

TPLTrakker

Analyst Briefing H1 2022-23

March 2023





A Market Leader in the Telematics, IIOT & LBS Space across Pakistan

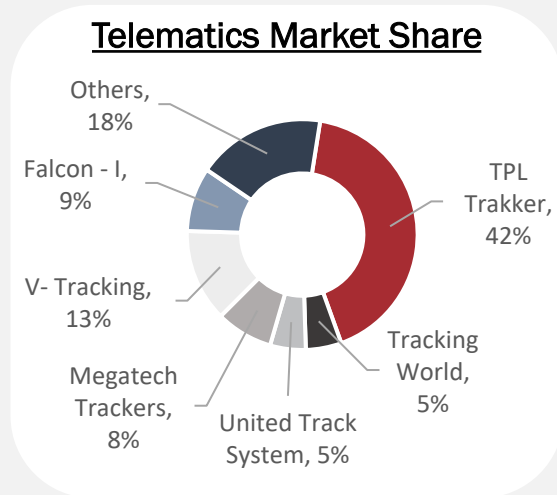
COMPANY OVERVIEW

Market leader with over 20 years of deep expertise in Telematics, Digital Mapping and Location Services (LBS), and Industrial IoT solutions (IIOT)

- Largest installed base in Vehicle Tracking in Pakistan and growing IIOT portfolio
- Strong presence in UAE with platform to expand across GCC
- Licensed by the Survey of Pakistan, as the nation's only Digital mapping player and collecting, digitizing and mining geospatial data to offer LBS
- Sole licensee by FBR to track transshipment cargo across Pakistan

Leveraging our SaaS based holistic dashboards providing actionable intelligence and cost efficiencies for our clients as we simplify the complexities as they scale

Market Leader in the Telematics across Pakistan



| | Telematics | Digital Mapping | IIoT |
|----------------------|--|--|---|
| Revenue Model | Equipment Sale + Annual Monitoring Charges (AMC) Rental Income per year | SaaS model | Enterprise Sales Model (Solution cost + Annual SLA) |
| Key Strengths | <ul style="list-style-type: none"> In-house Engineering Expertise In-house Software Development Expertise Top Corporates of Pakistan and UAE as clients | <ul style="list-style-type: none"> IIoT Sensors Network and Expertise Data Monetisation – From Trakker & Associated Companies Highly Qualified & Experienced Management | |

Key Business Highlights

- 1st Company in Pakistan selling location services and telematics digitally locally
- Only local company to be commercially licensing digital mapping data in Pakistan
- Largest and blue-chip customer base in Pakistan in Telematics & IIoT
- Largest database of geo-coded address in Pakistan – over 6 million
- Only Company tracking bonded cargo for Pakistan Customs
- PACRA Credit rating of A- and A2 with Stable outlook



Oil & Gas



Pharma



Insurance



Government



FMCGs



Banking



Textiles



Energy / Chem



Logistics



Telcos



LEAs





All amount in PKR'000 except EPS

| | H1 FY23 Standalone | H1 FY22 Standalone | Variance (%) | H1 FY23 Consolidated | H1 FY22 Consolidated | Variance (%) |
|-----------------------------------|-----------------------|-----------------------|--------------|-------------------------|-------------------------|--------------|
| Turnover | 1,120,629 | 965,503 | 16% | 1,334,784 | 1,085,222 | 23% |
| Operating Profit | 166,402 | 78,046 | 113% | 114,694 | 32,386 | 254% |
| Finance Cost | (254,559) | (147,173) | 73% | (249,972) | (147,173) | 70% |
| Profit / (Loss) after Taxation | 26,348 | (78,096) | 134% | (56,374) | (130,987) | 57% |
| Earnings per share (Rs) | 0.14 | (0.42) | 133% | (0.15) | (0.54) | 72% |

| Segment Wise Revenue Performance | H1 FY23 | H1 FY22 | Variance (%) |
|--------------------------------------|------------------|------------------|--------------|
| Telematics | 523,180 | 520,710 | 0.5% |
| Industrial Internet of things (IIOT) | 23,182 | 1,891 | 1,126% |
| STE (Customs Project) | 458,167 | 318,941 | 44% |
| Auto Hardware & Navigation | 116,100 | 61,977 | 87% |
| Astra Location Services (MAPS) | 47,093 | 61,984 | (24%) |
| TME | 167,062 | 119,719 | 40% |
| TOTAL | 1,334,784 | 1,085,222 | 23% |

