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Quartix Technologies plc
("Quartix", "the Group" or "the Company")

Trading Statement

Quartix Technologies plc, a leading supplier of subscription-based vehicle tracking software and services, is pleased to provide the following trading statement covering the 9 months to 30 September 2025 ("the Period") and specifically for progress made in the third quarter ("Q3") of its trading year. Some metrics in this statement are quoted on a trailing twelve-month ("TTM") basis for comparison purposes.

Financial performance in the Period

Financial performance in Q3 was very strong.

The Company now expects to slightly exceed the most-recently updated market estimates¹ for revenue and profit for the full year. The outlook for 2026 has also improved further, following significant growth in recurring subscription revenues, as noted below.

Cashflow in Q3 was particularly good, benefitting from the transition to the latest-generation, lower-cost, tracking system (TCSV17) which has now reached production volumes, allowing final stocks of TCSV15 to be run down. This also has a beneficial impact on the trajectory of gross margins, as well as current and future cash costs of the French 4G upgrade programme.

Following payment of the interim dividend of £1.2m, the Company's cash balance as at 30 September was £4.6m. Management estimates free cashflow for the Period of approximately £4.3m, exceeding previous market expectations for the full year.

Cashflow figures are estimated having taken into account a total of £1.0m of cash costs incurred for the 4G upgrade and reorganisation programmes this year and hence underlying free cashflow for the Period is estimated at £5.3m. The remaining cash cost of the reorganisation is now immaterial.

Annualised Recurring Revenue ("ARR")

ARR is the key forward-looking measure of growth for the Company and an important indicator of shareholder value. ARR reported by the Company relates solely to committed software subscription revenues and does not include other service revenues which may recur.

The Company's ARR increased by £3.5m during the Period to £36.1m, equalling, in 9 months, the level of ARR growth achieved for the full year in 2024. On a TTM basis to 30 September 2025, ARR growth has further improved to £4.3m, a 14% increase on the ARR level on 1 October 2024. International sales now represent 47% of ARR.

Net revenue retention ("NRR") on a TTM basis is 97.3% (Jan 1st 2025: 95.7%). Further improvement in this measure is targeted.

Measures of ARR, NRR and ARR growth are calculated on a constant-currency basis².

Key business metrics

Quartix is a market-led company with a keen focus on product and service quality. The Company's target market segment consists principally of small-to-medium businesses with mobile workforces - mainly tradespeople. Quartix provides its 32,000 customers with operational information and data which help increase their capacity utilisation - enabling them to improve both revenue and productivity. 97% of its 1,200 Trustpilot reviews are either 5* or 4*, giving Quartix an overall score of 4.8 and a 5-star rating.

Quartix's service has been operated on a subscription basis since the Company's foundation in 2001. A key measure of the Company's efficiency is that of its subscription revenues (ARR) per employee. This measure and some other important metrics for the business are summarised below.

· ARR/ employee (FTE):	£220,000	· Subscription base (vehicles)	326,000
· ARR/ vehicle	£111	· Subscription base growth (TTM)	12%
· Subscriptions as % sales	94%	· ARR growth (TTM)	14%
· Hardware as % sales	<3%	· Largest client as % sales	< 1%

Many of these measures have improved substantially over the past two years, demonstrating the quality of the Company's intellectual property, operational efficiency and customer service. Quartix will continue to seek further process improvement in all aspects of its business as it gains scale.

