, 2025 to 2,662,222 as at February 28, 2026. Our growth has placed, and may continue to place, significant pressure on our managerial, administrative, operational, financial and other resources. We intend to further expand our overall business, customer base, headcount and operations. Our global organization and workforce require substantial management effort to maintain. We will be required to continue to improve our operational and financial controls and reporting procedures and we may not be able to do so effectively. As such, we may be unable to manage our expenses effectively in the future, which may negatively impact our gross profit or operating expenses in any particular quarter.

*We may not effectively execute on our expansion strategy, which may adversely affect our ability to maintain our historical growth and earnings trends.*

Cartrack has grown rapidly over the last several years. Companies that grow rapidly can experience significant difficulties as a result. Our primary expansion strategy focuses on organic growth, including increased regional market penetration. However, we may not be able to successfully execute on these aspects of our expansion strategy, which may cause our future growth rate to decline below our recent historical levels, or may prevent us from growing at all.

While we operate in numerous jurisdictions and our software platform and local company websites are designed for ease of localizations, we may find it difficult to localize our company website and software platform into certain foreign languages, and we may be required to invest significant resources in order to do so in markets in which we do not yet operate. Furthermore, in addition to the expansion of our business into new geographical markets, we seek to develop a range of mobility and monitoring solutions in select markets. We may not succeed in these efforts or achieve our customer acquisition, customer retention or other goals. In some international markets, customer preferences and buying behaviors may be different, and we may use business or pricing models that are different from our traditional subscription model to provide our mobility data analytics solutions to customers in those markets, or we may be unsuccessful in implementing the appropriate business model. Our revenue from new markets may not exceed the costs of establishing, marketing, and maintaining our offerings.

In addition, conducting expanded international operations would subject us to new risks. These risks include:

- localization of our operational intelligence platform and the specific features and applications, including the addition of foreign languages and adaptation to new local practices and regulatory requirements;
- lack of experience in other geographic markets;
- strong local competitors;
- the cost and burden of complying with, lack of familiarity with, and unexpected changes in, foreign legal and regulatory requirements, including, but not limited to, changes in international trade policy, cybersecurity and AI regulation, or labor regulations;
- difficulties in managing and staffing international operations;
- fluctuations in currency exchange rates or restrictions on foreign currency;
- potentially adverse tax consequences, including the complexities of transfer pricing, value-added or other tax systems, double taxation and restrictions and/or taxes on the repatriation of earnings;

- dependence on third parties, including commercial partners with whom we do not have extensive experience;
- increased financial accounting and reporting burdens and complexities;
- geopolitical, social, and economic instability, terrorist attacks, pandemics and other natural disasters, extreme weather or climate events and security concerns in general; and
- reduced or varied protection for intellectual property rights in some countries.

Operating in international markets also requires significant management attention and financial resources. The investment and additional resources required to establish operations and manage growth in other countries may not produce desired levels of revenue or profitability.

Various other factors, such as economic conditions and competition may impede or restrict the growth of our operations. The success of our strategy also depends on our ability to manage our growth effectively, which in turn depends on a number of factors, including our ability to adapt our credit, operational, technology and governance infrastructure to accommodate expanded operations. Even if we are successful in continuing our growth, such growth may not offer the same levels of potential profitability, and we may not be successful in controlling costs relative to revenue. As such, we may not be able to achieve our long-term targets for expense management and profitability. Accordingly, our inability to maintain growth or to effectively manage growth could have a material adverse effect on our business, financial condition and results of operations.

***Investments into our operational intelligence platform and technology infrastructure may not yield the desired results.***

We have developed a scalable and proprietary operational intelligence platform to facilitate and integrate our business operations, data gathering analysis and online marketing capabilities and have invested significant capital and time into building and enhancing our operational intelligence platform and infrastructure. To remain competitive, we expect to continue to make significant investments in our operational intelligence platform. However, there is no guarantee that the capital and resources we have invested or will invest in the future will allow us to develop suitable operational intelligence platform enhancements or software applications or maintain and expand our operational intelligence platform and technology infrastructure as intended, which could have a material adverse effect on our ability to compete or require us to purchase expensive software solutions from third-party developers.

If our investments in our operational intelligence platform and technology infrastructure do not yield the desired results, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

***If we fail to maintain or enhance our brand recognition or reputation, our business could be harmed.***

We believe that maintaining, enhancing and protecting our brand and our reputation are critical to our relationships with our customers and to our ability to attract new customers. We also believe that our brand and reputation will be increasingly important as competition in our market continues to develop. Our success in this area will depend on a wide range of factors, some of which are beyond our control, including the following:

- the efficacy of our marketing efforts;
- our ability to continue to offer stable, high-quality, innovative and error and bug-free applications;
- our ability to retain existing customers and attract new customers;
- our ability to maintain high customer service levels and satisfaction;

- technology developments that minimize demand for our solutions;
- our ability to successfully differentiate our applications from those of our competitors;
- our ability to obtain and maintain intellectual property;
- actions of competitors and other third parties;
- positive or negative publicity;
- any misuse or perceived misuse of our applications;
- interruptions, delays or attacks on our platform or applications; and
- litigation, legislative or regulatory-related developments.

If our brand promotion activities are not successful, our growth and results of operations may be harmed. Furthermore, negative publicity, whether or not justified, relating to events or activities attributed to us, our employees, our partners or others associated with any of these parties, may tarnish our reputation and reduce the value of our brand. Damage to our reputation and loss of brand equity may reduce demand for our applications and could have a material adverse effect on our business, financial condition and results of operations. Moreover, any attempts to rebuild our reputation and restore the value of our brand may be costly and time-consuming, and such efforts may not ultimately be successful.

***The loss of one or more of our key management team members or personnel, or our failure to attract, train and retain other highly qualified personnel, could harm our business.***

We depend on the continued service and performance of our senior management team, including our founder and Chief Executive Officer, Isaias (Zak) Jose Calisto. In addition, the sales, customer service-driven and research and development focus of our business is vital to our growth plan and the loss of key personnel could disrupt our operations. To execute our growth plan, we must attract and retain highly qualified employees. Competition for these employees is intense, and we may not be successful in attracting and retaining qualified employees with appropriate skills. This is particularly the case in Southeast Asia where there is increased competition for qualified employees with the appropriate language skills. In addition, new hires require significant training and, in most cases, take significant time before they achieve full productivity. Our recent and planned hires may not become as productive as we expect, and we may be unable to hire or retain sufficient numbers of qualified employees. If we fail to attract, hire and train new employees, or fail to retain, focus and motivate our current employees, it could have a material adverse effect on our business and growth prospects.

***Our corporate culture has contributed to our success, and if we cannot maintain this culture, we could lose the innovation, creativity and teamwork fostered by our culture, which could harm our business.***

We believe that our vertically integrated and customer-centric corporate culture is key to our success, which we believe fosters innovation, creativity and teamwork among our employees. As we continue to grow, we may encounter difficulties in maintaining or adapting our culture to sufficiently meet the needs of our future and evolving operations, and we must be able to effectively integrate, develop and motivate a growing number of employees. In addition, our ability to maintain our culture as a publicly listed company in the United States, with the attendant changes in policies, practices, corporate governance and management requirements may be challenging. Any failure to preserve our culture, particularly if we are unable to preserve our culture across the various markets in which we operate, could also negatively affect our ability to retain and recruit employees, maintain our performance or execute on our business strategy, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

***We may expand by acquiring or investing in other companies, which may divert our management's attention, result in dilution to our shareholders, and consume resources that are necessary to sustain our business.***

We may in the future acquire complementary platforms, solutions, technologies, or businesses. We also may enter into relationships with other businesses to expand our portfolio of solutions or our ability to provide our solutions in foreign jurisdictions. Negotiating these transactions can be time-consuming, difficult and expensive, and our ability to complete these transactions may often be subject to conditions or approvals that are beyond our control. Consequently, these transactions, even if undertaken and announced, may not close.

An acquisition, investment, joint venture, alliance or new business relationship may result in unforeseen operating difficulties and expenditures. In particular, we may encounter difficulties assimilating or integrating the businesses, technologies, solutions, employees, or operations of acquired companies, particularly if the key employees of the acquired company choose not to work for us, or display a conflicting corporate culture or work ethic, the acquired company's technology is not easily adapted to be compatible with ours, or we have difficulty retaining the customers of any acquired business due to changes in management or otherwise. Acquisitions may also disrupt our business, divert our resources, and require significant management attention that would otherwise be available for the development of our business. Moreover, the anticipated benefits of any acquisition, investment, or business relationship may not be realized or we may be exposed to unknown liabilities, including litigation against the companies we may acquire. For one or more of those transactions, we may:

- issue additional equity securities that would dilute our shareholders;
- use cash that we may need in the future to operate our business;
- lose key employees of any acquired business;
- face challenges in successfully integrating, operating and managing acquired businesses and workforce and instilling our culture and work ethic into new management and employees;
- incur debt on terms unfavorable to us or that we are unable to repay or that may place burdensome restrictions on our operations;
- incur large charges or substantial liabilities; or
- become subject to adverse tax consequences, or substantial depreciation, deferred compensation or other acquisition-related accounting charges.

Any of these risks could harm our business and results of operations.

***We have entered, and expect to continue to enter, into collaboration agreements or partnerships and these activities involve risks and uncertainties.***

We have entered, and expect to continue to enter, into collaboration agreements with local partners to the extent required pursuant to local laws and regulations in order to penetrate certain geographic regions to effectively grow our business. Entering into collaborations or partnerships involves risks and uncertainties, including the risk that a given partner could fail to satisfy its obligations, which may result in certain liabilities to us for guarantees and other commitments. Further, since we may not exercise control over our current or future partners, we may not be able to require our partners to take the actions that we believe are necessary to implement our business strategy. Additionally, differences in views among partners may result in delayed decision-making or failure to agree on major issues. If any of these difficulties cause any of our partners to deviate from our business strategy, or if this leads any of our collaborations or partnerships to fail to attract the intended customer base, it could have a material adverse effect on our results of operations.

## Risks Relating to Our Intellectual Property, Data Privacy and Cybersecurity

*Evolving regulation and changes in applicable laws relating to the Internet and data privacy may increase our expenditure related to compliance efforts or otherwise limit the solutions we can offer, which may harm our business and adversely affect our financial condition.*

The transmission of data over the Internet and cellular networks is a critical component of our operational intelligence and subscription model. As Internet commerce continues to evolve, increased regulation by federal, state or foreign agencies becomes more likely, particularly in the areas of data privacy, and data security. We are subject to this complex and evolving patchwork of data privacy and data security laws and regulations in the jurisdictions in which we operate. These laws and regulations impose numerous obligations on our business, including those relating to the collection, use, disclosure, transfer, destruction and security of personal information. The requirements under these laws are often complex, vary by jurisdiction and can be subject to unclear or conflicting interpretations. These laws may also carry significant penalties for non-compliance, including substantial fines and private litigation. Despite our efforts to comply with these obligations, our products, services and operations may not fully comply with all applicable laws and regulations at all times. In addition, taxation of services provided over the Internet or other charges imposed by government agencies or by private organizations for accessing the Internet may be imposed. Any regulation imposing greater fees for Internet use or restricting information exchange over the Internet could result in a decline in the profitability and viability of Internet-based services, which could harm our business.

Our solutions enable us to collect, manage and store a wide range of data related to fleet management, vehicle location and tracking and other telematics services such as fuel usage, engine temperature, speed and mileage and, in the case of our field service application, includes customer information, job data, schedule and invoice information. A valuable component of our solutions is our ability to analyze this data and present the user with actionable business intelligence, including AI-powered decision-making tools. We expect AI to play an increasingly important role in our future product and service offerings. As with many developing technologies, AI presents risks and challenges that could affect its further development, adoption, and use, and therefore our business. The use of AI technologies could lead to the unauthorized disclosure of sensitive, proprietary, or confidential information and could lead to new potential cyberattack methods or increase the frequency or intensity of such attacks. We obtain our data from a variety of sources, including our customers and third-party sources or service providers. We cannot assure you that the data we require for our proprietary data sets will be available from these sources in the future or that the cost of such data will not increase. The United States and various state governments have adopted or proposed limitations on the collection, distribution and use of personal information. Several foreign jurisdictions, including South Africa, Singapore and the European Union, have adopted legislation (including directives or regulations) that increase or change the requirements governing data collection and storage in these jurisdictions. Further, such data privacy laws and regulations may be amended in the future. Any failure to adhere to or successfully implement processes in response to changing regulatory requirements in this area could result in legal liability or impairment to our reputation in the marketplace, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

The current European Union legislation related to data protection is the General Data Protection Regulation (“GDPR”). While we appointed a Data Protection Officer to oversee and supervise our compliance with European data protection regulations and have taken steps to mitigate the risks of GDPR, we cannot provide any assurance that we are in compliance with all aspects of European data protection regulations, including GDPR. Despite our ongoing efforts to bring practices into compliance, we may not be successful either due to various factors within our control, such as limited financial or human resources, or other factors outside of our control. For example, while we seek to enter into data processing agreements with third-parties with whom we share data, or who share data with us, we may be unable to execute agreements with all such third-parties. It is also possible that local data protection authorities may have different interpretations of the GDPR, leading to potential inconsistencies amongst various EU member states. The Artificial Intelligence Act of the European Union, also known as the EU AI Act or the AI Act came into force on August 1, 2024, with different provisions of the law going into effect in different stages in 2025.

In Singapore, the Personal Data Protection Act 2012, No. 26 of 2012 generally requires organizations to give notice and obtain consents prior to collection, use or disclosure of personal data (data, whether true or not, about an individual who can be identified from that data or other accessible information). The Protection of Personal Information Act, No. 4 of 2013 (the “POPI Act”) applies to our South African subsidiaries.

In 2023, China issued its Interim Measures for the Administration of Generative Artificial Intelligence Services. Under the law, the provision and use of generative AI services must “respect the legitimate rights and interests of others” and are required to “not endanger the physical and mental health of others, and do not infringe upon others’ portrait rights, reputation rights, honor rights, privacy rights, and personal information rights”.

We have updated and will continue to evaluate our Group data protection and security policies, charters, and procedures to assist in maintaining data privacy and data security in line with international practices. If our privacy or data security measures fail to comply, or are perceived to fail to comply, with current or future laws and regulations, we may be subject to litigation, regulatory investigations or other liabilities.

Moreover, if future laws and regulations limit our customers’ ability to use and share this data or our ability to store, process and share data with our clients over the Internet, demand for our solution could decrease, our costs could increase, and our results of operations and financial condition could be harmed.

U.S. treatment of data protection is accomplished by legislation at the federal level within sector-specific contexts and so definitions of what kinds of data are covered will vary from one law to the next. In recent years, a proliferation of comprehensive state data privacy laws was enacted in several jurisdictions in the US, in addition to those already in effect. Furthermore, as regulations continue to develop, enforcement actions may increase. As such, businesses are required to allocate adequate resources to ensure compliance with data privacy laws.

In addition, AI has seen significant expansion in terms of technology, adoption, proposed regulation and enforcement. In 2022, the White House Office of Science and Technology Policy (OSTP) released its “Blueprint for an AI Bill of Rights.” This nonbinding framework delineates five principles to guide the development of AI, including a section dedicated to data privacy, encouraging AI professionals to seek individuals’ consent on data use. The expansion of AI policies and regulation, particularly at the U.S. state level, is possible.

On the U.S. federal level, despite the American Data Privacy and Protection Act in 2022, there has not been significant advancement toward an omnibus privacy law.

The OECD’s *Recommendation on Artificial Intelligence*—adopted in 2019 and updated in 2023 and 2024—is the first intergovernmental standard promoting trustworthy AI. It establishes five principles for responsible AI development and five recommendations for national and international action. These principles aim to ensure AI systems are human-centric, trustworthy, and aligned with democratic values and human rights. Given our global presence, we continue to explore the adoption of group policies that would afford us compliance with similar legislation in the countries we operate in.

We also operate an insurance agency and brokerage business that markets short-term insurance policies and selected insurance-related value-add vehicle products to our customers. This results in us receiving personally identifiable information with the customer’s consent. This information is increasingly subject to legislation and regulation. This legislation and regulation are generally intended to protect individual privacy and the privacy and security of personal information. We could be adversely affected if government regulations require us to significantly change our business practices with respect to this type of information or if the insurance providers who use our marketplace violate applicable laws and regulations.

Changes in applicable laws and regulations may materially increase our direct and indirect compliance and other expenses of doing business, having a material adverse effect on our business, financial condition and results of operations. If there were to be changes to statutory or regulatory requirements, we may be unable to comply fully with or maintain all required licenses and approvals. Regulatory authorities have relatively broad discretion to grant, renew and revoke licenses and approvals. If we do not have all requisite licenses and approvals, or do not comply with applicable statutory and regulatory requirements, the regulatory authorities could preclude or temporarily suspend us from carrying on some or all of our activities or institute financial penalties on us, which could have a material adverse effect on our business, results of operations and financial condition.

We cannot predict whether any proposed legislation or regulatory changes will be adopted, or what impact, if any, such proposals or, if enacted, such laws could have on our business, results of operations and financial condition. If we fail to comply with applicable laws and regulations, we may be subject to investigations, criminal penalties or civil remedies, including fines, injunctions, loss of an operating license or approval, increased scrutiny or oversight by regulatory authorities, the suspension of individual employees, limitations on engaging in a particular business or redress to customers. The cost of compliance and the consequences of non-compliance could have a material adverse effect on our business, results of operations and financial condition. In addition, a failure to comply with applicable laws and regulations could have a material adverse effect on our business, results of operations and financial condition by exposing us to negative publicity and reputational damage or by harming our customer or employee relationships.

In most jurisdictions, government regulatory authorities have the power to interpret and amend applicable laws and regulations, and have discretion to grant, renew and revoke the various licenses and approvals we need to conduct our activities. Such authorities may require us to incur substantial costs in order to comply with such laws and regulations. Regulatory statutes are broad in scope and subject to differing interpretation. In some areas of our businesses, we act on our own or the industry's interpretations of applicable laws or regulations, which may differ by jurisdiction. In the event those interpretations are different from the interpretations of regulatory authorities, we may be penalized or precluded from carrying on our previous activities.

***Our operational intelligence platform may contain undetected defects or software errors, which could result in damage to our reputation, market rejection of our products, or adversely affect our business, financial condition and results of operations.***

Our continued growth depends in part on the ability of our existing and potential customers to access our solutions and platform capabilities at any time and within an acceptable period of time. We have experienced, and may in the future experience, disruptions, outages, and other performance problems due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, capacity constraints due to an overwhelming number of users accessing our platform simultaneously, denial of service attacks, or other security-related incidents. We must update our operational intelligence platform rapidly to keep pace with the evolving market including the third-party software and devices with which our solutions integrate, and we have a history of frequently introducing new versions. Our solutions could contain undetected errors or defects, especially when first introduced or when new versions are released that are difficult to detect and correct despite third-party testing. Our solutions, including software, may not be free from errors or defects, which could result in damage to our reputation or a material adverse effect on our results of operations.

It may become increasingly difficult to maintain and improve our performance, especially during peak usage times and as our solutions and platform capabilities become more complex and our user traffic increases. If our platform is unavailable or if our users are unable to access our solutions and platform capabilities within a reasonable amount of time or at all, we may experience a loss of customers, lost or delayed market acceptance of our platform and solutions, delays in payment to us by customers, harm to our reputation and brand, legal claims against us, and the diversion of our resources. In addition, to the extent that we do not effectively address capacity constraints, upgrade our systems as needed and continually develop our technology and network architecture to accommodate actual and anticipated changes in technology, our business, financial condition and results of operations may be adversely affected.

The operation of our hardware is controlled by the firmware loaded on the hardware. We generally provide firmware updates to our customers by “over-the-air” wireless communication directly to our customers’ telematics devices. If the firmware does not function as expected and prevents the uploading of updated firmware, it would require direct servicing of the installed on-board computer by trained employees resulting in significant costs. Variations among communications protocols in the markets in which we operate enhance the risk of error in the remote installation of firmware. Although we attempt to manage this risk by introducing firmware updates in stages so that the success of deployment to a small number of telematics devices can be assessed before the installment risk is expanded to a larger customer base, there can be no assurance that we will be successful in detecting firmware operation and integration problems or otherwise in managing our exposure to remediation expense related to the deployment of firmware updates.

***Our use of AI and generative AI tools presents risks and challenges that could adversely affect our business and require that we incur substantial costs***

We use AI and generative AI tools in certain of our products, services and operations, including customer service, data analytics, product development and code creation. AI is a rapidly evolving and disruptive technology and the long-term implications of its use are still uncertain. We expect that the increasing adoption and use of AI technologies will continue to accelerate and have significant impacts on our business and the industries we serve. Our competitors may incorporate AI more quickly or successfully and our solutions could become less competitive as a result. AI-related laws and regulations in the U.S., EU and a variety of other countries and jurisdictions are rapidly evolving and are subject to significant uncertainty and could impose significant compliance costs, restrict certain AI applications, or require us to alter our AI-related practices.

AI may also produce erroneous or misleading content and outputs that infringe on the intellectual property or data privacy rights of others. Although we take measures to address the accuracy and appropriate use of generative AI content, including through internal policies and training, these efforts may not always be successful. Any failure by our personnel, contractors, or partners to adhere to our policies, or otherwise use AI in an inappropriate manner, could result in violations of confidentiality obligations and laws or regulations, jeopardize our IP rights, or expose our products or business systems to defects and malware, any of which could damage our business and result in reputational, technical, or competitive harm.

***Our “over-the-air” transmission of firmware updates could permit a third party to disable our customers’ telematics devices or introduce malware into our customers’ telematics devices, which could expose us to customer claims.***

“Over-the-air” transmission of our firmware updates potentially provides the opportunity for a third party to modify or disable our customers’ operating systems or introduce malware into our customers’ operating systems. While no such incidents have occurred to date, there can be no assurance that they will not occur in the future. For example, a third party could attempt to introduce software modifications providing incorrect location data and functionality or the deletion of data. Damage to our customers’ telematics devices as a result of such incidents could only be remedied through direct servicing of their installed telematics devices by trained employees resulting in significant costs, particularly if the incidents were to be widespread. Moreover, such incidents could expose us to various claims by our customers, the outcome of which would be uncertain. Third party interference with our over-the-air transmission of firmware or with our customers’ telematics devices during such processes could have a material adverse effect our business, financial condition and results of operations.

***Any significant disruption in service on our operational intelligence platform or in our computer systems, through cybersecurity breaches, computer viruses or otherwise or disruption of our platform, including as a result of artificial intelligence, could damage our reputation and result in a loss of customers, which would harm our business and results of operations.***

Our brand, reputation, and ability to attract, retain, and serve our customers are dependent upon the reliable performance of our service and our customers’ ability to access our solutions at all times. Our customers rely on our solutions to make operating decisions related to their fleet, as well as to measure, store and analyze valuable data regarding their businesses. Our solutions are vulnerable to interruption and our data centers are vulnerable to damage or interruption from human error, intentional bad acts, computer viruses or hackers, earthquakes, hurricanes, floods, fires, war, terrorist attacks, power losses, hardware failures, systems failures, telecommunications failures, and similar events, any of which could limit our customers’ ability to access our solutions. Prolonged delays or unforeseen difficulties in connection with adding capacity or upgrading our network architecture may cause our service quality to suffer. Any event that significantly disrupts our service or exposes our data to misuse could damage our reputation and harm our business and results of operations, including reducing our revenue, causing us to issue credits to customers, subjecting us to potential liability, increasing our churn rates, or increasing our cost of acquiring new customers.

We host our solutions and serve our customers from our network servers, which are principally located at third-party data center facilities in South Africa, Singapore, the Netherlands, United Arab Emirates and France. While we control and have access to our servers and all of the components of our network that are located in our external data centers, we do not control the operation of these facilities. Problems faced by our third-party data centers with the telecommunications network providers with whom we or they contract, or with the systems by which our telecommunications providers allocate capacity among their customers, including us, could adversely affect the experience of our customers. Our third-party data center operators could decide to close their facilities without adequate notice. In addition, any financial difficulties, such as bankruptcy, faced by our third-party data center operators or any of the service providers with whom we or they contract may have negative effects on our business, the nature and extent of which are difficult to predict. Our disaster recovery systems are located at third-party hosting facilities. While we are increasing our back-up capability, our systems have not been tested under actual disaster conditions and may not have sufficient capacity to recover all data and services in the event of an outage. In the event of a disaster in which our disaster recovery systems are irreparably damaged or destroyed, we could experience interruptions in access to our solutions. Any changes in third-party service levels at our data centers or any errors, defects, disruptions, or other performance problems with our solutions could harm our reputation and may damage our data. Interruptions in our services might reduce our revenue, cause us to issue credits or refunds to customers, subject us to potential liability, or harm our customer retention rate. Compliance with the various data protection laws across nations is challenging due to the complex and sometimes contradictory nature of the different regulatory regimes. Because data protection regulations are not uniform among the various nations in which we operate, our ability to transmit consumer information across borders is limited by our ability to comply with conditions and restrictions that vary from country to country. In countries with particularly strict data protection laws, we might not be able to transmit data out of the country at all and may be required to host individual servers in each such country where we collect data.

We have experienced, and may experience in the future, disruptions, outages, and other performance problems due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, capacity constraints due to an overwhelming number of users accessing our solutions and platform capabilities simultaneously, denial of service attacks, or other security-related incidents. It may become increasingly difficult to maintain and improve our performance, especially during peak usage times and as our solutions and platform capabilities become more complex and our user traffic increases. If our solutions and platform capabilities are unavailable or if our users are unable to access our solutions and platform capabilities within a reasonable amount of time or at all, we may experience a loss of customers, lost or delayed market acceptance of our platform and solutions, delays in payment to us by customers, harm to our reputation and brand, legal claims against us, and the diversion of our resources. The systems we rely upon also remain vulnerable to damage or interruption from a number of other factors, including access to the internet, the failure of our network or software systems, or significant variability in visitor traffic on our product websites, earthquakes, floods, fires, power loss, telecommunication failures, computer viruses, human error and similar events or disruptions. Some of our systems are not fully redundant and our disaster recovery planning is not sufficient for all eventualities. Our systems are also subject to intentional acts of vandalism. Despite any precautions we may take, the occurrence of a natural disaster, a decision by any of our third-party hosting providers to close a facility we use without adequate notice for financial or other reasons, or other unanticipated problems at our hosting facilities could cause system interruptions and delays, and result in loss of critical data and lengthy interruptions in our services.

In addition, to the extent that we do not effectively address capacity constraints, upgrade our systems as needed and continually develop our technology and network architecture to accommodate actual and anticipated changes in technology, our business, financial condition and results of operations may be adversely affected.

Cybersecurity incidents are increasing in frequency and evolving in nature and include, but are not limited to, installation of malicious software, unauthorized access to data and other electronic security breaches that could lead to disruptions in systems, unauthorized release of confidential or otherwise protected information and the corruption of data. Given the unpredictability of the timing, nature and scope of information technology disruptions, there can be no assurance that the procedures and controls we employ will be sufficient to prevent security breaches from occurring and we could be subject to manipulation or improper use of our systems and networks or financial losses from remedial actions, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

***Security or privacy breaches in our electronic transactions or data may expose us to additional liability or result in a loss of customers, either of which events could harm our business.***

Use of our solutions involve the storage, transmission and processing of our customers' proprietary data, including potentially personal or identifying information. We may experience data security breaches or unauthorized disclosures of personal, confidential or proprietary information. Any inability on our part to protect the information security of our operational intelligence platform or the privacy of confidential information could have a material adverse effect on our profitability by exposing us to additional liability, increasing our expenses relating to resolution of these breaches and deterring users from using our solutions. Further, unauthorized access to, or security breaches of, our solutions could result in the loss, compromise or corruption of data, loss of business, severe reputational damage adversely affecting customer or investor confidence, regulatory investigations and orders, litigation, indemnity obligations, damages for contract breach, penalties for violation of applicable laws or regulations, significant costs for remediation and other liabilities. For example, under the GDPR, substantial penalties for failure to comply with the regulations can be imposed, including a fine of up to €20 million or up to 4% of the annual worldwide turnover, whichever is greater. We have incurred and expect to incur significant expenses to prevent security breaches and achieve compliance with all applicable laws and regulations including the GDPR, such as deploying additional employees and protection technologies, training employees, and engaging third-party experts and consultants. Our errors and omissions insurance coverage mitigating certain security and privacy damages and claim expenses may not be sufficient to compensate for all liabilities we may incur.

In addition, our and our third-party vendors' systems, operations and information technology systems are vulnerable to damage or interruption from human error, physical break-ins, unauthorized access, hacking, malware, ransomware, denial of service attacks, spurious spam attacks, intentional acts of vandalism and similar events. The availability and use of AI-enabled technologies also increase the sophistication and threat posed to information technology systems. We cannot guarantee that our current security methods and measures will effectively counter evolving security risks, prevent future slowdowns or disruptions, protect against extraordinary attacks while addressing the security and privacy requirements of existing and future users. Any physical or electronic break-in or other security breach or compromise of the information handled by us or our service providers may jeopardize the security or integrity of information in our computer systems and networks or those of our customers and cause significant interruptions in our and our customers' operations. Although we have developed systems and processes that are designed to protect customer information and prevent data loss and other security breaches, including systems and processes designed to reduce the impact of a security breach at a third-party vendor, such measures cannot provide absolute security. It is also possible that, despite existing safeguards, our employees could misappropriate our customers' proprietary information or data, exposing us to a risk of loss or litigation and possible liability. Customers and other end-users who rely on our solutions for applications that are integral to their businesses may have a greater sensitivity to security vulnerabilities than customers for software solutions generally. Any such access, breach, or other loss of information could result in legal claims or proceedings, liability under applicable federal or state laws and regulatory penalties. Under certain applicable law, notice of breaches must be made to affected individuals, and for extensive breaches, notice may need to be made to the media or state attorneys general. Such a notice could harm our reputation and our ability to compete. Unauthorized access, loss, or dissemination could also damage our reputation or disrupt our operations, including our ability to conduct our analyses, deliver results, provide customer assistance, conduct research and development activities, collect, process, and prepare company financial information, and manage the administrative aspects of our business. Further, any system failures, slowdowns or disruptions will likely result in unanticipated disruptions in service to our users, decreased levels of user satisfaction and significant negative effects on our reputation, which could have a material adverse effect on our business.

We rely on third-party encryption and authentication technology to provide secure transmission of confidential information over the Internet, including customer bank account numbers. Advances in technological capabilities, new discoveries in the field of cryptography or other events or developments could result in a compromise or breach of the technology we use to protect sensitive transaction data. If we are unable to detect and prevent unauthorized use of bank account numbers, our business could suffer. If any such compromise of our security, or the security of our customers, were to occur, it could result in misappropriation of proprietary information or interruptions in operations and have a material adverse effect on our reputation or the reputation of our customers.

***If our operational intelligence platform does not comply with quality standards set forth under our subscription agreements or we breach our obligations under our subscription agreements, our subscribers may assert claims for reduced payments or seek damages from us.***

Under our subscription contracts, we typically provide certain representations and warranties to our subscribers, including, among others, that we have not knowingly incorporated any intellectual property which infringes the rights of any third-party, the software being delivered has been developed as per the specifications provided and is free from any patent defects and services will be provided with reasonable care.

In the case of any breach of these representations and warranties, we would be required to take certain remedial steps, including: modifying the solution, defending our subscribers in any litigation arising from an intellectual property rights infringement claim by a third-party, providing functionally equivalent replacements to the subscribers, rectifying the defect and indemnifying our subscribers for any direct losses arising from such a breach of representations and warranties.

Such steps may involve significant monetary costs and management time. Any inability to predict our performance and measure our productivity would further compound these risks and expose us to additional liabilities. Our subscribers could seek significant compensation from us for the losses they suffer. Although our subscription agreements typically contain provisions designed to limit our exposure to product liability claims, existing or future laws or unfavorable judicial decisions could negate these limitations. Even if not successful, a product liability claim brought against us would likely be time-consuming, costly and could seriously damage our reputation in the marketplace, making it harder for us to sell our solutions.

***An assertion by a third party that we are infringing on its intellectual property could subject us to costly and time-consuming litigation or expensive licenses and our business could be harmed.***

The industries in which we operate are characterized by the existence of entities, including leading companies, competitors, patent holding companies and non-practicing entities that hold a large number of patents, copyrights, trademarks and trade secrets. Further, the industries are characterized by frequent litigation based on allegations of infringement or other violations of intellectual property rights. Such entities may assert patent, copyright, trademark or other intellectual property claims against us, our customers and partners, and those from whom we license technology and intellectual property. Much of this litigation involves patent holding companies or other adverse patent owners who have no relevant product revenues of their own. We do not have a patent portfolio of our own and even if we did, a patent portfolio may provide little or no deterrence to such patent holding companies or non-practicing entities.

Legal proceedings involving intellectual property rights are highly uncertain and can involve complex legal and scientific questions. We cannot assure you that we will prevail in any current or future intellectual property infringement or other litigation given the complex technical issues and inherent uncertainties in such litigation. Defending such claims, regardless of their merit, could be time-consuming and distracting to management, result in costly litigation or settlement, cause development delays, or require us to enter into royalty or licensing agreements. Insurance may not cover or be insufficient for any such claim. In addition, we could be obligated to indemnify our customers against third parties' claims of intellectual property infringement based on our solutions. If our solutions violate any third-party intellectual property rights, we could be required to withdraw those solutions from the market, re-develop those solutions or seek to obtain licenses from third parties, which might not be available on reasonable terms or at all. Any efforts to re-develop our solutions, obtain licenses from third parties on favorable terms or license a substitute technology might not be successful and, in any case, might substantially increase our costs and harm our business, financial condition and results of operations. Withdrawal of any of our solutions from the market could also harm our business, financial condition and results of operations. Further, we may not have the ability to terminate or amend our supplier contracts in connection with such solutions being withdrawn from the market, nor may we have recourse through representations, warranties, indemnification provisions or otherwise in such supplier contracts.

In addition, we incorporate open-source software into our platform. Given the nature of open-source software, third parties might assert copyright and other intellectual property infringement claims against us based on our use of certain open-source software programs, particularly in the United States. The terms of many open-source licenses to which we are subject have not been interpreted by U.S. courts or courts of other jurisdictions, and there is a risk that those licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to commercialize our solutions. In that event, we could be required to seek licenses from third parties in order to continue offering our solutions, to re-develop our solutions, to discontinue sales of our solutions, or to release our proprietary software source code under the terms of an open-source license, any of which could have a material adverse effect on our business.

***If we are unable to protect our intellectual property and proprietary technologies, our business may be adversely affected.***

Our future success and competitive position depend in large part on our ability to protect our intellectual property and proprietary technologies. We rely on a combination of trademark, copyright, and trade secret laws, as well as confidentiality procedures and contractual restrictions, to establish and protect our intellectual property rights, all of which provide only limited protection and may not currently or in the future provide us with a competitive advantage.

We enter into confidentiality agreements with our employees, independent contractors and other individual advisors and enter into confidentiality agreements with licensees and other third parties, including suppliers and partners. We have not entered into invention assignment agreements with licensees and third parties. However, we cannot guarantee that we have entered into such agreements with each party that has or may have had access to our proprietary information, know-how and trade secrets. Moreover, no assurances can be given that these agreements effectively prevent access to, distribution, use, misuse, misappropriation, reverse engineering or disclosure of confidential or proprietary information. Further, these agreements may not provide adequate remedy in the event of unauthorized disclosure of confidential or proprietary information. In addition, others may independently discover our trade secrets or develop similar technologies and processes, and, in either event we would not be able to assert trade secret rights.

We also rely to a limited extent on trademark and copyright law. We have no patents or patent applications. We cannot make any assurances that any future trademark registrations will be issued for pending or future applications or that any registered trademarks will be enforceable or provide adequate protection of our proprietary rights. Intellectual property rights protection is territorial in nature and therefore, successfully obtaining intellectual property rights protection in one jurisdiction may not necessarily provide protection in another jurisdiction. For example, while we have obtained certain registered trademarks in South Africa, Namibia, Nigeria and Tanzania, we have not obtained registered trademarks in all of the jurisdictions in which we operate or plan to operate. Accordingly, we rely primarily on common law or unregistered rights in such jurisdictions, which may not provide the same scope of protection as registered trademarks and may be insufficient for our business. In addition, third-parties have filed, and may in the future file, for registration of trademarks similar or identical to our trademarks, thereby impeding our ability to build brand identity and possibly leading to market confusion. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our registered or unregistered trademarks or trade names.

We cannot guarantee that any patents or trademarks will issue from any future patent or trademark applications, that any patents or trademarks that issue from such applications will give us the protection that we seek, or that any such patents or trademarks will not be challenged, invalidated, or circumvented. Any patents or trademarks that may be issued in the future from future patent and trademark applications may not provide sufficiently broad protection and may not be enforceable in actions against alleged infringers.

Even upon intellectual property rights registration, there is no certainty that our intellectual property rights will provide us with substantial protection or commercial benefit. Despite our efforts to protect our intellectual property, some of our innovations may not be protectable, and our intellectual property rights may offer insufficient protection from competition or unauthorized use, lapse or expire, be challenged, narrowed, invalidated, or misappropriated by third parties, or be deemed unenforceable or abandoned, which, could have a material adverse effect on our business, financial condition, results of operations and prospects and the legal remedies available to us may not adequately compensate us.

We cannot guarantee that the steps we take will be adequate to protect our technologies and intellectual property, that any patent and trademark applications will lead to issued patents or registered trademarks, that others will not develop or patent similar or superior technologies or solutions, or that our trademarks and other intellectual property will not be challenged, invalidated, or circumvented by others. Furthermore, effective patent, trademark, copyright, and trade secret protection may not be available in every country in which our solutions are available or where we have employees or independent contractors. In addition, the legal standards relating to the validity, enforceability, and scope of protection of intellectual property rights in Internet-related industries are uncertain and still evolving. The steps we have taken and will take may not prevent unauthorized use, reverse engineering, or misappropriation of our technologies and we may not be able to detect any of the foregoing. Defending and enforcing our intellectual property rights may result in litigation, which can be costly and divert management attention and resources. Any such litigation may not be successful even if such rights have been infringed and an adverse decision could limit the scope of such rights. If our efforts to protect our technologies and intellectual property are inadequate, the value of our intangible assets may be diminished and competitors may be able to replicate our solutions and methods of operations. Any of the foregoing events could have a material adverse effect on our business, financial condition, and results of operations.

### **Risks Related to Legal Proceedings**

***We may incur material losses and costs as a result of lawsuits or claims that may be brought against us which are related to product liability, warranty, product recalls, client service interruptions or other matters, and any litigation against us could be costly and time-consuming to defend and could harm our business, financial condition and results of operations.***

We are exposed to product liability and product warranty claims in the normal course of business, in the event that our solutions actually or allegedly fail to perform as expected, or the use of our solutions results, or is alleged to result, in non-compliance with applicable regulations, bodily injury and/or property damage. Our safety and security services may be disabled or prove to be ineffective as a result of techniques employed by car thieves or the discovery of technological weaknesses by such persons. We could experience material product warranty or product liability costs in the future.

Effective July 1, 2025, our third-party vehicle recovery provider discontinued the 3-year limited stolen vehicle recovery warranty for new subscribers. As a result, new subscribers on or after July 1, 2025 no longer receive this warranty. Although we have not observed an adverse impact on our sales performance since the warranty was discontinued, the limited warranty that remain in effect subscribers who enrolled prior to July 1, 2025, may still expose us to future litigation and associated costs.

If there were a systematic failure of any of our solutions, we could suffer significant damage to our reputation and any product liability insurance we maintain might not be sufficient to prevent us from suffering a material economic loss. While we carry insurance and maintain reserves for product liability claims, we have not established a liability reserve under these warranties. Our insurance coverage may be inadequate if such claims do arise, and any defense costs and liability not covered by insurance could have a material adverse impact on our financial condition, results of operations or cash flow. A future claim could involve the imposition of punitive damages, the award of which, pursuant to local laws, may not be covered by insurance. In addition, warranty and certain other claims are not typically covered by insurance. Any product liability or warranty issues may adversely impact our reputation as a manufacturer of high-quality, effective and safe solutions and could have a material adverse effect on our business, results of operations and financial condition.

Furthermore, we have in the past and may in the future become subject to legal proceedings and claims that arise in the ordinary course of business, such as claims brought by our clients or vendors in connection with commercial disputes or employment claims made by our current or former employees. Internal fraud, which may include the stealing and dissemination of customers' personally identifiable information, may also create significant customer distrust and result in litigation against us. Actions taken by third-party security officers involved in SVR operations as part of our services may also result in legal proceedings and claims which could then result in reputational harm to us or criminal and/or civil liability, including monetary damages or other penalties. See "Risk Factors—Risks Relating to Our Reliance on Third Parties—The conduct of third-party security officers engaged in SVR operations in support of our services from time to time involves the use of force, which could expose the Company to reputational harm or, potentially, civil and/or criminal liability."

We are unable to predict the outcome of such legal proceedings. Such proceedings might result in substantial costs, regardless of the outcome, and may divert management's attention and resources, which might seriously harm our business, financial condition and results of operations. Insurance might not cover such claims, might not provide sufficient payments to cover all the costs to resolve one or more such claims, and might not continue to be available on terms acceptable to us. A claim brought against us that is uninsured or underinsured could result in unanticipated costs, potentially resulting in a material adverse effect on our business, financial condition, and results of operations.

### **Risks Relating to Our Operations in South Africa and Other Emerging Markets**

*We conduct a material amount of our business in foreign currencies, which heightens our exposure to the risk of exchange rate fluctuations.*

We are subject to fluctuations in foreign exchange rates between the South African rand, our reporting currency, and currencies of other countries where we market our solutions or source our raw components, for example the Euro, the Singapore dollar, Polish zloty, U.S. dollar and Mozambican metical. Such fluctuations may result in significant increases or decreases in our reported revenue and other results as expressed in South African rand, and in the reported value of our assets, liabilities and cash flows. In addition, currency fluctuation may adversely affect receivables, payables, debt, firm commitments and forecast transactions denominated in foreign currencies. In particular, translation risks arise where parts of the cost of revenue are not denominated in the same currency of such sales. The U.S. dollar/South African rand exchange rates have historically been volatile and we expect this volatility to continue. Fluctuation in exchange rates, depreciation of local currencies, changes in monetary and/or fiscal policy or inflation in the countries in which we operate could negatively impact the prices at which the ordinary shares trade and have a material adverse effect on our business, financial condition, results of operations and prospects.

*Exchange controls may restrict the ability of our subsidiaries to convert or transfer sums in foreign currencies.*

Our ability to generate operating cash flows at the holding company level depends on the ability of our subsidiaries, including Cartrack Holdings Proprietary Limited, to upstream funds. In particular, companies operating in South Africa are subject to exchange control limitations. Exchange controls in South Africa are administered by the South African Reserve Bank ("SARB") pursuant to the Exchange Control Regulations, 1961, as amended, which regulates transactions between South African residents and non-residents. While exchange controls have been relaxed in recent years and may continue to be relaxed, South African companies remain subject to restrictions on their ability to export capital outside of the Common Monetary Area, which includes South Africa, Namibia, Lesotho and Eswatini. In addition, as the cash flows of certain countries are highly dependent on the export of certain raw materials, the ability to convert such currencies can be limited by the timing of payments for such exports, which may require us to organize our currency conversions around such constraints. These restrictions may affect the manner in which we finance our transactions outside South Africa and the geographic distribution of our debt.

We can offer no assurance that additional restrictions on currency exchange will not be implemented in the future or that these restrictions will not limit the ability of our subsidiaries to transfer cash to us, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

*The markets in which we operate are exposed to high inflation and interest rates which could increase our operating costs and thereby reduce our profitability.*

The economies of countries in which we operate, including South Africa, Mozambique, Tanzania and Kenya in the past have been, and in the future may continue to be, characterized by rates of inflation and interest rates that are substantially higher than those prevailing in the United States and other highly developed economies. High rates of inflation could increase our costs in such regions and decrease our operating margins. In particular, the inflation rate in South Africa, where we have significant operations, is relatively high compared to developed, industrialized countries. As at February 2026, the annual CPI stood at 3.0% compared to 3.2% in February 2025. Inflation in South Africa generally results in an increase in our operational costs in rand. Higher and sustained inflation in the future, with a consequent increase in operational costs could have a material adverse effect on our results of operations and our financial condition and could result in operations being discontinued or reduced or rationalized, which could have a material adverse effect on our business, financial condition and results of operations.

Although higher interest rates would increase the amount of income we earn on our cash balances, they would also adversely affect our ability to obtain cost-effective debt financing in certain countries in which we operate.

***The laws and regulations which we are subject to, such as U.S. and other anti-corruption laws, trade controls, economic sanctions and similar laws and regulations in the jurisdictions which we operate, are complex and the regulatory and political regimes under which we operate are volatile. Our failure to comply with the relevant laws, regulations, executive orders and directives could subject us to civil, criminal and administrative penalties and harm our reputation.***

Doing business on a worldwide basis requires us to comply with the laws and regulations of various foreign jurisdictions, including those not specifically related to our industry. These laws, regulations, executive orders, directives and enforcement priorities place restrictions on our operations, trade practices, partners and investment decisions. In particular, our operations are subject to U.S. and foreign anti-corruption and trade control laws and regulations, such as the Foreign Corrupt Practices Act (the “FCPA”), export controls and economic sanctions programs, including those administered by the U.S. Treasury Department’s Office of Foreign Assets Control (“OFAC”). As a result of doing business in foreign countries and with foreign partners, we are exposed to a heightened risk of violating anti-corruption and trade control laws and sanctions regulations.

The FCPA prohibits us from providing anything of value to foreign officials for the purposes of obtaining or retaining business or securing any improper business advantage. It also requires us to keep books and records that accurately and fairly reflect our transactions. As part of our business, we may deal with state-owned business enterprises, the employees of which are considered foreign officials for purposes of the FCPA. In addition, the United Kingdom Bribery Act (the “Bribery Act”) extends beyond bribery of foreign public officials and also apply to transactions with individuals not employed by a government. The provisions of the Bribery Act are also more onerous than the FCPA in a number of other respects, including jurisdiction, non- exemption of facilitation payments and penalties. Some of the international locations in which we operate lack a developed legal system and have higher than normal levels of corruption.

Economic sanctions programs restrict our business dealings with certain sanctioned countries, persons and entities, such as Zimbabwe, a country in which we have a licensee.

Violations of anti-corruption and trade control laws and sanctions regulations are punishable by civil penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts and revocations or restrictions of licenses, as well as criminal fines and imprisonment. We have established policies and procedures designed to assist our compliance with applicable U.S. and international anti-corruption and trade control laws and regulations, including the FCPA, the Bribery Act and trade controls and sanctions programs administered by OFAC, and have trained our employees to comply with these laws and regulations. However, there can be no assurance that all of our employees, consultants, agents or other associated persons will not take actions in violation of our policies and these laws and regulations, and that our policies and procedures will effectively prevent us from violating these regulations in every transaction in which we may engage or provide a defense to any alleged violation. In particular, we may be held liable for the actions that our local strategic partners take inside or outside of the United States, even though our partners may not be subject to these laws. Such a violation, even if our policies prohibit it, could have a material adverse effect on our reputation, business, results of operations and financial condition.

Our continued international expansion, including in developing countries, and our development of new partnerships and joint venture relationships worldwide, could increase the risk of FCPA, OFAC or Bribery Act violations in the future. Additionally, our software contains encryption technologies, certain types of which are subject to U.S. and foreign export control regulations and, in some foreign countries, restrictions on importation and/or use. Any failure on our part to comply with encryption or other applicable export control requirements could result in financial penalties or other sanctions under the U.S. export regulations, including restrictions on future export activities, which could harm our business and results of operations. Regulatory restrictions could impair our access to technologies needed to improve our solutions and may also limit or reduce the demand for our solutions in certain geographic regions.

Furthermore, we currently market and sell regulated insurance products as an intermediary agent in South Africa through a brokerage registered as an authorized Financial Services Provider (“FSP”) that is a wholly owned subsidiary of ours. FSPs are subject to a variety of regulations, including the Financial Advisory and Intermediary Services Act, No. 37 of 2002. We may from time-to-time face challenges resulting from changes in applicable law and regulations in South Africa, or changes in approach to oversight of the insurance brokerage business or other regulators in South Africa.

Additionally, we have to comply with the South African anti-corruption law, the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, as amended (“PRECCA”). This law prohibits public and private bribery and criminalizes various categories of corrupt activities. PRECCA also contains a reporting obligation to authorities of known or suspected corrupt activities which is triggered when the value of any known or suspected acts of corruption exceeds ZAR 100,000. Failure to report said corrupt activities is a criminal offense under PRECCA and imposes significant penalties on those convicted of corrupt activities. Regulation 43 of the South African Companies Act No. 71 of 2008 (“South African Companies Act”) also contains a number of anti-corruption compliance obligations that we must adhere to.

Although we have policies and procedures in place to comply with financial crime regulation, these policies and procedures may not prevent all situations of money laundering, bribery, fraud or corruption, including actions by our employees, for which we might be held responsible. Any such event may have severe consequences, including sanctions, fines and reputational consequences, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

***Operating in emerging markets, such as South Africa, subjects us to greater political, economic and market risks than those we would face if we only operated in more developed markets, which could increase our operating costs.***

For the financial year ended February 28, 2026, 75% (FY 2025: 74%) of our revenue was derived from South Africa. Emerging markets, including South Africa, are subject to greater risks than more developed markets. The political, economic and market conditions in many emerging markets present risks that could make it more difficult to operate our business successfully. These risks include:

- the strength of emerging market economies;
- fluctuations in interest rates;
- political and economic instability, including higher rates of inflation and currency fluctuations;
- high levels of crime and unemployment;
- inconsistent supply or failure of infrastructure;
- higher levels of corruption, including bribery of public officials;
- loss due to civil strife, acts of war or terrorism, guerrilla activities and insurrection;
- a lack of well-developed legal systems which could make it difficult for us to enforce our intellectual property and contractual rights;
- potential adverse changes in laws and regulatory practices, including import and export license requirements and restrictions, tariffs, taxation and other laws or policies affecting foreign trade or investment;

- restrictions on the right to convert or repatriate currency or export assets;
- introduction of or changes to indigenization and empowerment programs;
- logistical and communications challenges;
- difficulties in staffing and managing operations and ensuring the safety of our employees;
- greater risk of uncollectible accounts and longer collection cycles; and
- future downgrades of the debt ratings of the countries in which we operate, particularly in South Africa, where the current sovereign debt credit rating is below investment grade, with a predominantly stable outlook;

If we are unable to effectively manage these risks, it could have a material adverse effect on our business, financial condition and results of operations.

We have operations in other African and Asian countries, and governments in Africa and Asia have in the past intervened in the economies of their respective countries and occasionally made significant changes in policy and regulations. Governmental actions have often involved, among other measures, nationalizations and expropriations, price controls, currency devaluations, mandatory increases on wages and employee benefits, capital controls, limits on imports and arbitrary interference with private ownership of contract rights. Our business, financial condition and results of operations may be adversely affected by changes in government policies or regulations, including such factors as exchange rate and exchange control policies, inflation control policies, price control policies, consumer protection policies, import duties and restrictions, liquidity of domestic capital and lending markets, electricity rationing, tax policies, including tax increases and retroactive tax claims, and other political, diplomatic, social and economic developments in or affecting the countries in which we operate. In the future, the level of intervention by African and Asian governments may continue to increase. It is difficult to predict the future political, economic and market environment in these countries, and these or other measures could have a material adverse effect on the economy of the countries in which we operate and, consequently, could have a material adverse effect on our business, financial condition and results of operations.