Note: Standalone Financials excludes Maps and TME

Comments

- **23% Overall Revenue Growth**, with significant growth of 12x in IIOT.
- **2.13x improvement** in Operating Results owing to improved GP margins.
- **Increment of 73%** in Finance Cost due to higher KIBOR.
- **Bottom line** improvement by **134%** and **57%** on unconsolidated and consolidated basis respectively.
- **Headcount rationalization** and **BPR** across departments to streamline further savings.



All amount in PKR'000 except EPS

| | HY FY23 Standalone | HY FY22 Standalone | Variance (%) | H1 FY23 Consolidated | H1 FY22 Consolidated | Variance (%) |
|-----------------------------------|-----------------------|-----------------------|--------------|-------------------------|-------------------------|--------------|
| Turnover | 1,120,629 | 965,503 | 16% | 1,334,784 | 1,085,222 | 23% |
| Cost of sales | (714,043) | (635,112) | 12% | (856,429) | (712,008) | 20% |
| Gross profit | 406,586 | 330,391 | 23% | 478,355 | 373,214 | 28% |
| Administrative expenses | (181,350) | (201,164) | (10%) | (299,071) | (289,647) | 3% |
| Distribution expenses | (58,834) | (51,181) | 15% | (64,590) | (51,181) | 26% |
| Operating profit | 166,402 | 78,046 | 113% | 114,694 | 32,386 | 254% |
| Research and Development expenses | (38,245) | (37,747) | 1% | (42,117) | (37,747) | 12% |
| Finance cost | (254,559) | (147,173) | 73% | (249,972) | (147,173) | 70% |
| Other income | 165,900 | 98,882 | 68% | 136,032 | 91,651 | 48% |
| Earnings before taxation | 39,498 | (7,992) | 594% | (41,363) | (60,883) | 32% |
| Taxation | (13,150) | (70,104) | (81%) | (15,011) | (70,104) | (79%) |
| Earnings after taxation | 26,348 | (78,096) | 134% | (56,374) | (130,987) | 57% |
| Earnings per Share (Rs) | 0.14 | (0.42) | 133% | (0.15) | (0.54) | 72% |

Note: Standalone Financials excludes Maps and TME



Multiple successes in winning **Public / Private Sector Projects** across Pakistan for tracking & monitoring segments in Pakistan.

Telematics

- Deals finalized with **Malik Logistics, Shalimar Transport, Elivor Pak, Rehmat-e-Shereen, Super Malik Goods Transport, Al Fajar Dairy, MK Gas** etc. for fleet tracking and analytics.
- Won Tender of **Pakistan Kidney and Lever Institute** and **Faisalabad Waste Management Company**.
- Increase our penetration further in financial sector by taking on board **First Habib Modarba, First Pak Modarba** and **Orix Leasing Pakistan (North)**.
- Signed an agreement with **Westgate International** and **Moiz Ali Trade** for container tracking.

IIoT Solutions

- Providing Dashcam solution to **Daraz**.
- Won Tender of **Municipal Committee Kamoki, Municipal Committee Okara, Municipal Committee Wazirabad, Municipal Committee Vehari** and **Municipal Committee Daska**.
- We have provided MDVRs to **Fatima Fertilizer** and **Aslam Energy** for their **Hauler Flow Petroleum**.
- We have provided generator monitoring solutions to **MCB Phase II & III** for their branches through out Pakistan (c.500 branches covered today).
- We have provided generator monitoring solutions to **Telenor Pakistan**.

Auto Business

- **HNMPL** rate revisions in progress.
- **Changan Master** AVN unit for Alsvin in demo.



Continuing to build on the momentum across a blue-chip client base in UAE with strong potential for GCC expansion.

