

## ITURAN PRESENTS FIRST QUARTER 2024 RESULTS

*Record revenue and continued strong profitability; reiterates guidance and declares an \$8 million dividend for the first quarter of 2024*

**AZOUR, Israel – May 28, 2024** – Ituran Location and Control Ltd. (NASDAQ: ITRN) today announced its consolidated financial results for the first quarter 2024.

### Highlights of the first quarter of 2024

- Number of subscribers reached 2,291,000, adding a net 39,000 in the first quarter;
- Record revenue of \$85.0 million, an increase of 7% year-over-year;
- Net income increased to \$13.0 million, up by 15% year-over-year;
- EBITDA grew to \$22.3 million, a 7% increase year-over-year;
- Operating cash flow of \$11.4 million;
- The Board declared a dividend of \$8 million or \$0.39 per share, in-line with the Company's dividend policy, which was increased in the prior quarter;

### Guidance for 2024

Overall, looking ahead to 2024, management reiterates its expectations for continued revenue growth and profitability throughout the year.

Management continues to expect to add approximately 35,000 to 40,000, net new subscribers per each quarter during 2024.

From a financial perspective, full-year 2024 EBITDA expectations continue to be between \$90-95 million and 2025 EBITDA is targeted to surpass \$100 million.

It is noted that these targets are based on current exchange rates and assumes that the current global macro-economic situation and political situation in Israel does not significantly worsen.

### Management Comment

**Eyal Sheratzky, Co-CEO of Ituran said,** “We are pleased with our first quarter results which represent a very good start to 2024. The growth in subscribers came in at the high-end of our expectations reflecting strong demand for our products and services as well as the effectiveness of our strategic initiatives.”

**Continued Mr. Sheratzky,** “Looking ahead, we remain on track with our strong expectations for 2024, and given our ongoing success we are happy to reward our shareholders with a high level of dividend for their ongoing support of our company.”

## First quarter 2024 Results

**Revenue** for the first quarter of 2024 was \$85.0 million, a 7% increase compared with revenues of \$79.5 million in the first quarter of 2023.

72% of revenues were from location-based service subscription fees and 28% were from product revenues.

**Revenues from subscription fees** were \$60.9 million, an increase of 9% over the first quarter 2023 revenues.

The subscriber base expanded to 2,291,000 by the end of March 2024, marking an increase of 39,000 from the previous quarter. During the quarter, there was an increase of 33,000 net in the aftermarket subscriber base and an increase of 6,000 net in the OEM subscriber base.

**Product revenues** were \$24.1 million, an increase of 2% year-over-year.

**Gross profit** for the quarter was \$39.5 million (46.5% of revenues), an 8% increase compared with gross profit of \$36.7 million (46.2% of revenues) in the first quarter of last year.

The gross margin in the quarter on subscription revenues was 58.1%, similar with the first quarter of last year. The gross margin on products was 17.1% in the quarter, compared with 18.2% in the first quarter of last year. The variance in the gross margin on products between quarters was due to the change in product mix sold between the quarters.

**Operating income** for the quarter was \$17.0 million (20.0% of revenues), representing a 7% increase compared to \$15.9 million (20.0% of revenue) in the first quarter of last year.

**EBITDA** for the quarter was \$22.3 million (26.3% of revenues), an increase of 7% compared with EBITDA of \$20.8 million (26.2% of revenues) in the first quarter of last year.

**Financial income** for the quarter was \$0.1 million, compared with financial expenses of \$0.2 million in the first quarter of last year.

**Net income** for the first quarter of 2024 was \$13.0 million (15.3% of revenues) or diluted earnings per share of \$0.66, an increase of 15% compared to \$11.4 million (14.3% of revenues) or diluted earnings per share of \$0.56 in the first quarter of last year.

**Cash flow from operations** for the first quarter of 2024 was \$11.4 million.

**On the balance sheet**, as of March 31, 2024, the Company had cash, including marketable securities, of \$54.2 million and debt of \$0.3 million, amounting to a net cash position of \$53.9 million. This is compared with cash, including marketable securities, of \$53.6 million and debt of \$0.6 million, amounting to a net cash position of \$53.0 million, as of year-end 2023.

## **Dividend**

The Board of Directors declared a dividend for the quarter of \$8 million, in line with the Company's dividend policy, which was increased by 60% in the prior quarter. The current dividend takes into account the Company's continuing strong profitability, ongoing positive cash flow and strong balance sheet.

## **Conference Call Information**

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**The Company will also be hosting a conference call later today, Thursday, May 28, 2024 at 10am Eastern Time.**

On the call, management will review and discuss the results, and will be available to answer investor questions.

To participate, please call one of the following teleconferencing numbers. Please begin placing your calls a few minutes before the conference call commences. If you are unable to connect using the toll-free numbers, please try the international dial-in number.

**US Dial-in Number: 1 866 860 9642**

**ISRAEL Dial-in Number: 03 918 0609**

**INTERNATIONAL Dial-in Number: +972 3 918 0609**

**at:**

**10:00am Eastern Time, 7:00am Pacific Time, 5:00pm Israel Time**

For those unable to listen to the live call, a replay of the call will be available from the day after the call in the investor relations section of Ituran's website.

*Certain statements in this press release are "forward-looking statements" within the meaning of the Securities Act of 1933, as amended. These forward-looking statements include, but are not limited to, our plans, objectives, expectations and intentions and other statements contained in this report that are not historical facts as well as statements identified by words such as "expects", "anticipates", "intends", "plans", "believes", "seeks", "estimates" or words of similar meaning. These statements are based on our current beliefs or expectations and are inherently subject to significant uncertainties and changes in circumstances, many of which are beyond our control. Actual results may differ materially from these expectations due to changes in global political, economic, business, competitive, market and regulatory factors, as well as factors related to the global COVID-19 pandemic.*

## **About Ituran**

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Ituran is a leader in the emerging mobility technology field, providing value-added location-based services, including a full suite of services for the connected-car. Ituran offers Stolen Vehicle Recovery, fleet management as well as mobile asset location, management & control services for vehicles, cargo and personal security for the retail, insurance, financing industries and car manufacturers. Ituran is the largest OEM telematics provider in Latin America. Its products and



applications are used by customers in over 20 countries. Ituran is also the founder of the Tel-Aviv based DRIVE startup incubator to promote the development of smart mobility technology.

Ituran's subscriber base has been growing significantly since the Company's inception to over 2.2 million subscribers using its location-based services with a market leading position in Israel and Latin America. Established in 1995, Ituran has approximately 2,800 employees worldwide, with offices in Israel, Brazil, Argentina, Mexico, Ecuador, Columbia, India, Canada and the United States.

For more information, please visit Ituran's website, at: [www.ituran.com](http://www.ituran.com)

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