

# PowerFleet®

Leading Global IoT Telematics  
Software & Solutions Company

Investor Overview

November 2021







# Cautionary Note Regarding Forward-Looking Statements

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This presentation contains forward-looking statements within the meaning of federal securities laws. Forward-looking statements include statements with respect to PowerFleet's beliefs, plans, goals, objectives, expectations, anticipations, assumptions, estimates, intentions, and future performance, and involve known and unknown risks, uncertainties and other factors, which may be beyond PowerFleet's control, and which may cause its actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. All statements other than statements of historical fact are statements that could be forward-looking statements. For example, forward-looking statements include statements regarding prospects for additional customers; potential contract values; market forecasts; projections of earnings, revenues, synergies, accretion or other financial information; emerging new products; and plans, strategies and objectives of management for future operations, including growing revenue, controlling operating costs, increasing production volumes, and expanding business with core customers. The risks and uncertainties referred to above include, but are not limited to, future economic and business conditions, the ability to recognize the anticipated benefits of the acquisition of Pointer, which may be affected by, among other things, the loss of key customers or reduction in the purchase of products by any such customers, the failure of the market for PowerFleet's products to continue to develop, the possibility that PowerFleet may not be able to integrate successfully the business, operations and employees of I.D. Systems and Pointer, the inability to protect PowerFleet's intellectual property, the inability to manage growth, the effects of competition from a variety of local, regional, national and other providers of wireless solutions, and other risks detailed from time to time in PowerFleet's, filings with the Securities and Exchange Commission, including PowerFleet's annual report on Form 10-K for the year ended December 31, 2020. These risks could cause actual results to differ materially from those expressed in any forward-looking statements made by, or on behalf of, PowerFleet. Unless otherwise required by applicable law, PowerFleet assumes no obligation to update the information contained in this presentation, and expressly disclaims any obligation to do so, whether a result of new information, future events, or otherwise.

# About PowerFleet® Inc.

(NASDAQ: PWFL)

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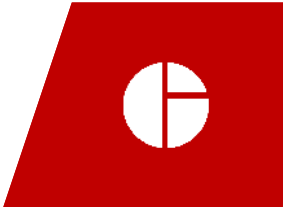
Global leader and provider of  
subscription-based IoT and M2M solutions

- Improving safety, security, efficiency, regulatory compliance and increasing revenues
- Serving fleet owners of material handling equipment, heavy duty and light duty trucks, tractor trailers, containers, cargo, and vehicles



## PowerFleet by the Numbers

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**590K+**

Monthly Subscription  
Units

**\$74M**

High-Margin  
Recurring Revenues (TTM)<sup>1</sup>

**5**

Continents  
NA, Asia, Europe, SA, Africa

**\$121M**

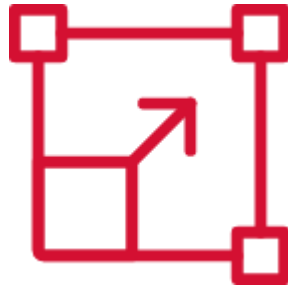
Revenue  
(TTM)<sup>1</sup>

# PowerFleet Investment Highlights



## Expansive

Multi-billion-dollar global IoT and connected vehicle market opportunity



## Scale

Geographic reach and product portfolio to win large global tenders



## Growth

Large vertical markets with growing CAGR opportunities



## Differentiated

Complete supply chain visibility: bumper-to-bumper and cargo



## Predictability

Rapid growing services and recurring revenue



## Leadership

Experienced leadership team and strong strategic sponsor



# GO TO MARKET FOCUS

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## LOGISTICS

Fleet Management  
Cold Chain  
Trailer Tracking  
Cargo Intelligence  
Driver Behavior  
ELD  
In-Cab Video

## INDUSTRIAL

Fleet Management  
Access Control  
Checklists  
Impact Monitoring  
Productivity  
Lift, Speed, Location  
Video

## VEHICLES

Fleet Management  
Fuel and Odometer  
Diagnostic Codes  
Unlock and Lock  
Immobilization  
Accident Detection  
Mobile Integration  
Driver Behavior  
Video