***We face the risk of disruption from labor disputes and changes to labor laws, which could result in significant additional operating costs or alter our relationship with our employees.***

We are required to comply with extensive labor regulations in each of the countries in which we have employees, including with respect to wages, social security benefits and termination payments. In particular, South African laws relating to labor regulate work time, provide for mandatory compensation in the event of termination of employment for operational reasons, and impose monetary penalties for non-compliance with administrative and reporting requirements in respect of affirmative action policies, could result in significant costs.

Labor legislation in South Africa has stringent requirements in relation to the relationship with employees. For example, under the Labour Relations Amendment Act, No. 66 of 1995 (as amended) (the “LRA”), an employee on a fixed term contract must be permanently employed unless the employer can establish justification for employment on a fixed term basis. The reasons available to an employer for justifying a fixed term contract are limited. Temporary employees are required to be given the same pay and benefits as permanent employees, including pensions and medical insurance coverage. The LRA provides strict penalties for failure to comply with its provisions and in certain instances breach of the legislation amounts to a criminal offense.

Furthermore, the Employment Equity Act, No. 55 of 1998 (as amended) (the “EEA”) creates obligations and administrative requirements in respect of non-discrimination and equity in employment matters. Fines of up to 10% of revenue may be imposed in the event of non-compliance with certain provisions of the EEA.

In addition, future changes to South African legislation and regulations relating to labor may increase our costs or alter our relationship with our employees. Resulting disruptions could have a material adverse effect on our business, results of operations and financial condition.

***If we do not achieve applicable black economic empowerment objectives in our South African operations, we risk early termination of certain of our subscription contracts and the loss of the corresponding revenue.***

The South African government, through the Broad-Based Black Economic Empowerment Act No. 53 of 2003 (as amended), and the codes of good practice and industry charters published pursuant thereto, has established a legislative framework for the promotion of broad-based black economic empowerment, or “B-BBEE”. Achievement of specified B- BBEE objectives is measured by a scorecard which establishes a weighting for the various objectives of B-BBEE, which include procuring goods and services from black-owned businesses (or from businesses that have earned good B-BBEE scores) and achieving certain levels of black South African employment and management participation, which is then translated to an entity’s “contributor level”. Compliance may affect the ability of a company to secure contracts in the public and private sectors in South Africa. We have some customers that require us to maintain specific/specified B-BBEE contributor levels as measured under the Amended Broad-Based Black Economic Empowerment Information and Communication Technology Sector Code. We currently maintain a level 8 B-BBEE contributor level.

The government has set, and is in the process of setting, specific equity targets by sector and region, where transformation initiatives have lagged.

Failing to achieve or maintain a specified B-BBEE contributor level could affect our ability to maintain existing customers or to sell to large enterprise customers in South Africa, which could have an adverse effect on our business, financial condition and results of operations.

***Tax regulations and challenges by tax authorities could have a material adverse effect on us and we may be subject to challenges by tax authorities.***

We operate in a number of countries and are therefore regularly examined by and remain subject to numerous tax regulations. Changes in our global mix of earnings could affect our effective tax rate.

Furthermore, changes in tax laws could result in higher tax-related expenses and payments. Legislative changes in any of the countries in which our businesses operate could materially impact our tax receivables and liabilities as well as deferred tax assets and deferred tax liabilities. Additionally, the uncertain tax environment in some regions in which our businesses operate may limit our ability to successfully challenge adverse determination by any local tax authorities. Some of our businesses operate in countries with complex tax rules, which may be interpreted in a variety of ways and could affect our effective tax rate. Future interpretations or developments of tax regimes or a higher than anticipated effective tax rate could have a material adverse effect on our tax liability, return on investments and business operations.

In addition, we and our businesses operate in, are incorporated in and are tax residents of, various jurisdictions. The tax authorities in the various jurisdictions in which we and our businesses operate, or are incorporated, may disagree with and challenge our assessments of our transactions, tax position, deductions, exemptions, where we or our subsidiaries or businesses are tax resident, or other matters. If we, or our businesses, are unsuccessful in responding to any such challenge from a tax authority, we, or our businesses, may be required to pay additional taxes, interest, fines or penalties, we, or our businesses, may be subject to taxes for the same business in more than one jurisdiction or may also be subject to higher tax rates, withholding or other taxes. A successful challenge could potentially result in payments to the relevant tax authority of substantial amounts that could have a material adverse effect on our financial condition and results of operations.

Responding to any challenges by tax authorities may be expensive, consume time and other resources, or divert management’s time and focus from the operations of our businesses, even if we are successful. Therefore, a challenge as to our, or our businesses’, tax position or status or transactions, may have a material adverse effect on our business, financial condition, results of operations or liquidity of our businesses.

***A breach of any of the covenants or other provisions contained in funding facilities could result in an event of default, which could result in amounts outstanding under these facilities becoming immediately due and payable as well as foreclosure by our lenders upon our critical assets.***

Our wholly-owned subsidiary, Cartrack (Pty) Ltd, entered into a short-term facility with Capitec Bank Limited and The Standard Bank of South Africa Limited. Purple Rain Properties No 444 Proprietary Limited, also a wholly-owned subsidiary, entered into a mortgage bond in favor of The Standard Bank of South Africa Limited. These facilities are more fully described under Item 5.B. “Operating and Financial Review and Prospects - Liquidity and Capital Resources - Loan and Funding Facilities.”

Similarly, Cartrack Portugal, S.A., secured a EUR 2.0 million and EUR1.0 million loan, from Banco Comercial Português, S.A.

In the event that we enter into a funding facility with any of our bankers, it is customary for obligations under such credit facility agreement to be guaranteed by one or more of our significant subsidiaries and to be secured by a lien on bank accounts, cash and cash equivalent investments, intellectual property, insurance policies, insurance proceeds and a pledge of the shares of certain of our subsidiaries incorporated in South Africa. A breach of any of these covenants or other provisions of credit facilities could result in an event of default, which if not cured or waived, could result in amounts outstanding under such credit facilities becoming immediately due and payable. In the event that some or all of the amounts outstanding under such credit facilities are accelerated and become immediately due and payable, we may not have the funds to repay, or the ability to refinance, such outstanding amounts under the credit facilities, or our lenders could foreclose upon critical assets, which could have a material adverse effect on our business, results of operations and financial condition.

***Changes in practices of insurance companies in the markets in which we provide our solutions could have an adverse effect on demand for products and services.***

We depend in part on the practices of insurance companies in some of our markets to support demand for our operational intelligence platform. For example, in South Africa, which is currently our largest market based on new subscriber additions, insurance companies either mandate the installation of tracking devices as a prerequisite for providing insurance coverage to owners of certain vehicles, or provide insurance premium discounts to encourage vehicle owners to subscribe to vehicle tracking and mobile asset recovery solutions such as ours. We benefit from this continued practice in the South African and certain other markets of:

- accepting mobile asset location technologies such as ours as a preferred security product;
- providing premium discounts for using location and recovery products and services such as ours; and
- mandating the use of our products and services, or similar products and services, for certain vehicles.

If any of these policies or practices change, revenues from the sale of our solutions could decline, which could have a material adverse effect on our business, results of operations and financial condition.

#### **Risks Relating to Investments in Singapore Companies**

***We are incorporated in Singapore, and our shareholders may have more difficulty in protecting their interests than they would as shareholders of a corporation incorporated in the United States.***

Our corporate affairs are governed by our constitution and by the laws governing companies incorporated in Singapore. The rights of our shareholders and the responsibilities of the members of our board of directors under Singapore law may be different from those applicable to a corporation incorporated in the United States. Therefore, our public shareholders may have more difficulty in protecting their interests in connection with actions taken by us, our management, members of our board of directors or our controlling shareholder than they would as shareholders of a corporation incorporated in the United States. For example, controlling shareholders in corporations incorporated in Delaware are subject to fiduciary duties while controlling shareholders in Singapore companies are not subject to such duties.

In addition, only persons who are registered as shareholders in our register of members are recognized under Singapore law as our shareholders. Only registered shareholders have legal standing to institute shareholder actions against us or otherwise seek to enforce their rights as shareholders. Investors in our ordinary shares who are not specifically registered as shareholders in our register of members (for example, where such shareholders hold ordinary shares indirectly through the depository trust company “DTC”) are required to be registered as shareholders in our register of members in order to institute or enforce any legal proceedings or claims against us, our directors or our executive officers relating to shareholder rights. The administrative process of becoming a registered shareholder could result in delays prejudicial to any such legal proceeding or enforcement action. See Exhibit 2.2 “Description of Ordinary Shares—Comparison of Shareholder Rights” for a discussion of certain differences between Singapore and Delaware corporation law.

***It may be difficult for you to enforce any judgment obtained in the United States against us, our directors, officers or our affiliates.***

A majority of our directors and officers reside outside the United States. In addition, a majority of our assets and the assets of those persons are located outside the United States. As a result, it may be difficult to enforce in the United States any judgment obtained in the United States against us or any of these persons, including judgments based upon the civil liability provisions of the U.S. securities laws. In addition, in original actions brought in courts in jurisdictions located outside the United States, it may be difficult for investors to enforce liabilities based upon U.S. securities laws.

There is no treaty between the United States and Singapore providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters and a final judgment for the payment of money rendered by any federal or state court in the United States based on civil liability, whether or not predicated solely upon the federal securities laws, would, therefore, not be automatically enforceable in Singapore. It is not clear whether a Singapore court may impose civil liability on us or our directors and officers who reside in Singapore in an action brought in the Singapore courts against us or such persons with respect to a violation solely of the federal securities laws of the United States.

In addition, holders of book-entry interests in the ordinary shares (for example, where such shareholders hold ordinary shares indirectly through the DTC) will be required to be registered shareholders as reflected in our register of members in order to have standing to bring a shareholder action and, if successful, to enforce a foreign judgment against us, our directors or our executive officers in the Singapore courts. Any such enforcement action would be subject to applicable Singapore laws. The administrative process of becoming a registered shareholder could result in delays that could be prejudicial to any legal proceeding or enforcement action. In making a determination as to enforceability of a judgment of a state court or a federal court of the United States, the Singapore courts would have regard to, among others, whether the judgment was final and conclusive, given by a court of law of competent jurisdiction, expressed to be for a fixed sum of money, whether it was procured by fraud, or in breach of principles of natural justice, or whether the enforcement thereof would be contrary to public policy.

Accordingly, there can be no assurance that the Singapore courts would enforce against us, our directors or our officers, judgments obtained in the United States which are predicated upon the civil liability provisions of the federal securities laws of the United States.

***Subject to the general authority to allot and issue new ordinary shares provided by our shareholders, the Singapore Companies Act and our constitution, our directors may allot and issue new ordinary shares on terms and conditions and for such purposes as may be determined by our board of directors in its sole discretion. Any issuance of new shares would dilute the percentage ownership of existing shareholders and could adversely impact the market price of our ordinary shares.***

Under Singapore law, we may only allot and issue new ordinary shares with the prior approval of our shareholders in a general meeting. Subject to the general authority to allot and issue new ordinary shares provided by our shareholders, the provisions of the Singapore Companies Act, and our constitution, we may allot and issue new ordinary shares on such terms and conditions as our directors may think fit to impose. Such terms and conditions may be adverse to the rights of holders of our ordinary shares. Any additional issuances of new ordinary shares could dilute the percentage ownership of our existing shareholders and may adversely impact the market price of our ordinary shares.

Because new issuances of ordinary shares are subject to shareholder approval, if a sufficient number of shares have not been approved for issuance in any given year, we may be delayed in raising capital through equity offerings or delayed or prevented from consummating an acquisition using our ordinary shares.

Assuming shareholders have approved the issuance of new shares, we may seek to raise capital in the future, including to fund acquisitions, future investments and other growth opportunities. We may, for these and other purposes, issue additional ordinary shares or securities convertible into ordinary shares. Any additional issuances of new ordinary shares could dilute the percentage ownership of our existing shareholders and may also adversely impact the market price of our ordinary shares.

***We are subject to the laws of Singapore, which differ in certain material respects from the laws of the United States.***

As a Singapore-incorporated company, we are required to comply with the laws of Singapore, certain of which are capable of extra-territorial application, as well as our constitution. In particular, we are required to comply with certain provisions of the Securities and Futures Act, Chapter 289 of Singapore, which prohibit certain forms of market conduct and information disclosures, and impose criminal and civil penalties on corporations, directors and officers in respect of any breach of such provisions. In addition, the Singapore Code on Take-Overs and Mergers, or “Singapore Take-Over Code”, which specifies, among other things, certain circumstances in which a general offer is to be made upon a change in control of a Singapore-incorporated public company, and further specifies the manner and price at which voluntary and mandatory general offers are to be made.

The laws of Singapore and of the United States differ in certain significant respects. The rights of our shareholders and the obligations of our directors and officers under Singapore law may be different from those applicable to U.S. corporations, including those incorporated in Delaware, in material respects, and our shareholders may have more difficulty and less clarity in protecting their interests in connection with actions taken by our management, members of our board of directors or our controlling shareholders than would otherwise apply to U.S. corporations, including those incorporated in Delaware. See Exhibit 2.2 “Description of Ordinary Shares—Comparison of Shareholder Rights” for a discussion of certain differences between Singapore and Delaware corporation law.

In addition, the application of Singapore law, in particular, the Singapore Companies Act may, in certain circumstances, impose more restrictions on us, our shareholders, directors and officers than would otherwise be applicable to U.S. corporations, including those incorporated in Delaware. For example, the Singapore Companies Act requires a director to act with a reasonable degree of diligence in the discharge of the duties of his office and, in certain circumstances, imposes criminal liability for specified contraventions of particular statutory requirements or prohibitions. In addition, pursuant to the provisions of the Singapore Companies Act, shareholders holding 10% or more of the total number of paid-up shares as at the date of the deposit carrying the right of voting at general meetings (disregarding paid-up shares held as treasury shares) may by depositing a requisition, require our directors to convene an extraordinary general meeting. If our directors do not within 21 days after the date of deposit of the requisition proceed to convene a meeting, the requisitioning shareholders, or any of them representing more than 50% of the total voting rights represented of all of them, may themselves, proceed to convene such meeting, and we will be liable for the reasonable expenses incurred by such requisitioning shareholders. We are also required by the Singapore Companies Act to deduct corresponding amounts from fees or other remuneration payable by us to such of the directors who are in default.

***Singapore take-over laws contain provisions that may vary from those in other jurisdictions.***

The Singapore Take-Over Code applies to, among others, corporations with a primary listing of their equity securities in Singapore. While the Singapore Take-Over Code is drafted with, among others, listed public companies in mind, unlisted public companies with more than 50 (fifty) shareholders and net tangible assets of S\$5.0 million or more, must also observe the letter and spirit of the general principles and rules of the Singapore Take-Over Code, wherever this is possible and appropriate. Public companies with a primary listing overseas may apply to Securities Industry Council (“SIC”) to waive the application of the Singapore Take-Over Code. As at the date of this annual report, no application has been made to SIC to waive the application of the Singapore Take-Over Code in relation to us.

In this regard, the Singapore Take-Over Code contains certain provisions that may possibly delay, deter or prevent a future take-over or change in control of us. Under the Singapore Take-Over Code, except with the consent of SIC, any person acquiring an interest, whether by a series of transactions over a period of time or not, either on his own or together with parties acting in concert with him, in 30% or more of our voting shares is required to extend a take-over offer for all remaining voting shares in accordance with the procedural and other requirements under the Singapore Take-Over Code.

Except with the consent of SIC, such a take-over offer is also required to be made if a person holding between 30% and 50% (both inclusive) of our voting shares, either on his own or together with parties acting in concert with him, acquires additional voting shares representing more than 1% of our voting shares in any six-month period. While the Singapore Take-Over Code seeks to ensure an equality of treatment among shareholders in take-over or merger situations, its provisions could substantially impede the ability of the shareholders to benefit from a change of control and, as a result, may adversely affect the market price of the ordinary shares and the ability to realize any benefit from a potential change of control.

**Risks Relating to Our Ordinary Shares**

***Our stock price may fluctuate and you could lose all or a significant part of your investment.***

The market price of our ordinary shares may be influenced by many factors, some of which are beyond our control, including:

- actual or anticipated variations in our operating results;
- the failure of financial analysts to cover our ordinary shares;
- changes in financial estimates by financial analysts, or any failure by us to meet or exceed any of these estimates, or changes in the recommendations of any financial analysts that elect to follow our ordinary shares or the shares of our competitors;
- changes in market valuations of similar companies;
- announcements by us or our competitors of significant contracts, acquisitions, strategic partnerships or joint ventures;
- future sales of our shares by us or our shareholders;
- short sales, hedging and other derivative transactions involving our ordinary shares and the publication of short seller and similar reports;

- investor perceptions of us and the industry in which we operate;
- general economic, industry or market conditions; and
- the other factors described in this “Risk Factors” section.

In addition, the stock market in general has experienced substantial price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of the particular companies affected. These broad market and industry factors may materially harm the market price of our ordinary shares, regardless of our operating performance. In the past, following periods of volatility in the market price of certain companies’ securities, securities class action litigation has been instituted against these companies. This type of litigation, if instituted against us, could have a material adverse effect on our business, financial condition and results of operations.

***The ordinary shares are traded on more than one stock exchange and this may result in price variations between the markets.***

The ordinary shares are listed on each of the Nasdaq and the JSE. Trading in the ordinary shares therefore will take place in different currencies (U.S. dollars on the Nasdaq and South African Rand on the JSE), and at different times (resulting from different time zones, different trading days and different public holidays in the United States and South Africa). The trading prices of the ordinary shares on these two markets may differ as a result of these, or other, factors. Any decrease in the price of ordinary shares on either one of these markets could cause a decrease in the trading prices of ordinary shares on the other market.

***Sales of substantial amounts of our ordinary shares in the public market, or the perception that these sales may occur, could cause the market price of our ordinary shares to decline.***

Sales of substantial amounts of our ordinary shares in the public market, or the perception that these sales may occur, could cause the market price of our ordinary shares to decline. This could also impair our ability to raise additional capital through the sale of our equity securities. We are authorized to issue an unlimited number of shares as there is no concept of authorized share capital under Singapore law. Moreover, we have entered into a registration rights agreement pursuant to which we have granted demand and piggyback registration rights to our Chief Executive Officer, Isaias (Zak) Jose Calisto.

***Although we have paid dividends in the past, our ability to pay dividends in the future depends on many factors and we cannot guarantee you that we will continue to pay dividends in the future.***

The payment and timing of dividends in cash or other distributions (such as a return of capital to shareholders through share buy-backs, for example) are determined by the board after considering factors that include: earnings and Free Cash Flow; current and anticipated capital requirements; economic conditions; contractual, legal, tax and regulatory restrictions (including covenants contained in any financing agreements); the ability of Group subsidiaries to distribute funds to Karooooo; and such other factors the board may deem relevant. We aim to reinvest retained earnings to the extent that it aligns with the Group’s required return on incrementally reinvested capital, return on equity, and short to medium-term growth strategy. The board may, by ordinary resolution, declare dividends at a general meeting of its shareholders, but no dividend shall be payable except out of our profits, and the amount of any such dividend shall not exceed the amount recommended by the board of directors. Subject to Karooooo’s constitution and in accordance with the Singapore Companies Act, the board of directors may, without the approval of shareholders, declare and pay interim dividends, but any final dividends the board declares must be approved by an ordinary resolution at a general meeting of shareholders.

We cannot provide assurances regarding the amount or timing of dividend payments and may decide not to pay dividends in the future. As a result, you should not rely on an investment in our ordinary shares to provide dividend income and if we do not pay dividends, capital appreciation, if any, of our ordinary shares will be a shareholder’s sole source of gain in the near future. See “Dividends and Dividend Policy.”

***If securities or industry analysts do not publish research, or publish inaccurate or unfavorable research, about our business, the price of our ordinary shares and our trading volume could decline.***

The trading market for our ordinary shares will depend in part on the research and reports that securities or industry analysts publish about us or our business. Securities and industry analysts do not currently, and may never, publish research on our company. If no or too few securities or industry analysts commence coverage of our company, the trading price for our ordinary shares would likely be negatively affected. In the event securities or industry analysts initiate coverage, if one or more of the analysts who cover us downgrade our ordinary shares or publish inaccurate or unfavorable research about our business, the price of our ordinary shares would likely decline. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, demand for our ordinary shares could decrease, which might cause the price of our ordinary shares and trading volume to decline.

***Requirements associated with being a public company in the United States require significant company resources and management attention.***

As a U.S. public company, we incur significant additional legal, accounting, reporting, compliance and other expenses as a result of having publicly traded ordinary shares in the United States. We also incur costs including, but not limited to, costs and expenses for directors' fees, increased directors' and officers' insurance, investor relations, and various other costs relating to being a public company registered in the United States.

We also incur costs associated with United States corporate governance requirements, including requirements under SOX, as well as rules implemented by the SEC, Nasdaq and the JSE. These rules and regulations increase our legal and financial compliance costs and make some management and corporate governance activities more time-consuming and costly, particularly after we are no longer an "emerging growth company." These rules and regulations make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. This could have an adverse impact on our ability to recruit and retain a qualified independent board.

Our senior management and other employees have devoted, and will need to continue to devote, a substantial amount of time and attention away from revenue producing activities to management and administrative oversight, adversely affecting our ability to attract and complete business opportunities and increasing the difficulty in both retaining professionals and managing and growing our businesses. Furthermore, new rules and regulations relating to disclosure, financial reporting and controls and corporate governance, or varying interpretations of existing rules and regulations, could be adopted by the SEC, Nasdaq or other regulatory bodies and exchange entities from time to time, and could result in a significant increase in legal, accounting and compliance costs and make certain activities more time-consuming and costly. Any of these effects could have a material adverse effect on our business, financial condition and results of operations.

For as long as we are an "emerging growth company" under the JOBS Act, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting pursuant to Section 404 of SOX. We could be an emerging growth company for up to five years from our IPO. See "Summary— Implications of Being an Emerging Growth Company," below.

Furthermore, after the date we are no longer an emerging growth company, our independent registered public accounting firm will only be required to attest to the effectiveness of our internal control over financial reporting depending on our market capitalization. Even if our management concludes that our internal control over financial reporting is effective, our independent registered public accounting firm may still decline to attest to our management's assessment or may issue an adverse opinion report if it is not satisfied with our controls or the level at which our controls are documented, designed, operated or reviewed, or if it interprets the relevant requirements differently from us. In addition, in connection with the implementation of the necessary procedures and practices related to internal control over financial reporting, we may identify deficiencies that we may not be able to remediate in time to meet the deadline imposed by SOX for compliance with the requirements of Section 404(b). Failure to comply with Section 404(b) could subject us to regulatory scrutiny and sanctions, impair our ability to raise capital, cause investors to lose confidence in the accuracy and completeness of our financial reports and negatively affect our share price.

***As a foreign private issuer and “controlled company” within the meaning of the Nasdaq rules, we are permitted to, and we will, rely on exemptions from certain corporate governance standards. Our reliance on such exemptions may afford less protection to holders of our ordinary shares.***

Nasdaq’s corporate governance rules require listed companies to have, among other things, a majority of independent directors and independent director oversight of executive compensation, nomination of directors and corporate governance matters. As a foreign private issuer, we are permitted to, and we will, follow home country practice in lieu of the above requirements. While a majority of the directors on our board of directors are independent directors and all of our board committees consist entirely of independent directors, as long as we rely on the foreign private issuer exemption to certain of the Nasdaq corporate governance standards, a majority of the directors on our board of directors are not required to be independent directors, and that certain of our board committees do not have to consist entirely of independent directors. Therefore, to the extent we rely on such exemptions in the future, our board of directors’ approach to governance may be different from that of a board of directors consisting of a majority of independent directors, and, as a result, the management oversight of our company may be more limited than if we were subject to all of the Nasdaq corporate governance standards.

In the event we no longer qualify as a foreign private issuer, we intend to rely on the “controlled company” exemption under the Nasdaq corporate governance rules. A “controlled company” under the Nasdaq corporate governance rules is a company of which more than 50% of the voting power is held by an individual, group or another company. Our controlling shareholder controls a majority of the combined voting power of our outstanding ordinary shares, making us a “controlled company” within the meaning of the Nasdaq corporate governance rules. As a controlled company, we would be eligible to elect not to comply with certain of the Nasdaq corporate governance standards, including the requirement that a majority of directors on our board of directors are independent directors and that certain of our board committees consist entirely of independent directors. We may utilize some of these exemptions.

Accordingly, our shareholders will not have the same protection afforded to shareholders of companies that are subject to all of the Nasdaq corporate governance standards, and the ability of our independent directors to influence our business policies and affairs may be reduced.

***If we fail, for any reason, to effectively or efficiently maintain proper internal control procedures, such failure could materially and adversely affect our business, results of operations and financial condition.***

Section 404(a) of SOX, requires that management assess and report annually on the effectiveness of our internal control over financial reporting and identify any material weaknesses in our internal control over financial reporting. Although Section 404(b) of SOX, requires our independent registered public accounting firm to issue an annual report that addresses the effectiveness of our internal control over financial reporting, we have opted to rely on the exemptions provided in the JOBS Act, and consequently will not be required to comply with U.S. Securities and Exchange Commission (“SEC”) rules that implement Section 404(b) until such time as we are no longer an EGC.

If it is determined that we are not in compliance with Section 404(a), we will be required to implement new internal control procedures and re-evaluate our financial reporting. We may experience higher than anticipated operating expenses as well as outside auditor fees during the implementation of these changes and thereafter. We may need to hire additional qualified employees in order for us to maintain compliance with Section 404. During the course of documenting and testing our internal control procedures, in order to satisfy the requirements of Section 404(a), we may identify weaknesses and deficiencies in our internal control over financial reporting. For example, as previously disclosed in our Annual Report on Form 20-F for the financial year ended February 28, 2025, material weaknesses were identified in relation to privileged user access and change management controls relating to certain of our systems as well as journal processing controls in one of our subsidiaries as at February 28, 2025. During the financial year ended February 28, 2026, we implemented remediation measures and, based on our Section 404(a) assessment, our management concluded that, as at February 28, 2026, our internal control over financial reporting was effective. See Item 15 “Controls and Procedures.” If we fail, for any reason, to implement these changes effectively or efficiently, such failure could harm our operations, financial reporting or financial results and the trading price of our ordinary shares, expose us to increased risk of fraud or misuse of corporate assets, subject us to regulatory investigations and civil or criminal sanctions and could result in our conclusion that our internal control over financial reporting is not effective.

***Insiders have substantial control over us and may have interests that are different from the interests of our other shareholders.***

Certain of our major shareholders may have interests that are different from, or are in addition to, the interests of our other shareholders. In particular, our Chief Executive Officer and certain of his affiliates may be deemed to beneficially own approximately 68.5% of outstanding shares as at May 29, 2026. For so long as such shareholders continue to own a significant percentage of our ordinary shares, they will be able to significantly influence the composition of our board of directors and the approval of actions requiring shareholder approval through their voting power. Additionally, as a consequence of our “staggered” board of directors, as further described in Item 6.C. “Board Practices—Board Composition,” only a minority of the board of directors will be considered for election at any annual meeting and such shareholders, because of their ownership position, will have considerable influence regarding the outcome of the election. Accordingly, for such period of time, they will have significant influence with respect to our management, business plans and policies, including the appointment and removal of our officers. In particular, for so long as such shareholders continue to own a significant percentage of our ordinary shares, they may be able to cause or prevent a change of control of our company and could preclude any unsolicited acquisition of our company. The concentration of ownership could deprive other shareholders of an opportunity to receive a premium for their ordinary shares as part of a sale of our company and ultimately might affect the market price of our ordinary shares.

***We may lose our foreign private issuer status which would then require us to comply with the Exchange Act’s domestic reporting regime and cause us to incur significant legal, accounting and other expenses.***

In order to maintain our current status as a foreign private issuer, either (a) more than 50% of our outstanding voting securities must be either directly or indirectly owned of record by non-residents of the United States or (b) if more than 50% of our outstanding voting securities are owned either directly or indirectly owned of record by residents of the United States, (i) a majority of our executive officers or directors may not be U.S. citizens or residents, (ii) more than 50% of our assets cannot be located in the United States and (iii) our business must be administered principally outside the United States. If we lose this status, we would be required to comply with the Exchange Act reporting and other requirements applicable to U.S. domestic issuers, which are more detailed and extensive than the requirements for foreign private issuers. We would be required under current SEC rules to prepare our financial statements in accordance with GAAP, rather than IFRS, and modify certain of our policies to comply with corporate governance practices associated with U.S. domestic issuers. Such conversion of our financial statements to GAAP would involve significant time and cost. We may also be required to make changes in our corporate governance practices in accordance with various SEC and Nasdaq rules. The regulatory and compliance costs to us under U.S. securities laws if we are required to comply with the reporting requirements applicable to a U.S. domestic issuer may be significantly higher than the costs we will incur as a foreign private issuer.

***We are an “emerging growth company” and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our ordinary shares less attractive to investors.***

We are an “emerging growth company,” as defined in the JOBS Act, and we intend to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not “emerging growth companies” including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404(b) of SOX. We cannot predict if investors will find our ordinary shares less attractive because we will rely on these exemptions. If some investors find our ordinary shares less attractive as a result, there may be a less active trading market for our ordinary shares and our share price may be more volatile.

*There can be no assurance that we will not be a passive foreign investment company, or PFIC, for any taxable year, which could result in adverse U.S. federal income tax consequences to U.S. investors in our ordinary shares.*

In general, a non-U.S. corporation is a PFIC for U.S. federal income tax purposes for any taxable year in which (i) 50% or more of the value of its assets (generally determined based on the average of the quarterly values of its gross assets) consists of assets that produce, or are held for the production of, passive income, or (ii) 75% or more of its gross income consists of passive income. For purposes of the above calculations, a non-U.S. corporation that owns, directly or indirectly, at least 25% by value of the shares of another corporation is treated as if it held its proportionate share of the assets of the other corporation and received directly its proportionate share of the income of the other corporation. Passive income generally includes dividends, interest, certain rents and royalties and gains from the sale or exchange of investment property. Cash is generally a passive asset for these purposes. Goodwill and other intangible assets are generally characterized as active assets to the extent they are associated with business activities that produce active income.

Based on the composition of our income and assets and the value of our assets, including the estimated value of our goodwill and other intangible assets, we believe that we were not a PFIC for our taxable year ended February 28, 2026. However, our PFIC status for any taxable year is an annual factual determination that can be made only after the end of that year, and depends on the composition of our income and assets and the value of our assets from time to time (including the value of our goodwill and other intangible assets, which may be determined in part by reference to the market price of the ordinary shares, which has been, and could continue to be, volatile). We hold a significant amount of cash and cash equivalents and our PFIC status for any taxable year may also depend on how, and how quickly, we use them. Because the value of our goodwill and other intangible assets may be determined by reference to our market capitalization, we could become a PFIC for any taxable year if the price of our ordinary shares declines significantly while we hold a substantial amount of cash, cash equivalents and financial investments. In addition, the application of the PFIC rules is subject to certain uncertainties and the proper characterization of some of our income and assets is not entirely clear. Accordingly, there can be no assurance that we will not be a PFIC for our current or any future taxable year. If we were a PFIC for any taxable year during which a U.S. taxpayer owned ordinary shares, the U.S. taxpayer generally would be subject to adverse U.S. federal income tax consequences, including increased tax liability on disposition gains and “excess distributions” and additional reporting requirements. See “Tax Considerations—Material U.S. Federal Income Tax Considerations—Passive Foreign Investment Company Rules.”

#### **Item 4. INFORMATION ON THE COMPANY**

##### **A. HISTORY AND DEVELOPMENT OF THE COMPANY**

We were founded in 2001 in South Africa with an initial focus on SVR services in the region. We have strategically grown our business and are now a global provider of a leading operational intelligence platform. Our operational intelligence platform serves as the central nervous system for connected operations, integrating vehicles, assets field workforce and operational workflows into a single intelligent ecosystem. Through proprietary hardware technology and software, the platform captures, processes and analyzes real-world operational data, transforming billions of data points into actionable intelligence that helps customers make faster, better decisions across safety, productivity, compliance, cost control and service execution. Delivered through intuitive cloud-based applications, the platform combines operational visibility, workflow automation, AI-powered video intelligence and decision-support capabilities to help businesses improve performance, reduce risk and operate more efficiently at scale.

In 2020, we moved our global headquarters to Singapore, where we believe we have access to the talent and capital to maintain and further our technological and operational leadership in the industry. Since our founding, we have gained vast expertise and enhanced our business in the following areas:

- Developing new software applications such as fleet management, mobile asset tracking, workforce management, video solutions including AI-assisted video, logistics management;
- Developing capabilities in data management at scale as well as a broad range of communication technologies and protocols;

- Expanding our sales and marketing focus to include commercial fleets of all sizes; and
- Expanding our geographic footprint to meet the needs of our customers who are increasingly global with larger, more complex fleets and requirements.

Our single user interface and fully integrated operational intelligence platform runs agnostically on a multitude of leading IoT devices, including internally developed cutting-edge devices, direct integrations to OEM devices and strategically cost-effective smart IoT devices from third parties and customer pre-owned devices. This enables us to deliver a unified and comprehensive service to our customers while maintaining control of our cost structure. Our discreet, sophisticated smart devices stream data to the platform, facilitating informed decisions about optimal asset efficiency and productivity, including live tracking and location of assets. Customers utilize the platform through an easily accessible web-based portal or mobile application, which is designed to be easy to deploy across our customers' entire mobile asset fleet. Our devices can be installed in a range of mobile assets independent of asset procurement, allowing our customers to integrate our solutions in existing or new vehicles. Our platform includes a wide range of reliable services to effectively serve the needs of a geographically diverse range of clients.

As part of a limited strategy to distribute our operational intelligence platform through independent business owners, our solutions are sold through independent licensees in Botswana, Malawi, Rwanda and Zimbabwe, who entered into franchise agreements and have exclusive geographic licenses to market and sell our solutions in exchange for royalty payments. Revenue generated by licensees was 0.1% of our total revenue for the financial year ended February 28, 2026, 0.1% of our total revenue for the financial year ended February 28, 2025 and 0.1% of our total revenue for the financial year ended February 29, 2024.

We are subject to the information requirements of the Exchange Act. In accordance with these requirements, we file reports and furnish other information as a foreign private issuer with the SEC, including annual reports on Form 20-F and reports on Form 6-K. The SEC maintains an Internet website that contains reports and other information regarding registrants, like us, that file electronically with the SEC. The address of that website is [www.sec.gov](http://www.sec.gov). We also make available on our website, free of charge, our annual reports on Form 20-F and the text of our reports on Form 6-K, including any amendments to these reports, as well as certain other SEC filings, as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. Our website is <https://karooooo.com/>. The information on these websites, and any other website referenced herein, is not part of this report except as specifically incorporated by reference herein.

## **B. BUSINESS OVERVIEW**

### **Overview**

Our operational intelligence platform serves as the central nervous system that maximizes the value of operations and workflow data by providing insightful and actionable intelligence to thousands of enterprise customers. Our platform delivers operational intelligence that simplifies decision-making by seamlessly unifying and contextualizing data from a wide range of sources, including OEM devices and proprietary devices, as well as open APIs. By consolidating business operations into a single, centralized hub, we enable our customers to overcome complex operational challenges related to safety, compliance, productivity, service delivery, cost control, fuel management, maintenance, routing, resource allocation, and workforce retention.

Our business is vertically integrated, which affords us complete autonomy with regards to the development of the capabilities and features that differentiate our applications as well as the speed of our innovation. Since we own and control almost every aspect of our most advanced smart device design, platform innovation and software application development, client acquisition and onboarding, customer service and the management of our back-end support, we are able to move quickly without any significant third-party dependencies and inefficiencies.

We serve customers in more than 20 countries across four continents, supporting approximately 2.7 million subscribers with their vehicles and equipment connected to the Cartrack operation intelligence platform as at February 28, 2026. Our highly scalable platform serves large multinational enterprises and individual consumers alike, enabling us to address a large, growing and underpenetrated global market. We collect more than 300 billion data points per month.

Our proprietary operational intelligence platform acts as a central nervous system for connected vehicles and other mobile assets, such as construction equipment, generators, refrigeration units, trailers and boats. Our platform collects, processes, and analyzes data via two-way communication with our proprietary hardware technology or third-party devices in each vehicle or other asset, providing our users with visibility into their fleets from a single, user friendly interface with reporting and tracking capabilities that deliver actionable insights in real-time. Our intuitive web-based applications provide a comprehensive set of software features for managing fleets and related workforces without the need for customers to incur upfront information technology costs and include advanced functionality such as real-time high speed video streaming.

We provide customers with the flexibility to deploy our solutions across a range of vehicles, including electric vehicles, and other assets and to use our platform alone or in conjunction with the systems of OEM's and other third parties. We are committed to the continued enhancement of our customer experience and retention by driving innovation in the platform, adding functionality, new software features and integration with OEM solutions. The benefits of our platform to our customers include increased productivity, efficiency, sustainability, and regulatory compliance. We empower our customers, which range from consumers to large enterprise fleets, with actionable intelligence to enhance profitability, better serve their customers, and strengthen safety and security. We define customers at the enterprise or consumer level and subscribers as each vehicle or asset we service.

Our principal expenditure includes costs related to Sales and Marketing, General and Administration and Research and Development, as more fully described further on in this annual report. Capital expenditure, including commitments, are also described further below.

### **Our Operational Intelligence Platform and its Key Strengths**

We have built one platform with vertically integrated operations and we offer a: -

***Broad array of mobility applications.*** We offer real-time connectivity services through mobile devices to manage the deployment of people, vehicles and the tasks that they are required to perform. This includes communications, analytics, accounting, live video streaming, workforce management and an array of medical and roadside assistance services that are applicable to taxi/ridesharing, public transit systems and logistics businesses. With fleet management, mobile asset accounting, workforce management, and a broad set of additional software features, we offer a highly functional, unified platform for smart transportation management and analytics delivered through a single screen.

***Highly scalable vertical operational intelligence platform.*** Our cloud architecture enables us to quickly and reliably add thousands of mobile subscriptions and integrate their corresponding data streams each month, including data from sources such as OEMs and other third-party devices. Our easy-to-use interfaces for iOS and Android, as well as our online desktop platform, make it seamless for users to switch between devices, and our internally developed operational intelligence platform caters to all types of vehicle propulsion methods (internal combustion, hybrid, and electric) and allows for flexible integration with all major OEM hardware and software platforms.

***Large and growing global infrastructure.*** Our business is vertically integrated in the design, development, production, and deployment of our hardware and software offerings. Unlike many of our competitors, almost all of our systems and products that we use are proprietary. Our vertically integrated model allows us to provide our customers with the benefits of lower costs and greater flexibility without third-party vendor lock-in. Our R&D center in Singapore is staffed exclusively by our employees and is positioned to ensure our continued access to world-class talent in Southeast Asia. To provide leading service in installations, customer support, and vehicle recovery, we have established a comprehensive branch network of automotive technicians with rapid-response capabilities in more than 20 countries in which we or our licensees operate and more than 1,000 mobile workshops to serve customers globally around-the-clock. Our customer focused approach to service is key to our leadership position in the industry.

**Deep domain expertise, industry knowledge, and institutional intellectual property.** Our experienced R&D and management teams have accumulated vast experience in the fields of data operations, GSM, radio frequency, and satellites, as well as emerging and next-generation technologies such as LPWAN and V2X communications. Each of our proprietary smart devices is compact, facilitating effective concealment, and is transferable from one vehicle to another. Personal safety considerations, specialized fleet management, and regulatory compliance will continue to require the design and development of proprietary hardware. Our trained automotive technicians carry out installations with electronic connections kept at a minimum so as not to interfere with the vehicle's electronic systems. Our products and installations are endorsed by a number of insurers and motor vehicle manufacturers.

**Culture of service and innovation.** The values at the heart of our culture — accountability, integrity, service orientation, relationships, and an entrepreneurial mindset — are core drivers of our success. As we have grown from a small South African company to a global enterprise with approximately 2.7 million subscribers, we have maintained a start-up culture that eschews hierarchy and where individual ownership, agility and an entrepreneurial mindset remain key features of our everyday behaviors and operations. Operational efficiency and disciplined execution are hallmarks of our culture. We have a highly proven service delivery track record and are known for being quick to deploy and fast to respond.

### **Key Benefits to Our Customers**

The relatively low monthly cost and material return on investment realized by our customers favorably positions us in both weak and strong macroeconomic environments. Our operational intelligence platform provides the following key benefits to our customers:

**Increased safety:** According to Frost & Sullivan, Video Telematics can lower driver distraction by 80%, reduce speeding by 65%, increase seatbelt use by 70% and reduce collisions by 60%. Furthermore, the implementation of forward-looking collision avoidance technology could reduce rear-end crashes by 28%, fatalities by 44% and injuries by 47%. In addition, Video Telematics can reduce accident claims by 25%. (Frost & Sullivan – Video Telematics is a New Safety Norm for Commercial Fleets: AI Powered Video Telematics – The Revolutionary Safety Tool; June 2020).

In a recent survey of fleet managers by Samba Safety, 39% of respondents indicated they have experienced reduced insurance premiums through insurer offered discounts and 25% have benefited from reduced premiums as a result of a reduction in accidents. (2024 Telematics Report Connecting the Dots on Strategies & Adoption). We believe that the AI-enabled real-time feedback through our platform enables coaching of drivers to engage in behavior that lowers fuel consumption, reduces maintenance costs and improves on-road safety.

**Lower operating costs.** According to Boodlal and Chiang research by the U.S. Department of Transportation shows that implementing telematics can reduce unsafe driving by 60%, which can translate into profit margin increases of 30% in commercial fleets as well as reduced emissions. (Study of the Impact of a Telematics System on Safe and Fuel-Efficient Driving in Trucks, by Boodlal, Levenson; Chiang, Kun-Hung; 2014-04-01).

According to a 2018 report by a third-party consulting firm, the use of fleet telematics and predictive analytics can generate significant operational efficiencies. The reports suggests that predictive maintenance techniques can reduce maintenance costs by 5%-10%; optimization of maintenance supply chains can improve asset availability by 10%-30% while lowering inventory costs; and improved alignment of fleet capacity with actual demand can reduce fleet size by 15%-30%.

In addition, the report indicates that vehicle monitoring systems can reduce preventable accidents by 20% to 30% by identifying and addressing risky driving behavior.

**Increased workforce and asset productivity.** Real-time fleet oversight and analysis of data can assist fleet managers in planning better routes and times for vehicles to be on the road, as well as planning maintenance through alerting and scheduling. Route management and traffic mapping, powered by our operational intelligence platform, can reduce the distance traveled by each vehicle. By providing an vertically integrated platform for data, analytics and communications, driver and dispatch teams can work together more efficiently and empower management with greater insight into key performance indicators of asset and employee performance such as utilization, service intervals and billable hours.

**Stability and reliability.** Cartrack utilizes the GSM/LTE network to facilitate reliable communication between our platform and telematics devices. This technology enables recovery teams to accurately locate stolen vehicles and allows customers to track the movement of their vehicles via the web or mobile applications. GPS satellite technology provides users with accurate positioning and monitoring of the vehicle fleet. Secondary radio homing beacons enable air and ground response teams to locate vehicles in areas where coverage may be sparse. Customers also further benefit from our consistent system uptime.

**Road safety and accident management.** The World Health Organization estimates that road traffic crashes cost most countries 3% of their gross domestic product, illustrating the importance of improving driver habits and monitoring commercial vehicles. Powered by industry leading AI, we provide comprehensive driver behavior monitoring and measurement applications which are easily integrated into vehicles to extract and analyze significant amounts of data to improve driver behavior. In addition, deployment of in-vehicle telematics sensors to monitor activity on-road and within a vehicle provides performance benefits and critical data in the event of a collision.

## **Our Opportunity**

There is a significantly underpenetrated global opportunity in mobility data analytics for smart transportation. According to Allied Market Research, the automotive OEM telematics global market opportunity is expected to grow from \$96.3 billion in 2024, and is projected to reach \$321.3 billion by 2032, registering a CAGR of 16.3% from 2024 to 2032. On-the-ground operations present an attractive opportunity and may account for more than 40% of global GDP, based on market research and analysis from multiple third-party sources including the World Bank and the CIA. We believe a large portion of spending in the sector today is for outdated telematics offerings that do not provide the next-generation capabilities required by today's customers across a broad range of transportation and mobility use cases. In 2024, Fitch Solutions estimated there will be more than 1.7 billion vehicles in the world, including more than 438 million commercial vehicles, increasing to 2.1 billion total vehicles by 2032, including more than 544 million commercial vehicles.

Frost & Sullivan estimates that approximately 26% of commercial vehicles in South Africa were equipped with telematics devices in 2023, while Berg Insight estimates that fleet management system penetration rates in Southeast Asia and Europe in 2024 were 17.5% and 26.7%, respectively. (<https://www.berginsight.com/fleet-management-in-southeast-asia> and <https://www.berginsight.com/fleet-management-in-europe>) The low adoption rates suggest an underpenetrated market opportunity with significant growth runway.

Our growth opportunity extends to the two-wheeler market. According to Berg Insight, the global installed base of registered motorcycles, scooters and mopeds totaled approximately 888 million vehicles at the end of 2023. Berg Insight projects that the number of active two-wheeler telematics systems will grow from 17.2 million in 2024 to 30.8 million in 2029, reflecting a CAGR of 12.3%. We believe the large concentration of motorcycles, scooters and mopeds in Southeast Asia, combined with the expected growth in telematics adoption, creates a meaningful opportunity for our products and services in the region. (<https://www.berginsight.com/the-motor-powered-two-wheeler-telematics-market>)

There is also a large global opportunity in video telematics solutions that improve driver safety and reduce operating costs. According to Mordor Intelligence, the installed base of video telematics is expected to grow from 9.74 million units in 2025 to 22.19 million units in 2030, a CAGR of 17.8%. Frost & Sullivan also expects 40% of global commercial fleets to deploy truck video telematics systems by 2030. (<https://store.frost.com/truck-video-telematics-market-global-2025-2030.html>).

Additionally, we are continuously identifying new avenues of growth from our data analysis and monetization.

## Our Growth Strategy

Our long-term growth is driven by five key factors:

**Growth of OEM connected devices.** Our operational intelligence platform is device agnostic and we currently have agreements with more than 10 OEM platforms whereby we collect vehicles diagnostic and safety data from the OEM telemetry devices. Increasing global access to these OEM devices will further drive demand for our complementary solutions and services. Further, we conduct aftermarket installations in collaboration with OEMs.

**Deeper insights from data and platform.** Our customers increasingly rely on our operational intelligence platform to optimize and manage their physical operations. In response to this growing demand, we remain committed to ongoing innovation. We focus on improving and expanding platform and product capabilities, and enhancing operational capacity to support growth across our target markets.

**Global demand.** We are experiencing increased global demand for connected vehicles, devices, and mobility data, which supports our geographic expansion efforts. Market penetration remains low to moderate across all regions, presenting a significant growth opportunity. We are focused on delivering scalable, customer-centric solutions that provide rapid and measurable value to both enterprise and consumer customers.

**New platform enhancements.** We continue to expand our operational intelligence platform to address our customers' most critical operational and business priorities. Our investments in research and development focus on meeting customer expectations. Our product portfolio includes MiFleet, an intuitive administrative and vehicle cost accounting solution, and Delivery, a mobile-enabled workforce management application. Delivery supports key business processes such as stock control, electronic proof of delivery, invoicing, business intelligence, OEM integrations, job dispatch, and advanced messaging through its routing capabilities.

**Significant barriers to entry.** We operate in a market characterized by significant barriers to entry, which contribute to our competitive advantage. These include the fragmented nature of the global market, substantial upfront capital requirements to develop and deploy infrastructure at scale, and the need for sustained investment in research and development to remain at the forefront of technological innovation. Additionally, the capital required to fund device and installation costs further elevates the barrier for new entrants. Our strong execution culture and customer-centric approach further differentiate us in the marketplace. The industry has increasingly transitioned from upfront hardware and installation payments to recurring subscription models, where service providers retain ownership of the deployed telemetry devices. The rising demand for solutions with no upfront costs presents a challenge for smaller vendors and new entrants lacking the scale and financial resources to compete effectively. Further, it is difficult for new entrants to ensure a high level of service without scale of technical personnel capable of servicing customers whose operations span multiple cities and require IoT device installations across various assets.

We intend to pursue the following growth strategies:

**Expand our customer base.** Our global market penetration remains relatively low to moderate, which we believe presents a significant opportunity to expand our customer base across international markets. We anticipate that future demand growth will be driven by the continued proliferation of mobile assets and a diverse range of emerging smart mobility use cases. These include ongoing customer needs to enhance efficiency, reduce costs, improve safety, mitigate risk, compliance and governance. We expect this demand to outpace overall global fleet growth as broader adoption of mobility solutions accelerates in response to demonstrated value. Additionally, we foresee increased demand from governments, businesses, and consumers, particularly in regions experiencing increased regulations. We serve a wide spectrum of customers across multiple industries and remain focused on expanding our subscriber base.

***Increase subscription sales to existing customers.*** Our continued focus on R&D and innovation enables us to develop new features and capabilities tailored to the growing and diverse demands of our global customer base. With approximately 2.7 million subscribers as at February 28, 2026, we see significant potential to expand our subscription revenue by driving increased subscriber adoption and engagement with additional products like video and Cartrack-Tag and newer features and capabilities of our platform. Our existing customer base represents a significant opportunity for further subscription sales expansion.

***Expand our geographic presence worldwide.*** While South Africa remains a key market, we anticipate stronger subscriber growth in the Asia-Pacific regions. This expectation is based on several factors, including larger and growing populations, higher economic growth rates, a favorable competitive environment characterized by low market penetration and less sophisticated incumbent solutions, and the increasing scale of our established operations in these regions. We also expect demand to be driven by the need to improve road safety and reduce environmental impact, particularly in markets where vehicle populations are projected to increase significantly amid existing traffic congestion and pollution challenges. In addition, we are evaluating further expansion in Europe. Our operations in other parts of Africa, while currently limited in scale, are considered strategically important. As we expand the scope of our offerings, we believe we are well positioned to efficiently deploy our solutions across the global fleets of existing multinational customers as we enter new geographies where they already operate.

### **Our Vertically Integrated Operational Intelligence Platform**

Our operational intelligence platform simplifies decision-making by seamlessly unifying and contextualizing data from a wide range of sources, including proprietary devices, third party devices such as OEM devices, as well as data collected from our customers' back-office systems via APIs. By consolidating data relating to business operations into a single, centralized hub, we enable our customers to overcome complex operational challenges such as safety, compliance, eco-driving, productivity, service delivery, cost control, maintenance, routing, risk mitigation, inventory control, resource allocation including vehicle utilization management, and workforce management. Powered by our extensive data asset, AI, and robust analytics, our platform delivers actionable insights that drive meaningful improvements to our customers' physical operations.

Our platform is accessible to users via web interface and mobile applications, offered via monthly subscription and DaaS offered via monthly subscription should the customer use their own fleet or on a cost per delivery should our customer leverage on third party drivers. Our applications are highly integrated to avoid the need for multiple interfaces, and include free application programming interface ("API") integrations with third party systems such as enterprise resource planning ("ERP") systems.