Telematics

- Finalizing a deal with **Fast Riders** for IVMS solution for their fleet of over 1,500 motor bikes used for delivery services across UAE.
- Devices for fleet monitoring being installed for **CAFU Petroleum Transport** for fleet monitoring.
- Working with **Fujairah Police** to provide IVMS with driver identification for their fleet of patrol vehicles.
- Deal signed with **Dubai Al Ahlia Transport** for monitoring of their new fleet used for transportation of fuel.

IIoT Solutions

- TME taking the relationship with **Veolia** to the next stage to provide customized IoT solutions across the UAE. Merger with Suez to provide new business opportunities in the region.
- Installed a fuel dispensing solution for **Veolia** at their site in Abu Dhabi to monitor procurement and consumption of Fuel.
- Delivered a driver fatigue monitoring solution for **Emirates Global Aluminum (EGA)** on a part of their fleet.
- Added a genset monitoring solution to the product portfolio. Pilot testing in progress with **Tarsheed LLC**.

Compliance

- Completed 97% of 2G/4G conversion of total fleet in compliance with UAE regulations.
- Deal with **Emirates Transport** in final stages for their Civil Defense vehicles.
- Application in progress for registration with **Asateel** in Abu Dhabi which will provide an opportunity to deliver IVMS for civil defense and 2.5 tonne cargo vehicles and add a new revenue stream for TME which should give 50 new vehicles per month.



Key Updates

- In FY23 rates for installation of AT, FATA/PATA, Reverse Cargo and EPZ were increased for the first time since project inception in 2013 to cover additional costs of E-seals for additional security.
- While increased political uncertainty and macro headwinds have dampened the potential trade volumes, we have still seen a healthy run-rate of c.10,000 trips per month which are expected to increase in H2.
 - Monthly run-rate likely to step up to c.11,000 – 12,000 trips including c.1,500 – 2,000 related to Transshipment volumes.
- TPL is also assisting with detailed route mapping and monitoring to enhance security.
- June 2022 last month of FY22 had record highest number of installations i.e. 13,700+

New Initiatives

E-Seals

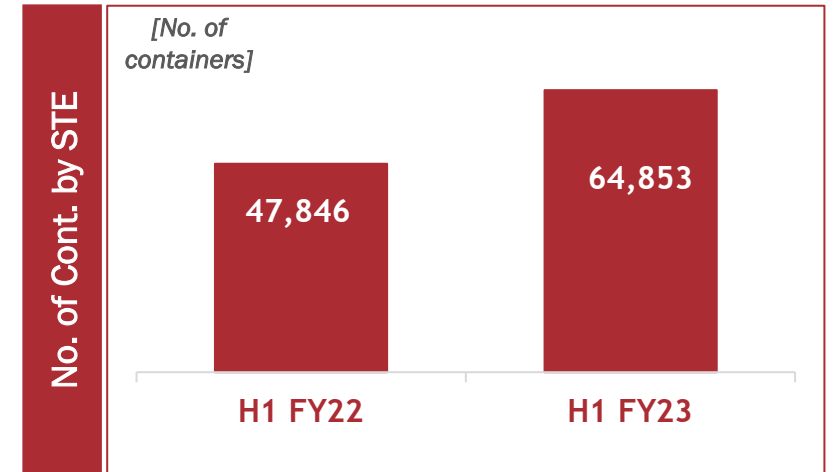
- Installation of new RFID seals has successfully been integrated in the system from Q2 of FY23

New Projects

- Uzbekistan has also been included in AT and tracking till Torkham border has already started
- Cross Stuffing of containers with e-seals installation by TPL is under consideration by customs
- Taftan Project which was sat to start in Q4 of FY22 is delayed until further notice

Transshipment

- Establishment of new edible oil factories at Meeranshah is expected to increase the volume of FATA / PATA transshipments.