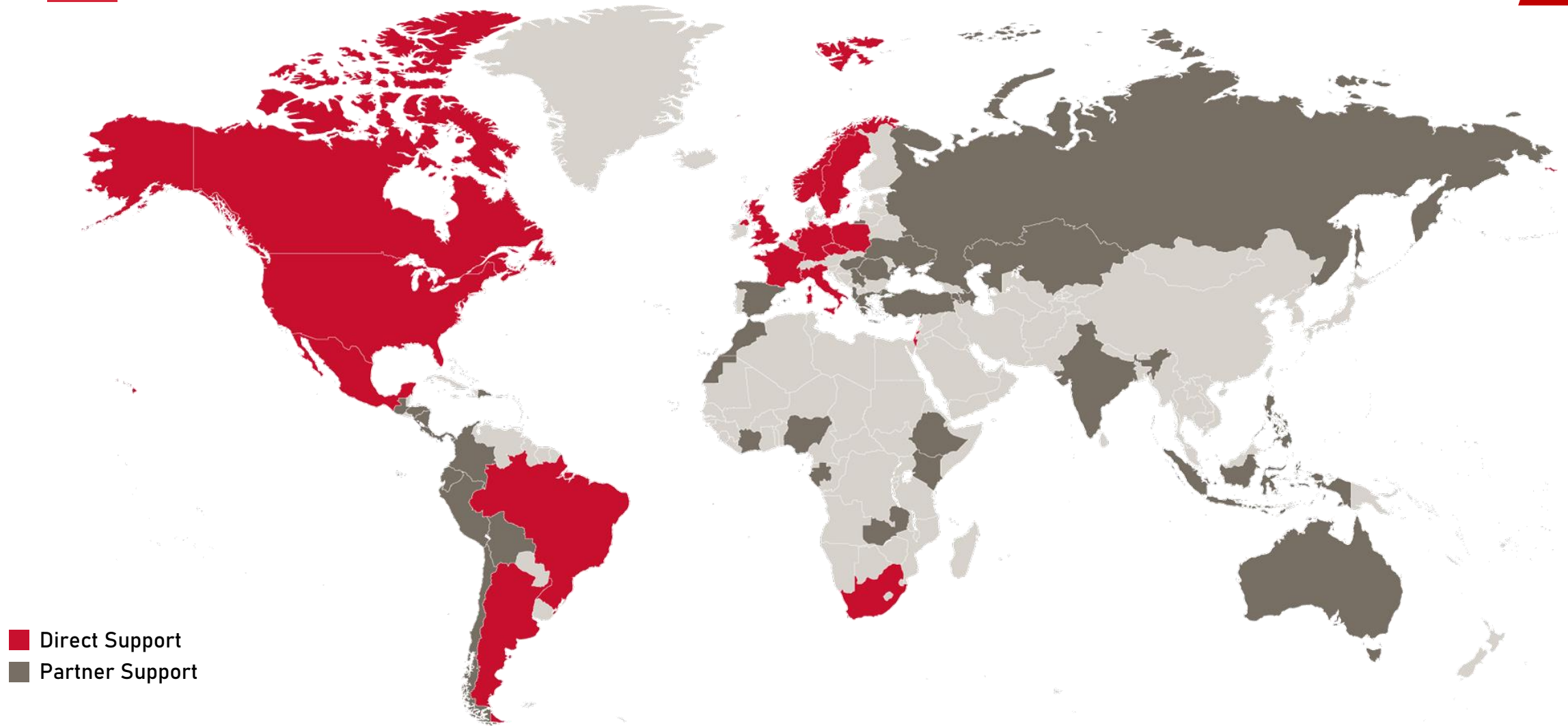
## ASSETS & IoT

Fleet Management  
Asset Security  
Enable / Disable  
Work / Run Time  
Location / Inventory  
Temperature  
Humidity



# A Worldwide Presence

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■ Direct Support  
■ Partner Support



## Powerful Customer List

8,000+

companies have chosen our combined  
solutions to power their IoT and M2M mobility needs







## MARKET GROWTH OPPORTUNITIES

Global Asset Tracking  
**\$32B by 2024**

Global Cold Chain  
**\$447B by 2025**

NA Cold Chain  
**\$142.5B by 2024**

Sources:  
ResearchAndMarkets.com  
Grand View Research, Inc.