Our vertically integrated operational intelligence platform is designed to help customers address critical operational challenges across their physical operations through a single, integrated ecosystem of software AI, connected IoT technologies and data driven intelligence. Key customers use cases include:

### **Commercial Applications**

- Our **safety** solutions help organizations reduce accidents, improve driver behavior, protect their brand, employees and assets, and lower insurance and liability costs. By combining AI-powered monitoring with real-time alerts and coaching tools, customers can proactively build a safety-first culture where risky behaviors are identified and addressed before incidents occur.
- AI-enabled driver and road monitoring cameras that detect distracted driving, fatigue, mobile phone use, tailgating and other unsafe behaviors and live alert drivers so they can correct their behavior in real-time.

- Cloud-enabled cameras enable video selection, replay, and analysis for detailed visibility into events and claims management.
- Gamified driver scorecards that are tailored to individual business priorities to gain driver buy-in and provide objective measurement and improvement monitoring.
- Driver coaching tools that provide feedback and training opportunities to improve driving performance over time.
- Real-time alerts and notifications for managers that enable immediate intervention when high-risk events occur and provide critical context into the magnitude of problems.
- Incident reporting, such as accident reporting, and analysis that helps organizations understand root causes and implement corrective actions.
- Our **fleet visibility, operational control and resource management** solutions provide organizations with real-time oversight of vehicles, equipment and field operations. This enables better resource allocation, improved utilization and greater operational transparency across distributed workforces.
  - Vehicle sharing and digital access management that enables secure keyless vehicle access and automated reservation workflows, allowing organizations to efficiently share vehicle resources, improve utilization and reduce administrative complexity.
  - Real-time vehicle tracking that provides live location and routing visibility across fleets, alongside field activity monitoring that helps managers track workforce movements and operational progress.
  - Mobile asset tracking and inventory management for powered and non-powered assets, including trailers and other mobile assets to help customers reduce losses, improve equipment utilization and automate inventory processes.
  - Integration with specialized IoT sensors that provide additional visibility into productivity, cargo management and operational execution excellence such as temperature monitoring, cement mixer movements, power take offs, cargo doors opening or closing and more.
  - Geofencing capabilities that generate alerts when assets enter or leave designated locations and provide visibility into productivity.
  - Fleet utilization analytics that identify opportunities that identify underused or overused assets to improve asset productivity.
- Our **dispatching, routing and service execution** solutions help **delivery and in-field service** organizations improve workforce productivity, standardize processes and enhance customer service. By optimizing schedules, digitizing workflows and providing real-time job visibility, customers can execute work more efficiently, make workers' lives easier and scale operations for effectively.
  - AI-powered route optimization that identifies the most efficient travel paths across all work and available vehicles and workers.
  - Dynamic dispatching tools that enable job allocation based on availability, location and priority, including finding the nearest driver and offer easy live navigation capabilities for drivers.

- Digital job allocation and scheduling that assigns work efficiently across teams, with real-time job progress tracking that provides visibility into work completion.
- Real-time communication tools that connect dispatchers and mobile workers safely.
- Workflow management tools that standardize operational processes and give workers all the details needed to successfully complete work.
- Performance monitoring and reporting that supports workforce optimization.
- Electronic proof-of-service capabilities that capture signatures, photos and other documentation.
- Our **maintenance and asset lifecycle management** solutions help organizations maximize uptime, reduce repair costs and extend the useful life of vehicles and equipment. By proactively monitoring asset health and maintenance requirements, customers can minimize unplanned downtime and improve operational reliability.
  - Customizable digital vehicle inspection forms with maintenance integration and alerts that are triggered at intervals of the customer's choice to help proactively identify issues.
  - Vehicle and equipment health monitoring and diagnostics that provide visibility into asset condition for more proactive repairs.
  - Preventive maintenance scheduling with reminders that reduce the risk of missed service intervals to ensure servicing occurs at the appropriate intervals.
  - Digitalized repair and service tracking that provides a complete maintenance history for each asset.
  - Asset cost management and lifetime analytics that help organizations understand total cost of ownership and support asset replacement and investment decisions.
- Our **fuel management and fraud detection** solutions help organizations control one of their largest operating expenses while reducing the risk of theft, misuse and unauthorized transactions. By providing detailed visibility into fuel consumption and purchasing activity, customers can improve efficiency and reduce costs.
  - Fuel consumption monitoring that tracks real-time fuel levels and usage across vehicles and assets to support cost reduction initiatives and ensure up-time for remotely located machines.
  - Fuel efficiency analytics that identify opportunities to reduce consumption.
  - Fuel card integration and refuel reporting that consolidates transaction data for automated claim validations and analysis.
  - Fraud detection tools that identify suspicious transactions and anomalies, and theft and misuse monitoring that helps detect unauthorized fuel activity.

- Our **cost control and operational intelligence** solutions help organizations transform operational data into actionable insights that drive better decision-making. By providing comprehensive analytics and reporting capabilities, customers can identify inefficiencies, reduce costs and improve overall business performance.
  - Automation of reporting to fit into existing workflows for effective execution on insights.
  - Tailored business intelligence dashboards that provide visibility into key operational metrics.
  - Advanced reporting tools that support detailed performance analysis that can be customized to different businesses.
  - Operational analytics that identify trends, risks and improvement opportunities and executive performance monitoring that supports strategic decision-making.
  - AI-enabled insights and recommendations that help organizations take proactive action.
- Our **enterprise integration and workflow automation** solutions help organizations connect operational intelligence with existing business systems and processes. This enables seamless data sharing, reduces manual work and improves operational efficiency across the enterprise, further amplifying our platform as the backbone of their operation.
  - ERP system integration that connects operational data with financial and business processes.
  - OEM platform connectivity that incorporates manufacturer-provided vehicle and equipment data.
  - Fuel card integrations that consolidate fuel transaction information.
  - Third-party technology integrations that support broader ecosystem connectivity.
  - Workflow automation tools that streamline repetitive operational tasks and processes.
- Our **delivery-as-a-service** solution (Karoo Logistics, formerly Picup) helps organizations streamline delivery operations, improve delivery performance and enhance customer experiences as well as scale their operation beyond their current resources in a capital light model. The platform supports a wide range of logistics models, including owned fleets, third-party carriers and crowd-sourced delivery networks.
  - Access to a fleet of third-party delivery drivers that enables flexible delivery capacity.
  - Last-mile delivery orchestration that coordinates delivery activities across multiple resources.
  - Long-haul transportation support for regional and national logistics networks.
  - Third-party carrier management that provides visibility into outsourced delivery operations.
  - Enterprise system integration that connects logistics workflows with existing business applications to enable powerful and highly controlled workflows including stock control, invoicing, electronic proof-of-delivery, and mobile workforce management.
  - Delivery tracking and status updates that improve operational visibility and customer communication.

- Our **risk management** solutions help organizations identify, monitor and mitigate operational risks across vehicles, assets, drivers and field operations. By combining real-time visibility and alerts, AI-enabled insights, automation and digital workflows, customers can proactively reduce incidents, strengthen governance and improve operational resilience.
  - Real-time risk monitoring and alerts that enable immediate visibility into high-risk events, operational exceptions and policy violations.
  - Risk reporting and analytics that provide management with visibility into key risk indicators, trends and mitigation performance across the organization.
  - Video evidence and incident management tools that support investigations, claims management and root cause analysis.
  - Digital inspections and risk assessment workflows that help identify hazards, enforce operational standards and maintain accurate audit records, this includes ensuring supervisors are on site, gear is worn and workflows are followed.
- **Asset Recovery** Our outsourced SVR and asset recovery services assist vehicle owners, police and insurance companies with the recovery of vehicles and other assets that have been stolen. This service includes around-the-clock assistance with real-time tracking, dedicated technical teams, early warning alert systems, ground and air recovery teams dedicated to Cartrack, operating under local law licenses, specialized technologies for both GSM and radio frequency and repatriation assistance across international borders. The consistent recovery success rate is considered by management to be achieved through the high reliability standards of our operational intelligence platform, our smart in-vehicle devices, specialized installation techniques, miniaturization, and a dedicated team of third-party rapid response recovery agents.

### Consumer Applications in Southern Africa

- **Protector** is an all-encompassing safety package for all consumer vehicles. Following the installation of the Cartrack telematics device, consumers can access a diverse set of software features and benefits, including:
  - A mobile application for real time movement management and communication
  - Digital logbook of vehicle usage used to automate government ready documentation for tax benefits related to trade of work vehicles.
  - Asset Recovery
  - Ambulance Assist (facilitating emergency medical outreach and response)
  - Crash Alert, a 24/7 monitoring system, which immediately triggers a dispatch for emergency services in response to a detected collision or accident
  - a power event notification provides alerts upon vehicle battery disconnect
  - an ignition sensor remotely reads ignition status and detects improper use

- **Car Watch** is a mobile application that lets users track and watch their vehicles from a distance. It includes alert notifications and the ability to sound an alarm remotely after unauthorized movements.

### Specialist Mobility Solutions

- **Cartrack TAG**, a next-generation wireless asset tag that extends our operational intelligence platform to any mobile asset in South Africa, offers asset tracking, even in areas with limited or no cellular connectivity:
  - Primarily focused on asset management where monitoring the status and movement of non-powered or high-value assets is essential
  - Robust design with low maintenance requirements
  - Ensures reliable performance in demanding commercial environments
- **Credit Management** predicts payment cycles and facilitates active credit management for asset-based vehicle finance including accident reconstruction, driver behavior, reporting for maintenance services and fraud detection. Real-time alarms and alerts are used to protect and secure assets.
- **Insurance Telematics** allows insurers to tailor premiums for commercial and consumer customers using analytics provided by our platform. This data also can be used to better reconstruct accident scenes, making it more efficient to evaluate claims and drive behavioral change resulting in safer drivers, reduced risk and lower premiums.
- **Electronic Monitoring.** In Singapore, we provide the platform for end-to-end electronic monitoring services (“EMS”) that allows law enforcement agencies to monitor persons of interest, such as offenders on extended supervision, parole, home detention or community detention, including released prisoners in halfway care or who are in the process of being reintegrated into society.

### Next-Generation Mobility Solutions

We are constantly innovating to offer a range of additional mobility and monitoring solutions in select markets:

- **Cartrack Insurance Agency.** Our insurance multi-quote or aggregator platform offers customers in South Africa the ability to obtain a fast online quote from a panel of independent insurers at competitive rates, or if they choose, they can talk to a qualified consultant to advise on the appropriate insurance.

### Smart IoT

Customers deploy our smart devices to collect real-time data from their vehicles and transmit this information to secure data centers for processing, which we manage via the Cartrack Private Cloud. Our operational intelligence platform components are designed to operate using a diverse array of communication technologies, including radio, satellite, and network protocols such as Sigfox and LoRa. We generally design, develop our devices and firmware in order to ensure their modularity and interoperability with our core subscription offering. We seek to increase device functionality and decrease device costs over time. We offer customers a subscription model with no up-front payment, reducing the capital investment required to access our operational intelligence platform.

Our solutions are both flexible and relevant across all industries and fleet sizes, and have the capability to track most types of assets. Our technology has proven to be scalable, with many use cases in many countries. We have collected large amounts of data, which we have in turn learned to process quickly and reliably. As we continue to grow, we leverage our data by integrating data science and AI more deeply into our platform.

We believe our modular, proprietary designs give us an advantage over competitors who rely solely on third-party telematics devices because we are able to collect industry specific data through our devices tailored to our customers' needs. Our devices can access and leverage CANBUS data, a system which enables communication between various parts of a vehicle, such as the engine control unit and airbags, which can be commercialized through collaborations with OEMs.

### ***Our Customers***

Our commercial customers operate across a range of industries. As at February 28, 2026 we served more than 125,000 commercial customers. We focus on customer retention and engagement through ongoing monitoring of customer experience metrics and continuous enhancement of our support capabilities. Customer support is included with our subscription offerings and is available 24 hours a day, seven days a week. Customers may access support through telephone chat, and email channels, and our team proactively engages with customers to help them realize value from our solutions. Customer centricity is a core element to our culture and operating philosophy.

Representative customers by geographical regions are listed below:

**South Africa:** Dis-Chem, Kenings Car Van and Truck Hire, Lancet, MAN South Africa, Pick n Pay, SA Taxi Mobalyz, Spartan, Swissport, The Courier Guy, The Woodford Group.

**Africa:** AIDS Healthcare Foundation, BCI, British American Tobacco, ENHL-Bonatti, Gemfields Group, Handling, Mantrac, NCBA Kenya, Ryce Leasing, Stanbic Bank, Transportes Carlos Mesquita.

**Europe:** Eurocash, Grupo Visabeira, Jeronimo Martins, Petit Forestier, Telefurgo, Zabka.

**Asia-Pacific and Middle East:** AL Marwan, Asia Brewery, Coca-Cola, DHL, Diag, Dizon Farms, GetGo, KINTO, Ley Choon, Lootah, Lumens, Toyota Mobility Solutions.

### **Sales and Marketing**

Our strategy to scale in a region is to target small to medium-sized and large enterprises with subscriber volume. adding consumers and sole proprietors in selected markets. Alongside this, we build our distribution and customer care capabilities to support our growth We sell subscriptions through our direct sales force across all regions.

#### ***Sales***

We sell subscriptions to our operational intelligence platform through our direct sales organization. Maintaining direct control of our sales force allows us to efficiently target individual consumers and sole proprietors, small to medium-sized businesses with local fleets, and large enterprise fleets.

The focus of our sales efforts is to drive a high volume of transactions through a standardized and highly repeatable methodology. We focus on the core challenges that fleet operators face in managing their fleet. We are able to provide prospective customers with an anticipated return on investment (ROI) calculation that enables us to tangibly demonstrate the benefits of our solutions and how they address the challenges that they face. We highlight the insights that fleet operators gain from our reports and real-time alerts and how they can use those insights to improve productivity, increase operating profitability and solve key business problems. We believe we effectively sell our solutions to large customers because our platform is competitively priced, easy to use, stable and delivers the required actionable insights. We are also able to rapidly deploy our devices into a large fleet, making switching quick and easy. Additionally, the ease of use of our platform allows us to integrate our solutions with relative simplicity.

We have dedicated sales and marketing teams in each region using the following sales channels, depending on our customers' needs and fleet sizes:

*Inside sales and web sales.* Our primary sales channel to both consumers and commercial prospective customers is via our internal teams. This is a key component of our go-to-market strategy and the teams have typically increased their sales productivity while lowering the aggregate cost of subscriber acquisition to date. Our sales agents conduct their selling activities telephonically, in some cases using live web demonstrations to convert sales leads to customers.

*Field sales.* Our field sales team of relationship managers meet face-to-face with prospective customers and focuses on sales to small businesses, medium-sized businesses and large enterprises. The field sales team is supported by an inside team of sales representatives.

In addition to the direct selling methods set out above, our field sales teams, with support from our inside sales team, work closely with automobile dealerships, insurance companies and insurance brokers to generate channel-based opportunities for us to acquire new customers.

Furthermore, both the inside sales teams and field sales teams focus on assisting customers that are adding devices through fleet expansion or broader use of additional applications or software features across their fleet. They monitor customer usage to ensure that customers are deriving the maximum benefit from our offering.

### **Marketing**

Our marketing programs target both individual consumers, business owners and decision-making managers in multiple industries that operate fleets of commercial vehicles. Our marketing strategy is focused on lead generation and reinforcing customer engagement and thought leadership.

Lead generation is a core function of our business processes. We generate leads through a combination of internet-driven inbound activities and traditional outbound marketing activities.

*Inbound leads.* Our inbound leads are largely generated through digital or internet-based marketing efforts. This involves extensive search engine marketing, search engine optimization, email marketing, direct internet traffic, social media platforms and purchased lead generations. Our demand generation programs vary depending on our target customer, industry or fleet size, and include marketing activities such as integrated programs on the internet, outbound marketing campaigns targeted to prospective customers in key industries and geographies, attendance and sponsorship of trade shows, email lead generation and prospective customer follow up, and traditional public relations and website properties. We make use of social media to engage customers and prospective customers to generate interest, demand and leads.

*Outbound leads.* Our outbound lead generation involves a variety of traditional marketing activities, including customer referral, purchased leads, direct mail, email marketing, cold calling, advertising, trade shows and in-person events and telemarketing. We accumulate marketing lists through a variety of sources, including purchased lists selected by industry and geographic demographics. We filter prospective customers by using industry knowledge to identify quality targets.

### **Our Technology**

We designed our operational intelligence platform architecture for global access via an internet browser or mobile application. Updates to our platform are distributed instantaneously to all of our customers over the internet. Our solutions have been specifically built to deliver:

- a consistent, intuitive end-user experience to limit the need for training and to encourage high levels of end-user adoption and engagement;
- turnkey, out-of-the-box functionality;

- flexibility to design customized reports and alerts, including AI-enabled analytics and intelligent event detection that help our customers gain insights into their fleet, workforce and mobile assets;
- integration with other systems such as OEM systems, fuel cards, GPS navigation devices, and customer information technology systems, such as work order management and enterprise resource management systems;
- scalability to match the needs of our growing customer base and their fleets; and
- rigorous security standards and high levels of system performance and availability demanded by our customers.

Our operational intelligence platform is comprised of a telematics device that incorporates off-the-shelf components, including a cellular modem, GPS receiver and memory capacity sufficient to run our proprietary firmware, which reports vehicle coordinates, time, speed, ignition status and mileage from satellite readings. This information is collected using an event-based algorithm (allowing the events collected to provide a road hugging presentation on the mapping layers) and then sent to our receivers at third-party data centers via a commercial cellular network. The information is then processed and delivered to our customers providing a wide range of live reporting, mapping and alerts designed to give customers business intelligence. This information can be accessed by our customers via an internet browser or mobile application as well as be sent to customers by email, an XML feed, or internet services.

Our operational intelligence platform is deployed using a multi-tenanted architecture that scales rapidly to support additional subscribers through the addition of incremental commodity processing and storage hardware. This architecture flexibility allows us to sustain high levels of uptime without degradation of system performance despite significant subscriber growth. Our existing architecture and infrastructure have been designed with sufficient capacity to meet our current and anticipated future needs.

We use many frameworks, most notably REACT developed by Facebook, and write the majority of our software in industry-standard software programming languages, such as JavaScript, python, PHP and C/C++. All software is deployed for our relational database management system. Apart from these and other third-party industry standard technologies, our operational intelligence solutions have been specifically built and upgraded by our in-house development team.

### **Research and Development**

The responsibilities of our research and development organization, which consists of 244 full-time employees, include platform management, platform development, quality assurance and technology operations. Our investment in research and development is core to our business strategy and a key differentiator in the competitive landscape. All of our research and development activities are performed in-house. Our primary research and development team is based in Singapore, with additional research and development centers in South Africa, and Portugal.

Based on feedback from our customers and prospective customers, we continuously expand our operational intelligence platform while enhancing and maintaining our core solution technology to address evolving regulatory requirements, user needs and emerging industry trends. This includes the ongoing development of AI-enabled capabilities that help customers drive business value from large volumes of operational data, automate workflows and make faster, more informed decisions across their physical operations.

We develop new functionality with a view to full platform deployment for use by all of our customers and avoid bespoke development, allowing us to scale innovation efficiently across our global customers base.

## Operations

We physically host our operational intelligence platform principally in seven secure third-party data centers located in South Africa, Singapore, the Netherlands, the United Arab Emirates and France. These data centers provide us with both physical security, including around-the-clock security personnel, biometric access controls and systems security, including firewalls, encryption, redundant power and environmental controls. Our data centers maintained a consistent system uptime. We believe that our third-party hosting facilities are adequate for our current needs and that suitable additional capacity will be available as needed to accommodate planned expansion of our operations. We believe our agreements with these third-party data centers are generally consistent with competitive market terms and conditions.

Our platform technology also includes switches, routers, load balancers, IDS/IPS and application firewalls from top-tier suppliers to serve as the networking infrastructure and high levels of security infrastructure for the network environment. We use rack-mounted servers to run our solutions and for content caching. We use storage area network (“SAN”) hardware with fiber channel and solid-state drives at our data center locations. These SAN systems have been designed for high performance and data-loss protection, and we believe that these systems have the capacity and scalability to support our anticipated growth for the foreseeable future.

We leverage a large team of employed installers worldwide to install our telematics devices, occasionally calling on third parties to assist with installation. Upon contracting with a new customer, we dispatch the nearest installer to the customer’s place of business or a central location for installation of our telematics devices. Typically, the full installation cycle is accomplished within five days from the date of contract. If a telematics device malfunctions in the field, we use our installers to replace the device.

## Our Competition

The rapidly evolving market for our solutions is competitive and highly fragmented in certain of our regions, particularly by geography and customer segment. We compete with point-to-point solution providers as well as other companies with service offerings designed to address similar needs as our solutions that range from small, regional providers to midsized multinational providers to large global providers. Many of our competitors offer fleet or mobile asset management software solutions to particular industry segments or in limited geographic regions. For example, we compete with Geotab Europe, WebFleet by Bridgestone (formerly TomTom), Masternaut (a Michelin Group Company) and Fleet Complete for commercial fleet management in Europe; we compete with Tracker, Netstar, Power Fleet (formerly MiX Telematics), Geotab and CTrack in South Africa; and we compete with a large and fragmented group of competitors in Asia and Africa. Many larger competitors have entered the market in recent years through acquisitions of competing solutions, such as telecommunications provider Verizon acquiring Fleetmatics, as well as tyre companies Bridgestone and Michelin acquiring TomTom and Masternaut, respectively. Some of our actual and potential competitors may enjoy competitive advantages over us, such as greater name recognition, longer operating histories, more varied services, and larger marketing budgets, as well as greater financial, technical, and other resources.

We believe that the key competitive factors in our market include:

- ease of onboarding, initial setup and use;
- platform functionality, performance and reliability (speed and stability);
- relevant features that best meet the needs of fleet operators;

- business intelligence capabilities;
- technology architecture scalability;
- customer service; and
- cost.

We believe that our efficient customer acquisition model, data driven business intelligence approach to fleet management via a subscription-based business model, deep domain expertise and large user base enable us to compete effectively. We believe that many of our competitors rely on up-front hardware sales to finance their operations, posing a significant investment hurdle for certain customers. Additionally, many of these competitive offerings are difficult to deploy and use and lack other features required by customers.

Some of our competitors have made or may make acquisitions or enter into partnerships or other strategic relationships to offer a more comprehensive service than we do. These combinations may make it more difficult for us to compete effectively, including on the basis of price, sales and marketing programs, technology, or service functionality. We expect these trends to continue as companies attempt to strengthen or maintain their market positions.

### **Seasonality**

Our business is not materially affected by seasonal trends.

### **Intellectual Property**

Our intellectual property rights are important to our business. We rely on a combination of trademark, copyright, and trade secret laws, as well as confidentiality procedures and contractual restrictions, to establish and protect our intellectual property rights. We also license technology from third parties. We believe our license agreements for third-party software and other intellectual property are generally consistent with industry standard terms and conditions. See “Risk Factors—Our operational intelligence platform relies on specific third-party software and any inability to license or use such software from third-parties could render our platform inoperable.” Although the protection afforded by trademark, copyright, and trade secret laws, written agreements and common law may provide some advantages, we believe that the following factors help us to maintain a competitive advantage: the technological skills of our research and development personnel; frequent enhancements to our solutions; and continued expansion of our proprietary technology.

### **Human Capital**

As at February 28, 2026, we had 7,395 full-time employees of which 5,398 are located in South Africa, 309 are located in Africa-Other, 387 are located in Europe, and 1,301 are located in Asia-Pacific, Middle East and USA.

We have a team-oriented culture and encourage candor from our employees, which we believe helps us to succeed and drive operational excellence. We also seek to, and have a history of, promoting from within our organization as well as hiring top talent from outside of our Group to expand our capabilities. We aim to hire individuals who share our passion, commitment and entrepreneurial spirit. We are also committed to diversity and inclusion because we believe that diversity leads to better outcomes for our business and enables us to better meet the needs of our customers.

### C. ORGANIZATIONAL STRUCTURE

The following table lists the entities which are controlled by the Group.

<b>Company Name</b>	<b>Held by</b>	<b>Country of incorporation</b>	<b>% holding 2026</b>	<b>% holding 2025</b>
Cartrack Holdings Proprietary Limited	Karooooo Ltd	South Africa	100.00	100.0
Karooooo Management Company Pte. Ltd.	Karooooo Ltd	Singapore	100.00	100.0
Karooooo Proprietary Ltd	Karooooo Ltd	South Africa	100.00	100.0
Karooooo Cartrack Limited <sup>3</sup>	Karooooo Ltd	Uganda	100.00	100.0
Cartrack (Cambodia) Co. Ltd	Karooooo Management Company Pte Ltd	Cambodia	100.00	100.0
Cartrack Swaziland Pty Ltd <sup>4</sup>	Karooooo Management Company Pte Ltd	Kingdom of Eswatini	76.00	76.00
Karooooo Technologies Proprietary Limited	Karooooo Proprietary Ltd	South Africa	100.00	100.0
Cartrack Management Services Limited	Cartrack Holdings Proprietary Limited	South Africa	100.00	100.0
Cartrack Proprietary Limited	Cartrack Holdings Proprietary Limited	South Africa	100.00	100.0
Cartrack Manufacturing Proprietary Limited	Cartrack Holdings Proprietary Limited	South Africa	100.00	100.0
Cartrack Insurance Agency Proprietary Limited	Cartrack Holdings Proprietary Limited	South Africa	100.00	100.0
Cartrack Namibia Proprietary Limited	Cartrack Holdings Proprietary Limited	Namibia	100.00	100.0
Cartrack Technologies Pte. Limited	Cartrack Holdings Proprietary Limited	Singapore	100.00	100.0
Carzuka Proprietary Limited	Cartrack Holdings Proprietary Limited	South Africa	100.00	100.0
Purple Rain Properties No.444 Proprietary Limited	Cartrack Holdings Proprietary Limited	South Africa	100.00	100.0
Karooooo Logistics Pty Ltd (“Picup”)	Cartrack Holdings Proprietary Limited	South Africa	81.0	74.8
Cartrack Telematics Proprietary Limited <sup>2</sup>	Cartrack Proprietary Limited	South Africa	49.0	49.0
Cartrack Academy (Pty) Ltd <sup>6</sup>	Cartrack Proprietary Limited	South Africa	100.00	100.0
Karu Holdings Proprietary Ltd	Cartrack Proprietary Limited	South Africa	100.00	100.0
Combined Telematics Services Proprietary Limited <sup>1,5</sup>	Cartrack Proprietary Limited	South Africa	-	49.0
CTK Shell 2 (Pty) Ltd <sup>1</sup>	Cartrack Proprietary Limited	South Africa	100.00	100.0
Cartrack Tanzania Limited	Cartrack Technologies Pte. Limited	Tanzania	100.00	100.0
Karooooo Kenya Limited	Cartrack Technologies Pte. Limited	Kenya	70.0	70.0
Cartrack Engineering Technologies Limited	Cartrack Technologies Pte. Limited	Nigeria	100.00	100.0
PT. Cartrack Technologies Indonesia	Cartrack Technologies Pte. Limited	Indonesia	100.00	100.0
Cartrack Investments UK Limited <sup>1</sup>	Cartrack Technologies Pte. Limited	United Kingdom	100.00	100.0

<b>Company Name</b>	<b>Held by</b>	<b>Country of incorporation</b>	<b>% holding 2026</b>	<b>% holding 2025</b>
<b>Cartrack Technologies (China) Limited</b>	<b>Cartrack Technologies Pte. Limited</b>	<b>Hong Kong</b>	<b>100.00</b>	<b>100.0</b>
<b>Cartrack Malaysia SDN.BHD</b>	<b>Cartrack Technologies Pte. Limited</b>	<b>Malaysia</b>	<b>100.00</b>	<b>100.0</b>
<b>Cartrack Technologies LLC</b>	<b>Cartrack Technologies Pte. Limited</b>	<b>U.A.E.</b>	<b>100.00</b>	<b>100.0</b>
<b>Cartrack Technologies PHL.INC</b>	<b>Cartrack Technologies Pte. Limited</b>	<b>Philippines</b>	<b>100.00</b>	<b>100.0</b>
<b>Cartrack Technologies South East Asia Pte. Limited</b>	<b>Cartrack Technologies Pte. Limited</b>	<b>Singapore</b>	<b>100.00</b>	<b>100.0</b>
<b>Cartrack Ireland Limited</b>	<b>Cartrack Technologies Pte. Limited</b>	<b>Republic of Ireland</b>	<b>100.00</b>	<b>100.0</b>
<b>Cartrack Technologies (Thailand) Company Limited</b>	<b>Cartrack Technologies Pte. Limited</b>	<b>Thailand</b>	<b>100.00</b>	<b>100.0</b>
<b>Cartrack New Zealand Limited</b>	<b>Cartrack Technologies Pte. Limited</b>	<b>New Zealand</b>	<b>66.0</b>	<b>51.0</b>
<b>Cartrack (Australia) Proprietary Limited</b>	<b>Cartrack Technologies Pte. Limited</b>	<b>Australia</b>	<b>100.00</b>	<b>100.0</b>
<b>Cartrack Technologies Zambia Limited</b>	<b>Cartrack Technologies Pte. Limited</b>	<b>Zambia</b>	<b>100.00</b>	<b>100.0</b>
<b>Cartrack Vietnam Limited Liability Company</b>	<b>Cartrack Technologies Pte. Limited</b>	<b>Vietnam</b>	<b>100.00</b>	<b>100.0</b>
<b>Cartrack INC.</b>	<b>Cartrack Ireland Limited</b>	<b>U.S.A.</b>	<b>100.00</b>	<b>100.0</b>
<b>Cartrack Polska.SP.ZO.O</b>	<b>Cartrack Ireland Limited</b>	<b>Poland</b>	<b>90.9</b>	<b>90.9</b>
<b>Cartrack Portugal S.A.</b>	<b>Cartrack Ireland Limited</b>	<b>Portugal</b>	<b>100.0</b>	<b>100.0</b>
<b>Cartrack Espana. S.L.U.</b>	<b>Cartrack Ireland Limited</b>	<b>Spain</b>	<b>100.0</b>	<b>100.0</b>
<b>Karu.Com. Unipessoal. Lda</b>	<b>Cartrack Portugal S.A.</b>	<b>Portugal</b>	<b>100.0</b>	<b>100.0</b>
<b>Cartrack Prevrod. Lda</b>	<b>Cartrack Portugal S.A.</b>	<b>Portugal</b>	<b>55.0</b>	<b>-</b>
<b>Cartrack Limitada<sup>2</sup></b>	<b>Cartrack Technologies LLC</b>	<b>Mozambique</b>	<b>50.0</b>	<b>50.0</b>
<b>Auto Club LDA</b>	<b>Cartrack Technologies LLC</b>	<b>Mozambique</b>	<b>90.0</b>	<b>90.0</b>
<b>Cartrack for Information Technology Company<sup>1</sup></b>	<b>Cartrack Technologies LLC</b>	<b>Kingdom of Saudi Arabia</b>	<b>51.0</b>	<b>51.0</b>

<sup>1</sup> Dormant

<sup>2</sup> The Group considers Cartrack Limitada, and Cartrack Telematics Proprietary Limited as subsidiaries of the Group as the Group has the right to appoint the majority of the directors on the Board of Directors of these entities through contractual shareholders' agreements. The Board of Directors of these companies direct the relevant activities of these entities. Accordingly, the Group is exposed or has rights to variable returns from its involvement with these entities through its power over it and has the ability to affect those returns through the Board of Directors.

<sup>3</sup> 90% of the share capital of Karo0000 Cartrack Limited is held by Karo0000 Limited and the remainder 10% of the share capital is held by Karo0000 Management Company Pte Limited, a wholly owned subsidiary of Karo0000 Limited.

<sup>4</sup> 74% of the share capital of Cartrack Swaziland (Pty) Ltd is held by Karo0000 Management Company Pte. Ltd. and 2% is held by Cartrack Holdings Proprietary Limited.

<sup>5</sup> As at financial year ended February 28, 2026, the entities were deregistered and ceased to exist as legal entities.

<sup>6</sup> CTK Shell 1 (Pty) Ltd was renamed to Cartrack Academy (Pty) Ltd on June 20, 2024.

#### D. PROPERTY, PLANT AND EQUIPMENT

Our principal executive office in Singapore is our premises at 17 Kallang Junction #06-05/06 Singapore 339274 which is leased upon the terms set out below. With effect from September 2024, the construction of our South African central office in Johannesburg, South Africa has been completed and is occupied by Cartrack. We also have lease agreements for office space at two other locations as set out below.

<b>Lessee</b>	<b>Lessor</b>	<b>Address</b>	<b>Term</b>
Karooooo Management Company Pte Ltd	SB (17KJ) Investment Pte Ltd	17 Kallang Junction #06-05/06 Singapore 339274	April 04, 2023 to October 03, 2028
Cartrack Manufacturing Proprietary Limited	Stand 222 Republic Road (Pty) Ltd	Cnr Cherry Drive & Republic Rd, Randburg, Johannesburg, Gauteng, South Africa.	January 01, 2025 to December 31, 2027
Cartrack Academy (Pty) Ltd	Growthpoint Properties Limited	Grosvenor Corner, 195 Jan Smuts Avenue, Rosebank, Johannesburg, Gauteng, South Africa.	September 01, 2024 to August 31, 2029

We use these offices for finance, legal, human resources, information technology, sales, marketing, manufacturing, training and education and other administrative functions.

We currently have seven data center sites providing coverage and high-speed access to all customers. The locations of the data centers are in the Netherlands, United Arab Emirates (Dubai), France and two each in Singapore and South Africa.

We believe that our facilities are adequate for our current needs and that suitable additional or substitute space will be available as needed to accommodate any potential expansion of our operations.

#### Item 4A. UNRESOLVED STAFF COMMENTS

Not applicable.

## Item 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

### A. OPERATING RESULTS

#### MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our consolidated annual financial statements and the notes thereto, included elsewhere in this annual report, as well as the information presented under "Presentation of Financial Information." The following discussion and analysis include forward-looking statements. These forward-looking statements are subject to risks, uncertainties and other factors that could cause our actual results to differ materially from those expressed or implied by the forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those discussed elsewhere in this annual report. See "Special Note Regarding Forward-Looking Statements" and "Risk Factors."

#### Overview

We are a leading provider of an operational intelligence platform. Through our cloud platform, we empower businesses to conquer operations including fleet and asset management, fuel management, workforce management, logistics, safety including AI-assisted video safety, compliance, risk and environmental impact. Our platform delivers operational intelligence that simplifies decision making in physical operations and enable businesses to reduce costs, increase efficiency, improve safety and strengthen workforce and customer satisfaction. Our business is vertically integrated, which affords us complete autonomy to develop the capabilities and features that differentiate our applications as well as the speed of our innovation. Since we own and control almost every aspect of our smart device design, platform innovation and software application development, customer acquisition and onboarding, customer service and the management of our back-end support, we are able to move quickly without any significant third-party dependencies and inefficiencies. We have strategically grown our business and are now a global provider of a leading operational intelligence platform.

Karooooo is headquartered in Singapore and owns 100% of Cartrack and 81 % of Karooooo Logistics.

We serve customers in more than 20 countries, supporting approximately 2.7 million subscribers as at February 28, 2026 and our highly scalable platform serves large multinational enterprises and individual consumers alike, enabling us to address a large, growing and underpenetrated global market. As at February 28, 2026, we served more than 125,000 commercial customers (FY2025: 125,000+).

For management reporting purposes, we have organized our operations into the following reportable segments, based on the nature of the products and services provided:

- **Cartrack** is a provider of an operational intelligence platform that maximizes the value of transportation, operations and workflow data by providing insightful real-time data analytics to connected vehicles and equipment.
- **Karooooo Logistics** provides a software application enabling the management of last mile B2B delivery and general operational logistics (Delivery-as-a-service or "DaaS"). This technology addresses the challenges of on-the-ground distribution for large enterprises requiring systems integrations, payment gateways, third-party long-haul services and crowd-sourced drivers in order to scale and meet their operational needs.
- **Carzuka** operated as a physical and e-commerce vehicle buying and selling marketplace which allowed customers to source, buy and sell vehicles efficiently and cost effectively. In the third quarter of FY2024, despite the growth experienced by Carzuka in South Africa, we made the decision to cease buying second hand vehicles in South Africa. This followed considerable interaction with motor dealerships across South Africa during these periods, who perceived Carzuka's business interests to conflict with their business interests and we did not want to risk the long-standing strategic relationships that Cartrack had forged with motor dealerships across South Africa.

There are many components within Carzuka's platform that had been built and developed and will continue to provide value to the existing Cartrack fleet platform. With effect from financial year 2025, Carzuka has changed the focus of its operations such that the nature of the underlying services offered now aligns with Cartrack's broader operations and has been integrated into that segment accordingly.

Since our founding, we have gained vast expertise and enhanced our business in the following areas:

- Developing new software applications such as fleet management, mobile asset accounting, workforce management and video solutions;
- Assisting diverse enterprise customers in digitally transforming their on-the-ground operations, including systems integrations, fleet administration, field worker management, video-based safety, risk mitigation, delivery management and ESG compliance and reporting;
- Developing capabilities in data management at scale as well as a broad range of communication technologies and protocols;
- Expanding our sales and marketing focus to include commercial fleets of all sizes; and
- Expanding our geographic footprint.

Our single user interface and fully integrated operational intelligence platform runs on internally developed and cost-effective smart IoT devices, enabling us to deliver a unified and comprehensive service to our customers while maintaining control of our cost structure. Our discrete, sophisticated smart devices stream data to the platform, facilitating informed decisions about optimal asset efficiency and productivity, including live tracking and location of assets. Customers utilize the platform through an easily accessible web-based portal or mobile application, which is designed to be easy to deploy across customers' entire mobile asset fleets. Our devices can be installed in a range of mobile assets independent of asset procurement, allowing our customers to integrate our solutions in existing or new vehicles. Our platform includes a wide range of reliable services to effectively serve the needs of a geographically diverse range of clients. Where appropriate, partnerships with third-party technology providers are established to create incremental value to customers in the markets we serve.

We believe that maintaining financial discipline and prudent investment of capital provide a strong foundation for growth. In recent years, our business has demonstrated meaningful scale, consistent growth, strong profitability, robust cash generation, and a healthy return on invested capital. For the financial year ended February 28, 2026, we increased our subscribers to 2,662,222 (FY 2025: 2,302,236). For the financial year ended February 28, 2026, we generated subscription revenues of ZAR 4,843.7 million compared to subscription revenues of ZAR 4,068.2 million for the financial year ended February 28, 2025, reflecting year-over-year growth of 19%. For the financial year ended February 28, 2026, we generated Adjusted Free Cash Flow (a non-IFRS measure) of ZAR 809.1 million compared to Adjusted Free Cash Flow (a non-IFRS measure) of ZAR 425.2 million for the financial year ended February 28, 2025, reflecting a year-over-year growth of 90%.

Karoo000's profit for the year was ZAR 1,011.1 million and ZAR 937.1 million, for the financial years ended February 28, 2026 and February 28, 2025, respectively, reflecting a year-over-year increase of 8%.

Karoo000's Adjusted EBITDA (a non-IFRS measure) for the year was ZAR 2,285.4 million and ZAR 1,973.5 million for the financial year ended February 28, 2026 and February 28, 2025, respectively, reflecting year-over-year growth of 16%.

Finally, we believe strong net cash generated from operating activities is an important factor in supporting our robust business model and indicates our ability to provide the capital necessary to invest in subscriber growth, territorial expansion and scaling Karoo000 Logistics. For the financial years ended February 28, 2026 and February 28, 2025, respectively, Karoo000 generated net cash from operating activities of ZAR 1,967.1 million and ZAR 1,933.3 million, reflecting a year-over-year increase of 2%. The net cash generated from operating activities for financial year 2025 were affected by the reclassification of ZAR 485.7 million of bank fixed deposits matured in June and July 2024, from other receivables back to cash and cash equivalents.

These results were achieved notwithstanding the Group's strategic investment in product innovation, geographical expansion, brand building and customer acquisition for long-term, sustainable growth.

The following table sets forth the segment revenue, operating profit, operating profit margin, adjusted EBITDA (a non-IFRS measure) and adjusted EBITDA margin (a non-IFRS measure) for the periods presented.

	Cartrack				Karoo000 Logistics				Karoo000 Consolidated			
	2026	2026	2025	Y-o-Y	2026	2026	2025	Y-o-Y	2026	2026	2025	Y-o-Y
	(U.S\$ thousands <sup>(1)</sup> )	(in R thousands)		%	(U.S\$ thousands <sup>(1)</sup> )	(in R thousands)		%	(U.S\$ thousands <sup>(1)</sup> )	(in R thousands)		%
Subscription revenue	303,497	4,830,669	4,055,394	19%	822	13,079	12,783	2%	304,319	4,843,748	4,068,177	19%
Other revenue	6,796	108,173	89,618	21%	-	-	-	-	6,796	108,173	89,618	21%
Vehicle sales	-	-	2,099	(100)%	-	-	-	-	-	-	2,099	(100)%
Delivery service	-	-	-	-	33,122	527,199	407,565	29%	33,122	527,199	407,565	29%
<b>Total revenue</b>	<b>310,293</b>	<b>4,938,842</b>	<b>4,147,111</b>	<b>19%</b>	<b>33,944</b>	<b>540,278</b>	<b>420,348</b>	<b>29%</b>	<b>344,237</b>	<b>5,479,120</b>	<b>4,567,459</b>	<b>20%</b>
Cost of revenue	(86,801)	(1,381,579)	(1,078,699)	28%	(23,458)	(373,371)	(285,708)	31%	(110,259)	(1,754,950)	(1,364,407)	29%
<b>Gross profit</b>	<b>223,492</b>	<b>3,557,263</b>	<b>3,068,412</b>	<b>16%</b>	<b>10,486</b>	<b>166,907</b>	<b>134,640</b>	<b>24%</b>	<b>233,978</b>	<b>3,724,170</b>	<b>3,203,052</b>	<b>16%</b>
<b>Gross profit margin</b>		72%	74%			31%	32%			68%	70%	
<b>Operating profit</b>	<b>86,066</b>	<b>1,369,879</b>	<b>1,272,980</b>	<b>8%</b>	<b>2,817</b>	<b>44,833</b>	<b>39,353</b>	<b>14%</b>	<b>88,882</b>	<b>1,414,712</b>	<b>1,312,333</b>	<b>8%</b>
<b>Operating profit margin</b>		28%	31%			8%	9%			26%	29%	
<b>Adjusted EBITDA (a non-IFRS measure)<sup>(2)</sup></b>	<b>140,603</b>	<b>2,237,938</b>	<b>1,930,688</b>	<b>16%</b>	<b>2,983</b>	<b>47,474</b>	<b>42,772</b>	<b>11%</b>	<b>143,586</b>	<b>2,285,412</b>	<b>1,973,460</b>	<b>16%</b>
<b>Adjusted EBITDA margin (a non-IFRS measure)<sup>(2)</sup></b>		45%	47%			9%	10%			42%	43%	

(1) For convenience purposes only, amounts in South African rand as at February 28, 2026 have been translated to U.S. dollars using an exchange rate of ZAR 15.9167 to U.S.\$1.00, the exchange rate for U.S. dollars as at February 28, 2026 as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System. These translations should not be considered representations that any such amounts have been, could have been or could be converted at that or any other exchange rate. See "Exchange Rates" for further information about recent fluctuations in exchange rates.

(2) We define Adjusted EBITDA, a non-IFRS measure, as profit less finance income plus finance costs, fair value changes to derivative assets, taxation, depreciation and amortization, impairment of goodwill, and offering costs, less gain on disposal of subsidiaries. A reconciliation from segment operating profit to segment adjusted EBITDA is presented below. We define Adjusted EBITDA margin, a non-IFRS measure, as Adjusted EBITDA (a non-IFRS measure) divided by revenue.

**Reconciliation of segment operating profit to segment adjusted EBITDA (a non-IFRS measure)**

	<b>Year ended February 28, 2026</b>		
	<b>Cartrack</b>	<b>Karooooo Logistics</b>	<b>Karooooo Consolidated</b>
	(in R thousands)		
<b>Segment operating profit</b>	1,369,879	44,833	1,414,712
Depreciation and amortization	868,059	2,641	870,700
<b>Adjusted EBITDA (a non-IFRS measure)</b>	<b>2,237,938</b>	<b>47,474</b>	<b>2,285,412</b>

  

	<b>Year ended February 28, 2025</b>		
	<b>Cartrack</b>	<b>Karooooo Logistics</b>	<b>Karooooo Consolidated</b>
	(in R thousands)		
<b>Segment operating profit</b>	1,272,980	39,353	1,312,333
Depreciation and amortization	659,140	3,419	662,559
Gain on disposal subsidiaries	(1,432)	-	(1,432)
<b>Adjusted EBITDA (a non-IFRS measure)</b>	<b>1,930,688</b>	<b>42,772</b>	<b>1,973,460</b>

We define Segment adjusted EBITDA, a non-IFRS measure, as the adjusted EBITDA (definition noted above) allocated to the identified segments.

We define Segment adjusted EBITDA margin, a non-IFRS measure, as the adjusted EBITDA margin (definition noted above) allocated to the identified segments.

**Factors Affecting Our Results of Operations**

We believe that our performance and future success depend on a number of factors that present significant opportunities for us but also pose risks and challenges, including those discussed below and in the section of this annual report titled “Risk Factors.”

**Subscriber Growth**

We derive substantially all of our revenue from subscriptions to our operational intelligence platform. Our growth strategy is centered on increasing subscription revenue through the acquisition of new subscribers and the retention and expansion of existing subscriber relationships. We aim to drive this growth by continuously enhancing our platform with innovative features and offering value-added services that support customer adoption, engagement, and long-term retention.

We measure our success by our net subscriber base growth. We calculate net subscriber growth as the difference between gross subscriber additions and gross subscriber churn over a given period.

**Customer Growth and Customer Retention**

We rely on our proprietary internal systems and processes as well as our own sales teams to drive customer growth and minimize third-party risks in acquiring customers. Customer growth is a key driver of subscriber growth (mobile assets under subscription contracts).

We offer our operational intelligence platform to a broad range of customers seeking a variety of mobility solutions. Neither our ability to acquire nor retain customers is dependent on any specific industry, and we have not historically been materially exposed or vulnerable to cyclical or niche business sectors. Moreover, as a result of this industry agnostic approach, our customer mix has not materially affected our results of operations. We do, however, monitor our customer mix to ensure that our sales and marketing efforts continue to be effective and evaluate exposure to customer concentration or other material risks in our subscriber base.

We seek to capitalize on growth opportunities in numerous regional markets, with subscribers currently located in more than 20 countries worldwide. In addition to driving subscription revenue growth, we believe that our presence across multiple geographic markets and our exposure to multiple industry sectors mitigates risk during periods of changing economic conditions.

## Foreign Currency Fluctuations

We conduct business in multiple countries and currencies, and as a result, the Group is exposed to currency risk to the extent that sales, purchases, and borrowings of the foreign operations are denominated in a currency other than the respective functional currencies of Group companies (comprising the company and its subsidiaries). The functional currencies of Group companies are primarily the ZAR, USD, Euro (EUR), the Singapore dollar (SGD) and Polish zloty (PLN).

(Refer to the Risk Factors note on foreign currencies on page 30 and Note 29.2 (c) on Currency Risk on page F-49)

## Key Business Metrics

We review a number of operating and financial metrics, including the following key business metrics, to evaluate the performance of our business, identify trends, formulate business plans, make strategic decisions and assess operational efficiencies. Our calculation of the key business metrics and other measures discussed below may differ from other similarly titled metrics used by other companies, securities analysts or investors.

### Number of Subscribers and Subscription Revenue

Our track record of subscriber growth reflects the strength of our proprietary operational intelligence platform, ongoing innovation in software features and functionality, customer-focused sales organization and our competitive pricing model. We believe that our ability to attract a range of new customers and increase our subscriber base is key to our business model.

We define our number of subscribers at the end of any particular period as the total number of connected vehicles and equipment using our platform at the end of such period. As at financial years ended February 28, 2026, and February 28, 2025, Cartrack had 2,662,222 and 2,302,236 subscribers, respectively, which represents net subscriber growth of 359,986 or a 16% increase from period to period.

As at February 28, 2025, and February 29, 2024, Cartrack had 2,302,236 and 1,971,532 subscribers, respectively, which represents net subscriber growth of 330,704 or a 17% increase from period to period.

	As at February 28/29			Y-o-Y %	
	2026	2025	2024 <sup>(2)</sup>	2026	2025
Subscribers (as at end of period)	2,662,222	2,302,236	1,971,532	16%	17%

Subscription revenue is a key metric we use to evaluate our business as we derive substantially all our revenue from Cartrack's sale of subscriptions to its operational intelligence platform.

For the financial years ended February 28, 2026, February 28, 2025 and February 29, 2024, Karooooo's subscription revenue was ZAR 4,843.7 million, ZAR 4,068.2 million and ZAR 3,535.8 million, respectively, which represents a 19% and 15% increase, respectively, compared to the prior period.

Cartrack's subscription revenue increased 19% to ZAR 4,830.7 million for the financial year ended February 28, 2026, as compared to ZAR 4,055.4 million for the financial year ended February 28, 2025 driven primarily by subscriber growth. The number of Cartrack's subscribers on our platform directly drives our subscription revenue, which comprised 98% of Cartrack's total revenue for the financial year ended February 28, 2026. Subscription revenue growth was also supported by the sales of Video and Cartrack-Tag to our existing customers.

	Year ended February 28/29			Y-o-Y %		
	2026 (U.S.\$ thousands <sup>(1)</sup> )	2026	2025	2024 <sup>(2)</sup>	2026	2025
Karooooo's Subscription Revenue	304,319	4,843,748	4,068,177	3,535,805	19%	15%

(1) For convenience purposes only, amounts in South African rand as at February 28, 2026 have been translated to U.S. dollars using an exchange rate of ZAR 15.9167 to U.S.\$1.00, the exchange rate for U.S. dollars at February 28, 2026 as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System. These translations should not be considered representations that any such amounts have been, could have been or could be converted at that or any other exchange rate. See "Exchange Rates" for further information about recent fluctuations in exchange rates.

(2) We have elected to omit discussion of the earliest of the three years covered by our consolidated financial statements presented in this annual report because that disclosure as at and for the financial year ended February 29, 2024 was included in our annual report on Form 20-F (File No. 001-40300), filed with the SEC on June 9, 2025, under the section titled "Item 5. Operating and Financial Review and Prospects."

### Annualized Recurring Revenue (“ARR”) (a non-IFRS measure)

We use ARR, a non-IFRS measure, as a measure of our revenue trend and an indicator of our future revenue opportunity from existing recurring customer contracts, assuming zero cancellations. We define ARR as the annual run rate subscription revenue of subscription agreements from all customers at a point in time, calculated by taking the monthly subscription revenue for all customers during that month and multiplying by 12. ARR is not adjusted for the impact of any known or projected future customer cancellations, service upgrades or downgrades or price increases or decreases.

The amount of actual revenue that we recognize over any 12-month period is likely to differ from ARR at the beginning of that period, sometimes significantly. This may occur due to subsequent changes in our pricing, service cancellations, upgrades or downgrades and acquisitions or divestitures.

Our calculation of ARR may differ from similarly titled metrics presented by other companies. The following table shows Cartrack’s ARR for each of the periods presented calculated using subscription revenue for the last month in each period:

	As at February 28/29			Y-o-Y %		
	2026	2026	2025	2024 <sup>(2)</sup>	2026	2025
	(U.S.\$ thousands <sup>(1)</sup> )	(in R thousands)				
<b>Annualized Recurring Revenue (a non-IFRS measure)</b>	325,410	5,179,462	4,383,935	3,769,381	18%	16%

(1) For convenience purposes only, amounts in South African rand as at February 28, 2026 have been translated to U.S. dollars using an exchange rate of ZAR 15.9167 to U.S.\$1.00, the exchange rate for U.S. dollars as at February 28, 2026 as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System. These translations should not be considered representations that any such amounts have been, could have been or could be converted at that or any other exchange rate. See “Exchange Rates” for further information about recent fluctuations in exchange rates.