Sales and Commercial

- Simplified Sales Channels and Product Portfolio to drive yield enhancement under newly promoted Commercial Officer
 - Streamlined sales teams and reduced headcount to drive greater efficiencies
 - Strong focus on retention and managing churn in light of macro slowdown to enhance Quality of Sales
- Clear strategies around maximizing CLTV by understanding sector specific pain points and developing tailored solutions
- TME predominantly focused on B2B clients and grew its installed base by +25% YoY in H1 FY23

Operations and Inventory

- Digitized the Technician journey via our new App to make it paperless and facilitate real-time uploads and customer feedback
 - Platform to allow auto-scheduling and allocation of jobs using AI and drive higher performance linked incentives
 - Process to allow better inventory management in line with changing demand and macro dynamics
- Curtailing redundant telco costs in light of changing customer behaviors to provide meaningful step down going forward

Digitization and Data Analytics

- Digital payment gateway has gone live on the website alongside other payment options and App version will be next for release
- Defined and analyzed an active ecosystem of over 200,000 users to identify trends and commercial opportunities
 - New Data Analytics team working to drive synergies between growing portfolio across the group
- Working with select clients to simplify network complexities and provide actionable intelligence to drive efficiencies
- Building tailored dashboards for major B2B customers who require SaaS platforms for IOT solutions to help them scale



Sales Pipeline Update

- Core Telematics to focus on expanding Corporate fleet coupled with tailored dashboard analytics
- Strong momentum in IIOT with a healthy funnel
- Working with key aggregators and tech start-ups
- Digital sales driven by organic channels for higher ROI
- Auto Hardware business expected to slow down but impact on profitability will remain subdued
- TME geared to deliver major operational efficiencies via SaaS platform to global clients with GCC roll-out potential
- Dedicated teams to drive cross-selling potential with TME

Operations and Cost Outlook

- Efficiency and performance driven streamlining as core processes are automated and digitized
- BPR exercise to identify and implement further savings
- Smarter inventory management and vendor streamlining
- Continued focus on reducing IT and Telco costs
- SaaS platform to provide a key cost and strategic pivot
- Consumer App upgrade to enhance user engagement and highlight areas for improvement and product development

TPL TRAKKER

APPENDIX



TPL Trakker

Marketing & Communications Update



Champions Of Change – CEO Connect in Peshawar



Team Trakker – Cricket Tournament



First Town-hall 2023



Toy Distribution Activity in collaboration with Child Life Foundation



PACRA maintained the A- and A2 ratings for TPL Trakker Ltd.



Two prestigious Brand Of The Year Awards 2022



Blood Donation Drive With Indus Hospital



Management Trainee Program



Hepatitis-C Screening Camp for employees



Cycling Tournament for employees



Two Months Internship Program for differently abled school kids from IRWA closed successfully.

TPL TRAKKER

THANK YOU





Analyst Briefing: March 2023

What We Do

We use **location data** and **AI** to help businesses scale (we're starting with Pakistan).

Location Data

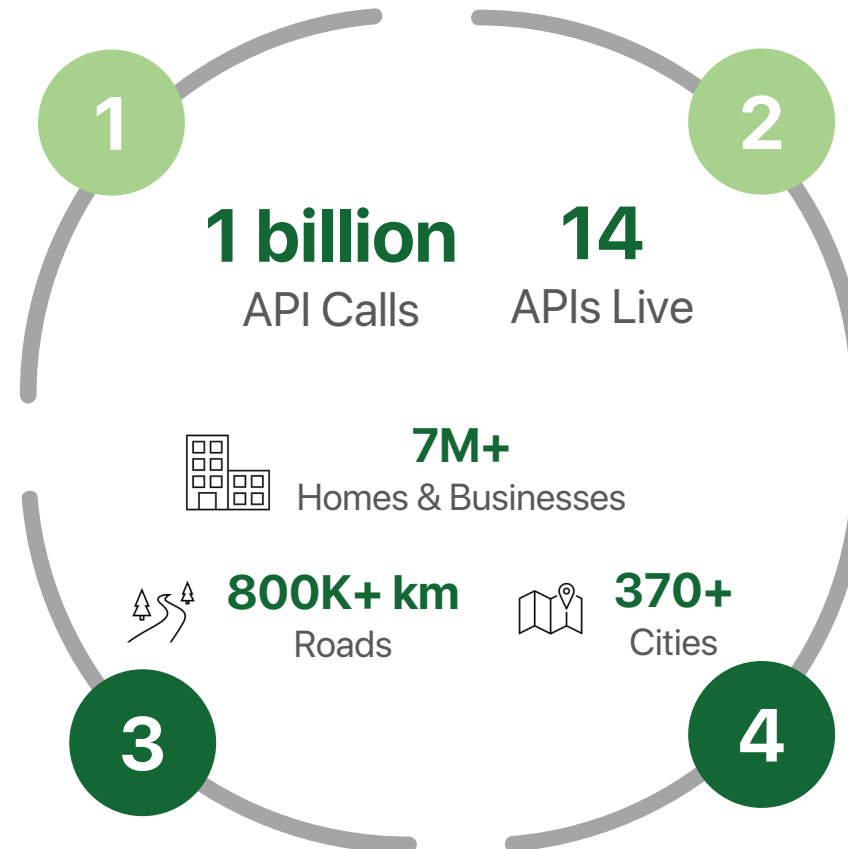
Plug & Play APIs that support business operations with tools such as optimized routing, live tracking & navigation, geofencing, geo-marketing and more.