## Global Logistics Market Growth

**\$4.9T**      **\$15.3T**  
2019\*      2027\*\*

**4.5%**  
CAGR\*\*  
2019-2027

Sources:  
\*IMARC Group study "Logistics Market: Global Industry Trends, Share, Size, Growth, Opportunity and Forecast 2020-2025"

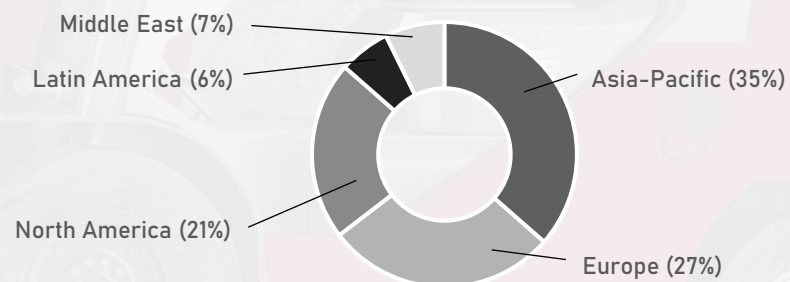
\*\*Transparency Market Research Report 2020

## MARKET GROWTH OPPORTUNITIES

### Market Drivers

- eCommerce developments
- Infrastructure investments

Global Forklift Truck Market Value Share (%) by Region



### Forklift Truck Market

**\$45B**      **\$81.4B**  
2019                      2027

**7.3%**  
CAGR  
2020-2027

Source:  
Allied Market Research April 2020



## MARKET GROWTH OPPORTUNITIES

### Market Drivers

- Growing demand for efficient, safer, and convenient driving
- Increasing industry compliance regulations

### Connected Vehicle Market Growth

**\$73.2B**      **\$237.1B**  
2018                      2025

**14.2%**  
CAGR

Source:  
Adroit Market Research

## Focused Go-To Market Strategies



### INDUSTRIAL

**10M**

Forklifts Worldwide

ASP: \$1,000-\$1,500  
ARPU/Month: \$10-\$15

### LOGISTICS

**11M**

US Class 7-8, Trailer &  
Container Units  
Opportunity

ASP: \$200-\$800  
ARPU/Month: \$5-\$30

### VEHICLES

**22M**

US Class 1-5 +  
Global Rental

ASP: \$150-\$300  
ARPU/Month: \$3-\$15



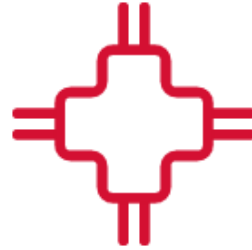
# Market Drivers

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## Industrial IoT

Transforming legacy industries



## Connectivity

Permeating value chains across sectors



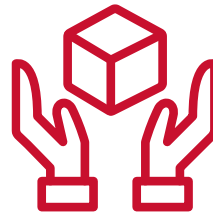
## 3G to LTE Upgrade Cycle

LTE Capabilities



## Increase Velocity

Need for optimizing operations and improving customer service



## Chain of Custody

Regulatory Requirements



## Machine Learning

Process data en masse



# Powerful Visibility & Increased Velocity

15 November 2021

Proprietary & Confidential



# Powerful Chain of Custody



# Powerful Integration, Machine Learning, Analytics, & Software

What the Customer gets for their SaaS fees – far more than support



INTEGRATION  
(WMS, TMS, ERP)