(2) We have elected to omit discussion of the earliest of the three years covered by our consolidated financial statements presented in this annual report because that disclosure as at and for the financial year ended February 29, 2024 was included in our annual report on Form 20-F (File No. 001-40300), filed with the SEC on June 9, 2025, under the section titled “Item 5. Operating and Financial Review and Prospects.”

For the financial years ended February 28, 2026 and February 28, 2025, ARR was ZAR 5,179.5 million and ZAR 4,383.9 million, respectively, which represents a 18% increase. We believe that ARR growth reflects the underlying momentum in our business.

For the financial years ended February 28, 2025 and February 29, 2024, ARR was ZAR 4,383.9 million and ZAR 3,769.4 million, respectively, which represents a 16% increase from period to period.

### Average Revenue Per Subscriber (“ARPU”) (a non-IFRS measure)

ARPU measures the monetization of our platform and is an indicator of pricing efficiency, competitiveness and market positioning. ARPU is calculated on a quarterly basis by dividing the cumulative subscription revenue for the quarter by the average of the opening subscriber balance at the beginning of the quarter and closing subscriber balance at the end of the quarter. The result is then divided by three to reflect monthly ARPU. On an annual basis, Cartrack’s ARPU is calculated as the average of the four quarterly ARPUs in that year. Cartrack’s ARPU has been fairly consistent since inception. Given our economies of scale and vertically integrated business model, the monthly ARPU of approximately ZAR 162.

The following table shows our historical ARPU for each of the periods presented:

	As at February 28/29			Y-o-Y %		
	2026	2026	2025	2024 <sup>(2)</sup>	2026	2025
	(U.S.\$ <sup>(1)</sup> )	(in R’s)				
<b>Average Revenue Per Subscriber (a non-IFRS measure)</b>	10	162	158	160	3%	(1)%

(1) For convenience purposes only, amounts in South African rand as at February 28, 2026 have been translated to U.S. dollars using an exchange rate of ZAR 15.9167 to U.S.\$1.00, the exchange rate for U.S. dollars as at February 28, 2026 as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System. These translations should not be considered representations that any such amounts have been, could have been or could be converted at that or any other exchange rate. See “Exchange Rates” for further information about recent fluctuations in exchange rates.

(2) We have elected to omit discussion of the earliest of the three years covered by our consolidated financial statements presented in this annual report because that disclosure as at and for the financial year ended February 29, 2024 was included in our annual report on Form 20-F (File No. 001-40300), filed with the SEC on June 9, 2025, under the section titled “Item 5. Operating and Financial Review and Prospects.”

## Adjusted Earnings Before Interest Depreciation Taxation and Amortization (“Adjusted EBITDA”) (a non-IFRS measure)

In addition to our results determined in accordance with IFRS, we believe Adjusted EBITDA, a non-IFRS measure, is useful in evaluating our operating performance.

We use Adjusted EBITDA in our operational and financial decision-making and believe Adjusted EBITDA is useful to investors because similar measures are frequently used by securities analysts, investors, ratings agencies and other interested parties to evaluate our competitors and to measure profitability.

We define Adjusted EBITDA (a non-IFRS measure) as profit less finance income, plus finance costs, fair value changes to derivative assets, taxation, depreciation and amortization, impairment of goodwill, and offering costs, less gain on disposal of subsidiaries.

However, non-IFRS financial information is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with IFRS. Investors are encouraged to review the related IFRS financial measure and the reconciliation of Adjusted EBITDA to profit, its most directly comparable IFRS financial measure, and not to rely on any single financial measure to evaluate our business.

	Year ended February 28/29				Y-o-Y %	
	2026	2026	2025	2024 <sup>(3)</sup>	2026	2025
	(U.S.\$ thousands <sup>(1)</sup> )	(in R thousands)				
<b>Profit for the year</b>	63,525	1,011,112	937,110	754,156	8%	24%
Less: Finance income	(2,166)	(34,476)	(44,167)	(39,418)	(22)%	12%
Add: Finance costs	4,893	77,874	50,866	15,822	53%	221%
Add: Fair value changes to derivative assets	—	—	—	388	—	(100)%
Add: Taxation	21,897	348,535	309,811	311,554	12%	(1)%
Add: Depreciation of property, plant and equipment and amortization of intangible assets	54,704	870,700	662,559	648,142	31%	2%
Add: Impairment of goodwill	—	—	43,600	—	(100)%	100%
Add: Offering costs	733	11,667	15,113	—	—	—
Less: Gain on disposal of subsidiaries	—	—	(1,432)	—	—	—
<b>Adjusted EBITDA (a non-IFRS measure)</b>	<b>143,586</b>	<b>2,285,412</b>	<b>1,973,460</b>	<b>1,690,644</b>	<b>16%</b>	<b>17%</b>
<b>Profit Margin</b>		18%	21%	18%		
<b>Adjusted EBITDA Margin<sup>(2)</sup> (a non-IFRS measure)</b>		42%	43%	40%		

(1) For convenience purposes only, amounts in South African rand as at February 28, 2026 have been translated to U.S. dollars using an exchange rate of ZAR 15.9167 to U.S.\$1.00, the exchange rate for U.S. dollars as at February 28, 2026 as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System. These translations should not be considered representations that any such amounts have been, could have been or could be converted at that or any other exchange rate. See “Exchange Rates” for further information about recent fluctuations in exchange rates.

(2) We define Adjusted EBITDA margin (a non-IFRS measure) as Adjusted EBITDA (a non-IFRS measure) divided by revenue.

(3) We have elected to omit discussion of the earliest of the three years covered by our consolidated financial statements presented in this annual report because that disclosure as at and for the financial year ended February 29, 2024 was included in our annual report on Form 20-F (File No. 001-40300), filed with the SEC on June 9, 2025, under the section titled “Item 5. Operating and Financial Review and Prospects.”

For the financial years ended February 28, 2026 and February 28, 2025, Karooooo’s Adjusted EBITDA was ZAR 2,285.4 million and ZAR 1,973.5 million, respectively, which represents a 16% increase. Cartrack has had a strong track record of profitability while it grows at scale. Karooooo Logistics is contributing positively to Karooooo’s Adjusted EBITDA while we continue to invest in the Karooooo Logistics business to drive scale.

For the financial years ended February 28, 2025 and February 29, 2024, Karooooo’s Adjusted EBITDA was ZAR1,973.5 million and ZAR1,690.6 million, respectively, which represents a 17% increase compared to the prior period, primarily due to Cartrack’s consistent profitability as a result of robust subscriber and subscription revenue growth offset by investment for growth. This result includes Carzuka’s losses of ZAR 43.3 million incurred in FY 2024.

## Free Cash Flow or Adjusted Free Cash Flow (a non-IFRS measure)

In addition to our results determined in accordance with IFRS, we believe Free Cash Flow or Adjusted Free Cash Flow, which are non-IFRS measures, are useful in evaluating our operating performance. Free cash flow is a non-IFRS financial measure that we calculate as net cash generated from operating activities less purchases of property, plant and equipment. Adjusted Free Cash Flow is a non-IFRS financial measure that adjusts Free Cash Flow to exclude the effect of the fixed deposits with maturity dates exceeding three months that were classified under trade and other receivables.

We believe that Free Cash Flow and Adjusted Free Cash Flow are useful indicators of liquidity and the ability of the Group to turn revenues into Free Cash Flow, respectively, that provide information to management and investors about the amount of cash generated from our operations that, after the investments in property and equipment and capitalized internal-use software, can be used for strategic initiatives, including investing in our business and strengthening our financial position.

However, non-IFRS financial information is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with IFRS. In particular, Free Cash Flow or Adjusted Free Cash Flow does not reflect any restrictions on the transfer of cash and cash equivalents within the Group or any requirement to repay the Group's borrowings and does not take into account cash flows that are available from disposals or the issue of shares.

Management therefore takes such factors into account in addition to Free Cash Flow or Adjusted Free Cash Flow when determining the resources available for acquisitions and for distribution to shareholders. Investors are encouraged to review the related IFRS financial measure and the reconciliation of these non-IFRS financial measures to their most directly comparable IFRS financial measures, and not to rely on any single financial measure to evaluate our business.

	Year ended February 28/29				Y-o-Y %	
	2026 (U.S.\$ thousands <sup>(1)</sup> )	2026	2025	2024 <sup>(2)</sup>	2026	2025
		(in R thousands)				
<b>Net cash generated from operating activities</b>	123,585	1,967,060	1,933,295	955,040	2%	102%
Less: purchase of property, plant and equipment	(72,752)	(1,157,969)	(1,022,371)	(876,354)	13%	17%
<b>Free cash flow (a non-IFRS measure)</b>	50,833	809,091	910,924	78,686	(11)%	1058%
Fixed deposits with maturity dates exceeding three months	-	-	(485,681)	485,681	(100)%	
<b>Adjusted Free cash flow (a non-IFRS measure)</b>	50,833	809,091	425,243	564,367	90%	(25)%

(1) For convenience purposes only, amounts in South African rand as at February 28, 2026 have been translated to U.S. dollars using an exchange rate of ZAR 15.9167 to U.S.\$1.00, the exchange rate for U.S. dollars as at February 28, 2026 as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System. These translations should not be considered representations that any such amounts have been, could have been or could be converted at that or any other exchange rate. See "Exchange Rates" for further information about recent fluctuations in exchange rates.

(2) We have elected to omit discussion of the earliest of the three years covered by our consolidated financial statements presented in this annual report because that disclosure as at and for the financial year ended February 29, 2024 was included in our annual report on Form 20-F (File No. 001-40300), filed with the SEC on June 9, 2025, under the section titled "Item 5. Operating and Financial Review and Prospects."

For the financial years ended February 28, 2026 and February 28, 2025, Karoo's Free Cash Flow was ZAR 809.0 million and ZAR910.9 million, respectively. As at February 29, 2024, included in the other receivables were fixed deposits of ZAR 485.7 million which matured in June and July 2024. Excluding the effect of these bank fixed deposits as at financial years ended February 28, 2025 and February 29, 2024, Adjusted Free Cash Flow (a non-IFRS measure) for the financial year ended February 28, 2025 would have been ZAR 425.2 million. Adjusted Free Cash Flow (a non-IFRS measure) for the financial year ended February 28, 2026, amounted to ZAR 809.0 million, an increase of ZAR 383.8 million, or 90%.

The increase in Adjusted Free Cash Flow (a non-IFRS measure) in financial year 2026 was primarily driven by a ZAR 76.7 million improvements in debtors' book in February 2026. Improved supplier terms and the timing of tax payments also contributed positively to adjusted free cash flow. Our uninstalled IoT devices levels were well managed in the financial year 2026, following a deliberate build-up in the prior year to support accelerated growth in financial year 2026. Adjusted free cash flow also improved as payments related to the construction of the South African head office building decreased significantly following the completion of the building in the prior year.

Compared to financial year 2025, as Cartrack accelerates customer acquisition, we made significant investment of ZAR 818.5 million for in-vehicle IoT devices and ZAR 73.6 million for future use IoT devices. Prepayments amounting to ZAR 24.8 million were made to purchase IoT components. The investment in IoT equipment for current and future growth contributed to the decrease in Free Cash Flow.

The Free Cash Flow (a non-IFRS measure) generated is in line with Karoo's disciplined capital allocation strategy and support the Group's growth objectives.

## **Components of Our Results of Operations**

### **Revenue**

Our revenue is substantially derived from the provision of mobility data analytics solutions on a subscription-based model typically under monthly subscription contracts. Our revenue is driven primarily by the number of assets subscribed to our operational intelligence platform and the price per asset under these subscription contracts. Hardware sales, including sales to our licensees, and installation revenue and royalties we receive from our licensees, make up a minimal component of total revenue. Our initial per subscriber (or mobile asset) contract terms are generally 36 months with automatic monthly renewals thereafter and may not be cancelled without penalty prior to the completion of the initial term. The expected life cycle of our subscription contracts is over 60 months. In some instances, we charge our customers for a ratable portion of the contract on a periodic basis, generally in advance on a monthly basis, and in certain regions we apply annual escalations to the contract pricing. Customers may prepay all or part of their contractual obligations for the full initial contract term. Our revenue also includes Delivery-as-a-service ("DaaS") revenue generated from last-mile delivery services, including subscription-based revenue associated with these delivery services. Prior to FY 2025, our revenue also included revenue from selling second-hand vehicles via the Carzuka platform.

### **Cost of Revenue**

Cost of revenue consists primarily of costs related to the depreciation and amortization of capitalized subscriber acquisition costs, which includes the telematics device, the cost of the installation and direct commissions paid to our sales staff. Other components of cost of revenue include non-capitalized automotive technician costs, machine to machine ("M2M") network communications costs and the costs of delivering safety and asset recovery services to our customers, including such costs incurred by our licensees. We capitalize the cost of installed telematics devices and direct sales commissions and depreciate these costs over the expected useful life of the subscriber, which is currently over 60 months. We pay commissions to our sales teams only once a telematics device is installed and activated. If a customer subscription agreement is cancelled prior to the end of the expected useful life of the subscriber, the depreciation period is accelerated, resulting in the carrying capitalized value being expensed in the then-current period. If an installed telematics device requires replacement for defect, the cost is taken as an expense in the replacement period. Less significant cost of revenue items includes mapping costs. Our cost of revenue is generally driven by the number of assets under subscription and solutions provided. We expect the cost of revenue in absolute terms to increase with subscriber growth. Cost of revenue also includes cost of last-mile delivery services, and, prior to FY 2025, also included the cost of vehicles bought for and sold via the Carzuka platform.

### **Other Income**

Other income substantially consists of the government grants and gain on sale of property, plant and equipment and other less significant items.

### **Operating Expenses**

Other operating expenses consist of sales and marketing, research and development, general and administration and expected credit losses on financial assets.

## **Sales and Marketing**

Sales and marketing expenses consist primarily of wages and benefits for sales and marketing employees, and other marketing, advertising and promotional costs. Advertising costs consist primarily of pay-per-click advertising with search engines, social media advertising and other online advertising platforms, as well as the costs to create and produce these advertisements.

Our strategic investment in brand-building positions us well for growth. Sales and marketing expenses are expensed upfront, while the lifetime value of a customer is recognized over a prolonged period. Sales and marketing expenses may fluctuate as a percentage of subscription revenue and will continue to remain one of the largest components of our operating expenses.

## **General and Administration**

General and administration expenses consist primarily of wages and benefits for administrative services, human resources, internal information technology support, executive, legal, finance and accounting employees; professional fees; expenses for business application software licenses; non-income related taxes; other corporate expenses, such as insurance and general office related expenses, such as rent and utilities.

In addition to the above, general and administration expenses consist of depreciation relating to other property, plant and equipment, excluding those related to subscriber acquisition costs, which are included in cost of revenue, and the amortization of intangible assets relating to purchased computer software infrastructure.

We expect that general and administration expenses will increase as we continue to scale. However, our long-term target is to reduce general and administration expenses as a percentage of subscription revenue.

## **Research and Development**

Research and development expenses consist of wages and benefits for hardware engineers, product management and software development employees, technology experimental costs and the amortization of intangible assets relating to capitalized development costs. We have focused our research and development efforts on expanding and developing new offerings, improving customer experience and functionality and scalability of our platform. The majority of our research and development employees are located in Singapore, South Africa and Portugal. Research and development costs that qualify for capitalization, such as costs related to new generation smart devices and new stacks for our platform, are capitalized and amortized over 3 years.

## **Expected Credit Losses on Financial Assets**

Expected credit losses on financial assets consist of bad debts expensed, the movement on the expected credit loss provision and any reversals.

## **Offering costs**

For the financial year ended February 28, 2026, costs relating directly to the completed secondary public offering, which was announced on June 11, 2025 and successfully closed on June 13, 2025. For the financial year ended February 28, 2025, costs relating directly to the proposed secondary public offering announced on July 24, 2024, and cancelled on July 26, 2024.

## **Finance Income**

Finance income consists of interest earned on positive bank balances.

## Finance Costs

Finance costs consist of interest on bank overdraft facilities, interest-bearing loans and lease obligations.

## Taxation

Taxation consists primarily of current and deferred income tax and a minimal component of withholding tax.

## Non-Controlling Interest

Profit attributable to non-controlling interest, which represents the share of profit belonging to holders of equity in Karoo's subsidiaries that are not wholly owned by the parent company.

## Results of Operations

The following table sets forth our results of operations for the periods presented.

Consolidated Statement of Profit and Loss	Year ended February 28/29				Y-o-Y %	
	2026 (U.S.\$ thousands <sup>(1)</sup> )	2026	2025	2024 <sup>(3)</sup>	2026	2025
		(in R thousands)				
Revenue	344,237	5,479,120	4,567,459	4,205,511	20%	9%
Cost of revenue	(110,259)	(1,754,950)	(1,364,407)	(1,514,674)	29%	(10)%
<b>Gross profit</b>	<b>233,978</b>	<b>3,724,170</b>	<b>3,203,052</b>	<b>2,690,837</b>	<b>16%</b>	<b>19%</b>
Other income	941	14,975	10,369	11,831	44%	(12)%
<b>Operating expenses</b>	<b>(146,037)</b>	<b>(2,324,433)</b>	<b>(1,901,088)</b>	<b>(1,660,166)</b>	<b>22%</b>	<b>15%</b>
Sales and marketing	(52,866)	(841,453)	(614,765)	(500,903)	37%	23%
General and administration	(68,920)	(1,096,981)	(944,833)	(837,606)	16%	13%
Research and development	(16,427)	(261,467)	(226,935)	(212,235)	15%	7%
Expected credit losses on financial assets	(7,824)	(124,532)	(114,555)	(109,422)	9%	5%
<b>Operating profit</b>	<b>88,882</b>	<b>1,414,712</b>	<b>1,312,333</b>	<b>1,042,502</b>	<b>8%</b>	<b>26%</b>
Offering costs	(733)	(11,667)	(15,113)	—	(23)%	—
Finance income	2,166	34,476	44,167	39,418	(22)%	12%
Finance costs	(4,893)	(77,874)	(50,866)	(15,822)	53%	221%
Fair value changes to derivative assets	—	—	—	(388)	—	(100)%
Impairment of goodwill	—	—	(43,600)	—	(100)%	100%
<b>Profit before taxation</b>	<b>85,422</b>	<b>1,359,647</b>	<b>1,246,921</b>	<b>1,065,710</b>	<b>9%</b>	<b>17%</b>
Taxation	(21,897)	(348,535)	(309,811)	(311,554)	12%	(1)%
<b>Profit for the year</b>	<b>63,525</b>	<b>1,011,112</b>	<b>937,110</b>	<b>754,156</b>	<b>8%</b>	<b>24%</b>
<b>Profit attributable to:</b>						
Owners of the parent	62,445	993,920	921,031	738,191	8%	25%
Non-controlling interest	1,080	17,192	16,079	15,965	7%	1%
	<b>63,525</b>	<b>1,011,112</b>	<b>937,110</b>	<b>754,156</b>	<b>8%</b>	<b>24%</b>
<b>Earnings per share</b>						
Basic and diluted earnings per share (US\$'s & R's)	2.02	32.17	29.81	23.85	8%	25%
<b>Adjusted earnings per share (a non-IFRS measure)</b>						
Adjusted basic and diluted earnings per share (a non-IFRS measure) <sup>(2)</sup> (US\$'s & R's)	2.05	32.55	31.67	23.85	3%	33%

	Year ended February 28/29			
	2026	2026	2025	2024 <sup>(3)</sup>
	(U.S.\$ thousands <sup>(1)</sup> )	(in R thousands)		

**Reconciliation of basic and diluted earnings and adjusted earnings per share  
(a non-IFRS measure)**

**Reconciliation between basic earnings and adjusted earnings (a non-IFRS  
measure)**

<b>Profit attributable to ordinary shareholders</b>	62,445	993,920	921,031	738,191
<b>Adjust for:</b>				
Offering costs	733	11,667	15,113	—
Impairment of goodwill	—	—	43,600	—
Gain on disposal of subsidiaries	—	—	(1,432)	—
<b>Adjusted profit attributable to ordinary shareholders (a non-IFRS measure)</b>	<b>63,178</b>	<b>1,005,587</b>	<b>978,312</b>	<b>738,191</b>
Weighted average number of ordinary shares in issue at period end (000's) on which the per share figures have been calculated	30,893	30,893	30,895	30,948
<b>Basic and diluted earnings per share</b>	<b>2.02</b>	<b>32.17</b>	<b>29.81</b>	<b>23.85</b>
<b>Adjusted basic and diluted earnings per share (a non-IFRS measure) <sup>(2)</sup></b>	<b>2.05</b>	<b>32.55</b>	<b>31.67</b>	<b>23.85</b>

- (1) For convenience purposes only, amounts in South African rand as at February 28, 2026 have been translated to U.S. dollars using an exchange rate of ZAR 15.9167 to U.S.\$1.00, the exchange rate for U.S. dollars as at February 28, 2026 as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System. These translations should not be considered representations that any such amounts have been, could have been or could be converted at that or any other exchange rate. See "Exchange Rates" for further information about recent fluctuations in exchange rates.
- (2) Adjusted earnings per share, a non-IFRS measure, is defined as earnings per share in accordance with IFRS excluding the impact of offering costs, impairment of goodwill and gain on disposal of subsidiaries. In addition to our results determined in accordance with IFRS, we believe, Adjusted earnings per share, a non-IFRS measure, is useful in evaluating our operating performance. We use Adjusted earnings per share in our operational and financial decision-making and believe Adjusted earnings per share is useful to investors because similar measures are frequently used by securities analysts, investors, rating agencies and other interested parties to evaluate our competitors and to measure profitability. A reconciliation from earnings per share to Adjusted earnings per share, a non-IFRS measure, is presented.
- (3) We have elected to omit discussion of the earliest of the three years covered by our consolidated financial statements presented in this annual report because the disclosure as at and for the financial year ended February 29, 2024 was included in our annual report on Form 20-F (File No. 001-40300), filed with the SEC on June 9, 2025, under the section titled "Item 5. Operating and Financial Review and Prospects."

**Comparison of Results for the Year Ended February 28, 2026 and February 28, 2025**

**Revenue**

Karoo000's total revenue increased 20% to ZAR5,479.1 million.

Cartrack's subscription revenue increased by ZAR 775.3 million, or 19%, to ZAR4,830.7 million for the financial year ended February 28, 2026 from ZAR4,055.4 million for the financial year ended February 28, 2025. Subscription revenue growth was driven by the acquisition of new customers and the sales of Video and Cartrack-Tag to our existing customers. Cartrack's net subscriber addition growth increased 9% to 359,986 for the financial year ended February 28, 2026 from 330,704 for the financial year ended February 28, 2025.

Karoo000 Logistics's revenue increased 29% to ZAR540.3 million (2025: ZAR420.3 million). Karoo000 Logistics focuses on delivery-as-a-service ("DaaS") through selected third-party sourced drivers and logistics companies, and charges per delivery. The business model is highly scalable and is delivering attractive growth.

**Cost of Revenue**

Karoo000's cost of revenue increased ZAR390.5 million, or 29%, for the financial year ended February 28, 2026 compared to financial year ended February 28, 2025.

Cartrack's cost of revenue increased by ZAR302.9 million or 28% and Karoo000 Logistics's increased cost of revenue of ZAR87.7 million or 31% for the financial year ended February 28, 2026 is in line with the increase in revenue.

### Other Income

Other income increased ZAR4.6 million, or 44%, for the financial year ended February 28, 2026 compared to the financial year ended February 28, 2025. Other income consists of the government grants and gain on disposal of property, plant and equipment.

### Operating Expenses

Operating expenses increased ZAR423.3 million, or 22%, for the financial year ended February 28, 2026 compared to the financial year ended February 28, 2025. Cartrack's operating expenses increased ZAR396.5 million, or 22%, for the financial year ended February 28, 2026 as compared to the financial year ended February 28, 2025 driven primarily by investments in infrastructure and sales headcount to support territorial expansion and distribution capacity.

Karoo Logistics's operating expenses increased by 28% to ZAR122.1 million incurred for the financial year ended February 28, 2026, compared to ZAR95.3 million for the financial year ended February 28, 2025 as we continued disciplined, strategic investment to drive the scalable growth of Karoo Logistics.

The increase in operating expenses is set forth in more detail below:

### Sales and Marketing

	Year ended February 28			Y-o-Y %
	2026	2026	2025	
	(U.S.\$ thousands <sup>(1)</sup> )	(in R thousands)		
Sales and marketing	(52,866)	(841,453)	(614,765)	37%

(1) For convenience purposes only, amounts in South African rand as at February 28, 2026 have been translated to U.S. dollars using an exchange rate of ZAR 15.9167 to U.S.\$1.00, the exchange rate for U.S. dollars as at February 28, 2026 as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System. These translations should not be considered representations that any such amounts have been, could have been or could be converted at that or any other exchange rate. See "Exchange Rates" for further information about recent fluctuations in exchange rates.

Karoo's sales and marketing operating expenses increased by ZAR226.7 million or 37% for the financial year ended February 28, 2026 compared to financial year ended February 28, 2025, primarily driven by Cartrack.

Cartrack's sales and marketing operating expenses increased 37% to ZAR839.6 million for the financial year ended February 28, 2026 compared to financial year ended February 28, 2025 as we invested in sales capacity to accelerate growth. We are encouraged by the early returns on our strategic investment in customer acquisition which are delivering intended outcomes and positioning us well for continued strong growth. Customer acquisition costs are a major component of the cost of acquiring new customers and are not expensed over the expected life span of a customer, but rather when incurred. This component increased ZAR89.4 million, or 19%, for the financial year ended February 28, 2026.

Investment in sales and marketing generally takes approximately 6 months to translate into customer acquisition. We believe that our strategic investment in sales capacity positions us well for long term growth. Our customer lifetime value (LTV) to customer acquisition costs ("CAC") ratio, a non-IFRS measure, continues to exceed 9 times and underpins our disciplined approach to growth and customer acquisition.

Karoo Logistics's sales and marketing operating expenses were ZAR1.9 million for the financial year ended February 28, 2026, compared to ZAR1.6 million for the financial year ended February 28, 2025.

### Lifetime value (LTV of a Customer) of customer relationships to customer acquisition costs (CAC) (a non-IFRS measure)

We calculate the LTV of our customer relationships as of a measurement date by dividing (i) the product of our subscription revenue gross margin measured over the past twelve months, and the difference between our current period ARR (a non-IFRS measure) and prior comparative period (twelve months) ARR by (ii) the percentage of ARR lost as a result of customer churn over the past twelve months. See "Key Business Metrics—Annualized Recurring Revenue ("ARR") (a non-IFRS measure)." We calculate our CAC as our annual sales and marketing expense measured over the past twelve months.

*General and Administration*

	Year ended February 28			Y-o-Y %
	2026	2026	2025	
	(U.S.\$ thousands <sup>(1)</sup> )	(in R thousands)		
General and administration	(68,920)	(1,096,981)	(944,833)	16%

(1) For convenience purposes only, amounts in South African rand as at February 28, 2026 have been translated to U.S. dollars using an exchange rate of ZAR 15.9167 to U.S.\$1.00, the exchange rate for U.S. dollars as at February 28, 2026 as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System. These translations should not be considered representations that any such amounts have been, could have been or could be converted at that or any other exchange rate. See “Exchange Rates” for further information about recent fluctuations in exchange rates.

Karoo0000’s general and administration operating expenses increased by 16% to ZAR1,097.0 million for the financial year ended February 28, 2026 from ZAR944.8 million for the financial year ended February 28, 2025. The increase of ZAR152.1 million was primarily driven by increases in Cartrack’s general and administration operating expenses by 15% to ZAR992.4 million, reflecting our disciplined cost management combined with continued investment in infrastructure to support future growth. Karoo0000 Logistics’ general and administration operating expenses were ZAR104.6 million incurred for the financial year ended February 28, 2026, compared to ZAR82.2 million incurred for the financial year ended February 28, 2025.

*Research and Development*

	Year ended February 28			Y-o-Y %
	2026	2026	2025	
	(U.S.\$ thousands <sup>(1)</sup> )	(in R thousands)		
Research and Development	(16,427)	(261,467)	(226,935)	15%

(1) For convenience purposes only, amounts in South African rand as at February 28, 2026 have been translated to U.S. dollars using an exchange rate of ZAR 15.9167 to U.S.\$1.00, the exchange rate for U.S. dollars as at February 28, 2026 as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System. These translations should not be considered representations that any such amounts have been, could have been or could be converted at that or any other exchange rate. See “Exchange Rates” for further information about recent fluctuations in exchange rates.

Karoo0000’s research and development operating expenses increased by ZAR34.5 million or 15% for the financial year ended February 28, 2026 compared to financial year ended February 28, 2025, primarily due to an increase in Cartrack’s research and development operating expenses by ZAR30.2 million, or 14%, as we continued our investment in innovation to improve and expand the capabilities of our operational intelligence platform and internal management system. Karoo0000 Logistics’s research and development operating expenses were ZAR15.8 million incurred in the financial year ended February 28, 2026 as compared to ZAR11.5 million incurred in financial year ended February 28, 2025.

*Expected Credit Losses on Financial Assets*

Expected credit losses on financial assets increased ZAR10.0 million, or 9%, for the financial year ended February 28, 2026 compared to financial year ended February 28, 2025. The method of providing for expected credit losses is consistent with prior years.

### ***Finance Income***

Finance income decreased ZAR9.7 million, or 22%, for the financial year ended February 28, 2026 compared to the financial year ended February 28, 2025. This was primarily driven by lower interest earned on positive bank balances during the year.

### ***Finance Costs***

Finance costs increased ZAR27.0 million, or 53%, for the financial year ended February 28, 2026 compared to financial year ended February 28, 2025. This was primarily due to interest incurred on overdraft facilities utilised for working capital purposes and increased interest relating to lease liabilities.

### ***Taxation***

Our total effective tax rate for the financial year ended February 28, 2026 was 25.6%, which increased from 24.8% for the financial year ended February 28, 2025. This was primarily due to temporary differences between tax and accounting profits across the Group entities.

There is no dividends tax in Singapore.

See Note 23 to the accompanying consolidated financial statements included elsewhere in this annual report for a detailed reconciliation of the tax expense.

### ***Non-Controlling Interest***

Profit attributable to non-controlling interest, which represents the share of profit accruing to holders of equity in Karooooo's subsidiaries that are not wholly owned by the parent company, increased by ZAR1.1 million, or 7%, for the financial year ended February 28, 2026 compared to financial year ended February 28, 2025.

### **Segment Information**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group Chief Executive Officer ("CEO"), who makes strategic decisions for the Group.

The Group organized its business units based on its products and services into the following reportable segments:

- Cartrack is a provider of an operational intelligence platform that maximizes the value of transportation, operations and workflow data by providing insightful real-time data analytics to connected vehicles and equipment.
- Karooooo Logistics provides a software application enabling the management of last mile delivery and general operational logistics (Delivery-as-a-service or "DaaS"). This technology addresses the challenges of on-the-ground distribution for large enterprises requiring systems integrations, payment gateways, third-party long-haul services and crowd-sourced drivers in order to scale and meet their operational needs.
- Carzuka operated as a physical and e-commerce vehicle buying and selling marketplace which allowed customers to source, buy and sell vehicles efficiently and cost effectively. In Quarter 3 of FY2024, despite the growth experienced by Carzuka in South Africa, a decision was made to cease buying second hand vehicles in South Africa. This followed considerable interaction with motor dealerships across South Africa who perceived Carzuka's business interests to conflict with their business interests, and Cartrack did not want to risk the long-standing strategic relationships that Cartrack forged with them. There are many components within Carzuka's platform that had been built and developed that will continue to provide value to the existing Cartrack fleet platform. With effect from financial year 2025, Carzuka has changed the focus of its operations such that the nature of the underlying services offered now aligns with Cartrack's broader operations and has been integrated into that segment accordingly.

The CODM monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on subscription revenue, total revenue and operating profit or loss.

The segment information was provided to the CEO. See Note 4 to the accompanying consolidated financial statements included elsewhere in this annual report for Segment related information.

The following table sets forth the geographical region by subscriber numbers, subscription revenue and total revenue for the Cartrack business unit at the end of the periods presented.

Cartrack											
Year ended February 28											
	Subscriber		Y-o-Y %	Subscription Revenue			Y-o-Y %	Total Revenue			Y-o-Y %
	2026	2025		2026	2026	2025		2026	2026	2025	
	(in Units)		(U.S.\$ thousands <sup>(1)</sup> )	(in R thousands)		(U.S.\$ thousands <sup>(1)</sup> )	(in R thousands)				
<b>South Africa</b>	2,005,888	1,736,542	16%	217,864	3,467,675	2,900,018	20%	222,983	3,549,147	2,944,506	21%
<b>Africa-Other</b>	92,043	90,974	1%	9,289	147,853	130,105	14%	9,383	149,339	143,803	4%
<b>Europe</b>	228,384	200,774	14%	29,679	472,391	387,777	22%	30,335	482,841	399,209	21%
<b>Asia-Pacific, Middle East &amp; USA</b>	335,907	273,946	23%	46,665	742,750	637,494	17%	47,592	757,515	659,593	15%
<b>Total</b>	<b>2,662,222</b>	<b>2,302,236</b>	<b>16%</b>	<b>303,497</b>	<b>4,830,669</b>	<b>4,055,394</b>	<b>19%</b>	<b>310,293</b>	<b>4,938,842</b>	<b>4,147,111</b>	<b>19%</b>

(1) For convenience purposes only, amounts in South African rand as at February 28, 2026 have been translated to U.S. dollars using an exchange rate of ZAR 15.9167 to U.S.\$1.00, the exchange rate for U.S. dollars as at February 28, 2026 as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System. These translations should not be considered representations that any such amounts have been, could have been or could be converted at that or any other exchange rate. See "Exchange Rates" for further information about recent fluctuations in exchange rates.

### South Africa

The pace of growth in South Africa reflects our deliberate strategy to cement our leadership position in South Africa through a balanced combination of subscribers' additions and selling Video and Cartrack-Tag to our existing customers, contributed to Karoo's robust financial performance. Revenue for South Africa increased ZAR604.6 million, or 21%, for the financial year ended February 28, 2026 driven by a 20% increase in subscription revenue of ZAR567.7 million primarily due to strong net subscriber growth of 16% or 269,346 subscribers.

### Africa-Other

This region remains a positive cash generator and is strategic to our South African operations. The number of subscribers increased by 1% to 92,043 as at financial year ended February 28, 2026 (2025: 90,974), while the subscription revenue increased by ZAR17.7 million or 14%.

## Europe

European revenue increased ZAR83.6 million, or 21%, for the financial year ended February 28, 2026 compared to financial year ended February 28, 2025. Subscription revenue increase ZAR84.6 million or 22% primarily driven by subscriber growth of 14% to 228,384 subscribers. We continued to expand our customer base and drive our distribution capabilities in the region.

## Asia-Pacific, Middle East and USA

Revenue for Asia-Pacific, Middle East and USA increased ZAR97.9 million, or 15%, for the financial year ended February 28, 2026 compared to financial year ended February 28, 2025. Subscription revenue growth was driven by the number of subscribers in this region increasing 23% to 335,907 subscribers as at February 28, 2026. The pace of subscription revenue growth in the region was primarily driven by faster growth in certain countries that generate lower ARPU. As the second largest contributor to the Group, we view Southeast Asia as the Group's most compelling growth opportunity in the medium to long term.

We have elected to omit discussion of the earliest of the three years covered by our consolidated financial statements presented in this annual report because the disclosure as at and for the financial year ended February 29, 2024 was included in our annual report on Form 20-F (File No. 001-40300), filed with the SEC on June 9, 2025, under the section titled "Item 5. Operating and Financial Review and Prospects."

## Recent Accounting Pronouncements

A discussion of new accounting guidance that we have recently adopted, as well as accounting guidance that has been recently issued but not yet adopted by us, is included below and in Note 3 — Standards Issued But Not Yet Effective of our consolidated financial statements included elsewhere in this annual report.

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements which could be relevant to the Group are disclosed below. The Group intends to adopt these new and amended standards and interpretations, when they become effective. At the date of authorization of the financial statements, the Group continues to assess and evaluate the impact to its financials on the initial adoption of these new accounting standards and interpretations and its related applicable period.

<b>Details of amendment</b>	<b>Annual periods beginning on/after</b>
IFRS 7 and IFRS 9: Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026
Annual Improvements to IFRS Accounting Standards	January 1, 2026
IFRS 18: Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19: Subsidiaries without Public Accountability: Disclosures	January 1, 2027
Amendments to IAS 21: Lack of Exchangeability*	January 1, 2027
Amendments to IAS 28 and IFRS 10: Sale or Contribution of Assets between an Investors and its Associate or Joint Venture	To be determined

\* The effective date is for the updated sections only – Translation to a Hyperinflationary Presentation Currency.

## Emerging Growth Company

As a company with less than US\$1.235 billion in revenue during our last financial year, we qualify as an "emerging growth company" as defined in the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other burdens that are otherwise applicable generally to public companies. These provisions include an exemption from the auditor attestation requirement in the assessment of our internal control over financial reporting pursuant to the Sarbanes-Oxley Act.

We may take advantage of these provisions for up to five years from our IPO or such earlier time that we are no longer an emerging growth company. We would cease to be an emerging growth company upon (A) the last day of the financial year in which we had more than US\$1.235 billion in annual revenue, (B) the date on which we are deemed to be a "large accelerated filer" under the rules of the SEC, which means the market value of our ordinary shares held by non-affiliates exceeds US\$700.0 million as of the prior June 30<sup>th</sup>, or (C) the date on which we have issued more than US\$1.0 billion of non-convertible debt over a three-year period. We may choose to take advantage of some but not all of these reduced burdens. To the extent that we take advantage of these reduced reporting burdens, the information that we provide shareholders may be different than you might obtain from other public companies in which you hold equity interests.

## B. LIQUIDITY AND CAPITAL RESOURCES

Our principal sources of liquidity are our cash generated from operations, cash and cash equivalents as well as borrowings available under our loan and funding facilities. Cash and cash equivalents consist primarily of cash or deposit with banks. As at February 28, 2026, our cash and cash equivalents totaled ZAR1,153.9 million.

We believe that our cash generated from operations, cash and cash equivalents on hand and availability under our funding facility will be sufficient to fund our working capital and capital expenditure requirements for at least the next twelve months. In addition, we may choose to raise additional funds at any time through equity or debt financing arrangements, if required for additional working capital, capital expenditures or other strategic investments. Our belief concerning liquidity is based on currently available information. To the extent this information proves to be inaccurate, or if circumstances change, future availability of credit or other sources of financing may be reduced, and our liquidity could be adversely affected. Our future capital requirements and the adequacy of available funds will depend on many factors, including those described in the section of this annual report titled “Risk Factors.” Depending on the severity and direct impact of these factors on us, we may be unable to secure additional financing to meet our operating requirements on terms favorable to us, or at all.

	Year ended February 28/29				Y-o-Y %	
	2026	2026	2025	2024 <sup>(2)</sup>	2026	2025
	(U.S.\$ thousands <sup>(1)</sup> )	(in R thousands)				
Net cash generated from operating activities	123,585	1,967,060	1,933,295	955,040	2%	102%
Net cash utilized by investing activities	(76,269)	(1,213,952)	(1,077,335)	(932,187)	13%	16%
Net cash utilized by financing activities	(44,424)	(707,086)	(443,260)	(592,954)	60%	(25)%

(1) For convenience purposes only, amounts in South African rand as at February 28, 2026 have been translated to U.S. dollars using an exchange rate of ZAR 15.9167 to U.S.\$1.00, the exchange rate for U.S. dollars as at February 28, 2026 as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System. These translations should not be considered representations that any such amounts have been, could have been or could be converted at that or any other exchange rate. See “Exchange Rates” for further information about recent fluctuations in exchange rates.

(2) We have elected to omit discussion of the earliest of the three years covered by our consolidated financial statements presented in this annual report because the disclosure as at and for the financial year ended February 29, 2024 was included in our annual report on Form 20-F (File No. 001-40300), filed with the SEC on June 9, 2025, under the section titled “Item 5. Operating and Financial Review and Prospects.”

### *Operating Activities*

Strong net cash generated from operating activities is an important factor in supporting our robust business model, and is an indication of our ability to provide the capital necessary to invest in subscriber growth and territorial expansion.

Net cash generated from operating activities increased ZAR33.8 million, or 2%, for the financial year ended February 28, 2026 compared to financial year ended February 28, 2025. Cash generated from operations before working capital changes increased by ZAR348.0 million.

As at February 28, 2025, included in other receivables were fixed deposits placed with a licensed bank amounting to ZAR485.7 million that matured in June and July 2024. As a result of these fixed deposits, net cash generated from operating activities for the financial year ended February 28, 2025 were ZAR 1,933.3 million, primarily driven by strong subscription revenue growth and improved earnings, partially offset by working capital utilization to support business growth and higher financial costs related to term loans and bank overdrafts.

### ***Investing Activities***

Net cash utilized by investing activities increased ZAR136.6 million, or 13%, for the financial year ended February 28, 2026 compared to the prior period. The increase was primarily driven by ZAR186.3 million increased in investment capitalized in-vehicle telematic devices and IoT devices held for future use for planned subscribers' growth. The increased, was partially offset by a decrease in capital expenditure due to the completion of construction of the South African Central Office during the year.

### ***Financing Activities***

Net cash utilized by financing activities increased ZAR263.8 million, or 60% for the financial year ended February 28, 2026 compared to the prior period. This was primarily due to payment of dividends of ZAR693.6 million, partially offset by net proceeds from term loans of ZAR136.2 million during the financial year. Net cash utilized by financing activities was also impacted by a cash outflow of ZAR117.6 million relating to lease liabilities repayment during the year.

### ***Other Financial Assets***

As at February 29, 2024, the Group derecognized a derivative – call option - relating to its acquisition of Karooooo Logistics, following an agreement by shareholders to cancel the call option. The call option was derecognized in the profit or loss. There were no such derivatives as at February 28, 2026 and February 28, 2025.

### ***Loan and Funding Facilities***

#### ***Mortgage bond***

The mortgage bond of ZAR65 million that was registered in favor of First Rand Bank Limited over the remaining extent of Erf 160, Rosebank and Portion 6 of Erf 161, Rosebank, registered in the name of Purple Rain Properties No 444 Proprietary Limited ("PRP") was repaid in December 2025. PRP subsequently entered into an agreement with The Standard Bank of South Africa Limited ("SBSA") for a mortgage bond of ZAR440 million to be registered in favor of SBSA over the consolidated plots of land, Erf 160 and Portion 6 of Erf 161 ("erven"), on which the South Africa Central Office had been erected. The registration of the consolidated erven, cancellation of the repaid mortgage bond, and registration of the mortgage bond in favor of SBSA, is in progress. Upon registration of the SBSA mortgage bond, the limited suretyship of ZAR60 million provided by Cartrack Proprietary Limited for the repaid mortgage bond will accordingly be cancelled.

Interest to be levied on the mortgage bond is at prime less 1.75% and repayment is over a period of 10 years.

#### ***Term loan***

In June 2024, The Standard Bank of South Africa Limited ("SBSA") extended a loan of ZAR250.0 million to Purple Rain Properties No.444 Proprietary Limited (the owner of the South Africa Central Office) for funding the construction of the building ("the Facilities Agreement"). Interest at a rate of prime less 1.5% was levied by the bank and the loan matured on December 21, 2025. In February, 2026, the parties concluded an addendum to the Facilities Agreement, subject to the registration of a mortgage bond of R440 million in favor of SBSA. Cartrack Proprietary Limited provided a limited guarantee as security for this loan, pending the registration of the mortgage bond. The financial conditions under the loan agreement include a Loan to Value Ratio varying from 68% from the period commencing on February 26, 2025 (the First Utilisation Date) until the first anniversary of the First Utilisation Date and 62% during the next calendar period of 12 months. The Interest Coverage Ratio shall not be less than 1.45 times for the period from the First Utilisation Date until the first anniversary of the First Utilisation Date and 1.77 times in the following period of 12 months. As at the date of this report, the financial conditions have been met.

In September 2024 and June 2025, Cartrack Portugal, S.A., secured loans of EUR2.0 million and EUR1.0 million, respectively, from Banco Comercial Português, S.A. The loan bears an interest rate of 6-month Euribor rate plus 0.75%, with repayments scheduled over a seven-year and five-year period. There are no covenants relating to these loans.

In January 2026, Cartrack Espana. S.L.U., secured a EUR 0.08 million loan from Abanca- Préstamo. The loan bears an interest rate of 3.5% per year and matured on April 22, 2026.

#### ***Bank overdraft and overdraft facilities***

In March 2020, Cartrack Proprietary Limited entered into a Short-Term Facility Letter with Capitec Bank Limited ("Capitec Bank"), previously Mercantile Bank, as amended and supplemented from time to time, for an unsecured short-term overdraft and other facilities (the "Overdraft Facility"). Pursuant to the most recent Addendum to the Short-Term Facility Letter, dated June 23, 2025, the Overdraft Facility was increased to ZAR300.0 million. Amounts due under the Overdraft Facility bear interest at Capitec Bank's prime lending rate, which as at the date of this annual report was 10.5%. Subject to completion of the annual review, Capitec Bank has approved the extension of the expiry date to June 30, 2026.

In August 2025, Cartrack Proprietary Limited entered into a Short-Term Facility Letter with The Standard Bank of South Africa Limited ("Standard Bank"), as amended and supplemented from time to time, for an unsecured short-term working capital and other facilities (the "Working Capital Facility"). The Working Capital Facility amounts to ZAR300.0 million. Amounts due under the Working Capital Facility bear interest at Standard Bank's prime lending rate minus 1%, which as at the date of this annual report was 9.5%.

As at February 28, 2026, ZAR407.7 million (2025: ZAR205.3 million) of these facilities had been utilized.

## Off-Balance Sheet Arrangements

We do not engage in any off-balance sheet activities or have any arrangements or relationships with unconsolidated entities, such as variable interest, special purpose and structured finance entities.

## Contractual Obligations

The following table summarizes our contractual obligations as at February 28, 2026.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows and include contractual interest payments.

At February 28, 2026	Less than 1 year	2 years	3 years	4 years	5 years or more	Total
	(in R thousands)					
Term loans	83,386	79,288	75,643	72,243	313,232	623,792
Lease obligations	141,305	113,304	61,317	9,218	1,263	326,407
Trade and other payables	522,978	—	—	—	—	522,978
Loan from a related party	85	—	—	—	—	85
Bank overdraft	407,668	—	—	—	—	407,668

## C. RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES

For our disclosure in respect of research and development, technology and intellectual property please refer to Item 4.B. "Information on the Company—Business Overview".

## D. TREND INFORMATION

See Item 4.B. "Information on the Company—Business Overview," Item 5.A. "Operating and Financial Review and Prospectus—Operating Results" and Item 5.B. "Operating and Financial Review and Prospects—Liquidity and Capital Resources" within this annual report.

## Quarterly Financial Information and Other Information

The following table sets forth our unaudited quarterly operational and financial information for each of the eight most recent quarters for the financial period ended February 28, 2026. We have prepared the unaudited quarterly operational and financial information on a consistent basis with the consolidated financial statements included elsewhere in this annual report. In the opinion of management, the unaudited quarterly operational and financial information reflects all necessary adjustments, consisting only of normal recurring adjustments, necessary for a fair statement of this data. This information should be read in conjunction with the consolidated financial statements and related notes included elsewhere in this annual report. The results of historical periods are not necessarily indicative of results for a full year or for any future period.

Quarterly Subscriber Data	Three Months Ended							
	May 31, 2024	August 31, 2024	November 30, 2024	February 28, 2025	May 31, 2025	August 31, 2025	November 30, 2025	February 28, 2026
	(subscribers and percentage growth)							
Subscribers (as at end of period)	2,047,442	2,136,610	2,223,227	2,302,236	2,386,249	2,456,989	2,568,467	2,662,222
Net subscriber growth for the three months	75,910	89,168	86,617	79,009	84,013	70,740	111,478	93,755
Growth against comparative prior year quarter	17%	17%	17%	15%	17%	15%	16%	16%

Quarterly Financial Results Data	Three Months Ended							
	May 31,	August 31,	November 30,	February 28,	May 31,	August 31,	November 30,	February 28,
	2024	2024	2024	2025	2025	2025	2025	2026
	(in R thousands)							
Revenue	1,081,825	1,106,721	1,159,390	1,219,523	1,277,017	1,343,894	1,409,830	1,448,379
Subscription revenue	963,768	985,985	1,031,942	1,086,482	1,141,059	1,182,284	1,239,099	1,281,306
Hardware and installation revenue	16,203	15,253	16,859	18,213	11,317	12,701	14,154	4,687
Other revenue	3,169	7,103	5,044	7,774	7,020	12,164	24,960	21,170
Carzuka	2,099	—	—	—	—	—	—	—
Karooooo Logistics	96,586	98,380	105,545	107,054	117,621	136,745	131,617	141,216
Cost of revenue	(334,416)	(328,053)	(351,359)	(350,579)	(403,714)	(431,460)	(430,983)	(488,793)
Gross profit	747,409	778,668	808,031	868,944	873,303	912,434	978,847	959,586
Other income	1,682	4,284	3,408	995	1,457	6,244	5,821	1,453
Operating expenses	(449,344)	(480,754)	(486,264)	(484,726)	(522,966)	(562,657)	(615,491)	(623,319)
Sales and marketing	(140,248)	(156,898)	(156,981)	(160,638)	(180,687)	(210,280)	(230,016)	(220,470)
General and administration	(221,494)	(239,418)	(249,508)	(234,413)	(244,913)	(276,946)	(285,408)	(289,714)
Research and development	(57,609)	(54,109)	(57,447)	(57,770)	(63,780)	(60,050)	(62,618)	(75,019)
Expected credit losses on financial assets	(29,993)	(30,329)	(22,328)	(31,905)	(33,586)	(15,381)	(37,449)	(38,116)
<b>Operating profit</b>	<b>299,747</b>	<b>302,198</b>	<b>325,175</b>	<b>385,213</b>	<b>351,794</b>	<b>356,021</b>	<b>369,177</b>	<b>337,720</b>
Finance income	11,213	13,708	8,824	10,422	10,429	10,926	5,504	7,617
Finance costs	(5,634)	(11,826)	(16,784)	(16,622)	(15,166)	(17,245)	(20,378)	(25,085)
Fair value changes to derivative assets	—	—	—	—	—	—	—	—
Impairment of goodwill	—	—	—	(43,600)	—	—	—	—
Offering costs	—	(15,470)	407	(50)	—	(12,172)	203	302
<b>Profit before taxation</b>	<b>305,326</b>	<b>288,610</b>	<b>317,622</b>	<b>335,363</b>	<b>347,057</b>	<b>337,530</b>	<b>354,506</b>	<b>320,554</b>
Taxation	(80,043)	(72,844)	(76,897)	(80,027)	(78,183)	(88,961)	(86,020)	(95,371)
<b>Profit for the year</b>	<b>225,283</b>	<b>215,766</b>	<b>240,725</b>	<b>255,336</b>	<b>268,874</b>	<b>248,569</b>	<b>268,486</b>	<b>225,183</b>
<b>Profit attributable to:</b>								
Owners of the parent	221,584	211,543	237,264	250,640	264,095	243,576	264,109	222,140
Non-controlling interest	3,699	4,223	3,461	4,696	4,779	4,993	4,377	3,043
	<b>225,283</b>	<b>215,766</b>	<b>240,725</b>	<b>255,336</b>	<b>268,874</b>	<b>248,569</b>	<b>268,486</b>	<b>225,183</b>

## E. CRITICAL ACCOUNTING ESTIMATES

Our discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in conformity with IFRS. The preparation of our consolidated financial statements and related disclosures requires us to make estimates, assumptions and judgments that affect the reported amounts and related disclosures. We believe that the estimates, assumptions and judgments involved in the accounting policies described below have the greatest potential impact on our financial statements and, therefore, we consider these to be our critical accounting policies. Accordingly, we evaluate our estimates and assumptions on an ongoing basis. Our actual results may differ from these estimates under different assumptions and conditions.