GIS as a Service

Data Collection & Digitization, Local Mapping, and Surveys that bring visual context to location data.

Location Intelligence

AI Engine that drives business profitability with supply chain intelligence, demand modelling, customer profiling and other white space analysis.



Consumer

Navigation App that facilitates mobility with landmark based routing, public transport data and fuel cost optimisation.

Revenue Update



We have a growing client base and a robust sales pipeline ahead.

New Clients On Boarded



Reseller Partnerships

Integrations In Process



faysalbank



KFC
(Call Center/App)
Multinational fast food restaurant chain

HBL
Pakistan's largest commercial bank

Faysal Bank
Pakistan's leading Islamic Bank

Golootlo
Pakistan's first and largest QR-based discount app

Khaadi
Pakistani fashion and lifestyle brand

Rayn Group
Leading Pakistani Technology Conglomerate

Metro
Pakistan's leading supermarket chain store operators

Daraz
Pakistan's leading e-commerce player

Location Data API Offering

Top API Use Cases

Custom
Mapping & API development

Rich
Data offering with custom data gathering

PKR
Denoted payments

30%
Cheaper than Competitor APIs

Route Optimization
For Riders and Field Force

Live Tracking
of Customers and Riders

Location Relevant Offers
Based on Customer Location

GIS as a Service

We have built Pakistan's **leading** geospatial surveying team.

Our Surveying Capabilities

S1 License: from Survey of Pakistan which is the highest level of clearance available and allows us to engage any projects.

Dedicated Team: of surveyors around the country with ability to scale quickly based on client needs.

Frequent Surveying: with systematic surveying schedules and regular data refreshing across Pakistan.

Smart Targeting: by analyzing customer trends and proactively sending surveyors to anticipated demand areas.

Custom Projects: specialized surveying beyond standard location attributes, including income, health, infrastructure and more.

How We Collect Data



In House Surveying

- Dedicated Team** Countrywide
- Bespoke** Customer Surveying
- Frequent** Data Refreshing
- Targeted and Smart** Surveying



Data Partnerships

- Government Agencies
- Telecom Companies
- Credit Bureaus
- Client & Other Partner Data



Online Sources

- Crowdsourcing
- Public Data
- Other APIs

Location Intelligence

AI that delivers **meaningful** profitability and operational improvements.