MACHINE  
LEARNING



ANALYTICS



SOFTWARE



# Powerful Purpose-Built Hardware

We do buy vs make analysis on all mobility platforms



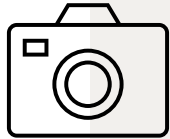
LOGISTICS

INDUSTRIAL

VEHICLES

Differentiated by the breadth and quality of our offerings

# A Sample of Our Commitment to Value-Driven Innovation and R&D

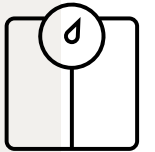


## Image Processing

Machine learning and meaningful visual data

## Weight Sensing & Detection

Game-changing differentiator in intermodal industry

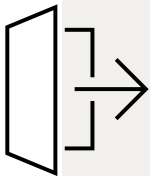


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Granted & Pending Patents

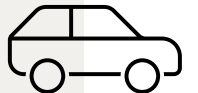
## Virtual Gating

IoT asset control of storage yards and work sites



## Car & Vehicle Sharing

Ubiquitous compatibility for immobilization & access control





# Quarterly Financial Performance



**Q3-21 total revenue of \$29.2M, up 6% y/o/y:**

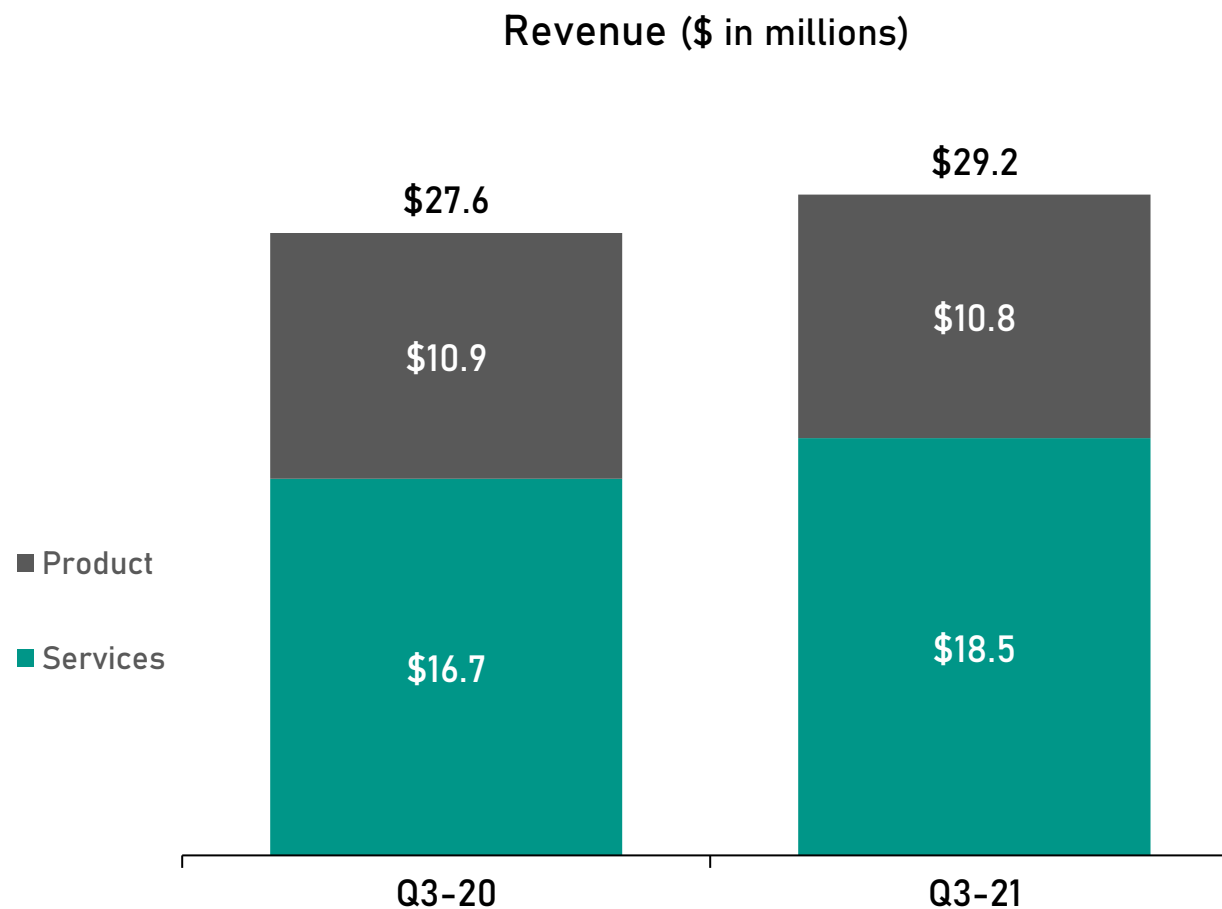
- \$18.5M in service revenue (63% of revenue)
- \$10.8M in product revenue (37% of revenue)