Detailed metrics for the Group are shown below by market:

Country	ARR (£m)	% (TTM)	Subscription Base (units)	% (TTM)	Customer Base	% (TTM)	New Subscriptions (units)	%	New Customers	%
UK/EI	19.21	10%	165,693	7%	11,912	3%	23,765	3%	1,262	7%
France	9.75	15%	89,598	15%	9,669	9%	18,141	5%	1,697	-2%
USA	3.26	9%	29,846	2%	3,983	5%	5,760	19%	742	40%
Italy	1.78	40%	18,648	39%	2,898	38%	5,639	25%	904	29%
Spain	1.19	35%	14,032	32%	2,462	26%	4,145	19%	701	15%
Germany	0.84	37%	7,878	32%	1,134	27%	2,126	-6%	348	9%
Other	0.03		334		60					
Total	36.06	14%	326.029	12%	32.118	10%	59.576	7%	5.654	11%

4G upgrades

France: approximately 20,000 devices of the original 50,000 remain to be upgraded. Just 20% of these require professional installation as the other 80% are self-install units. These will be left until relatively late in the process as they will only require shipment to the client - who can unplug and replace them. A review of the remaining provision for this programme will be conducted at year end.

UK: we have entered into a new 5-year supply contract with our principal network service operator. This provides cost benefits and we believe that it is now unlikely that any "sunsetting" of the 2G network will occur during this agreement. The operator is understood to have as many as 8 million existing 2G connections, substantially more than previously thought. The Company does not believe that there will be any material impact on the business in the UK's transition from 2G to 4G for the foreseeable future.

Product innovation

Quartix has made very significant progress in new product innovation during the past year:

Standardised core telematics architecture for all markets and applications

The architecture of the TCSV17, as outlined in greater detail in previous RNS releases, has now been adapted for use in a miniature, plug-in OBD (user-installed) product for European networks ("TCSV18"). The TCSV17 is now in full production and the TCSV18 is undergoing European type approval. A further derivative of this will then be developed for the US market, and it is anticipated that this will be available for type testing early next year. In each case these products offer significant performance improvement and reduced cost when compared with the previous generation.

Over time, this new, core suite of telematics products will replace all previous variants, leading to efficiencies in component purchasing, working capital and manufacturing.

Transition towards a common code base and architecture for all user applications

The reorganisation of existing software teams and creation of a new UI/ front-end application team referred to in July has already led to a significant improvement in development progress.

The new team is focused on enhancing ease of use, responsiveness, and speed of access to key operational data for our customers. A new front-end for our web application was developed over the summer months, allowing customers faster, easier access to the information they use to achieve efficiency improvements in their businesses. It was presented to all of our colleagues at the annual gathering of the Company in the Newtown offices at the beginning of September and has since been released for review by all employees. Initial feedback has been very positive. It is expected to be released in beta version to customers later this year. This code base will eventually also form the basis of our next generation of mobile application.

Connected dashboard cameras - fully integrated with the web application

Launched in 2024, the connected dashcam solution now provides our customers with detailed, high-resolution coverage of collisions and other significant events during vehicle usage. The uploading of footage is either initiated by accelerometer triggers in the telematics system or user requests. This information is then attached to and integrated within the report suite, supporting customers in driver training, insurance matters and in reducing fraudulent claims against them. Options include both forward and driver-facing cameras.

In the 12 months to 30 September dashboard camera additions to existing subscriptions contributed approximately £0.5m of ARR growth. This has been achieved from promotion to existing customers in the UK and we are now evaluating the broader, international potential for this product.

Outlook

Accelerated growth in ARR, reduced manufacturing cost and continued emphasis on overhead efficiency have led to a further improvement in the outlook for revenue and profitability for the remainder of this year and 2026. This, in turn, supports our plans for investment in channel development, product innovation and further progress in our subscription base.

Andy Walters, Executive Chairman of Quartix, commented:

"We have made substantial progress in many key aspects of our business during the first 9 months of 2025. Over the past 12 months our annualised subscription revenues have risen by a record £4.3m, or 14%, to £36.0m; we look forward to the remainder of the year and 2026 with confidence."

Notes:

1 The Company believes that market expectations for 2025 were, prior to this announcement, revenue £36.0m, adjusted EBITDA £7.5m, adjusted PBT £7.1m and free cashflow of £4.1m.

2 Comparisons made on the basis of constant-currency measurements are based on closing exchange rates applicable at 30/9/2025 of €1.145 and 1.344 to pounds sterling.

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