### *Useful Life of Capitalized Telematics Devices, Capitalized Commission Assets and Revenue Recognition from Deferred Revenue*

We complete a detailed assessment annually on the expected life cycle of subscriber contracts across the Group. The continued growth in our customer base over the past few years has provided a more comprehensive database of information and more certainty to support the assessment of the average useful life of subscriber contracts with customers. On the basis of such information, the average useful life of a subscriber contract was over 60 months as at financial year ended February 28, 2026. Contracts that terminate prior to the end of useful life result in accelerated depreciation of the underlying capitalized telematics devices and capitalized commission assets being recognized immediately.

### *Goodwill*

We test goodwill for impairment on an annual basis. The recoverable amounts of cash-generating units have been determined based on the higher of value-in-use calculations and fair value less costs of disposal. The value-in-use calculations are performed internally by the Group and require the use of various estimates and assumptions regarding discount rates and the future financial performance of the cash-generating units. The fair value costs of disposal are performed by an external valuer using the market approach, by applying price-to-value metrics observed in comparable companies to the Cash Generating Unit ("CGU").

### *Provision for expected credit losses ("ECLs") of trade receivables*

We apply a simplified approach in calculating ECLs. Therefore, we do not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. We determine expected credit losses of trade receivables by making debtor-specific assessment of expected impairment loss for long overdue trade receivables and using a provision matrix for remaining trade receivables that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Please refer to Note 2.1 to the accompanying consolidated financial statements included elsewhere in this annual report for information about the critical accounting policies, as well as Note 2.2 for a description of our other significant accounting policies.

## Item 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

### A. DIRECTORS AND SENIOR MANAGEMENT

#### Board of Directors

The following table sets forth information regarding the current members of our board of directors.

<b>Name</b>	<b>Age</b>	<b>Position</b>
Isaias (Zak) Jose Calisto	59	Executive Officer and Executive Chairman
Hoe Shin Goy	46	Executive Officer
Siew Koon Lim	67	Lead Independent Director
Andrew Leong	51	Independent Director
Kim White	50	Independent Director

#### Executive Officers

The table below sets forth information regarding individuals who serve as executive officers.

<b>Name</b>	<b>Age</b>	<b>Position</b>
Isaias (Zak) Jose Calisto	59	Chief Executive Officer
Hoe Shin Goy	46	Chief Financial Officer
Juan Marais <sup>(1)</sup>	57	Chief Sales Officer

1. Mr. Marais is included above as an executive officer by virtue of his shareholding in Karooooo. Mr. Marais is the beneficial owner of 3,250,793 shares through One Spire (Pty) Ltd., which corresponds to 10.5% of the outstanding shares of the Company.

#### Senior Management

The following table sets forth information regarding members of our current senior management team.

<b>Name</b>	<b>Age</b>	<b>Position</b>
Richard Schubert	52	Chief Operating Officer
Carmen Calisto	29	Chief Strategy and Marketing Officer
Pedro Ventura	38	Chief Technology Officer

The following sets forth certain biographical information with respect to our directors, executive officers and senior management. Unless otherwise stated, the business address for our directors, executive officers and senior management is 17 Kallang Junction #06-05/06 Singapore 339274.

**Isaias (Zak) Jose Calisto** is our Chief Executive Officer and has been a member of our board of directors since May 2018. He has been the Chief Executive Officer of the Group since its founding in 2001. Before founding the Company, Mr. Calisto was a Member of Vehicle Tracking Services, a company specializing in the distribution of telematics services, from 1994 through 2001. Prior to that, Mr. Calisto was a Member of Cell Communications, a company specializing in the distribution of telecommunication services, from 1994 to 1996. Mr. Calisto also completed an accelerated training program at Standard Bank, Africa's largest lender by assets, from 1986 through 1991. Mr. Calisto studied at the University of South Africa and University of the Witwatersrand.

**Hoe Shin Goy** was appointed as Karooooo's CFO on June 30, 2022. Hoe Shin is a registered Chartered Accountant based in Singapore. Hoe Shin joined Ernst & Young LLP in 2004 and was with the firm until 2009. She has extensive experience in audit, full spectrum finance and Group financial reporting throughout the span of her career. Hoe Shin was the Director of Consolidation and Group Reporting for DFS Group, under the Selective Retailing Maison of LVMH.

**Siew Koon Ong** (Siew Koon Lim) was appointed to our board in July 2021 and is currently Karooooo's Lead Independent Director and the Chair of the Audit and Risk Committee. Mrs. Lim holds a Bachelor of Accountancy degree from the National University of Singapore and is a Chartered Accountant and fellow member of the Institute of Singapore Chartered Accountants. Mrs. Lim has 37 years of experience in providing audit and business advisory services to local companies as well as major public listed companies in a wide range of industries, including banks. She has led initial public offerings of companies in the retail and lifestyle, manufacturing, construction and property development industries. Mrs. Lim joined Ernst & Young LLP (then known as Ernst & Whinney) in April 1982 and was a partner of the firm from July 1998 to June 2019, acting as Chief Financial Officer for a period of 3 years with the responsibility for the firm's financial and management accounts. Mrs. Lim is also an independent director of Nanofilm Technologies International Limited, which is listed on the Mainboard of the SGX, serving as the Lead Independent Director and Chairperson of the Audit and Risk Committee and a member of the Nominating and Remuneration Committee. Mrs. Lim is also an independent director of Maribank (Singapore) Pte Ltd, one of the four digital banks in Singapore. At Maribank, she is the Lead Independent Director and Chairperson of the Audit Committee. She also sits on the Risk Committee and Remuneration and Nominating Committee at Maribank. Mrs Lim is also an independent director of Mapletree Logistics Trust Management Ltd where she is a member of the Audit and Risk Committee. In addition to Mrs. Lim's global financial expertise and deep understanding of regulatory and technical compliance in a listed environment, we believe her extensive local knowledge and experience qualifies her to serve as a member of the Board.

**Andrew Leong** has been a member of our board of directors since February 2021 and was the co-founder and the Chief Executive Officer of Videre Security Solutions, a software company established in 2016, providing data analytics and cybersecurity to Singapore. Mr. Leong started his career in Singapore's Intelligence Agency in 1998 and was head of the cybersecurity division from 1999 until 2005. From 2005 until 2015, Mr. Leong was the Managing Director of Chameleon Associates Pte. Ltd., a company specializing in risk mitigation utilizing predictive profiling. Mr. Leong holds a Bachelor of Applied Sciences in computer engineering from the Nanyang Technology University, Singapore. We believe that Mr. Leong is well qualified to serve as a member of our board of directors given his extensive experience in artificial intelligence and data analytics.

**Kim White** was appointed to our board on June 25, 2021. Mrs. White served as a member of the board of directors of Cartrack Holdings Limited since 2014. Mrs White also served as Chairman of the Audit and Risk Committee and member of the Remuneration Committee for Cartrack Holdings Limited during this time. Mrs. White started her career at RSM South Africa and then founded KCE Consulting, an audit and advisory firm, in 2001. Mrs. White currently holds the position of managing director at this firm. Mrs White holds a Bachelor of accounting science degree, an Honours degree in Accounting Science, a post-graduate certificate in Advanced taxation, a post-graduate certificate in International taxation, a certified financial planner diploma and a MBA from Guglielmo Marconi University, Italy. Mrs. White is a registered Chartered Accountant (South Africa). We believe Mrs. White is well qualified to serve as a member of our board of directors given her extensive knowledge, leadership, and experience.

**Juan Marais** is our Chief Sales Officer. Before joining Cartrack Holdings Limited in this role in 2004, he was the Chief Executive Officer of Advancor (Pty) Ltd., an insurance brokerage, from 2001 to 2004. Prior to that, Mr. Marais was the Chief Executive Officer of Finance Mart (Pty) Ltd., a financial services company, from 1998 to 2001. Mr. Marais began his career in the insurance industry at Broadstreet Financial Advisory Services, where he was a Managing Member from 1993 to 1998. Mr. Marais holds a Certification in Financial Planning from Milpark Business School.

**Richard Schubert** is our Chief Operating Officer. Mr. Schubert joined Cartrack Holdings Limited in 2007 and has held this role at Cartrack Holdings Limited since 2017, and prior to that, served as Chief Information Officer from 2007 through 2017. Mr. Schubert holds a National Higher Diploma in Electronic Engineering from the Technikon of the Witwatersrand.

**Carmen Calisto** joined Cartrack Holdings Limited in February 2020 as Group Chief Marketing Officer. Before joining Cartrack Holdings Limited in this role, she was a Media Activation Executive at Essence Global from 2019-2020, a global data and measurement-driven full-service agency. Prior to that, Ms. Calisto interned as an Actuarial Marketer with the Cartrack Group and an Actuarial Advisor at Ernst & Young. She holds a BSc (Honours) in Actuarial Science from Cass Business School and an MSc in Strategic Marketing from Imperial College London.

**Pedro Ventura** is our Chief Technology Officer. Mr. Ventura joined Cartrack Holdings Limited in 2015 as a senior Software Engineer and he was promoted to Chief Technology Officer in November 2020 assuming full responsibility for the strategic and technical direction of Research and Development and our IT infrastructure. Prior to joining Cartrack Holdings Limited, Mr. Ventura held various senior roles in technology and software development including being the founder of Internet Business Solutions & Technologies S.A., an Internet based start-up. Mr. Ventura studied Computer Engineering at the Instituto Superior Técnico in Lisbon.

### Family Relationships

Carmen Calisto is the daughter of Isaias (Zak) Jose Calisto.

## B. COMPENSATION

### Directors and Executive Officer Compensation footnote

The following table provides information about the aggregate compensation, including benefits in kind, accrued or paid to our executive officers and directors with respect to the years ended February 2026 and 2025 for services in all capacities:

	Year ended February 28/29		
	2026	2026 <sup>(2)</sup>	2025 <sup>(2)</sup>
	(U.S.\$ thousands <sup>(1)</sup> )	(in R thousands)	
Short-term employee benefits	1,165	18,536	18,285
Post-employment benefits	30	480	456
	1,195	19,016	18,741

(1) For convenience purposes only, amounts in South African rand as at February 28, 2026 have been translated to U.S. dollars using an exchange rate of ZAR 15.9167 to U.S.\$1.00, the exchange rate for U.S. dollars as at February 28, 2026 as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System. These translations should not be considered representations that any such amounts have been, could have been or could be converted at that or any other exchange rate. See “Exchange Rates” for further information about recent fluctuations in exchange rates.

(2) Aggregate information disclosed includes directors and executive management given Karoo000’s IPO in the United States and the incorporation of international headquarters in Singapore with a centralized management function. The Group CEO and CFO drive the Group’s strategy implementation, operation and direction with focus on sustainability and top and bottom-line growth. Mr. Marais is included as an executive officer by virtue of his shareholding in Karoo000. Mr. Marais is the beneficial owner of 3,250,793 shares through One Spire (Pty) Ltd., which corresponds to 10.5% of the outstanding shares of the Company.

## C. BOARD PRACTICES

### Board Composition

Our board of directors is composed of five members, of whom Siew Koon Lim, Andrew Leong and Kim White qualify as “independent” under Nasdaq listing rules. Our constitution provides that our board of directors initially be divided into three classes with staggered terms over a three-year period. Only Class I directors were subject to re-election at the first annual meeting of stockholders held after the Nasdaq listing, with the other classes continuing for the remainder of their respective terms. Our current directors are divided among the three classes as follows:

- the Class I director is Andrew Leong, who was re-elected for a term of three years at the annual meeting of stockholders held on August 29, 2024;
- the Class II directors are Kim White and Siew Koon Lim. Mrs Lim was re-elected for a term of three years at the annual general meeting of stockholders held on 25 July 2025; and
- the Class III directors are Isaias (Zak) Jose Calisto and Hoe Shin Goy, who were both re-elected at the AGM held on July 12, 2023, for a term of three years.

At each annual meeting of stockholders, upon the expiration of the term of a class of directors, the successor to each such director in the class will be elected to serve from the time of election and qualification until the third annual meeting following his or her election and until his or her successor is duly elected and qualified, in accordance with our amended and restated certificate of incorporation. Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one-third of our directors.

This classification of our board of directors may have the effect of delaying or preventing changes in control of our company. For additional information regarding our board of directors, see Exhibit 2.2 “Description of Ordinary Shares—Election and Reelection of Directors.”

We have not entered into service contracts with any directors of our company or any of our subsidiaries providing for benefits upon termination of employment.

### Audit Committee

The audit committee, which consists of Siew Koon Lim, Andrew Leong and Kim White assists the board in overseeing our accounting and financial reporting processes, the audits of our financial statements and business risk analysis. In addition, the audit committee is directly responsible for the appointment, compensation, retention and oversight of the work of our independent registered public accounting firm. The audit committee is also responsible for reviewing and determining whether to approve certain transactions with related parties. See Item 7.B. “Related Party Transactions—Related Person Transaction Policy.” The board of directors has determined that Siew Koon Lim qualifies as an “audit committee financial expert,” as such term is defined in the rules of the SEC, and that Siew Koon Lim, Andrew Leong and Kim White are independent, as defined under the rules of the SEC and the Nasdaq applicable to foreign private issuers. Siew Koon Lim acts as chairman of our audit committee.

### Compensation and Nomination Committee

The compensation and nomination committee consists of Andrew Leong, Siew Koon Lim and Kim White, who are all independent non-executive directors, and assists the board in identifying and nominating candidates for election to the board of directors; reviews and recommends the compensation arrangements for the executive members of our board of directors and administers any equity compensation plan. Andrew Leong is the appointed director to act as chairman of our compensation and nomination committee. Although the CEO and CFO are invitees to the meetings to provide input on management performance and to motivate and explain the remuneration of our people and present proposals for general increases and bonuses, they are not members of this committee and therefore have no vote.

This committee is also charged with evaluating individual director performance, the performance of the sub-committees and the board as a whole, which is done on an annual basis.

### Duties of Directors and attendance of meetings

Under Singapore law, members of the board of directors of a Singapore company owe certain fiduciary duties towards the company, including a duty to act in good faith in the best interests of the company, a duty to act honestly and to use reasonable diligence in the discharge of the duties of their office. Directors generally owe fiduciary duties to the company, and not to the company’s individual shareholders. Our shareholders may not have a direct cause of action against our directors. The company has a right to seek damages if a duty owed by directors is breached.

The directors have, without exception, attended all board meetings held during the reporting period.

## Foreign Private Issuer and Controlled Company Exemptions

In general, under the Nasdaq corporate governance standards, foreign private issuers, as defined by the rules adopted under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), are permitted to follow home country corporate governance practices instead of the corporate governance practices of the Nasdaq. Accordingly, we follow certain corporate governance practices of our home country, Singapore, in lieu of certain of the corporate governance requirements of the Nasdaq in respect of the following:

- the requirement under Section 5605(e)(2) of Nasdaq listing rules that companies must adopt a formal written charter or board resolution, as applicable, addressing the nominations process and such related matters as may be required under the U.S. federal securities laws;
- the requirement under Section 5605(d) of Nasdaq listing rules that a compensation committee comprised solely of independent directors governed by a compensation committee charter oversee executive compensation;
- the requirement under Section 5605(b)(2) of Nasdaq listing rules that the independent directors have regularly scheduled meetings with only the independent directors present;
- the requirement under Section 5605(c) of Nasdaq listing rules that a quorum must consist of at least 33 1/3 percent of the outstanding shares of a listed company’s common voting stock; and
- the requirement under Section 5610 of Nasdaq listing rules that a company must have adopted one or more codes of conduct applicable to all directors, officers and employees, and that such codes are publicly available.

In the event we no longer qualify as a foreign private issuer, we intend to rely on the “controlled company” exemption under the NASDAQ corporate governance rules. A “controlled company” under the Nasdaq corporate governance rules is a company of which more than 50% of the voting power is held by an individual, Group or another company. Our controlling shareholder and chief executive officer, Zak Calisto, controls a majority of the combined voting power of our outstanding ordinary shares, and will be able to nominate a majority of directors for election to our board of directors. Accordingly, we would be eligible to, and, in the event we no longer qualify as a foreign private issuer, we intend to, take advantage of certain exemptions under the Nasdaq corporate governance rules.

The “foreign private issuer” exemption and the “controlled company” exemption do not modify the independence requirements for the audit committee, and we comply with the requirements of the Sarbanes-Oxley Act and the Nasdaq rules, which require that our audit committee be composed of at least three directors, all of whom are independent.

If at any time we cease to be a “controlled company” or a “foreign private issuer” under the rules of the Nasdaq and the Exchange Act, as applicable, our board of directors will take all action necessary to comply with the NASDAQ corporate governance rules.

Due to our status as a foreign private issuer and our intent to follow certain home country corporate governance practices, our shareholders will not have the same protections afforded to shareholders of companies that are subject to all the Nasdaq corporate governance standards. See Exhibit 2.2 “Description of Ordinary Shares.”

## D. EMPLOYEES

As at February 28, 2026, we had 7,395 full-time employees, of which 5,398 are located in South Africa, 309 are located in Africa-Other, 387 are located in Europe, and 1,301 are located in Asia-Pacific and Middle East. None of our employees are represented by a labor union or covered by a collective bargaining agreement.

We have a team-oriented culture and encourage candor from our employees, which we believe helps us to succeed and drive operational excellence. We also seek to, and have a history of, promoting from within our organization as well as hiring top talent from outside of our company to expand our capabilities. We aim to hire individuals who share our passion, commitment and entrepreneurial spirit. We are also committed to diversity and inclusion because we believe that diversity leads to better outcomes for our business and enables us to better meet the needs of our customers.

## E. SHARE OWNERSHIP

For information regarding the share ownership of our directors and executive officers, please refer to Item 6.B. “—Compensation” and Item 7.A. “Major Shareholders and Related Party Transactions—Major Shareholders.”

## F. DISCLOSURE OF A REGISTRANT’S ACTION TO RECOVER ERRONEOUSLY AWARDED COMPENSATION

Pursuant to Rule 10D-1 under the Exchange Act and Nasdaq Rule 5608, on November 20, 2023, we adopted a Compensation Recoupment Policy providing that we will recover reasonably promptly the amount of erroneously awarded incentive-based compensation from any “Executive Officer” (as such term is defined in Rule 10D-1 under the Exchange Act and Nasdaq Rule 5608) in the event that the Company is required to prepare an accounting restatement due to our material non-compliance with any financial reporting requirement under the U.S. securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

A copy of our Compensation Recoupment Policy is filed as Exhibit 97.1 hereto.

As at financial year ended February 28, 2026, we were not required to recoup any compensation awarded under the Compensation Recoupment Policy.

## Item 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

### A. MAJOR SHAREHOLDERS

The following table sets forth information as at May 29, 2026 regarding actual ownership of our ordinary shares by:

- each person or entity we know to own 5% or more of our ordinary shares;
- each executive officer; and
- each director.

For purposes of the table below, the percentage ownership calculations are based on 30,893,300 ordinary shares outstanding as at May 29, 2026. To the extent different, beneficial ownership determined in accordance with the rules of the SEC, including voting or investment power with respect to the securities, is described in the footnotes to the table.

Name of Owner	As at May 29, 2026	
	Number	Percent
<b>Directors and/or Executive Officers</b>		
Isaias (Zak) Jose Calisto <sup>(1)</sup>	17,917,958	58.00
Hoe Shin Goy	5,882	0.02
Kim White		
Siew Koon Lim		
Andrew Leong		
Juan Marais <sup>(2)</sup>	3,250,793	10.52
All executive officers and directors as a group (6 persons)	21,174,633	68.54
<b>Other 5% Shareholders</b>		
Gobi Capital LLC <sup>(3)</sup>	2,200,668	7.12
<b>Total Ordinary Shares</b>	<b>23,375,301</b>	<b>75.66</b>

(1) Mr. Calisto owns 17,917,958 shares, or 58.00%. However, Mr. Calisto and One Spire (Pty) Ltd. have agreed that if Mr. Calisto’s beneficial ownership falls to below 51% of the issued and outstanding shares of the Company, then One Spire (Pty) Ltd. will cast all votes in respect of the ordinary shares that One Spire (Pty) Ltd. beneficially owns as directed by Mr. Calisto. As a result, in accordance with the rules of the SEC, Mr. Marais’ 3,250,793 shares may be deemed to be beneficially owned by Mr. Calisto. Therefore, Mr. Calisto may be deemed to beneficially own 21,168,751 shares or 68.52%. Mr. Calisto disclaims beneficial ownership of Mr. Marais’ 3,250,793 ordinary shares.

(2) Mr. Marais is the beneficial owner of 3,250,793 shares through One Spire (Pty) Ltd., which corresponds to 10.52% of the outstanding shares of the Company. Mr. Marais and Jennie Allen are directors of One Spire (Pty) Ltd., and accordingly, Mr. Marais and Ms. Allen share voting and investment power over the shares held by One Spire (Pty) Ltd. Mr. Calisto and One Spire (Pty) Ltd. have agreed that if Mr. Calisto’s beneficial ownership falls to below 51% of the issued and outstanding shares of the Company, then One Spire (Pty) Ltd. will cast all votes in respect of the ordinary shares that One Spire (Pty) Ltd. beneficially owns as directed by Mr. Calisto. As a result, in accordance with the rules of the SEC, Mr. Calisto may be deemed to beneficially own such shares. Mr. Calisto disclaims beneficial ownership of such ordinary shares.

(3) Gobi Capital LLC is controlled by Bo Shan. Gobi Capital LLC and Bo Shan disclaim beneficial ownership of the ordinary shares listed above except to the extent of any pecuniary interest therein. The business address of Gobi Capital LLC is 909 Montgomery Street, Suite 400, San Francisco, CA 94133.

As at May 29, 2026, we had 1 holder of record of our ordinary shares in the United States, holding approximately 25,363,843 of our total issued ordinary shares. The U.S. shareholder of record is CEDE & CO., a nominee of The Depository Trust Company. We believe that the shares held by CEDE & CO. include ordinary shares beneficially owned by both holders in the United States and non-U.S. beneficial owners. The share register in South Africa holds 5,529,457 ordinary shares.

## **B. RELATED PARTY TRANSACTIONS**

### **CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS**

#### **Related Person Transaction Policy**

We have adopted a policy requiring approval by the audit committee, subject to certain exceptions, of certain transactions between us and a related person (as defined below). Transactions subject to the policy would include the following transactions in which a related person has or will have a direct or indirect material interest:

- any transaction or series of transactions with a related person that is material to us or the related person, or
- any transactions that are unusual in their nature or conditions, involving goods, services, or tangible or intangible assets, to which we are a party.

For purposes of the policy, “related person” means:

- any director or executive officer of (i) the Company or (ii) an affiliated entity of the Company;
- any immediate family member of a director or executive officer of (i) the Company or (ii) an affiliated entity of the Company;
- any nominee for director of (i) the Company or (ii) an affiliated entity of the Company and the immediate family members of such nominee;
- a 10% beneficial owner of the Company’s voting securities or any immediate family member of such owner; and
- enterprises in which a substantial interest in the voting power is owned, directly or indirectly by a person described in any of the immediately preceding four bullet points or over which such a person is able to exercise significant influence.

#### **Related Party Transactions**

The information below describes related party transactions we have entered into, which are material to the company or the related party, or any transactions that are unusual in their nature or conditions, involving goods, services or tangible or intangible assets, to which the company or any of its affiliates was a party.

Additional information about our related party transactions is included in Note 28 to the audited consolidated financial statements.

#### ***Registration Rights Agreement***

In connection with the Offering, we entered into a registration rights agreement with our Chief Executive Officer, Isaias (Zak) Jose Calisto. The registration rights agreement grants Mr. Calisto and his designees specified registration rights in connection with any transfer of ordinary shares issuable to us or our affiliates upon conversion of any shares. As a result, Mr. Calisto may require us to use reasonable best efforts to effect the registration under the Securities Act of our ordinary shares that he or his affiliates own, in each case at our own expense. The registration rights agreement also provides that we will indemnify Mr. Calisto in connection with the registration of our ordinary shares.

### *Loan Arrangements*

Given our commitment to South Africa's broad-based Black economic codes of good practice, we entered into an Enterprise Development Loan Agreement with Bumbene House (Proprietary) Limited in February 2020 under which we provided Bumbene House (Proprietary) Limited with a loan in an aggregate amount of ZAR11.0 million. The loan was extended by a further ZAR8.4 million during the 2021 financial year, ZAR6.4 million during the 2023 financial year, another ZAR2.4 million in the 2024 financial year and ZAR0.5 million in the 2025 financial year. Amounts due under this loan bear no interest, have no fixed terms of repayment and are repayable on demand. As at February 28, 2026, ZAR28.7 million of this loan remained outstanding.

### *Acquisitions*

**Karoo000 Logistics (Pty) Ltd:** In September 2021, the Group strategically acquired 70.1% of the shares and voting interest in Karoo000 Logistics (Picup), a logistics cloud- based disruptive technology company located in South Africa. The acquisition may be a related party transaction given that Isaias (Zak) Jose Calisto, founder and CEO of Karoo000, had been working with Picup prior to its acquisition by the Group, to build the Picup business for scale, including through a ZAR 4.5 million loan from Onecell Holdings (Pty) Ltd of which Mr J Marais and Mr Calisto hold substantial voting interests, and Mr Calisto is a director, given the timing of the approval of the transaction. The loan was intended as a once-off short-term bridge financing for Picup prior to final acquisition approvals, and was fully repaid in September 2021 following the completion of the acquisition.

Mr J Marais, Mr Calisto and Onecell Holdings (Pty) Ltd had no interest in Picup prior to the acquisition.

In Q2 FY 2025, by way of a repurchase and cancellation by Karoo000 Logistics (Pty) Ltd of its own shares from minority shareholders, the Group's interest increased to 74.8%. Effective 1 September 2025, the company repurchased and cancelled additional shares from a minority shareholder, representing 7.6% of the issued shares of the company, which resulted in the group's interest increasing to 81%.

### **C. INTERESTS OF EXPERTS AND COUNSEL**

Not applicable.

## Item 8. FINANCIAL INFORMATION

### A. CONSOLIDATED STATEMENTS AND OTHER FINANCIAL INFORMATION

See Item 18. “FINANCIAL STATEMENTS”

### LEGAL PROCEEDINGS

To our knowledge, we are not currently a party to any legal proceeding that would have a material adverse effect on our financial condition, results of operations, or liquidity, nor are we aware of any pending legal proceedings, which may have a material adverse effect on our financial condition, results of operations, or liquidity. From time to time in the future, we may become involved in legal proceedings arising in the ordinary course of our business. Litigation is subject to many uncertainties, the outcome of individual litigated matters is not predictable with assurance, and it is reasonably possible that some of these matters may be decided unfavorably to us.

### DIVIDENDS AND DIVIDEND POLICY

Dividends are declared at the discretion of our board of directors and we cannot assure you that we will pay any dividends to holders of our ordinary shares, or as to the amount of any such dividends if our board of directors determines to do so.

The board recognizes the importance to the Group of investment in achieving growth at scale and endeavors to avoid swings in dividend profile. The payment and timing of dividends in cash or other distributions (such as a return of capital to shareholders through share buy-backs, for example) are determined by the board after considering factors that include: earnings and Free Cash Flow; current and anticipated capital requirements; economic conditions; contractual, legal, tax and regulatory restrictions (including covenants contained in any financing agreements), the ability of Group subsidiaries to distribute funds to Karooooo and such other factors the board may deem relevant. Karooooo aims to reinvest retained earnings to the extent that it aligns with the Group’s required return on incrementally reinvested capital, return on equity, and short- to medium-term growth strategy. See “Risk Factors—Although Karooooo has paid dividends in the past, our ability to pay dividends in the future depends on many factors and we cannot guarantee you that we will continue to pay dividends in the future.”

The board may, by ordinary resolution, declare dividends at a general meeting of its shareholders, but no dividend shall be payable except out of our profits, and the amount of any such dividend shall not exceed the amount recommended by the board of directors. Subject to Karooooo’s constitution and in accordance with the Singapore Companies Act, the board of directors may, without the approval of shareholders, declare and pay interim dividends, but any final dividends the board declares must be approved by an ordinary resolution at a general meeting of shareholders.

In accordance with the stated dividend policy above, an interim dividend of 1.25 U.S. dollar per ordinary share, pertaining to the first quarter of Karooooo’s 2026 financial year, that was paid out of Karooooo’s retained earnings, on August 18, 2025 (in South Africa) and August 22, 2025 (in the US) to shareholders on record as at the close of business on August 15, 2025. Although Karooooo’s reporting currency is ZAR, its statutory filings in Singapore are reported in USD, as a result of which dividends are declared in USD.

### B. SIGNIFICANT CHANGES

See Note 35 in the notes to the consolidated financial statements attached to this annual report for discussion of subsequent events since the date of our most recent audited financial statements.

## **Item 9. THE OFFER AND LISTING**

### **A. OFFER AND LISTING DETAILS**

The principal market in which our ordinary shares trade is the Nasdaq Capital Market under the symbol “KARO”.

The secondary market in which our ordinary shares trade is the Johannesburg Stock Exchange (“JSE”) under the symbol “KRO”.

### **B. PLAN OF DISTRIBUTION**

Not applicable.

### **C. MARKETS**

Not applicable.

### **D. SELLING SHAREHOLDERS**

Not applicable.

### **E. DILUTION**

Not applicable.

### **F. EXPENSES OF THE ISSUE**

Not applicable.

## Item 10. ADDITIONAL INFORMATION

### A. SHARE CAPITAL

Not applicable.

### B. MEMORANDUM AND ARTICLES OF ASSOCIATION

The information required by this section, including a summary of certain key provisions of our constitution, has been included previously in our Registration Statement on Form F-1 (Registration No. 333-253625) as filed under the Securities Act with the SEC on February 26, 2021 and has not changed since, and therefore is incorporated by reference to that Registration Statement. A copy of our constitution is attached as Exhibit 1.1 to this annual report. For additional information on our memorandum and articles of association, please see Exhibit 2.2 “Description of Ordinary Shares” to this annual report.

### C. MATERIAL CONTRACTS

We have not entered into any material contracts other than in the ordinary course of business and other than as may be described in Item 5.B. “Operating and Financial Review and Prospects—Liquidity and Capital Resources,” Item 7.B. “Major Shareholders and Related Party Transactions—Related Party Transactions” or elsewhere in this annual report.

### D. EXCHANGE CONTROLS

There are no governmental laws, decrees, regulations or other legislation of Singapore that may affect:

- the import or export of capital including the availability of cash and cash equivalents for use by the Company, or
- the remittance of dividends, interests or other payments to non-resident holders of the Company’s securities other than those deriving from the U.S.-Singapore double taxation treaty.

The risks associated with exchange controls experienced in the ordinary course of business are described in Item 3.D. “Key Information—Risk Factors.”

### E. TAXATION

#### TAX CONSIDERATIONS

*The following are material Singaporean, South African and U.S. federal income tax considerations relevant to an investment in our ordinary shares. This discussion does not address all of the tax consequences that may be relevant in light of the investor’s particular circumstances. Potential investors should consult their tax advisers regarding the Singaporean, South African, U.S. federal, state and local, and non-U.S. tax consequences of owning and disposing of our ordinary shares in their particular circumstances.*

#### Singaporean Tax Considerations

The statements made herein regarding taxation are general in nature and based on certain aspects of current tax laws of Singapore and administrative guidelines issued by the relevant authorities in force as at the date of this annual report and are subject to any changes in such laws or administrative guidelines, or in the interpretation of these laws or guidelines, occurring after such date, which changes could be made on a retrospective basis. These laws and guidelines are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. The statements below are not to be regarded as advice on the tax position of any holder of our ordinary shares or of any person acquiring, selling or otherwise dealing with our ordinary shares or on any tax implications arising from the acquisition, sale or other dealings in respect of our ordinary shares. The statements made herein do not purport to be a comprehensive or exhaustive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of our ordinary shares and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities) may be subject to special rules. Holders of our ordinary shares are advised to consult their own tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of our ordinary shares. The statements below regarding the Singapore tax treatment of dividends received in respect of our ordinary shares are based on the assumption that the Company is tax resident in Singapore for Singapore income tax purposes. It is emphasized that neither the Company nor any other persons involved in this annual report accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of our ordinary shares.

#### Individual Income Tax

An individual is a tax resident in Singapore in a year of assessment if, in the preceding year, he was physically present in Singapore or exercised an employment in Singapore (other than as a director of a company) for 183 days or more, or if he resides in Singapore.

Individual taxpayers who are Singapore tax residents are subject to Singapore income tax on income accruing in or derived from Singapore. All foreign-sourced income received in Singapore on or after January 01, 2004 by a Singapore tax resident individual (except for income received through a partnership in Singapore) is exempt from Singapore income tax if the Comptroller of Income Tax in Singapore (“Comptroller”) is satisfied that the tax exemption would be beneficial to the individual. A Singapore tax resident individual is taxed at progressive rates ranging from 0% to 22% up to YA2023. With effect from YA2024, the maximum tax rate for tax resident is 24%.

Non-resident individuals, subject to certain exceptions and conditions, are subject to Singapore income tax on income accruing in or derived from Singapore at the rate of 22% up to year of assessment (“YA”) 2023. With effect from YA2024, the non-resident tax rate is 24%.

### ***Corporate Income Tax***

A corporate taxpayer is regarded as resident in Singapore for Singapore tax purposes if the control and management of its business is exercised in Singapore.

Corporate taxpayers who are Singapore tax residents are subject to Singapore income tax on income accruing in or derived from Singapore and, subject to certain exceptions, on foreign-sourced income received or deemed to be received in Singapore. Foreign-sourced income in the form of dividends, branch profits or after June 01, 2003 are exempt from tax if certain prescribed conditions are met, including the following:

- (i) such income is subject to tax of a similar character to income tax under the law of the jurisdiction from which such income is received; and
- (ii) at the time the income is received in Singapore, the highest rate of tax of a similar character to income tax (by whatever name called) levied under the law of the territory from which the income is received on any gains or profits from any trade or business carried on by any company in that territory at that time is not less than 15%.

Certain concessions and clarifications have also been announced by the Inland Revenue Authority of Singapore (“IRAS”) with respect to such conditions.

A non-resident corporate taxpayer is subject to income tax on income that is accrued in or derived from Singapore, and on foreign-sourced income received or deemed received in Singapore, subject to certain exceptions.

The corporate tax rate in Singapore is currently 17%. In addition, 75% of up to the first S\$10,000 of a company’s annual normal chargeable income, and 50% of up to the next S\$190,000, is exempt from corporate tax from the YA2020 onwards. The remaining chargeable income (after the tax exemption) will be fully taxable at the prevailing corporate tax rate.

New companies will also, subject to certain conditions and exceptions, be eligible for tax exemption on 75% of up to the first S\$100,000 of a company’s annual normal chargeable income, and 50% of up to the next S\$100,000, a year for each of the Company’s first three YAs from YA2020 onwards. The remaining chargeable income (after the tax exemption) will be taxed at the applicable corporate tax rate.

As announced on April 7, 2026 Ministerial Statement, in order to provide support for companies to manage cost pressures, the Singapore government announced a Corporate Income Tax rebate (“CIT Rebate”) of 50% of the corporate tax payable to all taxpaying companies, whether tax resident or not, for YA 2026. Active companies that have employed at least one local employee in 2025 (referred to as “local employee condition”) will receive a minimum benefit of \$2,000 in the form of a CIT Rebate Cash Grant. The total maximum benefits of the CIT Rebate and CIT Rebate Cash Grant that a company may receive is \$40,000.

Under Pillar Two of the Base Erosion and Profit Shifting (“BEPS”) 2.0 initiative, the Singapore Pillar Two legislation relating to the Income Inclusion Rule (“IIR”), through the Multinational Top up Tax (“MTT”) and Domestic Top-up Tax (“DTT”), has been officially enacted on January 01, 2025. A minimum effective tax rate of 15% on businesses’ profits from financial years starting on or after January 01, 2025 will be imposed on relevant Multinational Enterprise (“MNE”) with annual group revenue of EUR 750 million or more in at least two of the four preceding financial years (referred to as “in-scope MNE groups”), in line with the Pillar Two Global Anti-Base Erosion (“GloBE”) Model Rules. As at February 28, 2026, the Group is not in-scope.

### ***Dividend Distributions***

All Singapore-resident companies are currently under the one-tier corporate tax system (“one-tier system”).

Dividends received in respect of our ordinary shares by either a resident or non-resident of Singapore are not subject to Singapore withholding tax, on the basis that we are a tax resident of Singapore and under the one-tier system.

Under the one-tier system, the tax on corporate profits is final and dividends paid by a Singapore resident company are tax exempt in the hands of a shareholder, regardless of whether the shareholder is a company or an individual and whether or not the shareholder is a Singapore tax resident.

### ***Gains on Disposal of our Ordinary Shares***

Singapore does not impose tax on capital gains. There are no specific laws or regulations which deal with the characterization of whether a gain is income or capital in nature. Gains arising from the disposal of our ordinary shares may be construed to be of an income nature and subject to Singapore income tax, especially if they arise from activities which the IRAS regards as the carrying on of a trade or business in Singapore. In any event, gains arising from the disposal of our ordinary shares by a non-resident person that does not carry on any trade or business in Singapore and does not have any permanent establishment in Singapore for Singapore tax purposes should not be subject to tax in Singapore where such gains are not received or deemed to be received in Singapore.

Holders of our ordinary shares who apply, or who are required to apply, the Singapore Financial Reporting Standard (“FRS”) 39, FRS 109 or Singapore Financial Reporting Standard (International) 9 (“SFRS(I) 9”) (as the case may be) may for the purposes of Singapore income tax be required to recognize gains or losses (not being gains or losses in the nature of capital) in accordance with the provisions of FRS 39, FRS 109 or SFRS(I) 9 (as modified by the applicable provisions of Singapore income tax law) even though no sale or disposal of our ordinary shares is made.

Holders of our ordinary shares who may be subject to this tax treatment should consult their accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of our ordinary shares.

### ***Stamp Duty***

Where our ordinary shares evidenced in certificated form are acquired in Singapore, stamp duty is payable on the instrument of their transfer at the rate of 0.2% of the consideration for, or market value of, our ordinary shares, whichever is higher.

Stamp duty is borne by the purchaser unless there is an agreement to the contrary. Where an instrument of transfer is executed outside Singapore or no instrument of transfer is executed, no stamp duty is generally payable on the acquisition of our ordinary shares. However, stamp duty may be payable if the instrument of transfer is executed outside Singapore and is received in Singapore.

Pursuant to recent amendments to the Stamp Duties Act, Chapter 312 of Singapore, stamp duty is payable on certain electronic instruments that effect a transfer of interest in our ordinary shares, where such instruments are regarded or deemed to be executed in Singapore, or executed outside Singapore and received in Singapore. In this regard, an electronic instrument that is executed outside Singapore is received in Singapore if (a) it is retrieved or accessed by a person in Singapore; (b) an electronic copy of it is stored on a device (including a computer) and brought into Singapore; or (c) an electronic copy of it is stored on a computer in Singapore.

On the basis that any transfer instruments in respect of any interests in our ordinary shares (whether traded on Nasdaq or JSE) are executed outside Singapore through the transfer agent(s), share registrar(s) and/or administrative depository agent(s) in the United States and/or South Africa for registration in our share register(s) and/or administrative depository register(s) (including branch register(s) of members) maintained in the United States and/or South Africa respectively, no stamp duty should be payable in Singapore on such transfers to the extent that the instruments of transfer (including electronic instruments) are not received in Singapore and all electronic records and any information relating to such transfers are not electronically received by persons in Singapore, stored on any server or device in Singapore or made accessible to any person in Singapore.

### ***Estate Duty***

Singapore estate duty was abolished with respect to all deaths occurring on or after February 15, 2008.

### ***Goods and Services Tax (“GST”)***

The sale of our ordinary shares by a GST-registered investor belonging in Singapore for GST purposes to another person belonging in Singapore is an exempt supply not subject to GST. Any input GST incurred by the GST-registered investor in making an exempt supply is generally not recoverable from the Singapore Comptroller of GST.

Where our ordinary shares are sold by a GST-registered investor in the course of or furtherance of a business carried on by such investor contractually to and for the direct benefit of a person belonging outside Singapore, the sale should generally, subject to satisfaction of certain conditions, be considered a taxable supply subject to GST at 0%. Any input GST incurred by the GST-registered investor in making such a supply in the course of or furtherance of a business may be fully recoverable from the Singapore Comptroller of GST. Investors should seek their own tax advice on the recoverability of GST incurred on expenses in connection with the purchase and sale of our ordinary shares.

Services consisting of arranging, brokering, underwriting or advising on the issue, allotment or transfer of ownership of our ordinary shares rendered by a GST-registered person to an investor belonging in Singapore for GST purposes in connection with the investor's purchase, sale or holding of our ordinary shares will be subject to GST at the standard rate of 9.0%. Similar services rendered by a GST registered person contractually to and for the direct benefit of an investor belonging outside Singapore should generally, subject to the satisfaction of certain conditions, be subject to GST at 0%.

### **South African Tax Considerations**

The following summary outlines certain principal South African income tax considerations generally applicable to the acquisition, holding and disposal of the Company's ordinary shares.

This summary is based on the provisions of the South African Income Tax Act No. 58 of 1962 ("Income Tax Act"), and the prevailing practice adopted by the South African Revenue Service ("SARS"), published in writing prior to the date hereof. This summary does not consider legislative proposals to amend the Income Tax Act. This summary is of a general nature only and does not constitute legal or tax advice to any particular shareholder. This summary is not exhaustive of all South African income tax considerations. Accordingly, shareholders should consult their own tax advisors as to the tax consequences under the tax laws of the country of which they are resident or otherwise subject to tax.

As used in this registration statement, the term "SA Corporate" means a person contemplated in section 64F(1)(a) of the Income Tax Act being "a company which is a resident" for tax purposes in South Africa.

As used in this registration statement, the term "Regulated Intermediary" means a regulated intermediary as contemplated in section 64D of the Income Tax Act.

For tax years ending on or after March 31, 2023, the Corporate Income Tax ("CIT") rate applicable to the corporate income of both resident and non-resident companies is 27%. In the 2026 budget, the CIT rate in South Africa remains unchanged.

### ***SA Tax Resident Shareholders***

SA Tax Resident Shareholders (i.e. shareholders of the Company who are subject to income tax in South Africa on their worldwide income) will initially be reflected in the administrative depository share register in South Africa and will not hold their shares through DTC. Individual SA Tax Resident Shareholders who choose to hold their shares through DTC will need to ensure they have sufficient annual single discretionary allowance, trusts and SA corporates would require foreign direct investment allowance clearance in addition to SARB approval for this purpose.

South African dividend tax at 20% will be withheld on any cash dividends declared and paid by the Company to SA Tax Resident Shareholders holding Company ordinary shares listed on the JSE, subject to any applicable exemptions that may apply.

No South African dividend tax will be withheld on any cash dividends declared and paid by the Company to SA Tax Resident Shareholders holding Company ordinary shares through DTC. Such dividends will be subject to income tax in South Africa in the hands of the SA Tax Resident Shareholders.

A controlled foreign company (“CFC”) is a non-South African company in which more than 50% of the participation rights/voting rights are directly or indirectly held/exercisable by SA Tax Residents who are not headquarter companies. Certain profits of CFCs are included in the taxable income of certain SA Tax Resident ordinary shareholders.

The Company’s shares are not held more than 50% by SA Tax Resident ordinary shareholders and thus the Company is not currently a CFC.

The shareholder base of the Company, classified either as SA Tax Resident Shareholders or non-SA Tax Resident Shareholders, may vary over time. Where the Company achieves CFC status in future, only those SA Tax Resident Shareholders holding, alone or together with any connected person, 10% or more of the Company’s ordinary shares must include in their taxable income (i.e. impute unless any of the exemptions from imputation apply — see below) their proportion of the “net income” of the Company, with such proportion being their proportional shareholding equivalent to the percentage of their shareholding in the Company’s ordinary shares.

SA Tax Resident Shareholders who, together with connected persons, will acquire more than 10% of the Company’s ordinary shares in future are advised to obtain tax advice regarding whether they will have a South African tax exposure as a result of the Company potentially being a CFC as at that date, having regard to the Company’s shareholder base as at that point in time.

SA Tax Resident Shareholders that dispose of their Company ordinary shares will be subject to either income tax (in the case of share dealers) or capital gains tax (in the case of capital investors).

#### ***Non-SA Tax Resident Shareholders***

No South African dividend tax will be withheld on any cash dividends declared and paid by the Company to Non-SA Tax Resident Shareholders (i.e. shareholders of the Company who are not subject to income tax in South Africa on their worldwide income) holding Company ordinary shares. Where such shares are registered on the JSE, a specific exemption is applicable in terms of the Income Tax Act, provided that the Non-SA Tax Resident Shareholder has submitted the prescribed information to their Regulated Intermediary or the Company as required in terms of section 64G(2)(a) prior to payment of the relevant cash dividend. Where such shares are registered through the DTC, South African dividend tax is not applicable.

Non-SA Tax Resident Shareholders that dispose of their Company ordinary shares registered on the JSE or through the DTC will not be subject to capital gains tax (in the case of capital investors) in South Africa provided that the Company ordinary shares are not attributable to a permanent establishment of the Non-SA Tax Resident Shareholder in South Africa.

Where the Non-SA Tax Resident Shareholders are share dealers, disposal of their Company ordinary shares registered on the JSE or through the DTC will generally not be subject to South African income tax, provided that the Company ordinary shares are not attributable to a permanent establishment of the Non-SA Tax Resident shareholder in South Africa.

Relief from South African dividends tax may be available under an applicable double taxation agreement, subject to compliance with the relevant administrative requirements.

The above summary does not consider the potential application of South Africa’s general anti-avoidance rules.

## U.S. Federal Income Tax Considerations

The following are certain U.S. federal income tax consequences to the “U.S. Holders” described below of owning and disposing of ordinary shares, but this discussion does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a particular person’s decision to hold ordinary shares.

This discussion applies only to a U.S. Holder that holds the ordinary shares as capital assets for U.S. federal income tax purposes. In addition, it does not describe all of the tax consequences that may be relevant in light of a U.S. Holder’s particular circumstances, including any minimum tax or Medicare contribution tax considerations, or consequences applicable to U.S. Holders subject to special rules, such as:

- certain financial institutions;
- dealers or traders in securities that use a mark-to-market method of tax accounting;
- persons holding ordinary shares as part of a straddle, integrated or similar transaction;
- persons whose functional currency for U.S. federal income tax purposes is not the U.S. dollar;
- entities classified as partnerships for U.S. federal income tax purposes and their partners;
- tax-exempt entities, “individual retirement accounts” or “Roth IRAs”;
- expatriates and former citizens or long-term residents of the United States;
- persons that own or are deemed to own 10% or more of our stock by voting power or value;
- persons who acquired our ordinary shares pursuant to the exercise of an employee stock option or otherwise as compensation; or
- persons holding ordinary shares in connection with a trade or business outside the United States.

If a partnership (or other entity or arrangement that is classified as a partnership for U.S. federal income tax purposes) owns ordinary shares, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. Partnerships that own ordinary shares and their partners should consult their tax advisers as to their particular U.S. federal income tax consequences of owning and disposing of ordinary shares.

This discussion is based on the Internal Revenue Code of 1986, as amended (the “Code”), administrative pronouncements, judicial decisions, and final, temporary and proposed Treasury regulations, all as at the date hereof, any of which is subject to change, possibly with retroactive effect.

As used herein, a “U.S. Holder” is a person that is, for U.S. federal income tax purposes, a beneficial owner of ordinary shares and:

- a citizen or individual resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia; or
- an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

This discussion does not address the effects of any state, local or non-U.S. tax laws, or any U.S. federal tax laws other than income tax laws (such as U.S. federal estate or gift tax laws). U.S. Holders should consult their tax advisers concerning the U.S. federal, state, local and non-U.S. tax consequences of owning and disposing of ordinary shares in their particular circumstances.

Except as described below under “— Passive Foreign Investment Company Rules,” this discussion assumes that we are not, and will not be, a passive foreign investment company (a “PFIC”) for any taxable year.

### **Taxation of Distributions**

Distributions paid on our ordinary shares, other than certain pro rata distributions of ordinary shares, will be treated as dividends to the extent paid out of our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Because we do not maintain calculations of our earnings and profits under U.S. federal income tax principles, U.S. Holders generally should expect that distributions will be treated as dividends. Dividends will not be eligible for the dividends-received deduction generally available to U.S. corporations under the Code. Subject to applicable limitations, (including a minimum holding period requirement), dividends paid by “qualified foreign corporations” to certain non-corporate U.S. investors are taxable at a preferential rate applicable to long-term capital gains. A non-U.S. corporation is treated as a qualified foreign corporation with respect to dividends paid on stock that is readily tradable on certain U.S. securities markets, such as the Nasdaq. The preferential rate does not apply if the non-U.S. corporation is a PFIC (or is treated as a PFIC with respect to a particular U.S. Holder) for a taxable year of ours in which the dividend is paid or the preceding taxable year. Non-corporate U.S. Holders should consult their tax advisers regarding the availability of the preferential rate and any limitations that may apply in their particular circumstances.

Dividends will be included in a U.S. Holder’s income on the date of receipt. The amount of any dividend income paid in a currency other than the U.S. dollar will be the U.S. dollar amount calculated by reference to the spot rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars on such date. If the dividend is converted into U.S. dollars on the date of receipt, a U.S. Holder generally should not be required to recognize foreign currency gain or loss in respect of the amount received. A U.S. Holder may have foreign currency gain or loss if the dividend is converted into U.S. dollars after the date of receipt. Dividends will be treated as foreign-source income for foreign tax credit purposes, which may be relevant to U.S. Holders in calculating their foreign tax credit limitation. Foreign currency gain or loss generally will be treated as U.S.-source income or loss for foreign tax credit purposes.

As described under Item 10.E. “Tax Considerations—Singaporean Tax Considerations—Dividend Distributions” and “Tax Considerations—South African Tax Considerations— Non-SA Tax Resident Shareholders,” Singapore and South Africa generally do not impose withholding taxes on dividends paid by the Company on ordinary shares held through DTC (and in the case of a Non-SA Tax Resident Shareholder, JSE, provided that procedural requirements to establish an exemption are met). If any non-U.S. jurisdiction imposes taxes on dividends, U.S. Holders should consult their tax advisers regarding the creditability or deductibility of any such foreign taxes (including any applicable limitations that may apply either generally or in their particular circumstances).

### **Sale or Other Taxable Disposition of Ordinary Shares**

This discussion assumes that sales or dispositions of our ordinary shares will not be subject to any non-U.S. tax. U.S. Holders should consult their tax advisers regarding the U.S. federal income tax consequences of the imposition of any non-U.S. taxes on dispositions of our ordinary shares in general and in their particular circumstances.