Demand Intelligence

Site Selection

Competition Analysis

Demand Profiling

Fraud Prevention



Supply Intelligence

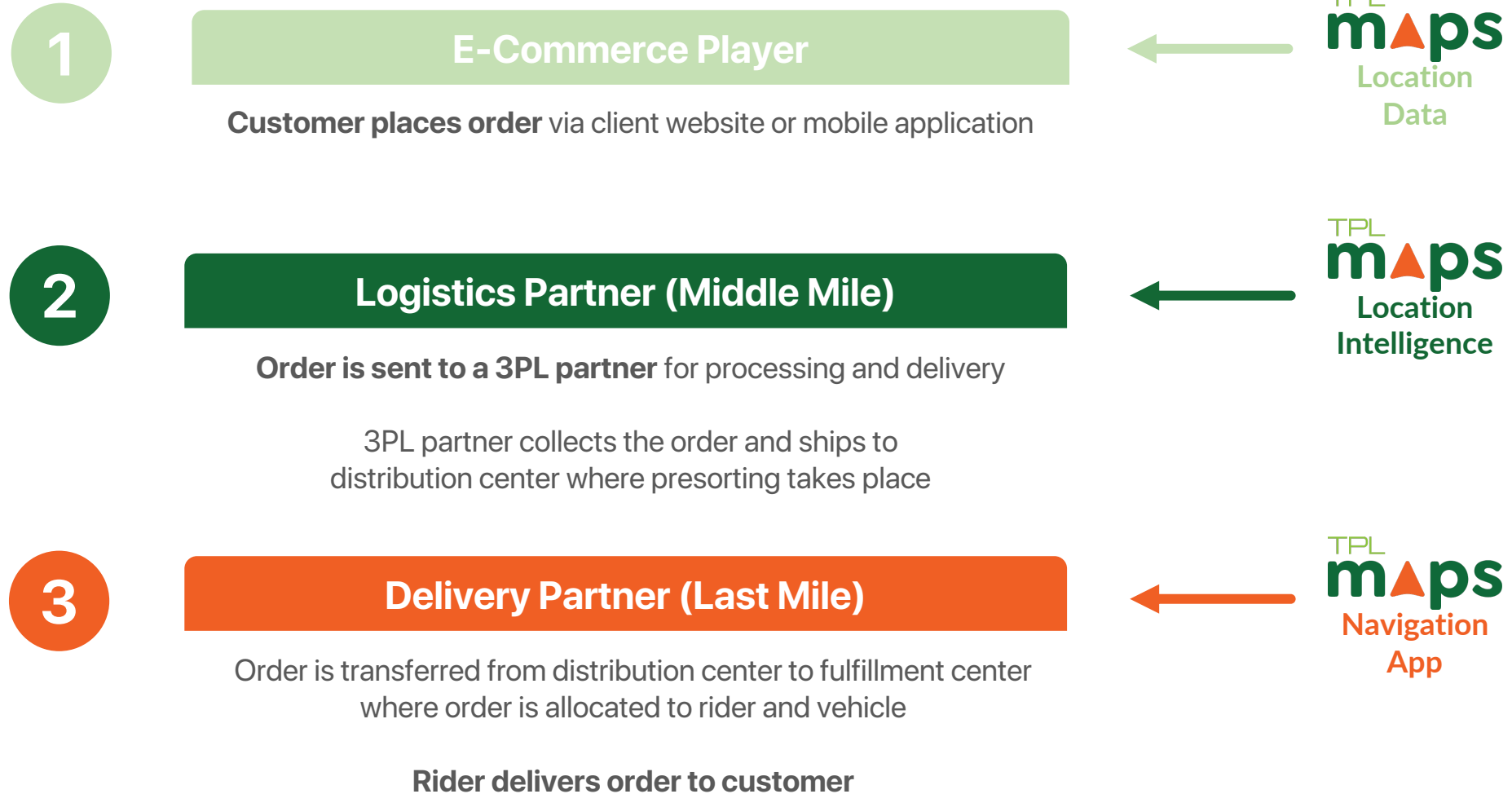
Field Force & Delivery Management

Network Optimization

Route Planning and Delivery Tracking

Our Vision

Fully integrated, end to end location offering across the value chain.



Road to Growth



We will be Pakistan's **leading big data** company.

Location Data

Expand data processing infrastructure
Continue enterprise integrations through APIs

GIS as a Service

Build surveying capabilities
Expand data collection through partnerships

Location Intelligence & Consumer

Finalize MVP development
Get to product market fit in Pakistan

Regional Expansion

Priority 1: Consumer App

- Targeting MVP launch in H1 CY23
- Monetization will begin once market fit has been achieved

Priority 2: Supply Intelligence

- Targeting Monetized MVP launch in H1 CY23
- Initial 'hair on fire' customers are Logistics, Distribution, Rapid Delivery, and Food Delivery

Priority 3: Demand Intelligence & Location Data

- Roll out Demand Intelligence (PTA complete, second use case already approved by leading Bank)
- Explore other use cases and optimize location data offering

Thank You

Location Intelligence: Use Cases



Optimizing service delivery and faster roll out for 4G/5G network expansion.