**Q3-21 gross margin of 49%:**

- Service Margin: 63%
- Product Margin: 24%

**Adjusted EBITDA of \$1.0 million**

**Non-GAAP net income of \$364,000**

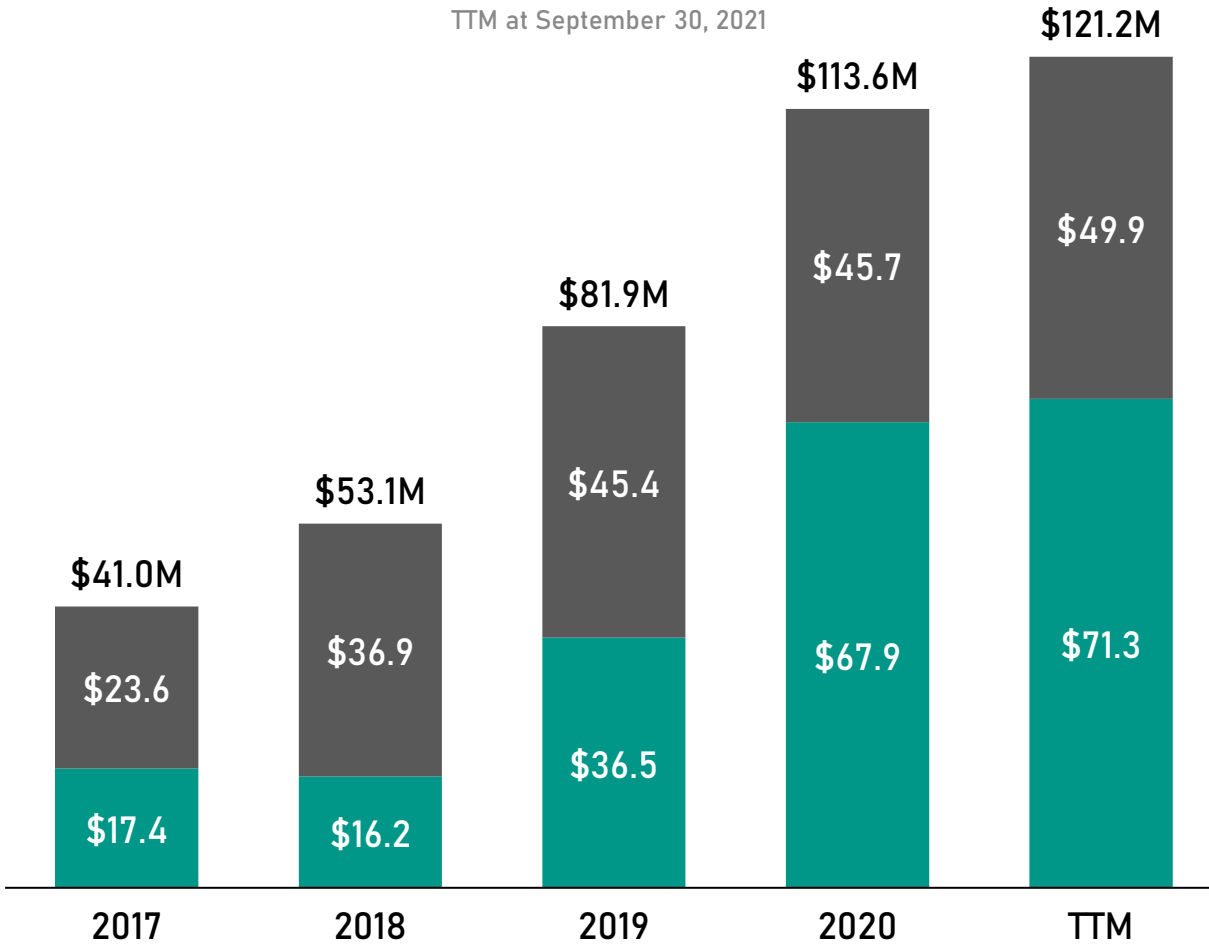


# Annual Performance



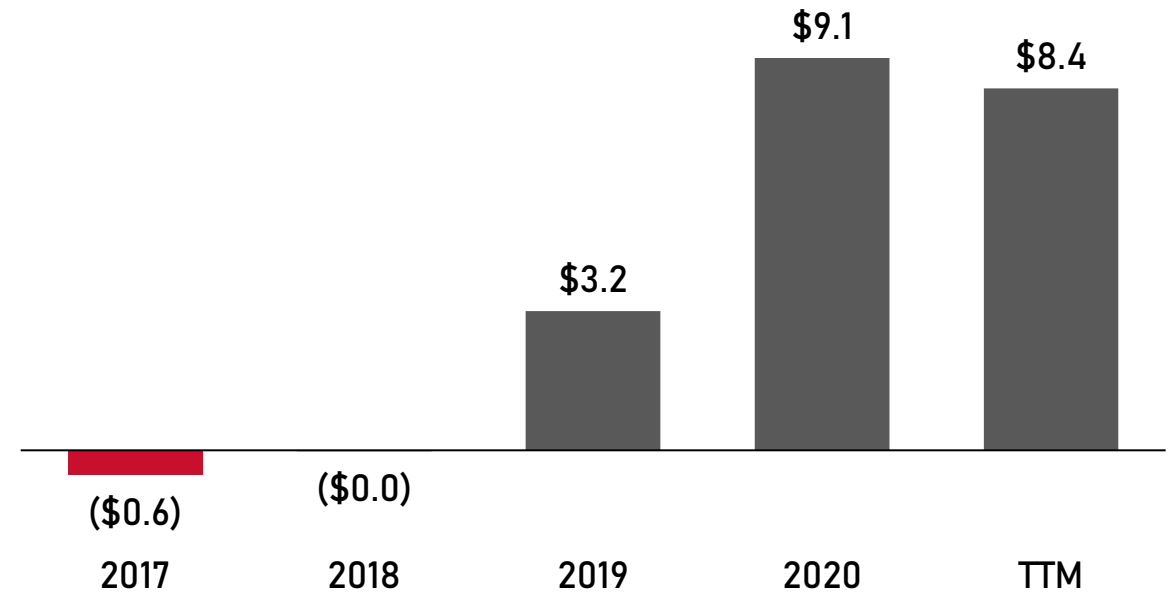
## Revenue (\$ in millions)

TTM at September 30, 2021



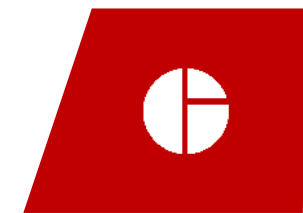
## Adjusted EBITDA (\$ in millions)

TTM at September 30, 2021



# 200M+ Target Model

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REVENUE

**\$200M+**

SERVICES/  
RECURRING  
REVENUE

**50%**  
**\$100M**

GROSS  
PROFIT

**55%**  
**\$110M**

ADJUSTED  
EBITDA

**25%**  
**\$50M**



# Balance Sheet & Capitalization Support Growth



## Balance Sheet (September 30, 2021)

Cash and Cash Equivalents	\$33.8 million
Debt	\$25.2 million
Net Cash	\$8.6 million
Unused Credit Facility	\$10 million
Working Capital	\$49.4 million

## Capitalization (September 30, 2021)

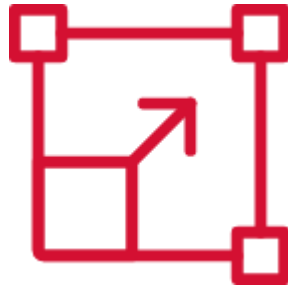
Common Shares Out.	35.0 million
Convertible Preferred	\$52.5 million @ \$7.319
Convertible Preferred Shares, if Converted	7.1 million
Total Shares Outstanding	42.1 million

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## Contact Us



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