A U.S. Holder will generally recognize capital gain or loss on a sale or other taxable disposition of ordinary shares, which will be long-term capital gain or loss if, at the time of the sale or disposition, the U.S. Holder has owned the ordinary shares for more than one year. The amount of gain or loss will equal the difference between the amount realized on the sale or disposition and the U.S. Holder’s tax basis in the ordinary shares disposed of, in each case as determined in U.S. dollars. A U.S. Holder’s gain or loss will generally be treated as U.S.-source income or loss for foreign tax credit purposes. U.S. Holders that sell ordinary shares for an amount denominated in a non-U.S. currency should consult their tax advisers regarding the exchange rate at which the amount received should be translated to U.S. dollars, and whether any U.S.-source foreign currency gain or loss may be required to be recognized as a result of the sale. Long-term capital gains recognized by non-corporate U.S. Holders are taxed at a rate that is lower than the rate applicable to ordinary income. The deductibility of capital losses is subject to limitations.

Any Singapore stamp duty imposed on an acquisition of our ordinary shares (as detailed under “- Singaporean Tax Considerations – Stamp Duty”) will not be creditable against your U.S. federal income tax liability (but may increase your tax basis in the acquired shares).

## Passive Foreign Investment Company Rules

In general, a non-U.S. corporation is a PFIC for U.S. federal income tax purposes for any taxable year in which (i) 50% or more of the value of its assets (generally determined based on the average of the quarterly values of its gross assets) consists of assets that produce, or are held for the production of, passive income, or (ii) 75% or more of its gross income consists of passive income. For purposes of the above calculations, a non-U.S. corporation that owns, directly or indirectly, at least 25% by value of the shares of another corporation is treated as if it held its proportionate share of the assets of the other corporation and received directly its proportionate share of the income of the other corporation. Passive income generally includes dividends, interest, certain rents and royalties, and gains from the sale or exchange of investment property. Cash is generally a passive asset for these purposes. Goodwill and other intangible assets are generally characterized as active assets to the extent they are associated with business activities that produce active income.

Based on the composition of our income and assets and the value of our assets, including the estimated value of our goodwill and other intangible assets, we believe that we were not a PFIC for our taxable year ended February 28, 2026. However, our PFIC status for any taxable year is an annual factual determination that can be made only after the end of that year, and depends on the composition of our income and assets and the value of our assets from time to time (including the value of our goodwill and other intangible assets, which may be determined in part by reference to the market price of the ordinary shares, which has been, and could continue to be, volatile). We hold a significant amount of cash and cash equivalents and our PFIC status for any taxable year may also depend on how, and how quickly, we use them. Because the value of our goodwill and certain other intangible assets may be determined by reference to our market capitalization, we could become a PFIC for any taxable year if the price of our ordinary shares declines or fluctuates significantly while we hold a substantial amount of cash, cash equivalents and financial investments. In addition, the application of the PFIC rules is subject to certain uncertainties and the proper characterization of some of our income and assets is not entirely clear. Accordingly, there can be no assurance that we will not be a PFIC for our current or any future taxable year.

If we are a PFIC for any taxable year and any entity in which we own equity interests is also a PFIC (any such entity, a “Lower-tier PFIC”), U.S. Holders will be deemed to own a proportionate amount (by value) of the shares of each Lower-tier PFIC and will be subject to U.S. federal income tax according to the rules described in the next paragraph on (i) certain distributions by the Lower-tier PFIC and (ii) dispositions of shares of the Lower-tier PFIC, in each case as if the U.S. Holders held such shares directly, even though the U.S. Holder will not receive any proceeds of those distributions or dispositions.

In general, if we are a PFIC for any taxable year of ours during which a U.S. Holder owns ordinary shares, gain recognized by such U.S. Holder on a sale or other disposition (including certain pledges) of its ordinary shares will be allocated ratably over its holding period. The amounts allocated to the U.S. Holder’s taxable year of the sale or disposition and to any taxable year before we became a PFIC with respect to such U.S. Holder will be taxed as ordinary income. The amount allocated to each other taxable year will be subject to tax at the highest rate in effect for individuals or corporations, as applicable, for that taxable year, and an interest charge will be imposed on the resulting tax liability for each such year. Furthermore, to the extent that distributions received by a U.S. Holder in any taxable year on its ordinary shares exceed 125% of the average of the annual distributions on the ordinary shares received during the preceding three taxable years or the U.S. Holder’s holding period, whichever is shorter, such excess distributions will be subject to taxation in the same manner. If we are a PFIC for any taxable year during which a U.S. Holder owns ordinary shares, we will generally continue to be treated as a PFIC with respect to the U.S. Holder for all succeeding taxable years during which the U.S. Holder owns the ordinary shares, even if we cease to meet the threshold requirements for PFIC status, unless the U.S. Holder makes a timely “deemed sale” election. If we are a PFIC for any taxable year, a mark-to-market election may be available, which will result in an alternative treatment of the ordinary shares. U.S. Holders should consult their tax advisers to determine whether any of these elections will be available or advisable, and, if so, what the consequences of the resulting alternative treatments will be in their particular circumstances.

If we are a PFIC (or with respect to a particular U.S. Holder are treated as a PFIC) for a taxable year of ours in which we pay a dividend or for the prior taxable year, the preferential tax rate described above with respect to dividends paid to certain non-corporate U.S. Holders will not apply.

We do not intend to provide information necessary for U.S. Holders to make qualified electing fund elections which, if available, would result in tax treatment different from the general tax treatment for PFICs described above.

If we are a PFIC for any taxable year during which a U.S. Holder owns any ordinary shares, the U.S. Holder will generally be required to file annual reports on an Internal Revenue Service Form 8621. Substantial penalties and other adverse tax consequences may apply for failure to timely file such reports. U.S. Holders should consult their tax advisers regarding the determination of whether we are a PFIC for any taxable year and the potential application of the PFIC rules to their ownership of ordinary shares.

### ***Information Reporting and Backup Withholding***

Payments of distributions and sales proceeds that are made within the United States or through certain U.S. related financial intermediaries may be subject to information reporting and backup withholding, unless (i) the U.S. Holder is a corporation or other “exempt recipient” (and establishes that status if required to do so) or (ii) in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against its U.S. federal income tax liability and may entitle it to a refund, provided that the required information is timely furnished to the Internal Revenue Service.

Certain U.S. Holders who are individuals (or certain specified entities) may be required to report information relating to their ownership of ordinary shares or non-U.S. financial accounts through which ordinary shares are held, on Internal Revenue Service Form 8938. Substantial penalties and other tax consequences may apply for failure to timely file such reports. U.S. Holders should consult their tax advisers regarding their reporting obligations with respect to our ordinary shares.

### **F. DIVIDENDS AND PAYING AGENTS**

Not applicable.

### **G. STATEMENT BY EXPERTS**

Not applicable.

### **H. DOCUMENTS ON DISPLAY**

We are subject to the informational requirements of the Exchange Act. In accordance with these requirements, we file reports and furnish other information as a foreign private issuer with the SEC, including annual reports on Form 20-F and reports on Form 6-K. The SEC maintains an Internet website that contains reports and other information regarding registrants, like us, that file electronically with the SEC. The address of that website is [www.sec.gov](http://www.sec.gov).

### **I. SUBSIDIARY INFORMATION**

Not applicable.

### **J. ANNUAL REPORT TO SECURITY HOLDERS**

Not applicable.

## Item 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risks in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily the result of fluctuations in foreign currency exchange rates and interest rates. Please refer to Note 29 to the accompanying consolidated financial statements included elsewhere in this annual report for information about quantitative and qualitative disclosures about market risk.

### *Foreign Currency Risk*

We conduct business in multiple countries and currencies, and as a result, the Group is exposed to currency risk to the extent that sales, purchases, and borrowings of the foreign operations are denominated in a currency other than the respective functional currencies of Group companies. The functional currencies of Group companies are primarily the ZAR, USD, Euro, Mozambican metical, the Singapore dollar and Polish zloty.

(Refer to the Risk Factors note on foreign currencies on page 30 and Note 29.2 (c) on Currency Risk on page F-49) At this time, we do not hedge our foreign currency risk.

### *Interest Rate Risk*

Interest rate risk primarily relates to our loan obligations with variable interest rates. For example, amounts outstanding under our Term Loan Facilities accrue interest at variable rates linked to the South African prime rate and 6-month Euribor which exposes us to interest rate risk. Short-term deposits held at banking institutions also carry interest rates at prevailing market conditions.

An increase of 100 basis points as at February 28, 2026 would have resulted in ZAR8.55 million in additional interest expenses. We have not entered into any financial instruments to mitigate interest rate risk.

### *Credit Risk*

Credit risk primarily results from when a customer fails to meet its contractual obligations, and arises principally from our receivables from customer, cash deposits and cash equivalents. Credit risk is managed by each subsidiary subject to our policies and procedures. A significant percentage of our individual customers pay via direct debit in order to minimize our credit risk.

We evaluate credit risk relating to customers on an ongoing basis using independent ratings, or if independent ratings are not available, we assess the credit quality of our customers by taking into account their financial position, past experience and other factors, including the default risk associated with the country in which the customer operates. Individual risk limits are set based on internal or external ratings in accordance with limits set by our board of directors. The utilization of credit limits is regularly monitored.

We do not have any significant credit risk exposure to any single customer or any group of customers having similar characteristics.

**Item 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES**

**A. DEBT SECURITIES**

Not applicable.

**B. WARRANTS AND RIGHTS**

Not applicable.

**C. OTHER SECURITIES**

Not applicable.

**D. AMERICAN DEPOSITORY SHARES**

Not applicable.

## PART II

### Item 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

#### A. DEFAULTS

Not applicable.

#### B. ARREARS AND DELINQUENCIES

Not applicable.

### Item 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

None.

### Item 15. CONTROLS AND PROCEDURES

#### A. DISCLOSURE CONTROLS AND PROCEDURES

We have evaluated, with the participation of our Chief Executive Officer and Chief Financial Officer, the effectiveness of the Group's disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act, as amended) as at February 28, 2026. Based on that evaluation, we concluded that, as at such date, our disclosure controls and procedures were effective to ensure that the information required to be disclosed by us in reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and our Chief Financial Officer, to allow timely decisions regarding required disclosures, and is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms.

#### B. MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of Karooooo is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934, as amended, for the Company. Karooooo's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of Karooooo's financial reporting and the preparation and fair presentation of financial statements for external purposes in accordance with IFRS as issued by the IASB.

Karooooo's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS, and that receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on our financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation in accordance with IFRS.

Management assessed the effectiveness of the Company's internal control over financial reporting as at February 28, 2026. In making these assessments, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in "Internal Control—Integrated Framework (2013)" and assessed the current process as effective as February 28, 2026.

### **C. ATTESTATION REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

As Karooooo is still classified as an Emerging Growth Company (“EGC”), under the Jumpstart our Business Startups Act (JOBS Act), the effectiveness of internal control over financial reporting as at February 28, 2026 need not be independently audited by the independent registered public accounting firm. This exemption was applied in the current reporting cycle and our independent auditor has not audited the effectiveness of our internal control over financial reporting.

### **D. CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING**

During the financial year ended February 28, 2026, we completed the remediation of the material weaknesses identified in relation to privileged user access and change management controls relating to certain of our systems as well as journal processing controls in one of our subsidiaries as at February 28, 2025, as previously disclosed in our Annual Report on Form 20-F for the financial year ended February 28, 2025. As part of our efforts to improve our internal control over financial reporting, following our identification of the material weaknesses, we enhanced our control procedures and attributes, and subsequently implemented revised controls.

Based on our Section 404(a) assessment, our management concluded that, as at February 28, 2026, our internal control over financial reporting was effective. Other than the remediation activities described above, there were no changes in our internal control over financial reporting that occurred during the year ended February 28, 2026 that have materially affected, or are reasonably likely to materially affect, the Group’s internal control over financial reporting. As part of our ongoing project to evaluate and enhance our internal control over financial reporting, we expect to continue to refine our internal control over financial reporting.

#### ***Limitations on effectiveness of controls and procedures***

In designing and evaluating the disclosure controls and procedures and internal control over financial reporting, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures and internal control over financial reporting must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

### **Item 16. RESERVED**

#### **Item 16A. AUDIT COMMITTEE FINANCIAL EXPERT**

##### **Audit Committee**

The audit committee, which consists of Siew Koon Lim, Andrew Leong and Kim White assists the board in overseeing our accounting and financial reporting processes and the audits of our financial statements. In addition, the audit committee is directly responsible for the appointment, compensation, retention and oversight of the work of our independent registered public accounting firm. The audit committee is also responsible for reviewing and determining whether to approve certain transactions with related parties. See “Certain Relationships and Related Party Transactions—Related Person Transaction Policy.” The board of directors has determined that Siew Koon Lim qualifies as an “audit committee financial expert,” as such term is defined in the rules of the SEC, and that Siew Koon Lim, Andrew Leong and Kim White are independent, as independence is defined under the rules of the SEC and the Nasdaq applicable to foreign private issuers. Siew Koon Lim acts as chairman of our audit committee and is also the appointed Lead Independent Director.

#### **Item 16B. CODE OF ETHICS**

Our board of directors has adopted a code of business conduct and ethics that applies to all of our employees, officers and directors, including our Chief Executive Officer, Chief Financial Officer and other executive and senior financial officers. The full text of our code of business conduct and ethics is posted on the investor relations page of our website at <https://www.karooooo.com/governance-documents/>. We intend to disclose any amendments to our code of business conduct and ethics, or waivers of its requirements, as it applies to our executive officers and directors, on our website or in filings under the Exchange Act.

**Item 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES**

The following table sets forth the aggregate audit and audit-related fees, tax fees and all other fees billed or accrued for professional services rendered by our principal accountants Deloitte & Touche (located in South Africa) for the financial year ended February 28, 2026 and February 28, 2025:

	Year ended February 28		
	2026	2026	2025
	(U.S.\$ thousands <sup>(1)</sup> )	(in R thousands)	
Audit fees	1,165	18,537	15,568
Tax fees	—	—	—
All other fees	105	1,677	—
	<u>1,270</u>	<u>20,214</u>	<u>15,568</u>

(1) For convenience purposes only, amounts in South African rand as at February 28, 2026 have been translated to U.S. dollars using an exchange rate of ZAR 15.9167 to U.S.\$1.00, the exchange rate for U.S. dollars at February 28, 2026 as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System. These translations should not be considered representations that any such amounts have been, could have been or could be converted at that or any other exchange rate. See “Exchange Rates” for further information about recent fluctuations in exchange rates.

Audit fees consist of fees billed or accrued for the annual audit of our consolidated financial statements and the audit of statutory financial statements of our subsidiaries, including fees billed for assurance and related services that are reasonably related to the performance of the audit or reviews of our financial statements that are services that only an external auditor can reasonably provide.

All other fees consist of fees billed or accrued for services rendered in connection with our secondary public offering, which was announced on June 11, 2025 and closed on June 13, 2025, including services customarily provided by the principal accountant in connection with such an offering.

**Item 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES**

Not applicable.

**Item 16E. PURCHASE OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS**

At the Annual General Meeting (AGM) held on July 25, 2025 the shareholders of Karoo000 passed a resolution by a 99.38% majority vote authorizing the repurchase of up to 10% of the Company’s shares. The Board is duly authorized to implement this share buyback program in accordance with the requirements outlined in the resolution.

Purchases of ordinary shares by the Company may be made by way of market purchases on the Nasdaq and/or the JSE. At our next AGM, we expect to seek approval of the renewal of our share repurchase program on the same terms as currently in effect.

No repurchases were made following the authorization by shareholders for the period up to the date of this report.

The authority conferred by the share repurchase mandate will continue by law until the earliest of either the date of the next AGM, the date by which the next AGM of the Company is required by law to be held or the date on which the share purchases are carried out to the full extent mandated or revoked by shareholders at a general meeting.

**Item 16F. CHANGE IN REGISTRANT’S CERTIFYING ACCOUNTANT**

The information required by Item 16F was previously reported in our Annual Report on Form 20-F for the year ended February 28, 2025.

**Item 16G. CORPORATE GOVERNANCE**

We are a “foreign private issuer” under the securities laws of the United States and the rules of Nasdaq. Under Nasdaq’s rules, a foreign private issuer is subject to less stringent corporate governance requirements. Subject to certain exceptions, the rules of Nasdaq permit a foreign private issuer to follow its home country practice in lieu of the listing requirements of Nasdaq. We intend to follow home country practices in lieu of the listing requirements of Nasdaq with regard to the following:

- the requirement under Section 5605(e)(2) of Nasdaq listing rules that companies must adopt a formal written charter or board resolution, as applicable, addressing the nominations process and such related matters as may be required under the U.S. federal securities laws;
- the requirement under Section 5605(d) of Nasdaq listing rules that a compensation committee comprised solely of independent directors governed by a compensation committee charter oversee executive compensation;
- the requirement under Section 5605(b)(2) of Nasdaq listing rules that the independent directors have regularly scheduled meetings with only the independent directors present;
- the requirement under Section 5605(c) of Nasdaq listing rules that a quorum must consist of at least 33 1/3 percent of the outstanding shares of a listed company’s common voting stock; and
- the requirement under Section 5610 of Nasdaq listing rules that a company must have adopted one or more codes of conduct applicable to all directors, officers and employees, and that such codes are publicly available.

Otherwise, we intend to follow the requirements of Nasdaq to the extent possible under Singapore law.

In addition, because we are a foreign private issuer, our directors and executive officers are not subject to short-swing profit liability under Section 16 of the Exchange Act. They will, however, be subject to the obligations to report changes in share ownership under Section 13 of the Exchange Act, insider trading reporting obligations under Section 16 of the Exchange Act, and related SEC rules to the extent appropriate.

The SEC maintains an internet site that contains reports, proxy and information statements, other information regarding issuers that file electronically with the SEC and the address of that site is <http://www.sec.gov>

**Item 16H. MINE SAFETY DISCLOSURE**

Not applicable.

**Item 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS**

Not applicable.

**Item 16J. INSIDER TRADING POLICIES**

The Board has implemented an Insider Trading Policy which governs the purchase, sale and other dispositions of our securities by our directors, officers and other employees. This policy promotes compliance with applicable securities laws and regulations, including those that prohibit insider trading. A copy of the Insider Trading Policy is filed as Exhibit 11.1.

## **Item 16K. CYBERSECURITY**

### ***Risk Management and Strategy***

While the Board has delegated risk management responsibilities to the Audit and Risk Committee, the Board remains ultimately responsible for the governance of risk, including cybersecurity risk. The enterprise risk management framework defines Karooooo's risk management philosophy and encourages a risk-conscious business culture through agreed internal controls and commitment to mitigating actions. Karooooo's risk management framework implements a bottom-up and top-down approach and has been reviewed to specifically consider the governance and management of risk to support the achievement of strategic objectives, including compliance and performance-related matters.

The risk management framework ensures an effective system of risk identification, analysis, evaluation and treatment throughout the Group. Major risk categories have been identified as financial risk, operational risk, business risk, legal and regulatory risk and information technology risk. A dashboard of significant risks is compiled through the internal risk function from risks identified by business. Individual risk ratings are determined by the probability and impact of each risk.

Appropriate risk response planning is ascribed to each risk and mitigating actions are monitored. This report is regularly reviewed and interrogated by the Audit and Risk Committee.

A system of internal controls, designed to protect value and enable business growth in a sustainable manner, encompasses financial, operational, compliance and sustainability issues. This system includes a documented organisational structure and division of responsibility, clarity of accountability, established policies and procedures which are communicated throughout the Group, and the careful selection, training and development of people.

The internal audit function has been outsourced to BDO. An annual internal audit plan, containing a programme of financial and operational audits and reviews for the Group, including cybersecurity, is agreed with the Audit and Risk Committee. This plan is developed by applying a risk-based approach and is reviewed and ultimately approved by the Board on recommendation of the Audit and Risk Committee. It is regularly revised to ensure that it remains relevant to the key business priorities and changing risk environment.

### ***Information Technology (IT) Governance***

In view of its importance as a key driver of Karooooo's strategy and value proposition, the governance of IT, including the identification and management of risks, is managed through a separate management structure, the IT Steering Committee, that reports to the Audit and Risk Committee. Governance is achieved through the adoption and implementation of appropriate policies and procedures and the management and monitoring of compliance.

The IT Steering Committee is responsible for the effective supply and use of information and technology for the Group and is composed of the Group Chief Operating Officer ("COO"), Group Governance Officer ("GO"), Group Chief Information Officer ("CIO"), Group Chief Technology Officer ("CTO"), IT Governance and Risk Officer and other senior members of management as nominated by the Group Chief Executive Officer. The CIO has overall responsibility for cybersecurity in the Group, including information security risk and compliance programs, as well as cyber resilience and response plans. The CIO is supported by the IT Governance and Risk Officer and they work in partnership with various other senior members of the business, including the COO, Group Chief Financial Officer, CTO, Legal Officer, Compliance Officer and the Data Protection Officer to ensure that the Group's information security posture is fit for purpose. Both the CIO and the IT Governance and Risk officer hold degrees in Computer Science.

The CIO is supported by a global team of experts who manage the day-to-day information and cybersecurity activities of the business. These staff hold certifications in their various domains of expertise.

The IT Steering Committee presents regular reports to the Audit and Risk Committee, which consist of a comprehensive governance report and dedicated risk register, including information, cybersecurity, and information technology risks, the mitigating controls that are in place, management's action plans to remediate material issues, additional measures to be implemented, as well as anticipated residual risk levels. Significant risks are extracted and included in the enterprise risk management dashboard. At the request of the Board, the external auditors review the IT general controls as part of the annual audit.

The Board reviews and discusses the Group’s technology and cybersecurity strategy with the COO bi-annually.

Key cybersecurity aspects include:

- Cybersecurity risk assessment;
- Information and cybersecurity incident management, including incident response timelines; materiality assessment; incident notification and communication mechanisms and timelines; and
- Business continuity testing, including cyber incident simulations.

At an operational level, the Group has implemented technologies and systems architectures to ensure business resilience and we have adopted robust frameworks for managing threat intelligence, performing vulnerability assessments and implementing appropriate technical and organizational measures to remediate identified risks.

We use the information gained through testing and monitoring to manage any identified vulnerabilities and further improve our cybersecurity preparedness and response infrastructure, including the actions to be taken in responding to and recovering from cybersecurity incidents, which include assessing the severity of incidents, escalation protocols, containment of incidents, communication protocols, remediation actions and post incident reviews.

Our aim is to address cybersecurity risks by way of a cross-functional approach, focused on preserving the confidentiality, integrity and availability of the information that we collect and store by identifying, preventing and mitigating cybersecurity threats and effectively responding to cybersecurity incidents when they occur.

We perform network and endpoint monitoring, vulnerability assessments, threat hunting and penetration testing on an ongoing basis. Data collected from these activities informs our response and action, as appropriate. This includes routinely performing incident simulations and recovery exercises at both a technical and management level.

All staff receive annual cybersecurity awareness training. Our security training, incorporates awareness of cyber threats (including but not limited to malware, ransomware, social engineering and AI-enabled attacks), password hygiene and incident reporting processes. We incorporate external expertise and reviews in all aspects of our program, which includes the ongoing certification of the Group to the ISO/IEC 27001, ISO/IEC 27017 and ISO/IEC 27018 information security standards, third party penetration testing of the core Fleet application, as well as cybersecurity audits performed by BDO.

Access to personal data is restricted in accordance with applicable Data Protection legislation and monitored in conjunction with appointed Data Protection Officers.

As at the date of this annual report, cybersecurity threats, including as a result of any previous cybersecurity incidents, have not materially affected our business, results of operations or financial conditions. We face risks from cybersecurity threats that, if realized, could have a material adverse effect on us including an adverse effect on our business, financial condition and results of operations. See Also “Risks Factors – Risks Relating to Our Intellectual Property, Data Privacy and Cybersecurity.”

#### **Item 17. FINANCIAL STATEMENTS**

Not applicable.

#### **Item 18. FINANCIAL STATEMENTS**

See the financial statements beginning on page F-1 of this annual report.

**Item 19. EXHIBITS**

List all exhibits filed as part of the registration statement or annual report, including exhibits incorporated by reference.

**EXHIBIT INDEX**

Exhibit	Description	Incorporated by Reference			
		Schedule/ Form	File Number	Exhibit	File Date
1.1	<a href="#">Constitution of Karooooo Ltd.</a>	Form F-1	333-253635	3.1	February 26, 2021
2.1	<a href="#">Specimen Share Certificate</a>	Form F-1/A	333-253635	4.1	March 22, 2021
2.2	<a href="#">Description of Ordinary Shares</a>	Form 20-F	001-40300	2.2	June 13, 2023
4.1	<a href="#">Loan Agreement dated June 21, 2024, between the Standard Bank of South Africa Limited and Purple Rain Properties No. 444 Proprietary Limited</a>	Form 20-F	001-40300	4.1	June 9, 2025
4.1.1*	<a href="#">First Addendum dated February 13, 2026, to Loan Agreement, dated June 21, 2024, between the Standard Bank of South Africa Limited and Purple Rain Properties No. 444 Proprietary Limited</a>	Form 20-F	001-40300	4.1.1	June 9, 2026
4.2	<a href="#">Short Term Facility Letter, dated March 5, 2020 between Capitec Bank Limited (formerly Mercantile Bank Limited) and Cartrack Proprietary Limited</a>	Form 20-F	001-40300	4.2	June 9, 2025
4.3	<a href="#">Addendum, dated April 18, 2024, to Short Term Facility Letter, dated March 5, 2020 between Capitec Bank Limited and Cartrack Proprietary Limited</a>	Form 20-F	001-40300	4.3	June 9, 2025
4.4	<a href="#">Registration Rights Agreement</a>	Form F-1/A	333-253635	10.5	March 22, 2021
4.5	<a href="#">Form of Deed of Indemnity</a>	Form F-1/A	333-253635	10.6	March 12, 2021
8.1*	<a href="#">List of subsidiaries</a>				June 9, 2026
11.1	<a href="#">Insider Trading Policy</a>	Form 20-F	001-40300	11.1	June 9, 2025
12.1*	<a href="#">Certification by the Principal Executive Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>				June 9, 2026
12.2*	<a href="#">Certification by the Principal Financial Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>				June 9, 2026
13.1*	<a href="#">Certification by the Principal Executive Officer and Principal Financial Office pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>				June 9, 2026
15.1*	<a href="#">Consent of Deloitte &amp; Touche</a>				June 9, 2026
15.2*	<a href="#">Consent of Ernst &amp; Young LLP</a>				June 9, 2026
16.1	<a href="#">Letter regarding change in certifying accountant</a>	Form 6-K	001-40300	16.1	August 12, 2024
97.1	<a href="#">Compensation Recoupment Policy</a>	Form 20-F	001-40300	97.1	June 13, 2024
101.INS*	Inline XBRL Instance Document.				
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.				
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.				
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.				
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.				
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.				
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).				

\* Filed herewith.

# Portions of this exhibit (indicated by asterisks) have been excluded from the exhibit because it both (i) is not material and (ii) would likely cause competitive harm to the registrant if disclosed.

## SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this registration statement on Form 20-F on its behalf.

Karooooo Ltd.

By: /s/ Isaias (Zak) Jose Calisto  
Name: Isaias (Zak) Jose Calisto  
Title: Chief Executive Officer

By: /s/ Hoe Shin Goy  
Name: Hoe Shin Goy  
Title: Chief Financial Officer

Date: June 9, 2026

**INDEX TO CONSOLIDATED FINANCIAL STATEMENTS**

**Audited Consolidated Financial Statements  
for the Years Ended February 28, 2026, February 28, 2025 and February 29, 2024 — Karooooo Ltd.**

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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors of Karooooo Ltd.

### Opinion on the Financial Statements

We have audited the accompanying consolidated statement of financial position of Karooooo Ltd and subsidiaries (the “Company”) as of February 28, 2026 and 2025, the related consolidated statements of profit and loss, comprehensive income, changes in equity, and cash flows for each of the two years in the period ended February 28, 2026, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of February 28, 2026 and 2025, and the results of its operations and its cash flows for each of the two years in the period ended February 28, 2026, in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

### Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ Deloitte & Touche

We have served as the Company’s auditor since 2024.

Johannesburg, South Africa  
June 9, 2026

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors of Karooooo Ltd.

### Opinion on the Financial Statements

We have audited the accompanying consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows of Karooooo Ltd (the Company) for the period ended February 29, 2024, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the results of the Company’s operations and its cash flows for the period ended February 29, 2024, in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board.

### Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provide a reasonable basis for our opinion.

/s/ Ernst & Young LLP

We served as the Company’s auditor from 2022 to 2024.

Singapore  
June 13, 2024

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

<b>Figures in Rand thousands</b>	<b>Notes</b>	<b>As of February 28</b>	
		<b>2026</b>	<b>2025</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	3,150,690	2,508,215
Capitalized commission assets	6	470,406	494,052
Intangible assets	7	81,720	83,053
Goodwill	8	167,315	174,957
Loan to a related party	12	28,700	28,700
Long-term other receivables and prepayments	11	679	11,629
Deferred tax assets	9	133,320	121,749
<b>Total non-current assets</b>		<b>4,032,830</b>	<b>3,422,355</b>
<b>Current assets</b>			
Inventories	10	5,742	3,830
Trade and other receivables and prepayments	11	586,374	597,461
Income tax receivables		15,324	12,622
Cash and cash equivalents	13	1,153,874	1,042,882
<b>Total current assets</b>		<b>1,761,314</b>	<b>1,656,795</b>
<b>Total assets</b>		<b>5,794,144</b>	<b>5,079,150</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	14	7,142,853	7,142,853
Actuarial reserve		(58)	139
Capital reserve		(3,645,108)	(3,621,245)
Common control reserve		(2,709,236)	(2,709,236)
Foreign currency translation reserve		81,168	277,866
Retained earnings		2,412,384	2,112,091
<b>Equity attributable to equity holders of parent</b>		<b>3,282,003</b>	<b>3,202,468</b>
Non-controlling interest		45,025	43,099
<b>Total equity</b>		<b>3,327,028</b>	<b>3,245,567</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Term loans	15	398,931	31,640
Lease liabilities	16	158,577	127,251
Deferred revenue	17	122,722	126,959
Deferred tax liabilities	9	118,842	95,892
<b>Total non-current liabilities</b>		<b>799,072</b>	<b>381,742</b>
<b>Current liabilities</b>			
Term loans	15	49,721	283,313
Trade and other payables	18	585,832	469,937
Loan from a related party	12	85	138
Lease liabilities	16	129,288	77,445
Deferred revenue	17	405,605	357,780
Bank overdraft	13	407,668	205,299
Income tax payables		89,845	57,039
Provision for warranties		-	890
<b>Total current liabilities</b>		<b>1,668,044</b>	<b>1,451,841</b>
<b>Total liabilities</b>		<b>2,467,116</b>	<b>1,833,583</b>
<b>Total equity and liabilities</b>		<b>5,794,144</b>	<b>5,079,150</b>

The accompanying notes form an integral part of these financial statements.

**CONSOLIDATED STATEMENTS OF PROFIT AND LOSS**

<b>Figures in Rand thousands</b>	<b>Notes</b>	<b>Year ended February 28/29</b>		
		<b>2026</b>	<b>2025</b>	<b>2024</b>
<b>Revenue</b>	19	5,479,120	4,567,459	4,205,511
Cost of revenue		(1,754,950)	(1,364,407)	(1,514,674)
<b>Gross profit</b>		3,724,170	3,203,052	2,690,837
Other income		14,975	10,369	11,831
<b>Operating expenses</b>		(2,324,433)	(1,901,088)	(1,660,166)
Sales and marketing		(841,453)	(614,765)	(500,903)
General and administration		(1,096,981)	(944,833)	(837,606)
Research and development		(261,467)	(226,935)	(212,235)
Expected credit losses on financial assets		(124,532)	(114,555)	(109,422)
<b>Operating profit</b>	20	1,414,712	1,312,333	1,042,502
Offering costs	1	(11,667)	(15,113)	-
Finance income	21	34,476	44,167	39,418
Finance costs	22	(77,874)	(50,866)	(15,822)
Fair value changes to derivative assets		-	-	(388)
Impairment of goodwill	8	-	(43,600)	-
<b>Profit before taxation</b>		1,359,647	1,246,921	1,065,710
Taxation	23	(348,535)	(309,811)	(311,554)
<b>Profit for the year</b>		1,011,112	937,110	754,156
<b>Profit attributable to:</b>				
Owners of the parent		993,920	921,031	738,191
Non-controlling interest		17,192	16,079	15,965
		1,011,112	937,110	754,156
<b>Earnings per share</b>				
Basic and diluted earnings per share (ZAR)	32	32.17	29.81	23.85

The accompanying notes form an integral part of these financial statements.

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

<b>Figures in Rand thousands</b>	<b>Year ended February 28/29</b>		
	<b>2026</b>	<b>2025</b>	<b>2024</b>
<b>Profit for the year</b>	1,011,112	937,110	754,156
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that will not be reclassified to profit or loss			
Actuarial (losses)/gains on defined benefit plans	(197)	139	-
Items that may be reclassified to profit or loss in future periods			
Exchange differences on translating foreign operations	(199,114)	(54,716)	88,632
Other comprehensive income for the year	(199,311)	(54,577)	88,632
<b>Total comprehensive income for the year, net of income tax</b>	<b>811,801</b>	<b>882,533</b>	<b>842,788</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	797,025	868,224	823,894
Non-controlling interest	14,776	14,309	18,894
	<b>811,801</b>	<b>882,533</b>	<b>842,788</b>

The accompanying notes form an integral part of these financial statements.

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

<b>Figures in Rand thousands</b>	<b>Share capital</b>	<b>Treasury shares</b>	<b>Capital reserve<sup>3</sup></b>	<b>Common control reserve<sup>1</sup></b>	<b>Foreign currency translation</b>	<b>Retained earnings<sup>2</sup></b>	<b>Total attributable to owner of the parent</b>	<b>Non-controlling interest<sup>2</sup></b>	<b>Total equity</b>
<b>Balance at March 1, 2023</b>	<b>7,142,853</b>	<b>-</b>	<b>(3,582,568)</b>	<b>(2,709,236)</b>	<b>245,109</b>	<b>1,564,809</b>	<b>2,660,967</b>	<b>30,908</b>	<b>2,691,875</b>
Profit for the year	-	-	-	-	-	738,191	738,191	15,965	754,156
Other comprehensive income	-	-	-	-	85,703	-	85,703	2,929	88,632
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>85,703</b>	<b>738,191</b>	<b>823,894</b>	<b>18,894</b>	<b>842,788</b>
<b>Transactions with owner, recognized directly in equity</b>									
<b>Contributions by and distributions to owner</b>									
Purchase of treasury shares	-	(23,816)	-	-	-	-	(23,816)	-	(23,816)
Dividends	-	-	-	-	-	(499,518)	(499,518)	(9,782) <sup>4</sup>	(509,300)
<b>Total transactions with owner</b>	<b>-</b>	<b>(23,816)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(499,518)</b>	<b>(523,334)</b>	<b>(9,782)</b>	<b>(533,116)</b>
<b>Changes in ownership interest in subsidiaries</b>									
Acquisition of new subsidiary	-	-	-	-	-	-	-	915	915
<b>Total changes in ownership interest in subsidiaries</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>915</b>	<b>915</b>
<b>Balance at February 29, 2024</b>	<b>7,142,853</b>	<b>(23,816)</b>	<b>(3,582,568)</b>	<b>(2,709,236)</b>	<b>330,812</b>	<b>1,803,482</b>	<b>2,961,527</b>	<b>40,935</b>	<b>3,002,462</b>

<b>Figures in Rand thousands</b>	<b>Share capital</b>	<b>Treasury shares</b>	<b>Capital Reserve<sup>3</sup></b>	<b>Common control reserve<sup>1</sup></b>	<b>Foreign currency translation</b>	<b>Actuarial Reserve</b>	<b>Retained earnings<sup>2</sup></b>	<b>Total attributable to owner of the parent</b>	<b>Non-controlling interest<sup>2</sup></b>	<b>Total equity</b>
<b>Balance at March 1, 2024</b>	<b>7,142,853</b>	<b>(23,816)</b>	<b>(3,582,568)</b>	<b>(2,709,236)</b>	<b>330,812</b>	<b>-</b>	<b>1,803,482</b>	<b>2,961,527</b>	<b>40,935</b>	<b>3,002,462</b>
Profit for the year	-	-	-	-	-	-	921,031	921,031	16,079	937,110
Other comprehensive income	-	-	-	-	(52,946)	139	-	(52,807)	(1,770)	(54,577)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(52,946)</b>	<b>139</b>	<b>921,031</b>	<b>868,224</b>	<b>14,309</b>	<b>882,533</b>
<b>Transactions with owner, recognized directly in equity</b>										
<b>Contributions by and distributions to owner</b>										
Cancellation of treasury shares (Note 14)	-	27,277	(27,277)	-	-	-	-	-	-	-
Purchase of treasury shares (Note 14)	-	(3,461)	-	-	-	-	-	(3,461)	-	(3,461)
Dividends	-	-	-	-	-	-	(612,422)	(612,422)	(8,303) <sup>5</sup>	(620,725)
<b>Total transactions with owner</b>	<b>-</b>	<b>23,816</b>	<b>(27,277)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(612,422)</b>	<b>(615,883)</b>	<b>(8,303)</b>	<b>(624,186)</b>
<b>Changes in ownership interest in subsidiaries</b>										
Shares repurchase and cancellation of shares by a subsidiary company <sup>7</sup>	-	-	(11,400)	-	-	-	-	(11,400)	(3,842)	(15,242)
<b>Total changes in ownership interest in subsidiaries</b>	<b>-</b>	<b>-</b>	<b>(11,400)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11,400)</b>	<b>(3,842)</b>	<b>(15,242)</b>
<b>Balance at February 28, 2025</b>	<b>7,142,853</b>	<b>-</b>	<b>(3,621,245)</b>	<b>(2,709,236)</b>	<b>277,866</b>	<b>139</b>	<b>2,112,091</b>	<b>3,202,468</b>	<b>43,099</b>	<b>3,245,567</b>

Figures in Rand thousands	Share capital	Treasury shares	Capital Reserve <sup>3</sup>	Common control reserve <sup>1</sup>	Foreign currency translation	Actuarial Reserve	Retained earnings <sup>2</sup>	Total attributable to owner of the parent	Non-controlling interest <sup>2</sup>	Total equity
<b>Balance at March 1, 2025</b>	<b>7,142,853</b>	<b>-</b>	<b>(3,621,245)</b>	<b>(2,709,236)</b>	<b>277,866</b>	<b>139</b>	<b>2,112,091</b>	<b>3,202,468</b>	<b>43,099</b>	<b>3,245,567</b>
Profit for the year	-	-	-	-	-	-	993,920	993,920	17,192	1,011,112
Other comprehensive income	-	-	-	-	(196,698)	(197)	-	(196,895)	(2,416)	(199,311)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(196,698)</b>	<b>(197)</b>	<b>993,920</b>	<b>797,025</b>	<b>14,776</b>	<b>811,801</b>
<b>Transactions with owner, recognized directly in equity</b>										
<b>Contributions by and distributions to owner</b>										
Cancellation of treasury shares	-	-	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	(693,627)	(693,627)	(5,465) <sup>6</sup>	(699,092)
<b>Total transactions with owner</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(693,627)</b>	<b>(693,627)</b>	<b>(5,465)</b>	<b>(699,092)</b>
<b>Changes in ownership interest in subsidiaries</b>										
Shares repurchase and cancellation of shares by a subsidiary company <sup>8</sup>	-	-	(18,630)	-	-	-	-	(18,630)	(4,370)	(23,000)
Buy back of shares from NCI <sup>9</sup>	-	-	(5,233)	-	-	-	-	(5,233)	(3,015)	(8,248)
<b>Total changes in ownership interest in subsidiaries</b>	<b>-</b>	<b>-</b>	<b>(23,863)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(23,863)</b>	<b>(7,385)</b>	<b>(31,248)</b>
<b>Balance at February 28, 2026</b>	<b>7,142,853</b>	<b>-</b>	<b>(3,645,108)</b>	<b>(2,709,236)</b>	<b>81,168</b>	<b>(58)</b>	<b>2,412,384</b>	<b>3,282,003</b>	<b>45,025</b>	<b>3,327,028</b>

1 On November 18, 2020 the loan from Isaias Jose Calisto was converted into Karooooo share capital and as a consequence Karooooo acquired control of Cartrack. On this date, 20,331,894 shares were issued to Isaias Jose Calisto and Karooooo registered ZAR2,739,619,000 paid-up capital which resulted in a Common control reserve of ZAR2,709,236,000 arising due to the common control transaction.

2 In November 2014, a change in interest in Cartrack from 88.3% to 68.0% was not accounted for in the retained earnings transfer to non-controlling interest ("NCI"). During the financial years ended February 28, 2021 and 2022, the Group corrected the error prospectively as the impact to comparatives is not material. On April 21, 2021, when Karooooo acquired the minority interest and took control of 100% interest in Cartrack, all NCI relating to the Karooooo minority interest was transferred back to capital reserve.

3 During the financial year ended February 28, 2022, the Group changed the accounting policy voluntarily and accounted for the acquisition of NCI of Cartrack as a separate reserve, "capital reserve" instead of retained earnings. This is to provide transparency to the users since the reinvestment offer is a significant event. The change in accounting policy was corrected prospectively as the impact to the prior period is not material. Subsequent acquisition of interest in subsidiaries without change in control is accounted for under capital reserve.

4 Dividends declared by a subsidiary during the financial year ended February 29, 2024 amounting to ZAR6.11 per ordinary share remains payable by a subsidiary to NCI.

5 Dividends declared by a subsidiary during the financial year ended February 28, 2025 amounting to ZAR5.19 per ordinary share remains payable by a subsidiary to NCI.

6 Dividends declared by a subsidiary during the financial year ended February 28, 2026 amounting to ZAR2.96 per ordinary share remains payable by a subsidiary to NCI.

7 On April 30, 2024, Karooooo Logistics (Pty) Ltd repurchased its ordinary shares at a purchase price of ZAR 15.2 million in accordance with the Companies Act of South Africa and cancelled the repurchased shares. As a result, the Group's effective shareholding in Karooooo Logistics (Pty) Ltd increased from 70.1% to 74.8% after completion of the repurchase and cancellation.

8 On September 1, 2025, Karooooo Logistics (Pty) Ltd repurchased its ordinary shares at a purchase price of ZAR 23.0 million in accordance with the Companies Act of South Africa and cancelled the repurchased shares. As a result, the Group's effective shareholding in Karooooo Logistics (Pty) Ltd increased from 74.8% to 81.0% after completion of the repurchase and cancellation.

9 On January 31, 2026, Cartrack New Zealand Ltd issued shares for subscription by Karooooo Management Company Pte. Ltd. As a result, the group's effective shareholding in Cartrack New Zealand Ltd has increased from 51% to 66%.

The accompanying notes form an integral part of these financial statements.



**CONSOLIDATED STATEMENTS OF CASH FLOWS**

<b>Figures in Rand thousands</b>	<b>Notes</b>	<b>Year ended February 28/29</b>		
		<b>2026</b>	<b>2025</b>	<b>2024</b>
<b>Cash flows from operating activities</b>				
Profit before taxation		1,359,647	1,246,921	1,065,710
Adjustments		1,048,746	813,489	707,029
Depreciation on property, plant and equipment	5	814,274	606,487	588,660
Amortization of capitalized commission assets	6	138,574	100,223	83,155
Amortization of intangible assets	7	56,426	56,072	59,482
(Gain)/Loss on disposal of property, plant and equipment		(3,036)	575	(1,537)
Finance income	21	(34,476)	(44,167)	(39,418)
Finance costs	22	77,874	50,866	15,822
Impairment of goodwill	8	-	43,600	-
Provision for warranties charge		(890)	(167)	477
Fair value changes to derivative assets		-	-	388
<b>Working capital adjustments</b>				
Inventories		(1,912)	2,752	72,737
Trade and other receivables and prepayments		(6,133)	384,674	(551,230)
Trade and other payables		138,882	7,686	55,496
Deferred revenue		78,515	44,099	47,375
Capitalized commission assets		(317,244)	(223,448)	(163,716)
Cash generated from operating activities		2,300,501	2,276,173	1,233,401
Finance income received		34,476	44,167	39,418
Finance cost paid		(78,843)	(48,610)	(15,822)
Income tax paid	24	(289,074)	(338,435)	(301,957)
<b>Net cash generated from operating activities</b>		<b>1,967,060</b>	<b>1,933,295</b>	<b>955,040</b>
<b>Cash flows from investing activities</b>				
<b>Purchase of property, plant and equipment</b>	5	(1,157,969)	(1,022,371)	(876,354)
Purchase of property, plant and equipment – Telematics devices and equipment on hand		(1,078,356)	(892,015)	(649,385)
Purchase of property, plant and equipment – Other		(79,613)	(130,356)	(226,969)
Proceeds on disposal of property, plant and equipment		5,682	4,473	2,883
Investment in intangible assets	7	(61,665)	(58,937)	(51,214)
Acquisition of subsidiary, net of cash acquired	27	-	-	(5,102)
Advances of loans to related party		-	(500)	(2,400)
<b>Net cash utilized by investing activities</b>		<b>(1,213,952)</b>	<b>(1,077,335)</b>	<b>(932,187)</b>
<b>Cash flows from financing activities</b>				
Proceeds from a related party loan	12	85	52	342
Repayment of a related party loan	12	(138)	(738)	(52)
Purchase of treasury shares	14	-	(3,461)	(23,816)
Shares repurchase by a subsidiary company	26	(23,000)	(15,242)	-
Acquisition of increase in control of subsidiary		(8,248)	-	-
Proceeds from term loans obtained	15	211,934	289,518	-
Repayment of term loans	15	(75,776)	(23,334)	(12,018)
Payments of lease liabilities	15	(117,591)	(77,633)	(57,892)
Dividends paid to parent shareholders	25	(693,627)	(612,422)	(499,518)
Dividends paid to NCI		(725)	-	-
<b>Net cash utilized by financing activities</b>		<b>(707,086)</b>	<b>(443,260)</b>	<b>(592,954)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>46,022</b>	<b>412,700</b>	<b>(570,101)</b>
Cash and cash equivalents at the beginning of the year		837,583	436,165	965,750
Effect of exchange rate changes on cash and cash equivalents		(137,399)	(11,282)	40,516
<b>Cash and cash equivalents at the end of the year</b>	13	<b>746,206</b>	<b>837,583</b>	<b>436,165</b>

The accompanying notes form an integral part of these financial statements.

## 1. PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

### Reporting entity

Karooooo Ltd. (“Karooooo” or “the Company”) was incorporated on May 19, 2018 in the Republic of Singapore. The Company is listed on the NASDAQ and a secondary listing on JSE. The address of the Company’s registered office is at 1 Harbourfront Avenue Keppel Bay Tower #14-07 Singapore 098632. The principal executive office of the Company is 17 Kallang Junction #06-05/06 Singapore 339274.

The principal activities of the Group are the provision of operational intelligence platform that captures, processes and analyses real-world operational data, transforming billions of data points into actionable intelligence insights and the provision of a delivery-as-a-service (“DaaS”) technology platform focused on last mile delivery. The Group’s operational intelligence platform acts as a central nervous system for connected operations, integrating vehicles, assets, field workforces and operational workflows into a single intelligent ecosystem.

During the financial year ended February 28, 2026 the Company incurred costs totalling ZAR 11.7 million (February 28, 2025: ZAR 15.1 million) related to a secondary offering of shares by existing shareholders. These costs were expensed in accordance with IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board as they did not relate to the issuance of new shares by the Company. The expenses were included on the consolidated statement of profit or loss.

As at February 28, 2026, Zak is the ultimate controlling shareholder of the Group, holding 17,917,958 shares (58.00% shareholdings) of Karooooo.

These consolidated financial statements comprise the Company and its subsidiaries (collectively the “Group” and individually “group companies”).

### Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with the IFRS as issued by the International Accounting Standards Board (IASB).

The policies applied in these annual financial statements are based on IFRS effective for annual period beginning on March 1, 2025. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The financial statements were approved for issue by the Directors on June 9, 2026.

### Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis with the exception of certain financial instruments that have been measured at fair value.

### Functional and presentation currency

The consolidated financial statements are presented in South African Rand (ZAR), which is the Group’s presentation currency and all values are rounded to the nearest thousand (ZAR’000), except when otherwise indicated. The Company’s functional currency is in United States Dollars (USD).

## 2. MATERIAL ACCOUNTING POLICY INFORMATION

### 2.1 Significant accounting judgments, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

#### Judgments

Management is of the opinion that there is no significant judgment made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the current and next financial period.

#### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

##### *i. Useful life estimates of capitalized telematics devices and capitalized commission assets*

The Group completes a detailed assessment annually on the expected life cycle of subscriber contracts across the Group. The continued growth in our customer base over the past few years has provided a more comprehensive database of information and more certainty to support the assessment of the average useful life of subscriber contracts with customers. On the basis of such information, the average useful life of a subscriber contract was over 60 months as at financial year ended February 28, 2026. Contracts that terminate prior to the end of useful life result in accelerated depreciation of the underlying capitalized telematics devices and capitalized commission assets being recognized immediately.

##### *ii. Goodwill*

The Group tests goodwill for impairment on an annual basis. The recoverable amounts of cash-generating units have been determined based on the higher of value-in-use calculations and fair value less costs of disposal. The value-in-use calculations are performed internally by the Group and require the use of various estimates and assumptions regarding discount rates and the future financial performance of the cash-generating units. The fair value less costs of disposal are performed by an external valuer using the market approach, by applying price-to-value metrics observed in comparable companies to the Cash Generating units ("CGU").

The Group's goodwill is subjected to impairment assessment annually as at year end and when circumstances indicate that the carrying value may be impaired. For impairment assessment, management uses valuation techniques which involve significant judgment in estimating the recoverable amounts of these assets. Any shortfall of the recoverable amounts against the carrying amounts of these assets will be recognized as impairment losses. The recoverable amounts are most sensitive to the discount rates used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. The carrying amounts of the Group's goodwill and key assumptions applied in the determination of the recoverable amounts including a sensitivity analysis, are disclosed and further explained in Note 8 to the financial statements.

##### *iii. Provision for expected credit losses ("ECLs") of trade receivables*

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group determines expected credit losses of trade receivables by making debtor-specific assessment of expected impairment loss for long overdue trade receivables and using a provision matrix for remaining trade receivables that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 29.2(a).

The carrying amounts of the Group's trade receivables at the end of the reporting period is disclosed in Note 11.

## 2.2 Accounting policies

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. The Group consistently applied the following accounting policies to all periods presented in these consolidated financial statements, unless otherwise stated.

### a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

### *Business combinations and goodwill*

Business combinations are accounted for using the acquisition method. Identifiable assets acquired and liabilities assumed in business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognized as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is an asset or liability are recognized in profit or loss.

Non-controlling interest in the acquiree, that are present ownership interests and entitled their holders to a proportionate share of net assets of the acquiree are recognized on the acquisition date at either fair value, or the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognized as gain on bargain purchase in profit or loss on the acquisition date.

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

## ***Subsidiaries***

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial results of subsidiaries are consolidated into the Group's results from acquisition date until loss of control.