Select Province
FEDERAL CAPITAL TERRITORY

Select District
ISLAMABAD

Select Tehsil
Select Tehsil

Select UC/Sector
Select UC/Sector

Select CMO
Ufone

Select Technology
Select Technology

Signal Strength
Signal Strength

Sharing Status
Host

Select Pop. Source
LandScan

Search
By 'POI' or 'Lat/Lng' or '#Bssid'

Export

Total BTS

| | |
|----|-----|
| 2G | 328 |
| 3G | 304 |
| 4G | 291 |

CMO wise BTS

| CMO | 4G | 3G | 2G |
|---------|-----|-----|-----|
| Telenor | 0 | 0 | 0 |
| Jazz | 0 | 0 | 0 |
| Ufone | 291 | 304 | 328 |
| Zong | 0 | 0 | 0 |
| Other | 0 | 0 | 0 |

Total Complaints
3

Population Density
2,644,171

Total Area
905.776 sq. km

Data service is bad

- Zong, lahore mosque

Data service is bad

- Zong, Street 7, G/11, Islamabad

bad internet service

- Ufone, house 67 street 13 bhakra road koral islamabad

Weak LTE and 3G services with low throughput and poor call quality.

- Ufone, House 12 Street 17 Sector C-1 Bahria Enclave

I am facing severe service problems, Telenor management is not serious in resolving my issues. I am a journalist and I need speedy internet services. Unfortunately Telenor is not providing me their promised (4G) data service. Even many times no service also appears. Many a times Telenor services have made me embarrassed. Please take a substantial action against Telenor, if they cant provide standardised and promised services in capital then how they can be allowed to operate nationwide. Instead of resolving issues, they just use their call center for lolly pop. Fed up. Next time I will highlight it all in media.

Telenor, House 20 Street 139 Jinnah Garden Islamabad

Covered vs Uncovered - Population Wise

| Technology | Covered Population | Uncovered Population |
|------------|---------------------|----------------------|
| 2G | 91.63% 2,422,900 | 221,271 |
| 3G | 88.94% 2,351,800 | 292,371 |
| 4G | 71.19% 1,882,455 | 761,716 |

Covered vs Uncovered - Area Wise

| Technology | Covered Area | Uncovered Area |
|------------|--------------------------|----------------|
| 2G | 65.83% 596.305 sq. km | 309.471 sq. km |
| 3G | 61.48% 556.889 sq. km | 348.886 sq. km |
| 4G | 39.55% 358.274 sq. km | 547.501 sq. km |

Logout

Location Intelligence: Use Cases

Optimizing **branch/store performance** in relation to customers and competition.

Central | Select Zone | 0132-Circular Road, Lahore x | Select Other Banks | NearBy | Within 500 Meters | BANKING x +22 | Apply | Clear

Export Excel

Search Bank/POI

- 0 - 125 m
- 125 - 250 m
- 250 - 375 m
- > 375 m

Name: Bashir & Brothers
Address: Bashir & Brothers Rehman Street 3 Ram gali Naulakha Lahore Punjab
Category: HARDWARE & SANITARY
Distance (meters): 0.285
Central I
[Route](#)

Name: Ehtesham Brother Cargo
Address: Ehtesham Brother Cargo Rehman Street 3 Ram Gali Naulakha Lahore Punjab
Category: OTHER TRANSPORTATION
Distance (meters): 1.292
Central I
[Route](#)

Name: Hamid Traders
Address: Hamid Traders Rehman Street 3 Ram gali Naulakha Lahore Punjab
Category: HARDWARE & SANITARY
Distance (meters): 1.444
Central I
[Route](#)

Name: Malik Ahmed Brothers Bearing Store

- Bank Name: Faysal Bank
Branch Count: 1
ATM Count: 1
- Bank Name: Bank AL Habib
Branch Count: 1
ATM Count: 1
- Category Name: CONSTRUCTION
Count: 441
- Category Name: TRANSPORTATION
Count: 1
- Category Name: MEDICAL
Count: 1
- Category Name: FOOD
Count: 5
- Category Name: CIVIC/UTILITIES
Count: 1
- Category Name: VEHICLE
Count: 30
- Category Name: SHOPPING
Count: 8
- Category Name: FINANCE
Count: 1
- Category Name: INDUSTRY