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

### ***Non-controlling interest***

Non-controlling interest ("NCI") represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company. Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

## **b) Foreign currency**

### ***i. Functional and presentation currency***

The financial statements are presented in ZAR, which is the Group's presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each of entities are measured using the currency of the primary economic environment in which the entity operates.

### ***ii. Transactions and balances***

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognized in profit or loss.

### ***iii. Consolidated financial statements***

For consolidation purpose, the assets and liabilities of foreign operations are translated into ZAR at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognized in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognized in profit or loss.

Exchange differences arising on monetary items that form part of the Group's net investment in foreign operations are recognized initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Monetary items cease to form part of the net investment in the foreign operation at the moment in time when the Group decides that settlement is planned or is likely to occur in the foreseeable future. Accordingly, exchange differences arising on these monetary items up to that date are recognized in other comprehensive income and accumulated under foreign currency translation reserve in equity. The exchange differences that arise after that date are recognized in profit or loss. When these monetary items are settled, the exchange differences accumulated under foreign currency translation reserve in equity are reclassified from equity to profit or loss.

## **c) Financial instruments**

### ***i. Financial assets***

#### **Initial recognition and measurement**

Financial assets are recognized when, and only when, the Group becomes a party to the contractual provisions of the financial instruments.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

#### **Subsequent measurement**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The measurement categories for classification of debt instruments are:

##### Amortized cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Financial assets are measured at amortized cost using the effective interest method, less impairment. Gains and losses are recognized in profit or loss when the assets are derecognized or impaired, and through amortization process.

### Fair value through other comprehensive income (“FVOCI”)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognized in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognized in profit or loss. The cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognized.

### Fair value through profit or loss (“FVPL”)

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss in the period in which it arises.

### **Derecognition**

A financial asset is derecognized where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognized in other comprehensive income for debt instruments is recognized in profit or loss.

### *ii. Financial liabilities*

#### **Initial recognition and measurement**

Financial liabilities are recognized when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

#### **Subsequent measurement**

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognized, and through the amortization process.

### **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. On derecognition, the difference between the carrying amounts and the consideration paid is recognized in profit or loss.

### **d) Derivative financial instruments**

Derivatives are initially measured at fair value and any directly attributable transactions are recognized in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in profit or loss. For derivatives entered as a transaction with owner, changes in the fair value are recognized directly in equity.

### **e) Impairment of financial assets**

The Group recognizes an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a “12-month ECL”). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognized for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a “lifetime ECL”).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix based on its historical credit loss experience, adjusted for forward- looking factors specific to the debtors and the economic environment which could affect debtor’s ability to pay.

The Group considers a financial asset in default when contractual payments are 360 days or 450 days past due, depending on jurisdiction. This reflects the point at which there is no reasonable expectation of recovery and aligns with historical loss experience and collection efforts. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## **f) Property, plant and equipment**

### ***i. Recognition and measurement***

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of telematic devices is capitalized as property, plant and equipment.

In-vehicle capitalized telematics devices are installed in customers’ vehicles as part of a subscription contract. The telematics device and directly related installation costs are capitalized and depreciated over the expected useful life of the average contract. The related depreciation expense is recorded as part of cost of revenue in the consolidated statement of profit and loss. If a subscriber contract with a customer is cancelled prior to the end of its useful life, the unamortized cost is recognized immediately in profit and loss.

Where subscriber contracts are expected to be in existence for periods significantly shorter than the average useful life over 60 months, these are depreciated over a reduced useful life.

Uninstalled telematics devices are devices not installed and available for installation. Work in progress telematics devices are devices in progress of being manufactured.

### ***ii. Depreciation***

Depreciation is computed on a straight-line basis over their estimated useful lives of property, plant and equipment including right of use assets as follows:

<b>Category</b>	<b>Depreciation method</b>	<b>Average useful life</b>
Property	Straight line	20-50 years
Property - Right of use assets	Straight line	Lease term or useful life whichever is shorter
Property - Leasehold improvements	Straight line	3 years or lease term
Plant, equipment and vehicles	Straight line	4-10 years
IT equipment	Straight line	3-5 years
Capitalized telematics devices - Installed	Straight line	5 years

Depreciation is recognized when the property, plant and equipment are installed and are ready for use. Land and construction in progress are stated at cost and are not depreciated.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit and loss in the year the asset is derecognized.

## **g) Capitalized commission assets**

### ***i. Recognition and measurement***

Incremental sales commission costs which are directly related to a customer contract are capitalized to capitalized commission assets and are measured at cost less accumulated amortization.

### ***ii. Amortization***

The capitalized commission assets are amortized over the expected useful life of the average contract, which is over 60 months. If a contract with a customer is cancelled prior to the end of its useful life, the unamortized cost is recognized immediately in profit and loss.

The useful life of items of capitalized commission assets has been assessed as follows:

<b>Item</b>	<b>Amortization method</b>	<b>Average useful life</b>
Capitalized commission assets	Straight line	5 years

## **h) Intangible assets**

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortized over the estimated useful life and assessed for impairment annually whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortized. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the profit or loss when the asset is derecognized.

### ***i. Product development costs***

Product development costs that are directly attributable to the design, testing and development of identifiable hardware and software, controlled by the Group, are recognized as intangible assets when the following criteria are met:

- It is technically feasible to complete the software or product so that it will be available for use or sale;
- Management intends to complete the software or product and use or sell it;
- There is an ability to use or sell the software or product;
- It can be demonstrated how the software or product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and use or sell the software or product are available; and
- The expenditure attributable to the software or product during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the intangible assets include software costs and the costs of personnel whose sole responsibility is their involvement in the Group's research and development function.

Other product development expenditures that do not meet the recognition criteria are recognized as an expense as incurred. Product development costs previously recognized as an expense are not recognized as an asset in a subsequent period if the criteria are subsequently met.

Costs incurred in enhancing current telematics hardware (telematics devices) and software (operational intelligence platform) are expensed when incurred.

The capitalized product development costs are amortized over their estimated useful life which is considered to be three years due to the life cycle of telematics hardware and software applications.

#### ***ii. Computer software***

Computer software comprises self-developed computer software acquired in a business combination and externally acquired computer software. Acquired computer software licenses are capitalized on the basis of costs incurred to acquire and bring the software into use.

The acquired computer software is amortized over the expected useful life which is generally three to five years. Self-developed computer software acquired in a business combination are recognized at fair value at the acquisition date and subsequently carried at cost less accumulated amortization and accumulated impairment losses, if any.

#### ***iii. Trade name***

Trade name acquired in a business combination are recognized at fair value at the acquisition date and subsequently carried at cost less accumulated amortization and accumulated impairment losses. Trade name is amortized on a straight-line basis over the expected useful life of five years.

#### ***iv. Customer relationships***

Customer relationships acquired in a business combination are recognized at fair value at the acquisition date and subsequently carried at cost less accumulated amortization and accumulated impairment losses. Customer relationships are amortized on a straight-line basis over the expected useful life of three years.

#### **i) Impairment of non-financial assets**

The Group assesses at each reporting date whether there is an indication of impairment that an asset may be impaired or that a previously recognized impairment loss for an asset other than goodwill may no longer exist or may have decreased. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The impairment losses are recognized in profit or loss.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized previously. Such reversal is recognized in profit or loss. Impairment loss relating to goodwill cannot be reversed in future periods.

#### **j) Taxation**

##### ***i. Current income tax***

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognized in profit or loss except to the extent that the tax relates to items recognized outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Dividend withholding tax is currently payable on dividends distributed to equity holders of the Group at a rate as determined by each country's jurisdiction. This tax is not attributable to the Company, but is collected by the Company and paid to the tax authorities on behalf of the shareholder.

On receipt of a dividend by a company from an investment held in a tax jurisdiction outside that of the Company, any dividend withholding tax payable is recognized as part of current tax.

## *ii. Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint venture, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries and interests in joint venture, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### *iii. Value added tax*

Revenues, expenses and assets are recognized net of the amount of value added tax except:

- Where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

### **k) Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### *i. As Lessee*

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

#### Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.2(i).

The Group's right-of-use assets are presented in property, plant and equipment in the consolidated statement of financial position.

#### Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are presented separately in the consolidated statement of financial position and in Note 16.

#### Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to not recognize right-of-use assets and lease liabilities that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to profit on a straight-line basis over the lease term.

## ***ii. As Lessor (Finance lease)***

Leases where the Group has transferred substantially all risks and rewards incidental to ownership of the leased assets to the lessees are classified as finance leases.

The leased asset is derecognized and the present value of the lease receivable is recognized on the balance sheet and included in “trade and other receivables and prepayments”. The difference between the gross receivable and the present value of the lease receivable is recognized as finance income.

Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance income is recognized in profit or loss on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable.

Initial direct costs incurred by the Group in negotiating and arranging finance leases are added to finance lease receivables and reduce the amount of income recognized over the lease term.

## **l) Inventories**

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Cost is determined on a weighted average cost basis.

Management considers the condition and usability of inventories on an annual basis to determine whether an allowance for obsolete inventory is required.

## **m) Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

For the purpose of the statement of cash flows, bank overdrafts that are repayable on demand and form an integral part of the Group’s cash management are included in cash and cash equivalents. Bank overdrafts are included within current liabilities on the statement of financial position.

## **n) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

## **o) Employee benefits**

### ***i. Defined contribution plans***

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognized as an expense in the period in which the related service is performed.

### ***ii. Employee leave entitlement***

Employee entitlements to annual leave are recognized as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the reporting period is recognized for services rendered by employees up to the end of the reporting period.

## **p) Provisions**

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

## **q) Revenue**

Revenue is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled to for those goods or services. Revenue is measured based on the amount of consideration that the Group expects to receive reduced by discounts, incentives and rebates. Revenue also excludes any amounts collected on behalf of third parties, including sales taxes and indirect taxes. The Group principally generates revenue from providing a full-stack smart mobility operational intelligence platform for connected vehicles and other assets. The Group recognizes revenue as or when it satisfies its performance obligations.

### ***Subscription revenue***

Revenues arising from the subscription service is recognized as the service is provided over the contractual term. Customers are invoiced monthly in advance and invoices are payable on presentation.

The Group has assessed whether its subscription contract arrangements contain a significant financing component and it was determined that the contracts do not have a significant financing component because the difference between the timing of when the cash is received and the services are transferred to the customer is not to provide the customer with a benefit of financing.

### ***Hardware revenue***

Hardware revenue is recognized when control of the telematics device was transferred to the customer which occurred upon installation on the customer's vehicle. The payment terms are generally 30 days.

### ***Installation revenue***

Installation revenue is recognized when the device is successfully installed, which occurs at the same time that control of the hardware is transferred to the customer, which occurs upon installation on the customer's vehicle. Customers are invoiced when the devices are installed and payment terms are generally 30 days.

### ***Miscellaneous contract fees***

The Group sometimes makes miscellaneous subscription charges to customers to maintain the telematic devices, process administrative changes to contractual terms, or for contract cancellation. Such charges are recognized and invoiced when they arise and payment terms are generally 30 days.

***Delivery service fees***

Delivery service fee is recognized as the service is rendered.

**r) Interest income**

Interest income is recognized using the effective interest method.

**s) Earnings per share*****Basic earnings per share***

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the financial year.

***Diluted earnings per share***

Diluted earnings per share is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

**t) Share capital and share issue expenses**

Proceeds from issuance of ordinary shares are recognized as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

**u) Treasury shares**

The Group's own equity instruments, which are reacquired are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognized directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

**v) Contingencies**

A contingent liability is:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

- a present obligation that arises from past events but is not recognized because:
  - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognized on the statement of financial position of the Group.

### 3. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Group will apply for the first-time certain standards and amendments, which are effective for annual periods beginning on or after March 1, 2026. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The Group is in the process of assessing the impact of the new and amended standards on the Group's consolidated financial statements.

<b>Details of amendments to IFRS Accounting Standards</b>	<b>Annual periods beginning on/after</b>
IFRS 7 and IFRS 9: Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026
Annual Improvements to IFRS Accounting Standards	January 1, 2026
IFRS 18: Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19: Subsidiaries without Public Accountability: Disclosures	January 1, 2027
Amendments to IAS 21: Lack of Exchangeability*	January 1, 2027
Amendments to IAS 28 and IFRS 10: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

\* The effective date is for the updated sections only - Translation to a Hyperinflationary Presentation Currency.

### 4. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group Chief Executive Officer ("CEO"), who makes strategic decisions.

The Group organized its business units based on its products and services into the following reportable segments:

- Cartrack is a provider of an operational intelligence platform that maximizes the value of transportation, operations and workflow data by providing insightful real-time data analytics to connected vehicles and equipment.
- Karooooo Logistics provides a software application enabling the management of last mile delivery and general operational logistics. This technology addresses the challenges of on-the-ground distribution for large enterprises requiring systems integrations, payment gateways, third-party long-haul services and crowd-sourced drivers in order to scale and meet their operational needs.
- Carzuka was a physical and e-commerce vehicle buying and selling marketplace which allows customers to source, buy and sell vehicles efficiently and cost effectively. During the third quarter of the FY 2024, despite the growth experienced by Carzuka in South Africa, a decision was made to cease buying second hand vehicles in South Africa. This follows considerable interaction with motor dealerships across South Africa during these periods, who perceived Carzuka's business interests to conflict with their business interests and Cartrack does not want to risk the long-standing strategic relationships that Cartrack has forged with motor dealerships across South Africa.

There are many components within the Carzuka's platform that had been built and developed and will continue to provide value to the existing Cartrack fleet platform. With effect from financial year 2025, Carzuka has changed the focus of its operations such that the nature of the underlying services offered now aligns with Cartrack's broader operations and has been integrated into that segment accordingly.

The CODM monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

The segment information provided to the Group CEO, for the reportable segments for the financial year ended February 28, 2026, February 28, 2025 and February 29, 2024 as follows

<b>Figures in Rand thousands</b>	<b>Cartrack</b>	<b>Carzuka</b>	<b>Karoo0000 Logistics</b>	<b>Total</b>
<b>February 28, 2026</b>				
Subscription revenue	4,830,669	-	13,079	4,843,748
Other revenue <sup>1</sup>	108,173	-	-	108,173
Delivery service	-	-	527,199	527,199
<b>Segment revenue</b>	<b>4,938,842</b>	<b>-</b>	<b>540,278</b>	<b>5,479,120</b>
<b>Segment operating profit</b>	<b>1,369,879</b>	<b>-</b>	<b>44,833</b>	<b>1,414,712</b>
Depreciation and amortization	868,059	-	2,641	870,700
Capital expenditure	1,217,915	-	1,719	1,219,634
<b>February 28, 2025</b>				
Subscription revenue	4,055,394	-	12,783	4,068,177
Other revenue <sup>1</sup>	89,618	-	-	89,618
Vehicle sales	2,099	-	-	2,099
Delivery service	-	-	407,565	407,565
<b>Segment revenue</b>	<b>4,147,111</b>	<b>-</b>	<b>420,348</b>	<b>4,567,459</b>
<b>Segment operating profit</b>	<b>1,272,980</b>	<b>-</b>	<b>39,353</b>	<b>1,312,333</b>
Depreciation and amortization	659,140	-	3,419	662,559
Capital expenditure	1,079,715	-	1,593	1,081,308
<b>February 29, 2024</b>				
Subscription revenue	3,522,816	-	12,989	3,535,805
Other revenue	90,879	-	-	90,879
Vehicle sales	-	274,787	-	274,787
Delivery service	-	-	304,040	304,040
<b>Segment revenue</b>	<b>3,613,695</b>	<b>274,787</b>	<b>317,029</b>	<b>4,205,511</b>
<b>Segment operating profit/ (loss)</b>	<b>1,069,313</b>	<b>(52,907)</b>	<b>26,096</b>	<b>1,042,502</b>
Depreciation and amortization	640,419	5,386	2,337	648,142
Capital expenditure	923,579	317	3,672	927,568

<sup>1</sup> Information about other revenue is disclosed in Note 19.

*Reconciliation of information on reportable segments to the amounts reported in consolidated financial statements*

<b>Figures in Rand thousands</b>	<b>Year ended February 28/29</b>		
	<b>2026</b>	<b>2025</b>	<b>2024</b>
Total segment operating profits	1,414,712	1,312,333	1,042,502
Offering costs	(11,667)	(15,113)	-
Impairment of goodwill	-	(43,600)	-
Finance income	34,476	44,167	39,418
Finance cost	(77,874)	(50,866)	(15,822)
Fair value changes to derivative assets	-	-	(388)
<b>Consolidated profit before taxation</b>	<b>1,359,647</b>	<b>1,246,921</b>	<b>1,065,710</b>

**Information about geographical areas:**

<b>Non-current operating assets<sup>1</sup></b>	<b>As of February 28</b>	
	<b>2026</b>	<b>2025</b>
South Africa	2,717,280	2,158,893
Africa-Other	113,432	119,486
Europe	468,824	425,207
Asia-Pacific <sup>2</sup> , Middle East & USA	570,595	560,262
	<b>3,870,131</b>	<b>3,263,848</b>

<sup>1</sup> Non-current operating assets consist of property, plant and equipment, capitalized commission assets, intangible assets, goodwill and prepayments.

<sup>2</sup> Included in Asia-Pacific is non-current assets from Singapore amount to ZAR 164.6 million (2025: ZAR 185.8 million).

Information about revenue from geographical areas is disclosed in Note 19.

There are no customers which contribute in excess of 10% of Group revenue for the financial year ended February 28, 2026, February 28, 2025 and February 29, 2024.

**5. PROPERTY, PLANT AND EQUIPMENT**

<b>Figures in Rand thousands</b>	<b>Land and Property<sup>1</sup></b>	<b>Plant, equipment and vehicles</b>	<b>IT equipment</b>	<b>Capitalized telematics devices – Work-in-Progress</b>	<b>Capitalized telematics devices – Uninstalled</b>	<b>Capitalized telematics devices - Installed</b>	<b>Construction in progress<sup>1</sup></b>	<b>Total</b>
<b>At February 28, 2026</b>								
<b>Owned assets</b>								
Cost	504,776	165,810	222,820	147,207	214,518	4,868,336	-	6,123,467
Accumulated depreciation	(51,760)	(118,783)	(165,388)	-	-	(2,922,499)	-	(3,258,430)
Carrying value	<u>453,016</u>	<u>47,027</u>	<u>57,432</u>	<u>147,207</u>	<u>214,518</u>	<u>1,945,837</u>	<u>-</u>	<u>2,865,037</u>
<b>Right-of-use assets</b>								
Cost	184,101	285,329	19,276	-	-	-	-	488,706
Accumulated depreciation	(100,815)	(82,971)	(19,267)	-	-	-	-	(203,053)
Carrying value	<u>83,286</u>	<u>202,358</u>	<u>9</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>285,653</u>
<b>Total</b>	<b><u>536,302</u></b>	<b><u>249,385</u></b>	<b><u>57,441</u></b>	<b><u>147,207</u></b>	<b><u>214,518</u></b>	<b><u>1,945,837</u></b>	<b><u>-</u></b>	<b><u>3,150,690</u></b>
<b>At February 28, 2025</b>								
<b>Owned assets</b>								
Cost	484,798	165,439	190,549	152,253	259,360	3,877,236	-	5,129,635
Accumulated depreciation	(39,752)	(114,704)	(145,027)	-	-	(2,535,145)	-	(2,834,628)
Carrying value	<u>445,046</u>	<u>50,735</u>	<u>45,522</u>	<u>152,253</u>	<u>259,360</u>	<u>1,342,091</u>	<u>-</u>	<u>2,295,007</u>
<b>Right-of-use assets</b>								
Cost	200,114	159,944	19,334	-	-	-	-	379,392
Accumulated depreciation	(108,540)	(38,367)	(19,277)	-	-	-	-	(166,184)
Carrying value	<u>91,574</u>	<u>121,577</u>	<u>57</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>213,208</u>
<b>Total</b>	<b><u>536,620</u></b>	<b><u>172,312</u></b>	<b><u>45,579</u></b>	<b><u>152,253</u></b>	<b><u>259,360</u></b>	<b><u>1,342,091</u></b>	<b><u>-</u></b>	<b><u>2,508,215</u></b>

**Reconciliation of the carrying value of property, plant and equipment**

<b>Figures in Rand thousands</b>	<b>Land and Property<sup>1</sup></b>	<b>Plant, equipment and vehicles</b>	<b>IT equipment</b>	<b>Capitalized telematics devices – Work-in-Progress</b>	<b>Capitalized telematics devices – Uninstalled</b>	<b>Capitalized telematics devices - Installed</b>	<b>Construction in progress</b>	<b>Total</b>
<b>At February 28, 2026</b>								
Beginning balance	445,046	50,735	45,522	152,253	259,360	1,342,091	-	2,295,007
Additions	22,162	14,075	43,376	144,265	396,401	537,690	-	1,157,969
Transfer between categories	-	-	-	(149,311)	(441,243)	590,554	-	-
Transfer between asset classes	-	-	-	-	-	56,146	-	56,146
Reclassification <sup>3</sup>	-	-	-	-	-	137,049	-	137,049
Disposals	-	(2,380)	(262)	-	-	-	-	(2,642)
Depreciation	(13,436)	(14,441)	(28,803)	-	-	(669,284)	-	(725,964)
Translation adjustments	(756)	(962)	(2,401)	-	-	(48,409)	-	(52,528)
Ending balance	<u>453,016</u>	<u>47,027</u>	<u>57,432</u>	<u>147,207</u>	<u>214,518</u>	<u>1,945,837</u>	<u>-</u>	<u>2,865,037</u>
<b>Right-of-use assets</b>								
Beginning balance	91,574	121,577	57	-	-	-	-	213,208
Additions	36,523	131,222	-	-	-	-	-	167,745
Transfer	-	-	-	-	-	-	-	-
Disposals	(436)	(1,494)	-	-	-	-	-	(1,930)
Depreciation	(40,093)	(48,171)	(46)	-	-	-	-	(88,310)
Translation adjustments	(4,282)	(776)	(2)	-	-	-	-	(5,060)
Ending balance	<u>83,286</u>	<u>202,358</u>	<u>9</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>285,653</u>
<b>Total</b>	<b><u>536,302</u></b>	<b><u>249,385</u></b>	<b><u>57,441</u></b>	<b><u>147,207</u></b>	<b><u>214,518</u></b>	<b><u>1,945,837</u></b>	<b><u>-</u></b>	<b><u>3,150,690</u></b>

<b>Figures in Rand thousands</b>	<b>Land and Property<sup>1</sup></b>	<b>Plant, equipment and vehicles</b>	<b>IT equipment</b>	<b>Capitalized telematics devices – Work-in-Progress</b>	<b>Capitalized telematics devices – Uninstalled</b>	<b>Capitalized telematics devices – Installed</b>	<b>Construction in progress<sup>1,2</sup></b>	<b>Total</b>
<b>At February 28, 2025</b>								
<b>Owned assets</b>								
Beginning balance	122,717	34,470	41,337	130,511	215,539	1,032,250	266,870	1,843,694
Additions	11,578	25,962	37,336	207,584	325,248	359,183	55,480	1,022,371
Transfer between categories	322,350	5,674	-	(185,842)	(273,443)	459,285	(322,350)	5,674
Disposals	(1,509)	(2,100)	(1,257)	-	-	(3,625)	-	(8,491)
Depreciation	(9,655)	(12,576)	(30,615)	-	-	(484,760)	-	(537,606)
Translation adjustments	(435)	(695)	(1,279)	-	(7,984)	(20,242)	-	(30,635)
Ending balance	<u>445,046</u>	<u>50,735</u>	<u>45,522</u>	<u>152,253</u>	<u>259,360</u>	<u>1,342,091</u>	<u>-</u>	<u>2,295,007</u>
<b>Right-of-use assets</b>								
Beginning balance	113,092	75,895	113	-	-	-	-	189,100
Additions	24,894	83,629	2	-	-	-	-	108,525
Transfer	-	(5,674)	-	-	-	-	-	(5,674)
Disposals	(3,220)	(2,051)	-	-	-	-	-	(5,271)
Depreciation	(39,806)	(29,018)	(57)	-	-	-	-	(68,881)
Translation adjustments	(3,386)	(1,204)	(1)	-	-	-	-	(4,591)
Ending balance	<u>91,574</u>	<u>121,577</u>	<u>57</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>213,208</u>
Total	<u>536,620</u>	<u>172,312</u>	<u>45,579</u>	<u>152,253</u>	<u>259,360</u>	<u>1,342,091</u>	<u>-</u>	<u>2,508,215</u>

<sup>1</sup> Certain freehold land and building of the Group with a carrying amount of ZAR 441.6 million (February 28, 2025: ZAR 429.2 million) were mortgaged to a bank as security for mortgaged loan (Note 15). The freehold land and building are for the new South African central office located at Rosebank, Johannesburg.

<sup>2</sup> The construction of South African central office was completed and transferred to land and property during the year ended February 28, 2025.

<sup>3</sup> Included in the “Reclassification” line is a reclassification of accumulated depreciation between capitalized rental units and commission assets relating to prior periods.

## 6. CAPITALIZED COMMISSION ASSETS

<b>Figures in Rand thousands</b>	<b>As of February 28</b>	
	<b>2026</b>	<b>2025</b>
Cost	1,186,747	905,380
Accumulated amortization	(716,341)	(411,328)
	<u>470,406</u>	<u>494,052</u>

### *Reconciliation of the carrying value of capitalized sales commissions*

<b>Figures in Rand thousands</b>	<b>2026</b>	<b>2025</b>
Beginning balance	494,052	374,521
Additions	317,244	223,448
Amortization	(138,574)	(100,223)
Transfer between asset classes	(56,146)	-
Reclassification <sup>1</sup>	(137,049)	-
Translation adjustments	(9,121)	(3,694)
Ending balance	<u>470,406</u>	<u>494,052</u>

The Group capitalizes sales commission costs arising from activated subscription contracts.

<sup>1</sup> Included in the “Reclassification” line is a reclassification of accumulated depreciation between capitalized rental units and commission assets relating to prior periods.

## 7. INTANGIBLE ASSETS

Figures in Rand thousands	Product development costs	Computer software	Trade name	Customer relationships	Total
<b>At February 28, 2026</b>					
Cost	278,683	48,984	928	8,695	337,290
Accumulated amortization	(207,292)	(38,801)	(782)	(8,695)	(255,570)
Carrying value	71,391	10,183	146	-	81,720
<b>At February 28, 2025</b>					
Cost	246,750	43,128	782	8,695	299,355
Accumulated amortization	(173,786)	(33,809)	(782)	(7,925)	(216,302)
Carrying value	72,964	9,319	-	770	83,053

Staff costs of ZAR 54.3 million (2025: ZAR 52.3 million) have been capitalized to product development costs with regard to the development of new generation telematics hardware and platform software which was deployed in the current financial year.

Figures in Rand thousands	Product development costs	Computer software	Trade name	Customer relationships	Total
<b>At February 28, 2026</b>					
Beginning balance	72,964	9,319	-	770	83,053
Additions	54,349	7,164	152	-	61,665
Amortization	(49,661)	(5,995)	-	(770)	(56,426)
Translation adjustments	(6,261)	(305)	(6)	-	(6,572)
Ending balance	71,391	10,183	146	-	81,720
<b>At February 28, 2025</b>					
Beginning balance	71,617	8,773	130	2,603	83,123
Additions	52,348	6,589	-	-	58,937
Amortization	(48,274)	(5,834)	(130)	(1,834)	(56,072)
Translation adjustments	(2,727)	(209)	-	1	(2,935)
Ending balance	72,964	9,319	-	770	83,053

## 8. GOODWILL

Goodwill is allocated to the following cash generating units (CGUs): Cartrack - Mozambique, Portugal, Spain, Karoo Logistics and Other.

Figures in Rand thousands	Cartrack				Karoo	Total
	Mozambique	Portugal	Spain	Other	Logistics	
At February 29, 2024	86,304	36,815	26,095	19,852	58,314	227,380
Translation adjustments	(3,497)	(2,705)	(1,917)	(704)	-	(8,823)
Impairment of goodwill	(43,600)	-	-	-	-	(43,600)
At February 28, 2025	39,207	34,110	24,178	19,148	58,314	174,957
Translation adjustments	(5,317)	(847)	(601)	(877)	-	(7,642)
Impairment of goodwill	-	-	-	-	-	-
At February 28, 2026	33,890	33,263	23,577	18,271	58,314	167,315

The "Other" component comprises more than 10 CGUs, none of which are individually material.

As of February 28, 2026, the accumulated impairment related to the Mozambique CGU amounted to ZAR 43.6 million (2025: ZAR 43.6 million).

## Impairment testing

The Group performs its annual impairment test at the end of each financial year, or more frequently if there are indications that goodwill may be impaired.

The Group considers the relationship between its market capitalization and its equity attributable to equity holders of the parent, among other factors, when performing the annual test of impairment. At February 28, 2026, the market capitalization of the Group exceeded the value of equity by ZAR 19.9 billion (2025: ZAR 25.8 billion).

The Group determines the recoverable amount of each cash-generating units (CGU) based on the higher of its value in use calculations and fair value less costs of disposal. The recoverable amounts of Mozambique, Portugal, Spain and Karoo000 Logistics were calculated by using discounted cash flow valuation technique, which requires the use of various estimates. Each of the cash flow projections are based on forecasts over a five-year period, which have been approved by senior management.

The key estimates used for the value in use calculations and sensitivity to changes in assumptions are as follows:

Key estimates applied in value in use calculation	CGU	As of February 28	
		2026	2025
<b>Revenue growth rate</b>			
This is the average annual compound growth rate in revenue that is derived from management's forecast and is based on external available information, such as GDP and industry growth rate within the region.	Mozambique	5%	3%
	Portugal	16%	19%
	Spain	18%	23%
	Karoo000		
	Logistics	3%	4%
The growth rate applied for revenue is considered to be the main driver of profitability and hence free cash flow. CGUs are at different maturity levels in their business cycles and hence will reflect considerably different growth rates. The various geographical markets the CGUs operate within also have differences in their economies which have been taken into consideration. The growth rate determined by management is based on historical data from both external and internal sources and is within the range of reported global telematics growth forecasts for the medium to long term and with the assumptions that a market participant would make.			
<b>Terminal growth rate</b>			
The estimated rate of growth after the five-year forecast period. This rate is informed primarily by external forecasts about economic activity by region. Changes in these rates are reflective of changes in market views on the economic growth in those regions.	Mozambique	6%	6%
	Portugal	2%	2%
	Spain	2%	2%
	Karoo000		
	Logistics	3%	5%
<b>Discount rate</b>			
The rate reflects the specific risks relating to the country and industry in which the entity operates. These rates were determined using externally available information. The rates were determined using the Weighted Average Cost of Capital model. The rate is a pre-tax rate.	Mozambique	34%	36%
	Portugal	15%	16%
	Spain	13%	16%
	Karoo000		
	Logistics	38%	39%

During the year ended February 28, 2025, the operating environment in Mozambique was impacted by ongoing political and economic instability, which has introduced significant uncertainty regarding the near-to medium-term outlook for the country. The continued country-specific uncertainty has made the operating environment challenging. As a result, the Group recognized goodwill impairment relating to the Mozambique CGU amount of ZAR 43.6 million in the financial year ended February 28, 2025. The recoverable amount of the Mozambique CGU was determined to be ZAR 47.3 million based on value in use.

During the year ended February 28, 2026, Mozambique made significant progress from the political and economic instability experienced in the previous financial year. The operating environment improved. As a result of the improved trading environment and strengthened performance of the Mozambique CGU, management reassessed the recoverable amount and concluded that no further impairment was required for the financial year ended February 28, 2026.

The Group has applied a 50 basis point (2025: 50 basis point) increase and decrease to the revenue growth rates, terminal growth rates and discount rates used in the impairment testing. The sensitivity test does not result in impairment for Spain, Portugal and Karoo000 Logistics. However, for Mozambique, an increase in discount rates by 50 basis points would result in an immaterial impairment.

The Other CGUs are valued on an earnings multiple basis. The key estimates used for the fair value less costs of disposal calculations are earnings multiples. The market approach is based on the premise that the companies with similar business models and economic fundamentals would likely sell for similar prices. Comparable companies, which are typically listed companies trading in the same sector as the entity, was identified and price-to-value metrics for these companies were calculated. The Group has considered EV/EBITDA multiple as the most appropriate metric to determine the fair value less cost of disposal of these CGUs.

## 9. DEFERRED TAX

Figures in Rand thousands	Notes	As of February 28	
		2026	2025
<b>Deferred tax liabilities</b>		(118,842)	(95,892)
Deferred revenue		80,328	71,397
Property, plant and equipment and capitalized commission assets		(246,371)	(207,029)
Lease obligations		4,471	(3,385)
ECL provision on trade receivables		31,202	22,209
Other		11,528	20,916
<b>Deferred tax assets</b>		133,320	121,749
Deferred revenue		8,994	7,492
Property, plant and equipment and capitalized commission assets		77,239	61,767
Tax losses		21,467	27,287
Lease obligations		3,666	4,157
ECL provision on trade receivables		10,719	8,741
Other		11,235	12,305
<b>Total net deferred tax assets/(liabilities)</b>		<b>14,478</b>	<b>25,857</b>
<b>Reconciliation of deferred tax assets/(liabilities)</b>			
Beginning balance		25,857	12,063
Increase in deferred revenue temporary differences		10,816	9,315
Increase in ECL provision on trade receivables temporary differences		11,794	5,877
Decrease in property, plant and equipment and capitalized commission assets temporary differences		(26,932)	(30,015)
(Decrease)/Increase in tax losses temporary differences		(6,945)	12,939
Increase in lease obligation temporary differences		7,624	302
(Decrease)/Increase in other temporary differences		(9,057)	14,362
Translation adjustments		1,321	1,014
<b>Ending balance</b>		<b>14,478</b>	<b>25,857</b>
<b>Reconciliation of deferred tax balances</b>			
Beginning balance		25,857	12,063
(Debit)/Credit to statements of profit and loss	23	(12,968)	12,904
Others		96	(210)
Translation adjustments		1,493	1,100
<b>Ending balance</b>		<b>14,478</b>	<b>25,857</b>

### *Unrecognized deferred tax assets*

The Group has not recognized deferred tax assets relating to available tax losses in start-up subsidiaries where the probability of future taxable income is uncertain. These potential deferred tax assets will be recognized and utilized in future periods as and when they meet the recognition criteria. The tax losses available from these subsidiaries are ZAR 127.7 million at February 28, 2026 (2025: ZAR 138.1 million). None of the tax losses expire in terms of local tax legislation.

### *Unrecognized deferred tax liabilities*

No deferred tax liability is recognized on temporary differences of ZAR 2,015.9 million at February 28, 2026 (2025: ZAR 1,676.8 million) relating to the unremitted earnings of overseas subsidiaries as the Group is able to control the timings of the reversal of these temporary differences and it is probable that they will not reverse in the foreseeable future.

## 10. INVENTORIES

<b>Figures in Rand thousands</b>	<b>As of February 28</b>	
	<b>2026</b>	<b>2025</b>
Other consumables	5,742	3,830
Total inventories	5,742	3,830

Inventories recognized as an expense in cost of revenue is NIL (2025: ZAR 2.1 million, 2024: ZAR 267.3 million).

## 11. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

<b>Figures in Rand thousands</b>	<b>As of February 28</b>	
	<b>2026</b>	<b>2025</b>
Trade amounts due from related parties	17	369
Trade receivables	735,130	672,370
Expected credit loss provision	(275,651)	(210,906)
	459,496	461,833
<b>Other receivables</b>		
Non-trade amounts due from related parties	290	173
Deposits	25,081	24,631
Sundry debtors	26,744	38,661
Finance lease receivables	-	12,888
	511,611	538,186
Prepayments	69,513	63,726
Other taxes	5,929	7,178
Total trade and other receivables and prepayments	587,053	609,090
Non-current	679	11,629
Current	586,374	597,461
	587,053	609,090

During the year ended February 28, 2023, the Group entered into a finance leasing arrangement as a lessor for a machinery to a third party. The average term of finance leases entered into is five years. The leasing arrangement was settled during the year ended February 28, 2026. The following table shows the maturity analysis of the undiscounted lease payments to be received:

<b>Figures in Rand thousands</b>	<b>As of February 28</b>	
	<b>2026</b>	<b>2025</b>
<b>Maturities analysis</b>		
– within one year	-	4,830
– within two to four years	-	8,058
Present value of lease payments	-	12,888
Non-current asset	-	8,058
Current asset	-	4,830
	-	12,888

The Group recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. The determination of the expected credit loss provision is calculated on a basis specific to each customer grouping and jurisdiction in which the Group operates and requires the use of estimates. Additional information regarding credit risk applicable to trade receivables is disclosed in Note 29.2 (a).

The Group has recognized a loss allowance of 100% (2025: 100%) against aged receivables, and debts are considered aged and not recoverable when they typically reach 360 or 450 days, depending on respective entities' historical experiences. The method in providing for expected credit losses is consistent with prior years.

The average credit period extended to customers is 30 days (2025: 30 days). No interest is charged on outstanding trade receivables.

#### **Credit quality of trade and other receivables**

Information on credit quality of trade and other receivables is on Note 29.2 (a).

#### **Reconciliation of the expected credit loss provision recognized with regard to trade and other receivables**

<b>Figures in Rand thousands</b>	<b>As of February 28</b>	
	<b>2026</b>	<b>2025</b>
Beginning balance	(210,906)	(165,240)
Allowance for expected credit losses, net	(124,532)	(114,555)
Amounts utilized	51,105	67,292
Translation adjustments	8,682	1,597
Ending balance	(275,651)	(210,906)

## **12. LOANS TO/(FROM) RELATED PARTIES**

<b>Figures in Rand thousands</b>	<b>As of February 28</b>	
	<b>2026</b>	<b>2025</b>
<b>Non-current assets</b>		
Loan to a related party	28,700	28,700
<b>Current liabilities</b>		
Loan from a related party	(85)	(138)

Related party loans are unsecured, bear no interest and have no fixed terms of repayment. The fair value of these financial instruments approximates the carrying amount.

### 13. CASH AND CASH EQUIVALENTS AND BANK OVERDRAFT

<b>Figures in Rand thousands</b>	<b>As of February 28</b>	
	<b>2026</b>	<b>2025</b>
Cash on hand	350	4,054
Bank balances	620,812	208,971
Short-term deposits	532,712	829,857
Cash and cash equivalents in the consolidated statement of financial position	1,153,874	1,042,882
Bank overdrafts	(407,668)	(205,299)
Cash and cash equivalents in the consolidated statement of cash flows	746,206	837,583
Current assets	1,153,874	1,042,882
Current liabilities	(407,668)	(205,299)
	746,206	837,583

Information on cash flow management is included in Note 29.2 (b). Refer to Note 33 for information on the various facilities available to the Group.

### 14. SHARE CAPITAL AND TREASURY SHARES

<b>Figures in Rand thousands</b>	<b>As of February 28</b>	
	<b>2026</b>	<b>2025</b>
<i>Share Capital</i>		
Issued and fully paid 30,893,300 (2025: 30,893,300) ordinary shares of no par value	7,142,853	7,142,853

The holder of ordinary shares is entitled to receive dividends as declared from time to time, and is entitled to one vote per share at meetings of the Company.

<b>Figures in Rand thousands</b>	<b>As of February 28</b>	
	<b>2026</b>	<b>2025</b>
<i>Treasury shares</i>		
Beginning balance	-	(23,816)
Treasury shares purchased	-	(3,461)
Treasury shares cancelled	-	27,277
Ending balance	-	-

In 2024, the Company acquired 51,106 shares in the open market, of which 14,637 shares are held in trust by Cartrack Holdings Proprietary Ltd. The total amount paid to acquire the shares was ZAR 23.8 million and this was presented as a component within shareholder's equity. These shares were cancelled with effect on May 24, 2024.

During the year ended February 28, 2025, the Company acquired 6,700 shares in the open market. The total amount paid to acquire the shares was ZAR 3.5 million and this was presented as a component within shareholder's equity. These shares were cancelled with effect on June 17, 2024.

## 15. TERM LOANS

Figures in Rand thousands	Notes	Currency	Interest rate	Maturity of total loan	As of February 28	
					2026	2025
<b>Non-current liabilities</b>						
Interest-bearing loan	15(b)	ZAR	Prime rate less 1.75%	February 2036	360,229	-
Interest-bearing loan	15(c)	EUR	6-month Euribor rate plus 0.75%	June 2030, September 2031	38,702	31,640
					<u>398,931</u>	<u>31,640</u>
<b>Current liabilities</b>						
Mortgaged bonds	15(a)	ZAR	Prime rate less 1.15%	December 2025	-	41,182
Interest-bearing loan	15(b)	ZAR	Prime rate less 1.75%	February 2036	40,000	237,190
Interest-bearing loan	15(c)	EUR	6-month Euribor rate plus 0.75%	June 2030, September 2031	8,754	4,941
Interest-bearing loan	15(d)	EUR	3.5%	April 2026	967	-
					<u>49,721</u>	<u>283,313</u>
<b>Total term loans</b>	<b>33</b>				<u><u>448,652</u></u>	<u><u>314,953</u></u>

- (a) A mortgage bond of ZAR 65 million is registered in favor of First Rand Bank Limited over the remaining extent of Erf 160, Rosebank and Portion 6 of Erf 161, Rosebank, registered in the name of Purple Rain Properties No 444 Proprietary Limited (“Purple Rain”). Cartrack Proprietary Limited has signed a limited suretyship of ZAR 60 million for the mortgage bond. Interest levied by First Rand Bank Limited is at a rate of prime less 1.15% and repayable in equal monthly installments over a period of 60 months. The final repayment date was December 01, 2025.
- (b) In June 2024, The Standard Bank of South Africa Limited (“SBSA”) extended a loan of ZAR 250.0 million to Purple Rain Properties No.444 Proprietary Limited (the owner of the South Africa Central Office) for funding the construction of the building (“the Facilities Agreement”). Interest at a rate of prime less 1.5% was levied by the bank and the loan matured on December 21, 2025. In February 2026, the parties concluded an addendum to the Facilities Agreement, subject to the registration of a mortgage bond of ZAR 440 million in favor of SBSA. Cartrack Proprietary Limited provided a limited guarantee as security for this loan, pending the registration of the mortgage bond. Interest levied by the bank is at a rate of prime less 1.75% and will mature on February 13, 2036. The financial conditions under the loan agreement include a Loan to Value Ratio varying from 68% from the period commencing on February 26, 2025 (the First Utilisation Date) until the first anniversary of the First Utilisation Date and 62% during the next calendar period of 12 months. The Interest Coverage Ratio shall not be less than 1.45 times for the period from the First Utilisation Date until the first anniversary of the First Utilisation Date and 1.77 times in the following period of 12 months. As at the date of this report, the financial conditions have been met.
- (c) In September 2024 and June 2025, Cartrack Portugal, S.A., secured a EUR 2.0 million and EUR 1.0 million loan, respectively, from Banco Comercial Português, S.A. The loan bears an interest rate of 6-month Euribor rate plus 0.75%, with repayments scheduled over a seven-year and five-year period. There were no covenant relating to this loan.
- (d) In January 2026, Cartrack Espana. S.L.U., secured a EUR 0.08 million loan, from Abanca- Préstamo. The loan bears an interest rate of 3.5% per year and will mature on April 22, 2026.

**Reconciliation of movement of liabilities to cash flows arising from financing activities**

<b>Figures in Rand thousands</b>	<b>As of February 28</b>			
	<b>Loan from a related party</b>	<b>Other loans and borrowings</b>	<b>Lease liabilities</b>	<b>Total</b>
<b>Balance at March 1, 2025</b>	138	314,953	204,696	519,787
Changes from financing cash flows	(53)	136,158	(117,591)	18,514
Proceeds from borrowings	85	211,934	-	212,019
Repayment of a related party loan	(138)	-	-	(138)
Repayment of term loans	-	(75,776)	-	(75,776)
Payments of lease liabilities	-	-	(117,591)	(117,591)
The effect of changes in foreign exchange rates	-	(1,000)	(6,259)	(7,259)
Other changes	-	(1,460)	207,019	205,559
Interest paid	-	(26,313)	(23,734)	(50,047)
New leases	-	-	208,541	208,541
Interest expense	-	24,854	23,734	48,588
Disposal	-	-	(1,522)	(1,522)
<b>Balance at February 28, 2026</b>	85	448,652	287,865	736,602
<b>Balance at March 1, 2024</b>	924	48,179	194,340	243,443
Changes from financing cash flows	(686)	266,184	(77,633)	187,865
Proceeds from borrowings	52	289,518	-	289,570
Repayment of a related party loan	(738)	-	-	(738)
Repayment of term loans	-	(23,334)	-	(23,334)
Payments of lease liabilities	-	-	(77,633)	(77,633)
The effect of changes in foreign exchange rates	(100)	(968)	(4,338)	(5,406)
Other changes	-	1,558	92,327	93,885
Interest paid	-	(18,685)	(16,346)	(35,031)
New leases	-	-	96,606	96,606
Interest expense	-	20,473	16,346	36,819
Disposal	-	-	(4,279)	(4,279)
Others	-	(230)	-	(230)
<b>Balance at February 28, 2025</b>	138	314,953	204,696	519,787

## 16. LEASE LIABILITIES

The undiscounted maturity analysis of lease liabilities is as follows: -

Figures in Rand thousands	Minimum lease payment due			
	Within 1 year	2-4 years	Over 4 years	Total
<b>At 28 February 2026</b>				
Lease payments	141,305	183,839	1,263	326,407
Finance charges	(12,017)	(26,171)	(354)	(38,542)
Present value of lease payments	<u>129,288</u>	<u>157,668</u>	<u>909</u>	<u>287,865</u>
<b>At 28 February 2025</b>				
Lease payments	84,398	132,804	788	217,990
Finance charges	(6,953)	(6,330)	(11)	(13,294)
Present value of lease payments	<u>77,445</u>	<u>126,474</u>	<u>777</u>	<u>204,696</u>

Figures in Rand thousands	As of February 28	
	2026	2025
Non-current liabilities	158,577	127,251
Current liabilities	129,288	77,445
	<u>287,865</u>	<u>204,696</u>

It is Group policy to lease the various commercial properties occupied by the Group's operations and certain motor vehicles are leased in terms of installment sale agreements. The average term of the installment sale agreements is between three to four years and interest is charged at prime linked interest rates. The Group's obligations under instalment sale agreements are secured by the leased assets.

Property leases capitalized have an average lease term of four years and interest incurred is at an incremental borrowing rate of a similar asset. External sources of information were used to determine incremental borrowing rate of a similar asset. Total cash outflows for leases recognized in statement of cash flows ZAR 141.5 million (2025: ZAR 94.0 million, 2024: ZAR 69.3 million).

The Group leases office building, motor vehicles and IT equipment with contract terms less than twelve months. These leases are short-term. For the financial year ended February 28, 2026, the Group recognized lease payments of ZAR 3.7 million (2025: ZAR 5.0 million, 2024: ZAR 7.3 million) associated with these short-term leases as an expense on a straight-line basis over the lease term.

## 17. DEFERRED REVENUE

Figures in Rand thousands	As of February 28	
	2026	2025
Beginning balance	484,739	447,150
Amounts deferred in current financial year	578,880	489,444
Amounts released to revenue in the current financial year	(507,909)	(444,690)
Translation adjustments	(27,383)	(7,165)
Ending balance	<u>528,327</u>	<u>484,739</u>
Non-current liabilities	122,722	126,959
Current liabilities	405,605	357,780
	<u>528,327</u>	<u>484,739</u>

Majority of subscription revenues are billed monthly in advance and then recognized in revenue as the service is provided. In most situations, ownership of all telematics devices remain with the Group. For customers who have paid for the hardware fees and service upfront, revenue for the hardware fees is deferred and recognized over 60 months and the service revenue is recognized over time as the services are performed.

The following table includes estimated revenue expected to be recognized in the future related to performance obligations that are unsatisfied or partially satisfied at the end of the reporting period.

<b>Figures in Rand thousands</b>	<b>As of February 28</b>	
	<b>2026</b>	<b>2025</b>
<b>Maturities analysis</b>		
– within one year	405,605	357,780
– within two to four years	117,620	121,514
– over four years	5,102	5,445
Present value of amounts received in advance	528,327	484,739

## 18. TRADE AND OTHER PAYABLES

<b>Figures in Rand thousands</b>	<b>As of February 28</b>	
	<b>2026</b>	<b>2025</b>
<b>Trade payables</b>		
Amounts due to related parties	2,405	3,686
Trade payables	273,771	212,310
Accrued expenses	209,229	156,321
	485,405	372,317
<b>Other payables</b>		
Sundry creditors	33,068	32,804
Other taxes	62,854	55,790
Dividend payable to NCI	4,505	9,026
	100,427	97,620
	585,832	469,937

The amounts due to related parties are unsecured, interest-free and repayable on demand. Trade payables are non-interest bearing and are normally settled on 30 to 60 days term. The fair value of the financial instruments approximates their carrying amounts.

## 19. REVENUE

The Group generates revenue by offering a full-stack smart mobility technology operational intelligence platform for connected vehicles and other assets, vehicles sales and delivery services. In the following table, revenue from contracts with customers is disaggregated by revenue streams, primary geographical markets and timing of revenue recognition.

<b>Figures in Rand thousands</b>	<b>Year ended February 28/29</b>		
	<b>2026</b>	<b>2025</b>	<b>2024</b>
<b>Revenue from contracts with customers</b>			
Subscription revenue - Cartrack	4,830,669	4,055,394	3,522,816
Subscription revenue - Karoo Logistics	13,079	12,783	12,989
Other revenue - Cartrack	108,173	89,618	90,879
Hardware revenue	4,665	37,018	43,250
Installation revenue	38,194	29,510	29,186
Miscellaneous contract fees	65,314	23,090	18,443
Vehicle sales	-	2,099	274,787
Delivery service fees	527,199	407,565	304,040
<b>Total revenue</b>	<b>5,479,120</b>	<b>4,567,459</b>	<b>4,205,511</b>
<b>Primary geographical markets</b>			
South Africa	4,089,425	3,364,854	3,171,851
Africa-Other	149,339	143,803	144,020
Europe	482,841	399,209	347,628
Asia-Pacific*, Middle East and USA	757,515	659,593	542,012
	5,479,120	4,567,459	4,205,511
<b>Timing of revenue recognition</b>			
Products and services transferred at a point in time	635,372	499,282	669,706
Services transferred over time	4,843,748	4,068,177	3,535,805
<b>Total revenue</b>	<b>5,479,120</b>	<b>4,567,459</b>	<b>4,205,511</b>

\* Included in Asia-Pacific is revenue from Singapore amounted to ZAR147.7 million (2025: ZAR141.1 million, 2024: ZAR132.4 million).

## 20. OPERATING PROFIT

Figures in Rand thousands	Notes	Year ended February 28/29		
		2026	2025	2024
<b>Operating profit is stated after accounting for the following charges:</b>				
Depreciation of property, plant and equipment	5	814,278	606,487	588,660
Amortization of capitalized commission assets	6	138,574	100,223	83,155
Amortization of intangible assets	7	56,426	56,072	59,482
Employee benefits expense		1,630,689	1,251,384	1,076,244
Defined contribution plan		59,855	41,113	45,468

## 21. FINANCE INCOME

Figures in Rand thousands	Year ended February 28/29		
	2026	2025	2024
Interest income from bank balances	34,476	44,167	39,418

## 22. FINANCE COSTS

Figures in Rand thousands	Year ended February 28/29		
	2026	2025	2024
Lease liabilities	23,734	16,346	11,371
Term loans	24,854	20,473	194
Bank overdraft	28,668	13,465	2,296
Others	618	582	1,961
	<u>77,874</u>	<u>50,866</u>	<u>15,822</u>

## 23. TAXATION

Figures in Rand thousands	Notes	Year ended February 28/29		
		2026	2025	2024
Major components of the tax expense:				
<b>Current tax</b>				
Current year		304,911	297,670	297,546
Prior year		2,846	(1,998)	(120)
		<u>307,757</u>	<u>295,672</u>	<u>297,426</u>
<b>Deferred tax</b>				
Current year		23,303	(4,340)	(12,964)
Prior year		(10,335)	(8,564)	6,464
	9	<u>12,968</u>	<u>(12,904)</u>	<u>(6,500)</u>
<b>Withholding tax</b>				
		<u>27,810</u>	<u>27,043</u>	<u>20,628</u>
Total tax expense		<u>348,535</u>	<u>309,811</u>	<u>311,554</u>
<b>Reconciliation between accounting profit and tax expense:</b>				
Profit before taxation		1,359,647	1,246,921	1,065,710
Tax at the applicable tax rate of 17% <sup>1</sup> (2025: 17%, 2024: 17%)		231,139	211,976	181,171
Effect of different tax rates in foreign jurisdictions		97,937	97,965	90,081
<b>Taxation effect of adjustments on taxable income:</b>				
Utilization of previously unrecognized tax losses		(11,060)	(7,918)	(10,811)
Tax incentive		(4,128)	(3,130)	(6,549)
Income not subject to tax		(465)	(5,924)	(1,414)
Non-deductible expenses for tax purposes:				
Impairment of goodwill		-	7,413	-
Other non-deductible expenses		7,153	3,997	15,898
Recognition of previously unrecognized tax losses		8,255	(11,956)	-
Current year losses for which no deferred tax asset is recognized		6,097	3,663	19,223
Withholding tax		27,810	27,043	20,628
Prior year tax (over)/under provision		(7,489)	(10,562)	6,344
Tax effect of deferred tax on decrease in tax rate		-	79	-
Others		(6,714)	(2,835)	(3,017)
Total tax expense		<u>348,535</u>	<u>309,811</u>	<u>311,554</u>

<sup>1</sup> This is the corporate tax rate in Singapore.

## 24. TAXATION PAID

Figures in Rand thousands	Year ended February 28/29		
	2026	2025	2024
Balance payable at beginning of the year	(44,417)	(64,661)	(47,369)
Current tax for the year recognized in profit or loss	(335,567)	(322,715)	(318,054)
Translation adjustments	16,389	4,524	(1,195)
Balance payable at end of the year	74,521	44,417	64,661
Taxation paid during the year	(289,074)	(338,435)	(301,957)

## 25. DIVIDEND

### Dividend per share

*Dividend paid by the Company to owner of the Company*

Figures in Rand thousands	Year ended February 28			
	2026		2025	
	Per share (ZAR)	Amount	Per share (ZAR)	Amount
Interim dividend	22.45	693,627	19.79	612,422

## 26. INTEREST IN SUBSIDIARIES

The following table lists the entities which are controlled by the Group.

<b>Company Name</b>	<b>Held by</b>	<b>Country of incorporation</b>	<b>% holding 2026</b>	<b>% holding 2025</b>
Cartrack Holdings Proprietary Limited	Karoo0000 Ltd	South Africa	100.0	100.0
Karoo0000 Management Company Pte. Ltd.	Karoo0000 Ltd	Singapore	100.0	100.0
Karoo0000 Proprietary Ltd	Karoo0000 Ltd	South Africa	100.0	100.0
Karoo0000 Cartrack Limited <sup>3</sup>	Karoo0000 Ltd	Uganda	100.0	100.0
Cartrack (Cambodia) Co. Ltd	Karoo0000 Management Company Pte. Ltd.	Cambodia	100.0	100.0
Cartrack Swaziland (Pty) Ltd <sup>4</sup>	Karoo0000 Management Company Pte. Ltd.	Kingdom of Eswatini	76.0	76.0
Karoo0000 Technologies Proprietary Limited	Karoo0000 Proprietary Ltd	South Africa	100.0	100.0
Cartrack Management Services Proprietary Limited	Cartrack Holdings Proprietary Limited	South Africa	100.0	100.0
Cartrack Proprietary Limited	Cartrack Holdings Proprietary Limited	South Africa	100.0	100.0
Cartrack Manufacturing Proprietary Limited	Cartrack Holdings Proprietary Limited	South Africa	100.0	100.0
Cartrack Insurance Agency Proprietary Limited	Cartrack Holdings Proprietary Limited	South Africa	100.0	100.0
Cartrack Namibia Proprietary Limited	Cartrack Holdings Proprietary Limited	Namibia	100.0	100.0
Cartrack Technologies Pte. Limited	Cartrack Holdings Proprietary Limited	Singapore	100.0	100.0
Carzuka Proprietary Limited	Cartrack Holdings Proprietary Limited	South Africa	100.0	100.0
Purple Rain Properties No.444 Proprietary Limited	Cartrack Holdings Proprietary Limited	South Africa	100.0	100.0
Karoo0000 Logistics (Pty) Ltd	Cartrack Holdings Proprietary Limited	South Africa	81.0	74.8
Cartrack Telematics Proprietary Limited <sup>2</sup>	Cartrack Proprietary Limited	South Africa	49.0	49.0
Cartrack Academy (Pty) Ltd <sup>6</sup>	Cartrack Proprietary Limited	South Africa	100.0	100.0
Karu Holdings Proprietary Limited	Cartrack Proprietary Limited	South Africa	100.0	100.0
Combined Telematics Services Proprietary Limited <sup>1,5</sup>	Cartrack Proprietary Limited	South Africa	-	49.0

Company Name	Held by	Country of incorporation	% holding 2026	% holding 2025
CTK Shell 2 (Pty) Ltd <sup>1</sup>	Cartrack Proprietary Limited	South Africa	100.0	100.0
Cartrack Tanzania Limited	Cartrack Technologies Pte. Limited	Tanzania	100.0	100.0
Karoo000 Kenya Limited	Cartrack Technologies Pte. Limited	Kenya	70.0	70.0
Cartrack Engineering Technologies Limited	Cartrack Technologies Pte. Limited	Nigeria	100.0	100.0
PT. Cartrack Technologies Indonesia	Cartrack Technologies Pte. Limited	Indonesia	100.0	100.0
Cartrack Investments UK Limited <sup>1</sup>	Cartrack Technologies Pte. Limited	United Kingdom	100.0	100.0
Cartrack Technologies (China) Limited	Cartrack Technologies Pte. Limited	Hong Kong	100.0	100.0
Cartrack Malaysia SDN.BHD	Cartrack Technologies Pte. Limited	Malaysia	100.0	100.0
Cartrack Technologies LLC	Cartrack Technologies Pte. Limited	U.A.E	100.0	100.0
Cartrack Technologies PHL.INC.	Cartrack Technologies Pte. Limited	Philippines	100.0	100.0
Cartrack Technologies South East Asia Pte. Limited	Cartrack Technologies Pte. Limited	Singapore	100.0	100.0
Cartrack Ireland Limited	Cartrack Technologies Pte. Limited	Republic of Ireland	100.0	100.0
Cartrack Technologies (Thailand) Company Limited	Cartrack Technologies Pte. Limited	Thailand	100.0	100.0
Cartrack New Zealand Limited	Cartrack Technologies Pte. Limited	New Zealand	66.0	51.0
Cartrack (Australia) Proprietary Limited	Cartrack Technologies Pte. Limited	Australia	100.0	100.0
Cartrack Technologies Zambia Limited	Cartrack Technologies Pte. Limited	Zambia	100.0	100.0
Cartrack Vietnam Limited Liability Company	Cartrack Technologies Pte. Limited	Vietnam	100.0	100.0
Cartrack INC.	Cartrack Ireland Limited	U.S.A	100.0	100.0
Cartrack Polska.Sp.zo.o	Cartrack Ireland Limited	Poland	90.9	90.9
Cartrack Portugal S.A.	Cartrack Ireland Limited	Portugal	100.0	100.0
Cartrack Espana. S.L.U.	Cartrack Ireland Limited	Spain	100.0	100.0
Karu.Com. Unipessoal. Lda	Cartrack Portugal S.A.	Portugal	100.0	100.0
Cartrack Prevrod. Lda	Cartrack Portugal S.A.	Portugal	55.0	-
Cartrack Limitada <sup>2</sup>	Cartrack Technologies LLC	Mozambique	50.0	50.0
Auto Club LDA	Cartrack Technologies LLC	Mozambique	90.0	90.0
Cartrack for Information Technology Company <sup>1</sup>	Cartrack Technologies LLC	Kingdom of Saudi Arabia	51.0	51.0

1 Dormant

2 The Group considers Cartrack Limitada and Cartrack Telematics Proprietary Limited as subsidiaries of the Group as the Group has the right to appoint majority of the directors on the Board of Directors of these entities through contractual shareholders' agreement. The Board of Directors of the companies direct the relevant activities of these entities. Accordingly, the Group is exposed to and has the rights to variable returns, and has the ability to affect those returns through the Board of Directors.

3 90% of the share capital of Karoo000 Cartrack Limited is held by Karoo000 Limited and the remainder 10% of the share capital is held by Karoo000 Management Company Pte Limited.

4 74% of the share capital of Cartrack Swaziland (Pty) Ltd is held by Karoo000 Management Company Pte. Ltd. and 2% is held by Cartrack Holdings Proprietary Limited.

5 As at financial year ended February 28, 2026, the entities were deregistered and ceased to exist as legal entities.

6 CTK Shell 1 (Pty) Ltd was renamed to Cartrack Academy (Pty) Ltd on June 20, 2024.

Loans provided to subsidiary companies which require financial support have been subordinated in favor of third- party creditors of the underlying companies.

On March 8, 2023, Cartrack acquired 76% of the shares and voting interests in Cartrack Swaziland (Pty) Ltd for a consideration of ZAR 9,120,000, recognizing a goodwill of ZAR 6.2 million (see Note 27).

On April 30, 2024, Karoo000 Logistics (Pty) Ltd repurchased its ordinary shares at a purchase price of ZAR 15.2 million in accordance with the Companies Act of South Africa and cancelled the repurchased shares. As a result, the Group's effective shareholding in Karoo000 Logistics (Pty) Ltd increased from 70.1% to 74.8% after completion of the repurchase and cancellation.

On September 1, 2025, Karoo000 Logistics (Pty) Ltd repurchased its ordinary shares at a purchase price of ZAR 23.0 million in accordance with the Companies Act of South Africa and cancelled the repurchased shares. As a result, the Group's effective shareholding in Karoo000 Logistics (Pty) Ltd increased from 74.8% to 81.0% after completion of the repurchase and cancellation.

On January 31, 2026, Cartrack New Zealand Ltd issued new shares for subscription by Karoo000 Management Company Pte. Ltd. As a result, the group's effective shareholding in Cartrack New Zealand Ltd has increased from 51% to 66%.

## 27. ACQUISITION OF SUBSIDIARY

### (i) Cartrack Swaziland (Pty) Ltd

On March 8, 2023, the Group acquired 76% of the shares and voting interests in Cartrack Swaziland (Pty) Ltd, from its existing franchisees for a consideration of ZAR 9.12 million, recognizing a goodwill of ZAR 6.2 million. The goodwill amount is not material to the Group.

The fair values of identifiable net assets and the cash outflows on the acquisition were as follows:

<b>Figures in Rand thousands</b>	<b>Notes</b>	<b>As of February 29, 2024</b>
Other non-current assets		2,868
Cash and cash equivalents		3,778
Other current assets (excluding cash and cash equivalents)		203
Non-current liabilities		(354)
Current liabilities		<u>(2,683)</u>
<b>Net identifiable assets acquired</b>		3,812
Add: Goodwill	8	6,223
Less: NCI based on proportionate interest		<u>(915)</u>
<b>Cash consideration transferred for the business</b>		9,120
Less: cash and cash equivalents acquired		(3,778)
Less: cash consideration payable		<u>(240)</u>
<b>Net outflow of cash</b>		<u><u>5,102</u></u>

Goodwill arising on the acquisitions is attributable to the synergies expected to arise from their integration with the Group, the skilled workforce acquired and the expanded customers. The primary reason for these acquisitions is to strategically expand its customer base.

## 28. RELATED PARTIES

All related party transactions are entered into in the normal course of business and at prices available at negotiated terms. Whenever it exists, related party transactions also include transactions with entities that are controlled or significantly influenced by any key management personnel.

Key management personnel are the persons who have authority and responsibility for planning, directing and controlling the activities of the Group or the Company either directly or indirectly.

In addition to the information disclosed in Notes 11, 12 and 18 in the financial statements, the following transactions took place between the Group and related parties which does not include any holding companies or associates and joint venture, at the terms agreed between parties:

## 28.1 Transactions with related parties

Figures in Rand thousands	Year ended February 28/29		
	2026	2025	2024
Sales to related parties	3,091	27,296	30,730
Purchases from related parties	(45,263)	(146,871)	(137,107)
Rent paid to related parties	(9,483)	(8,727)	(8,468)

## 28.2 Balances with related parties

Figures in Rand thousands	Year ended February 28	
	2026	2025
Amount due from related parties	307	542
Amount due to related parties	(2,405)	(3,686)
Loan due from related parties	28,700	28,700
Loan due to related parties	(85)	(138)

## 28.3 Key management compensation short term employee benefits

Key management personnel compensation comprised the following:

Figures in Rand thousands	Year ended February 28/29		
	2026	2025	2024
Short-term employee benefits	18,536	18,285	18,094
Post-employment benefits	480	456	430
	<u>19,016</u>	<u>18,741</u>	<u>18,524</u>

The amounts disclosed in the table are the amounts recognized as an expense during the reporting period related to directors and key management personnel.

## 29. RISK MANAGEMENT

The Directors have overall responsibility for the establishment in oversight of the Group's risk management framework. The Directors have established the Audit and risk committee which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Directors on its activities.

The Group's risk management policies are established to identify and analyze the risk faced by the Group, to set appropriate risk limits, implement controls to enforce limits to monitor risk and adherence to limits.

The committee is assisted in its oversight role by internal audit. Internal audit reviews risk and management controls and procedures, the results of which are reported to the committee.

### 29.1 Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors return of capital, as well as the level of dividends to shareholders.

The capital structure of the Group consists of debt, which includes the borrowings and lease obligations disclosed in Note 15 and 16 respectively, cash and cash equivalents and bank overdraft disclosed in Note 13, and equity as disclosed in the consolidated statement of financial position.

There were no changes in the Group's approach to the capital management during the financial year.

In order to maintain or adjust the capital structure, the Group may adjust the amounts of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

## 29.2 Financial risk management

The Group has exposure to the following risks arising from financial instruments: credit risk, liquidity risk, currency and interest rate risk.

### 29.2 (a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or financial institution where deposits are held fail to meet the contractual obligations, and arises principally from the Group's receivables from customers, cash deposits and cash equivalents.

Credit risk is managed by each subsidiary subject to the Group's established policy and procedure. The Group has a general credit policy of only dealing with credit worthy customers. A significant element of its individual customers is on debit-order payment method to assess credit risk.

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Directors. The utilization of credit limits is regularly monitored. The Group does not have any significant credit risk exposure to any single customer or any Group of customers having similar characteristics.

There has been no change in credit risk estimation techniques since the last financial year. The carrying amounts of financial assets represent the maximum credit exposure. Expected credit losses on financial assets recognized in profit or loss were as follows:

Figures in Rand thousands	Year ended February 28/29		
	2026	2025	2024
Expected credit loss provision on trade receivables arising from contracts with customers	124,532	114,555	109,422

#### Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the country in which the customer operates. The Group's trade receivables concentration is consistent with concentration of revenue as disclosed in Note 19.

#### Expected credit loss assessment process followed in the current financial year

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses.

The provision rates are based on days since invoicing date for various groupings of various customer segments with similar loss patterns.

The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future conditions.

The following table provides information about the expected credit loss rate for trade receivables by ageing category:

Figures in Rand thousands	Expected credit loss rate	Gross carrying amount	Impairment loss allowance
<b>At February 28, 2026</b>			
Since invoicing	13%	134,740	17,021
1 month since invoicing date	9%	141,612	12,552
2 months since invoicing date	25%	43,868	11,013
3 months since invoicing date	57%	414,927	235,065
Total	37%	735,147	275,651
<b>At February 28, 2025</b>			
Since invoicing	6%	229,073	13,546
1 month since invoicing date	12%	82,721	10,302
2 months since invoicing date	23%	38,484	8,998
3 months since invoicing date	55%	322,461	178,060
Total	31%	672,739	210,906

## Cash and cash equivalents

The Group held cash and cash equivalents of ZAR 621.2 million as at February 28, 2026 (2025: ZAR 643.3 million) and short term deposits amounting to ZAR 532.7 million as at February 28, 2026 (2025: ZAR 399.5 million). The amounts are held with major banks and financial institutions which are rated and regulated in each country. Management believes that these financial institutions are of high credit quality and continually monitors the credit worthiness of these financial institutions. None of the bank's holding deposits show financial strain. Impairment on cash and cash equivalents at bank and short term deposits has been measured on a 12-month expected loss and reflect the short maturity of the exposures. The Group considers that its cash and cash equivalents at bank and short term deposits have low credit risk and the amount of the allowance to be insignificant.

### 29.2 (b) Liquidity risk

The Group manages liquidity risk through an ongoing review of future commitments and ensures that there is adequate funding available in terms of cash reserves and committed funding facilities.

Cash flow forecasts are prepared and available borrowing facilities are monitored on an ongoing basis.

### Exposure to liquidity risk

The table below analyzes the Group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows and includes contractual interest payments.

Figures in Rand thousands	Less than 1 year	2 years	3 years	4 years	5 years or more	Total
<b>At February 28, 2026</b>						
Term loans	83,386	79,288	75,643	72,243	313,232	623,792
Lease obligations	141,305	113,304	61,317	9,218	1,263	326,407
Trade and other payables	522,978	-	-	-	-	522,978
Loan from a related party	85	-	-	-	-	85
Bank overdraft	407,668	-	-	-	-	407,668
<b>At February 28, 2025</b>						
Term loans	306,556	6,355	6,355	6,289	16,414	341,969
Lease obligations	84,398	69,922	46,061	16,821	788	217,990
Trade and other payables	414,147	-	-	-	-	414,147
Loan from a related party	138	-	-	-	-	138
Bank overdraft	205,299	-	-	-	-	205,299

### 29.2 (c) Currency risk

The Group is exposed to currency risk to the extent that sales, purchases, and borrowings of the foreign operations are denominated in a currency other than the respective functional currencies of Group companies. The functional currencies of Group companies are primarily the ZAR, USD, Euro (EUR), Mozambican metical (MZN), the Singapore dollar (SGD) and Polish zloty (PLN).

The Group does not apply hedge accounting.

### Exposure to currency risk

The summarized quantitative data about the Group's exposure to currency risk of the Group is as follows:

Figures in Rand thousands	USD	EUR	SGD
<b>At February 28, 2026</b>			
Trade and other receivables	33,769	41,124	33,811
Cash and cash equivalents	904,290	16,928	11,501
Trade and other payables	(3,383)	(45,497)	(23,301)
	<u>934,676</u>	<u>12,555</u>	<u>22,011</u>
<b>At February 28, 2025</b>			
Trade and other receivables	55,354	34,535	50,212
Cash and cash equivalents	825,778	16,614	16,561
Trade and other payables	(4,334)	(36,366)	(34,472)
	<u>876,798</u>	<u>14,783</u>	<u>32,301</u>

### Sensitivity analysis

A strengthening/weakening of the ZAR against the USD, EUR and SGD, at year-end would have impacted the measurement of financial instruments denominated in a foreign currency, equity and profit or loss by the amounts shown below. The analysis assumes that all other variables remain constant. A factor change of 10% has been applied to the exchange rates.

<b>Figures in Rand thousands</b>	<b>Strengthening of ZAR</b>	<b>Weakening of ZAR</b>
<b>February 28, 2026</b>		
USD	(93,468)	93,468
EUR	(1,626)	1,626
SGD	(2,201)	2,201
	<u>(97,295)</u>	<u>97,295</u>
<b>February 28, 2025</b>		
USD	(87,680)	87,680
EUR	(1,478)	1,478
SGD	(3,230)	3,230
	<u>(92,388)</u>	<u>92,388</u>

### 29.2 (d) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk relates primarily to the Group's loan obligations with variable interest rates as follow:

- The term loan granted by Standard Bank of South Africa Limited in June 2024 bears interest at a rate equivalent to the prime rate less 1.75%.
- The term loan with Banco Comercial Português, S.A attracts interest at a rate of 0.75% p.a plus 6-months EURIBOR.
- The bank overdraft facility with Capitec Bank Limited, previously Mercantile Bank ("Capitec Bank") attracts interest at Capitec Bank's prime lending rate, which as at the date of this annual report was 10.50% p.a.
- The working capital facility with The Standard Bank of South Africa Limited ("Standard Bank"), attracts interest at Standard Bank's prime lending rate minus 1%, which as at the date of this annual report was 9.50% p.a.

No financial instruments were entered into to mitigate the risk of interest rate movements.

### Interest rate sensitivity

The following table illustrates the effects on Group's earnings and equity, all other factors remaining constant. A factor of 1% has been applied to the interest rates:

<b>Figures in Rand thousands</b>	<b>As of February 28</b>	
	<b>2026</b>	<b>2025</b>
Effect on profit before tax (1% increase)	(8,554)	(5,203)
Effect on profit before tax (1% decrease)	<u>8,554</u>	<u>5,203</u>

### 30. ANALYSIS OF ASSETS AND LIABILITIES BY FINANCIAL INSTRUMENT CLASSIFICATION

The following table shows the carrying amounts and classification of financial assets and financial liabilities. The carrying amounts approximate their fair values.

<b>Figures in Rand thousands</b>	<b>Notes</b>	<b>As of February 28</b>	
		<b>2026</b>	<b>2025</b>
<b>Financial assets (at amortized cost)</b>			
Loan to a related party	12	28,700	28,700
Trade and other receivables (exclude prepayments and other taxes)	11	511,611	538,186
Cash and cash equivalents	13	1,153,874	1,042,882
		<u>1,694,185</u>	<u>1,609,768</u>
<b>Financial liabilities (at amortized cost)</b>			
Loan from a related party	12	85	138
Trade and other payables (exclude other taxes)	18	522,978	414,147
Term loans	15	448,652	314,953
Bank overdraft	13	407,668	205,299
		<u>1,379,383</u>	<u>934,537</u>

### 31. FAIR VALUE OF ASSETS AND LIABILITIES

#### *Fair value hierarchy*

The Group categorizes fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Unobservable inputs for the asset or liability

Fair value measurements that use inputs of different hierarchy levels are categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

#### *Assets and liabilities not measured at fair value, for which fair value is disclosed*

As of February 28, 2026, the fair value of loan to a related party as disclosed in the table below is based on significant unobservable inputs (Level 3) and have been calculated by discounting the expected future cash flows using rates currently available for instruments on with similar terms, credit risk and remaining maturities.

<b>Figures in Rand thousands</b>	<b>As of February 28, 2026</b>		
	<b>Notes</b>	<b>Carrying amount</b>	<b>Aggregate fair value</b>
Loan to a related party	12	28,700	28,700

#### *Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value*

Cash and cash equivalents (Note 13), trade and other receivables (Note 11), trade and other payables (Note 18), term loans (Note 15), loan from a related party (Note 12), and lease liabilities (Note 16). The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values as they are short term in nature, market interest rate instruments.

#### *Fair value of financial instrument classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value*

There are no financial instruments that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value.

### 32. BASIC AND DILUTED EARNINGS PER SHARE INFORMATION

#### *Basic and diluted earnings per share*

The calculation of basic and diluted earnings per share has been based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares in issue.

	Year ended February 28/29		
	2026	2025	2024
<b>Basic earnings</b>			
Profit attributable to ordinary shareholder of Karoo000 (ZAR '000)	993,920	921,031	738,191
Weighted average number of ordinary shares issued	30,893,300	30,894,805	30,948,470
Basic and diluted earnings per share (ZAR)	32.17	29.81	23.85

#### *Diluted earnings per share*

There are no dilutive instruments and therefore diluted earnings per share is the same as basic earnings per share.

### **33. FUNDING FACILITIES**

#### ***Bank overdraft and overdraft facilities***

In March 2020, Cartrack Proprietary Limited entered into an unsecured short-term overdraft and other facilities with Capitec Bank Limited, previously Mercantile Bank (“Capitec Bank”), pursuant to a Short-Term Facility Letter, as amended and supplemented from time to time (the “Overdraft Facility”). Pursuant to the most recent Addendum to the Short-Term Facility Letter, dated June 23, 2025, the Overdraft Facility was increased to ZAR 300.0 million. Amounts due under the Overdraft Facility bear interest at Capitec Bank’s prime lending rate, which as at the date of this annual report was 10.50%. Subject to completion of the annual review, Capitec Bank has approved the extension of the expiry date to June 30, 2026.

In August 2025, Cartrack Proprietary Limited entered into an unsecured short-term working capital and other facilities with The Standard Bank of South Africa Limited (“Standard Bank”), pursuant to a Short-Term Facility Letter, as amended and supplemented from time to time (the “Working Capital Facility”). The Working Capital Facility amounts to ZAR 300.0 million. Amounts due under the Working Capital Facility bear interest at Standard Bank’s prime lending rate minus 1%, which as at the date of this annual report was 9.50%.

As of February 28, 2026, ZAR 407.7 million (2025: ZAR 205.3 million) of the facilities had been utilized.

### **34. COMMITMENTS**

Other than the lease commitments disclosed in Note 16, as at February 28, 2026 and 2025, the Group has no outstanding commitments for capital expenditure.

### **35. SUBSEQUENT EVENTS**

There were no material events subsequent to the end of the financial year that require disclosure or adjustment.

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**FIRST ADDENDUM TO THE FACILITIES AGREEMENT**

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between

**PURPLE RAIN PROPERTIES NO 444 PROPRIETARY LIMITED**

and

**THE STANDARD BANK OF SOUTH AFRICA LIMITED  
(ACTING THROUGH ITS CORPORATE AND INVESTMENT BANKING DIVISION)**

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1 **PARTIES**

1.1 The parties to this Addendum are:

1.1.1 **PURPLE RAIN PROPERTIES NO 444 PROPRIETARY LIMITED**, a private company incorporated under the laws of South Africa with registration number 2007/006512/07, as borrower (the **Borrower**); and

1.1.2 **THE STANDARD BANK OF SOUTH AFRICA LIMITED**, a public company and registered bank duly incorporated under the laws of South Africa with registration number 1962/000738/06, as lender (the **Lender**).

1.2 The parties agree as set out below.

2 **BACKGROUND**

2.1 Reference is made to the Facilities Agreement (defined below) in terms of which the Lender made Facilities available to the Borrower on the terms and subject to the conditions contained therein.

2.2 The parties to the Facilities Agreement wish to amend the Facilities Agreement on the terms and conditions of this Addendum.

3 **INTERPRETATION**

3.1 In this Addendum, unless the context indicates a contrary intention, capitalised terms not defined herein shall have the meaning ascribed thereto in the Facilities Agreement and the following words and expressions bear the meanings assigned to them below, and cognate expressions bear corresponding meanings:

3.1.1 **Addendum** means this first addendum to the Facilities Agreement;

3.1.2 **Additional Structuring Fee** means the additional structuring fee payable by the Borrower in respect of this Addendum in an amount of R290,000 (two hundred and ninety thousand Rand);

3.1.3 **Cartrack** means Cartrack Proprietary Limited, a private company incorporated under the laws of South Africa with registration number 2001/006063/07;

3.1.4 **Effective Date** means the date on which the conditions set out in Clause 5 (*Conditions Precedent to Variation of the Facilities Agreement*) have been fulfilled to the Lender's satisfaction;

3.1.5 **Facilities Agreement** means the written agreement entitled "*Facilities Agreement*" entered into between the Lender and the Borrower on or about 19 June 2024 pursuant to which the Lender makes facilities available to the Borrower;

- 3.1.6 **Parties** means the parties to this Addendum, and **Party** means each or any one of them, as the context may require;
- 3.1.7 **Shortfall Undertaking** means the shortfall undertaking provided by Cartrack in favour of the Lender on or about the Signature Date in terms of which Cartrack undertakes to immediately pay all and any loan instalment shortfalls pursuant to clause 7 (*Repayment*) to the Lender; and
- 3.1.8 **Signature Date** means the date of the signature of the Party last signing this Addendum in time.

## 3.2 **Facilities Agreement**

- 3.2.1 This Addendum and the rights and obligations of the Parties shall in all respects be subject to the terms and conditions of the Facilities Agreement and in the event of any conflict between the provisions of this Addendum (including, without limitation, terms defined herein) and the provisions of the Facilities Agreement, the provisions of this Addendum shall prevail.
- 3.2.2 Cross references to clauses in the Facilities Agreement shall be to such clauses (including the numbering thereof) as amended by this Addendum.
- 3.2.3 This Addendum shall (as applicable) be read as if incorporated in the Facilities Agreement and shall be construed as an addendum to and not a novation of the Facilities Agreement.
- 3.2.4 Headings in this Addendum are for reference purposes only and shall not be taken into account in the interpretation hereof.

## 4 **ADDITIONAL STRUCTURING FEE**

- 4.1 The Additional Structuring Fee shall be due on the Signature Date and payable on the Effective Date.
- 4.2 It is recorded that the Additional Structuring Fee has been calculated exclusive of VAT and that VAT in respect of the Additional Structuring Fee shall be due and payable by the Borrower in accordance with Clause 4.1.

## 5 **CONDITIONS PRECEDENT TO VARIATION OF THE FACILITIES AGREEMENT**

- 5.1 The amendments contained in this Addendum shall only become of force and effect upon the date of fulfilment, to the satisfaction of the Original Lender, of the following conditions precedent:
- 5.1.1 a copy of a resolution of the board of directors of the Borrower:
- 5.1.1.1 approving the terms of, and the transactions contemplated by, the Addendum to which it is a party and resolving that it execute this Addendum to which it is a party;

- 5.1.1.2 authorising a specified person or persons, on its behalf, to sign and/or dispatch all documents and notices to be signed and/or dispatched by it under or in connection with this Addendum to which it is a party;
- 5.1.2 a copy of a resolution of the board of directors of the Cartrack:
  - 5.1.2.1 complying with the requirements of section 45(3)(b) and section 45(4) of the Companies Act in connection with any financial assistance to be granted by that Obligor pursuant to section 45(2) of the Companies Act under the relevant Finance Documents to which it is a party; and
  - 5.1.2.2 complying with the requirements of section 46 of the Companies Act in connection with any “distribution” (as defined in the Companies Act) that may arise as a result of its entry into the relevant Finance Documents to which it is a party;
- 5.1.3 a copy of a special resolution of the shareholders of the Cartrack, approving, in accordance with section 45(3)(a)(ii) of the Companies Act, any financial assistance to be granted by Cartrack pursuant to section 45(2) of the Companies Act under the relevant Finance Documents to which it is a party;
- 5.1.4 receipt of confirmation by the Lender and its conveyancers that the Mortgage Bond to be passed by the Borrower in favour of the Lender over the Property in an amount of R440,000,000 (four hundred and forty million Rand) has been registered in the applicable Deeds Registry;
- 5.1.5 receipt of a certificate from the Lender’s appointed conveyancers certifying that the title deed of the Property is not subject to any onerous conditions of title, servitudes or endorsements (including notification in terms of the Restitution of Land Rights Act, 1994 (as amended, re-enacted or substituted)) which might detrimentally affect the value of the Property or any one of them or the Lender’s security, including whether the Property or any one of them have been declared a remediation site in terms of section 38(2) of the National Environmental Management: Waste Act, 2008;
- 5.1.6 a duly executed copy of the following documents:
  - 5.1.6.1 this Addendum; and
  - 5.1.6.2 the Shortfall Undertaking;
- 5.1.7 a copy of any other authorisation or other document, opinion or assurance which the Original Lender considers to be necessary or desirable in connection with the entry into and performance of the transactions contemplated by any Finance Document or for the validity and enforceability of any Finance Document.

6       **CONDITION SUBSEQUENT**

The Borrower shall ensure that it delivers a copy of its audited financial statements for the year ended February 2025 by the 31<sup>st</sup> of March 2026.

7       **CONDONATION OF AUDITED FINANCIAL STATEMENTS**

The Lender hereby confirms that, notwithstanding the provisions of Clause 16.1 of the Facilities Agreement, the Lender condones the Borrower's breach of the non-provision of the audited financial statements of the year ended February 2025 to 31 March 2026.

8       **AMENDMENTS**

The Facilities Agreement is hereby amended with effect from the Effective Date by:

8.1       **including a new clause 2.1.3A immediately preceding clause 2.1.4:**

*"2.1.3A       Amendment Date means the date on which the first addendum to this Agreement has become unconditional;"*;

8.2       **deleting clause 2.1.6.2 in its entirety and replacing it with the following new clause 2.1.6.2:**

*"2.1.6.2       in respect of Facility 2, a period of 30 (thirty) days calculated from the Amendment Date;"*;

8.3       **deleting clause 2.1.27 in its entirety and replacing it with the following new clause 2.1.27:**

*"2.1.27       Facility 1 Final Repayment Date means 28 February 2026;"*;

8.4       **deleting clause 2.1.29 in its entirety and replacing it with the following new clause 2.1.29:**

*"2.1.29       Facility 2 Commitment means R400,000,000 (four hundred million Rand), to the extent not cancelled, reduced or transferred by it under this Agreement;"*;

8.5       **deleting clause 2.1.30 in its entirety and replacing it with the following new clause 2.1.30:**

*"2.1.30       Facility 2 Final Repayment Date means in respect of Facility 2, the date which is 120 (one hundred and twenty) months from the Amendment Date;"*;

8.6 **deleting clause 2.1.31 in its entirety:**

8.7 **deleting clause 2.1.32 in its entirety:**

8.8 **including a new clause 2.1.35.2 immediately preceding clause 2.1.35.2:**

“2.1.35.2 *the Guarantee in respect of Facility 1*”;

8.9 **including a new clause 2.1.35.3A immediately preceding clause 2.1.35.3:**

“2.1.35.3A *the Shortfall Undertaking*”;

8.10 **Including a new clause 2.1.44 immediately preceding clause 2.1.44:**

“2.1.44 **Guarantee** means the agreement titled “Guarantee” entered into on or about 19 June 2024 between the Guarantor and the Lender in terms of which the Guarantor guarantees to the Lender the due and punctual performance by the Borrower of the Guaranteed Obligations (as defined therein) in respect of Facility 1;”;

8.11 **deleting clause 2.1.59 in its entirety and replacing it with the following new clause 2.1.59:**

“2.1.59 **Margin** means a margin of 1.75% (one point five percent) per annum;”;

8.12 **deleting clause 2.1.61 in its entirety and replacing it with the following new clause 2.1.61:**

“2.1.61 **Mortgage Bond** means the first continuing covering mortgage bond to be passed by the Borrower in favour of the Lender over the Property in an amount of R440,000,000 (four hundred and forty million Rand as security for all the obligations and indebtedness owed by the Borrower to the Lender from time to time, arising from any cause whatsoever;”;

8.1 **deleting clause 4 in its entirety and replacing it with the following new clause 4:**

“4. **PURPOSE**

4.1. *The Borrower shall apply all amounts borrowed by it as follows:*

4.1.1 *in relation to Facility 1, towards financing the corporate general purposes;*

4.1.2 *in relation to Facility 2, towards general corporate purposes;*

4.2 *The Lender is not bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.”;*

8.2 **deleting clause 6.2 in its entirety.**

8.3 **deleting clause 6.4.2 in its entirety and replacing it with the following new clause 6.4.2:**

“6.4.2 Only 1 (one) Utilisation may be made in respect of Facility 1 and Facility 2.”;

8.4 **deleting clause 7.1.2 in its entirety and replacing it with the following new clause 7.1.2:**

“7.1.2 in respect of the Facility 2, repay the Loan Outstandings in monthly instalments of capital of R3, 333,333.33:’

8.5 **deleting clause 7.1.3 in its entirety.**

8.6 **deleting clause 8.2 in its entirety and replacing it with the following new clause 8.2:**

“8.2 ***Voluntary Prepayment at the Option of the Borrower***

8.2.1 *If:*

8.2.1.1 *any sum payable to the Lender by the Borrower is required to be increased under clause 11.1 (Tax gross-up); or*

8.2.1.2 *the Lender claims indemnification from the Borrower under clause 12.1 (Increased Costs); or*

8.2.1.3 *the Prime Rate exceeds 12% (twelve percent);*

*the Borrower may, whilst the circumstance giving rise to the requirement for that increase or indemnification continues and provided no Default is then continuing, give the Lender notice (the **Cancellation and Repayment Notice**) of its intention to repay a Facility.*

8.2.2 *On receipt of the Cancellation and Repayment Notice, the Available Commitment shall cease to be available for Utilisation.*

8.2.3 *If the Cancellation and Repayment Notice is delivered by the Borrower to the Lender, the Borrower shall, on or before the date (the **Required Repayment Date**) specified in the notice delivered by the Borrower to the Lender (being no earlier than the 5th (fifth) Business Day after delivery of such notice), repay to the Lender an amount equal to the Loan Outstandings, together with interest thereon at the Default Interest Rate calculated from the Required Repayment Date to the date of actual payment.*

8.2.4 *It is recorded that the Prepayment Penalty shall not be payable by the Borrower where the prepayment occurs in the circumstances contemplated in this clause 8.2.”;*

8.7 **deleting clause 17.2 in its entirety and replacing it with the following new clause 17.2:**

**\*17.2 Financial condition**

*The Borrower shall ensure that in respect of any Measurement Period:*

18.2.1 *the Loan to Value Ratio shall not exceed the ratio contemplated in the table below on any Measurement Date occurring during the Measurement Period contemplated in the table below:*

<b>Measurement Period</b>	<b>Percentage</b>
<b>Year 1</b> <i>From the period commencing on the First Utilisation Date until the first anniversary of the First Utilisation Date.</i>	68%
<b>Year 2</b> <i>From the period commencing on first calendar day following the first anniversary of the First Utilisation Date until the second anniversary of the First Utilisation Date.</i>	62%
<b>Year 3</b> <i>From the period commencing on the first calendar day following the second anniversary of the First Utilisation Date until the third anniversary of the First Utilisation Date.</i>	55%
<b>Year 4</b> <i>From the period commencing on the first calendar day following the third anniversary of the First Utilisation Date until the fourth anniversary date of the First Utilisation Date.</i>	49%
<b>Year 5</b> <i>From the period commencing on the first calendar day following the fourth anniversary of the First Utilisation Date until the fifth anniversary date of the First Utilisation Date.</i>	42%
<b>Year 6</b> <i>From the period commencing on the first calendar day following the fifth anniversary of the First Utilisation Date until the sixth anniversary date of the First Utilisation Date.</i>	36%
<b>Year 7</b> <i>From the period commencing on the first calendar day following the sixth anniversary of the First Utilisation Date until the seventh anniversary date of the First Utilisation Date.</i>	29%

<p><b>Year 8</b></p> <p><i>From the period commencing on the first calendar day following the seventh anniversary of the First Utilisation Date until the eighth anniversary date of the First Utilisation Date.</i></p>	23%
<p><b>Year 9</b></p> <p><i>From the period commencing on the first calendar day following the eighth anniversary of the First Utilisation Date until the ninth anniversary date of the First Utilisation Date.</i></p>	16%
<p><b>Year 10</b></p> <p><i>From the period commencing on the first calendar day following the ninth anniversary of the First Utilisation Date until Facility 2 Final Repayment Date.</i></p>	10%

17.2.2 the Interest Cover Ratio shall not be less than the ratio contemplated in the table below on any Measurement Date occurring during the Measurement Period contemplated in the table below:

<b>Measurement Period</b>	<b>Ratio</b>
<p><b>Year 1</b></p> <p><i>From the period commencing on the First Utilisation Date until the first anniversary of the First Utilisation Date.</i></p>	1.45 times
<p><b>Year 2</b></p> <p><i>From the period commencing on first calendar day following the first anniversary of the First Utilisation Date until the second anniversary of the First Utilisation Date.</i></p>	1.77 times
<p><b>Year 3</b></p> <p><i>From the period commencing on the first calendar day following the second anniversary of the First Utilisation Date until the third anniversary of the First Utilisation Date.</i></p>	2.15 times
<p><b>Year 4 until Year 10</b></p> <p><i>From the period commencing on the first calendar day following the third anniversary of the First Utilisation Date until Facility 2 Final Repayment Date.</i></p>	2.20 times

8.8 **including a new clause 19.4 immediately preceding clause 19.3.4:**

“19.4 The Borrower shall procure a triple net lease with a minimum annual rental of R74,000,000 (seventy-four million Rand) on the terms and conditions acceptable to the Lender.”.

9 **BORROWER CONFIRMATION**

The Borrower hereby agrees and confirms for the benefit of the Lender that, notwithstanding any amendments which may be made to the Facilities Agreement pursuant to this Addendum and the imposition of any amended, new or more onerous obligations under the Facilities Agreement pursuant to this Addendum:

- 9.1.1 it shall continue to be bound by all of its obligations under the Facilities Agreement (as amended by this Addendum) and each of the Finance Documents to which it is a party; and
- 9.1.2 such documents shall, subject to such amendments, each remain in full force and effect.
- 9.1.3 Each of the Parties confirms that the amendment of the Finance Documents pursuant to this Addendum shall not constitute a novation of the Finance Documents.
- 9.1.4 The Borrower hereby acknowledges that any Security granted pursuant to or in connection with the Security Documents originally entered into in respect of the Finance Documents shall remain unaffected and that the obligations guaranteed and/or secured under the Security Documents will be the obligations defined in the Security Documents.
- 9.1.5 The Parties hereby furthermore agree and confirm that, notwithstanding the amendments pursuant to this Addendum, none of the modifications to the Facilities Agreement pursuant to this Addendum or any of the other Finance Documents will in any way adversely affect the validity or perfection of the Security granted over the assets as defined in the relevant Security Documents or constitute a novation or termination of the obligations outstanding under the Finance Documents.

10 **REMAINING TERMS AND CONDITIONS**

Save for the amendments to the Facilities Agreement as set out in this Addendum, the remaining terms and conditions of the Facilities Agreement shall remain unaltered and of full force and effect.

11 **GENERAL**

11.1 **Whole Agreement**

This Addendum, together with the Facilities Agreement constitute the whole of the agreement between the Parties relating to the matters dealt with herein and, save to the extent otherwise provided herein, no undertaking, representation, term or condition relating to the subject matter of this Addendum not incorporated in this Addendum shall be binding on either of the Parties.

**11.2 Variations to be in Writing**

No addition to or variation, deletion, or agreed cancellation of all or any clauses or provisions of this Addendum will be of any force or effect unless in writing and signed by the Parties.

**11.3 No Indulgences**

No latitude, extension of time or other indulgence which may be given or allowed by either Party to the other in respect of the performance of any obligation hereunder, and no delay or forbearance in the enforcement of any right of either Party arising from this Addendum and no single or partial exercise of any right by either Party under this Addendum, shall in any circumstances be construed to be an implied consent or election by that Party or operate as a waiver or a novation of or otherwise affect any of its rights in terms of or arising from this Addendum or estop or preclude it from enforcing at any time and without notice, strict and punctual compliance with each and every provision or term hereof. Failure or delay on the part of either Party in exercising any right, power or privilege under this Addendum will not constitute or be deemed to be a waiver thereof, nor will any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

**11.4 No Waiver or Suspension of Rights**

No waiver, suspension or postponement by either Party of any right arising out of or in connection with this Addendum shall be of any force or effect unless in writing and signed by that Party. Any such waiver, suspension or postponement will be effective only in the specific instance and for the purpose given.

**11.5 Provisions Severable**

All provisions and the various clauses of this Addendum are, notwithstanding the manner in which they have been grouped together or linked grammatically, severable from each other. Any provision or clause of this Addendum which is or becomes unenforceable in any jurisdiction, whether due to voidness, invalidity, illegality, unlawfulness or for any other reason whatever, shall, in such jurisdiction only and only to the extent that it is so unenforceable, be treated as pro non scripto and the remaining provisions and clauses of this Addendum shall remain of full force and effect. The Parties declare that it is their intention that this Addendum would be executed without such unenforceable provision if they were aware of such unenforceability at the time of execution hereof.

11.6 **Continuing Effectiveness of Certain Provisions**

The expiration or termination of this Addendum shall not affect such of the provisions of this Addendum as expressly provide that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for this.

11.7 **No Assignment**

Neither this Addendum nor any part, share or interest herein nor any rights or obligations hereunder may be ceded, delegated or assigned by either Party save as provided for in the Facilities Agreement.

12 **COSTS AND EXPENSES**

Subject to any arrangements between the Borrower and Lender to the contrary, the Borrower shall promptly pay the Lender on demand the amount of all costs and expenses (including legal fees) reasonably incurred by any of them in connection with the negotiation, preparation, printing, execution, syndication and perfection of this Addendum and the other Finance Documents and/or any filing, notification, registration or recording in connection with any Transaction Document.

13 **SIGNATURE**

13.1 This Addendum is signed by the Parties on the dates and at the places indicated below.

13.2 This Addendum may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Addendum as at the date of signature of the Party last signing one of the counterparts.

13.3 The persons signing this Addendum in a representative capacity warrant their authority to do so.

13.4 The Parties record that it is not required, for this Addendum to be valid and enforceable, for a Party to initial the pages of this Addendum and/or have its signature of this Addendum verified by a witness.

***[SIGNATURE PAGES FOLLOW ON NEXT PAGE]***

SIGNED at Rosebank on this the 13 day of February 2026

For and on behalf of  
**PURPLE RAIN PROPERTIES NO 444 PROPRIETARY LIMITED (as Borrower)**

/s/ Isaias Jose Calisto

\_\_\_\_\_  
Name: Isaias Jose Calisto

Capacity: Group CEO

Who warrants his authority hereto

SIGNED at \_\_\_\_\_ on this the \_\_\_\_\_ day of \_\_\_\_\_ 2026

For and on behalf of  
**THE STANDARD BANK OF SOUTH AFRICA LIMITED (Acting through its Corporate and Investment Banking division) (as Lender)**

\_\_\_\_\_  
Name:

Capacity:

Who warrants his authority hereto

\_\_\_\_\_  
Name:

Capacity:

Who warrants his authority hereto

**Karoo Limited Subsidiary Companies FY2026**

- 1 Cartrack Holdings (Pty) Ltd
  - 2 Cartrack (Pty) Ltd
  - 3 Cartrack Manufacturing (Pty) Ltd
  - 4 Cartrack Telematics (Pty) Ltd
  - 5 Cartrack Insurance Agency (Pty) Ltd
  - 6 Cartrack Namibia (Pty) Ltd
  - 7 Cartrack Australia (Pty) Ltd
  - 8 Cartrack New Zealand Limited
  - 9 Cartrack Tanzania Limited
  - 10 Cartrack Ireland Limited
  - 11 Cartrack Malaysia SDN. BHD
  - 12 Cartrack Vietnam Limited Liability Company
  - 13 Cartrack Portugal SA
  - 14 Cartrack Espana S.L.U (Spain)
  - 15 Cartrack Inc. (USA)
  - 16 Cartrack Polska SP.ZO.O (Poland)
  - 17 Cartrack Limitada (Mozambique)
  - 18 Cartrack (Cambodia) Co. Ltd.
  - 19 Cartrack Swaziland (Pty) Ltd
  - 20 Cartrack Investments (UK) Limited (United Kingdom)
  - 21 Cartrack Technologies Pte Ltd (Singapore)
  - 22 Cartrack Technologies (Thailand) Pte. Ltd
  - 23 Cartrack Technologies South East Asia Pte. Ltd
  - 24 PT Cartrack Technologies Indonesia
  - 25 Cartrack Technologies Zambia Limited
  - 26 Cartrack Technologies Phil Incorporated (Philippines)
  - 27 Cartrack Technologies China Limited
  - 28 Cartrack Technologies LLC (UAE)
  - 29 Cartrack Engineering Technologies Limited (Nigeria)
-

- 30 Cartrack for Information Technology (Kingdom of Saudi Arabia)
  - 31 Carzuka.com. Pte. Ltd (Singapore)
  - 32 Karooooo Logistics (Pty) Ltd
  - 33 Karooooo Cartrack Limited (Uganda)
  - 34 Karooooo Management Company Pte. Ltd (Singapore)
  - 35 Karooooo (Pty) Ltd
  - 36 Karooooo Technologies (Pty) Ltd
  - 37 Karooooo Kenya Limited
  - 38 Karu Holdings (Pty) Ltd
  - 39 Karu.Com Unipessoal LDA (Portugal)
  - 40 Purple Rain Properties no 444 (Pty) Ltd
  - 41 Auto Club LDA (Mozambique)
  - 42 Combined Telematics Services (Pty) Ltd
  - 43 Cartrack Academy (Pty) Ltd
  - 44 CTK Shell 2 (Pty) Ltd
  - 45 Cartrack Management Services (Pty) Ltd
  - 46 Cartrack Prevrod LDA (Portugal)
-

**CERTIFICATION BY THE PRINCIPAL EXECUTIVE OFFICER PURSUANT TO SECURITIES  
EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a) AS ADOPTED PURSUANT TO SECTION 302 OF  
THE SARBANES-OXLEY ACT OF 2002**

I, Isaias (Zak) Jose Calisto, certify that:

1. I have reviewed this annual report on Form 20-F of Karooooo Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: June 9, 2026

By: /s/ Isaias (Zak) Jose Calisto

Isaias (Zak) Jose Calisto  
Chief Executive Officer

**CERTIFICATION BY THE PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECURITIES  
EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a) AS ADOPTED PURSUANT TO SECTION 302 OF  
THE SARBANES-OXLEY ACT OF 2002**

I, Hoe Shin Goy, certify that:

1. I have reviewed this annual report on Form 20-F of Karooooo Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: June 9, 2026

By: /s/ Hoe Shin Goy

Hoe Shin Goy  
Chief Financial Officer

**CERTIFICATION BY THE PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL  
OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF  
THE SARBANES-OXLEY ACT OF 2002**

The certification set forth below is being submitted in connection with the Annual Report on Form 20-F for the year ended February 28, 2026 (the "Report") for the purpose of complying with Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code.

Isaias (Zak) Jose Calisto, the Chief Executive Officer and Hoe Shin Goy, the Chief Financial Officer of Karooooo Ltd., each certifies that, to the best of his or her knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Karooooo Ltd.

Date: June 9, 2026

By: /s/ Isaias (Zak) Jose Calisto

Isaias (Zak) Jose Calisto  
Chief Executive Officer

By: /s/ Hoe Shin Goy

Hoe Shin Goy  
Chief Financial Officer



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**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in Registration Statement No. 333-280758 on Form F-3 of our report dated June 9, 2026, relating to the financial statements of Karooooo Ltd. appearing in this Annual Report on Form 20-F for the year ended February 28, 2026.

/s/ Deloitte & Touche

Deloitte & Touche  
June 9, 2026

**Consent of Independent Registered Public Accounting Firm**

We consent to the incorporation by reference in the Registration Statement (Form F-3 No. 333-280758) of Karooooo Ltd. of our report dated June 13, 2024, with respect to the consolidated financial statements of Karooooo Ltd. included in this Annual Report (Form 20-F) for the year ended February 28, 2026.

/s/ Ernst & Young LLP

Ernst & Young LLP

Singapore

June 09, 2026