**Transcription**

**Q3 2025 Financial Results of Karooooo.**

**Karooooo Ltd (NASDAQ:KARO) Q3 2025 Earnings Conference Call January 15, 2025 8:00 AM ET**
**Company Participants**
Zak Calisto – Founder & Group CEO
Paul Bieber – VP: Investor Relations and Strategic Finance
Carmen Calisto – Group Chief Strategy and Marketing Officer
Goy Hoeshin – Group Chief Financial Officer
**Conference Call Participants**

**Paul Bieber**

Hello and welcome to Karooooo's Financial Year 2025 Q3 earnings call. On behalf of Karooooo, we would like to thank you for joining us today.

I'm Paul Bieber, Karooooo's VP of Investor Relations and Strategic Finance. We are joined today by Zak Calisto, Founder and CEO, Hoeshin Goy, Chief Financial Officer and Carmen Calisto, Chief Strategy and Marketing Officer.

Before handing the call over to Carmen, I would like to remind everyone that some of the statements that we make today regarding our business, operations and financial performance may be considered forward-looking. Such statements are based on current expectations and assumptions. They are subject to a number of risks and uncertainties.

Actual results could differ materially. Please refer to the safe harbor statement in our Form 20-F, including the risk factors, and the 6K that we filed yesterday. We undertake no obligation to update any forward-looking statements.

During this call, we will present both IFRS and non-IFRS financial measures. A reconciliation of non-IFRS to IFRS measures is included in the 6K that we filed with the SEC yesterday.

With that, I'd like to hand the call over to Carmen.

**Carmen Calisto**

**Leading Physical Operations Management Platform, Focused on Africa, Asia and Europe**
During the call today, we will review both Karooooo's operating units: Cartrack and Karooooo Logistics. For those new to Karooooo, Cartrack is our operations management SaaS platform. Cartrack operates at scale and has a very attractive financial profile. Cartrack's operating momentum has primarily driven Karooooo's growth and strong financial performance.

For FY2025 year to date, Cartrack subscription revenue was approximately ZAR 3 billion, an increase of 15% year-on-year or 20% year-on-year on a U.S. dollar basis. Cartrack's year to date operating profit margin was 30%.

Karooooo Logistics is our rapidly growing Delivery as a Service business that empowers our large enterprise customers to scale their e-commerce and logistics operations. Karooooo Logistics is a structurally lower margin business than Cartrack, showing good growth momentum.

Karooooo Logistics is strategically important to us as it empowers our customers to scale their eCommerce and logistics operations through a capital light model while driving high Cartrack customer retention.

For FY2025 year to date, Karooooo Logistics Delivery as a Service revenue was ZAR 310 million, an increase of 38% year-on-year or 45% year-on-year on a US. dollar basis. Given Karooooo Logistics' robust revenue growth, we are very excited about the long-term growth opportunity for the business.

Karooooo Logistics is profitable at its current scale.

**<u>Karooooo Group Snapshot Q3 FY25</u>**

In Q3, Karooooo delivered another strong quarter with total revenue of ZAR 1,159 million, an increase of 15% year-on-year, subscription revenue of ZAR 1,032 million, an increase of 14% year-on-year and adjusted earnings per share of ZAR 7.67, an increase of 21% year-on-year.

Q3 continued our long track record of delivering profitable growth at scale. In Q3, we were a “Rule of 60” company when adding our Q3 subscription revenue growth of 14% and our Q3 Cartrack adjusted EBITDA margin of 47%.

We ended Q3 with more than 2.2 million subscribers, an increase of 17% year-on-year, and more than 125,000 businesses across all industries trusting us to power and improve their daily operations.

We continue to grow our data asset, and our platform now generates more than 180 billion valuable data points monthly, which we leverage to drive actionable insights for our customers.

**<u>Rare Financial Profile</u>**

Before diving into our Q3 business and operational highlights, we want to take a moment to underscore our distinctive financial profile—something that is exceptionally rare in the public markets, particularly among small-cap companies. We believe we are among a select few SaaS companies operating at a “Rule of 50-plus” based on 2025 GAAP Street estimates. Notably, within a SaaS universe of approximately 200 companies, we believe we are one of only two small cap companies operating at this level.

Being part of this elite group reflects our unwavering commitment to disciplined and profitable growth. We are proud to stand out as a leader in financial performance among our SaaS peers.

**<u>Q3 FY25 Business and Operational Highlights</u>**

In Q3, Cartrack total subscribers increased 17% year-on-year highlighted by stable growth in South Africa and a 200-basis-point quarter-on-quarter acceleration in Europe.

In September, we successfully completed the move to our newly built central office in South Africa. This move bolsters our operational capacity and positions us to support higher levels of organic growth. We are already seeing positive early results from this strategic investment.

Additionally, we continued to ramp up our investment in sales and marketing across Southeast Asia and are seeing early signs of success. We remain confident that Southeast Asia represents the most compelling growth opportunity for the group over the medium to long term. We will have more to say about the Southeast Asia opportunity later in the presentation.

With our ongoing investments in sales, marketing, and infrastructure to support future growth, we believe we have ample runway to accelerate customer acquisition while maintaining robust earnings.

Finally, Cartrack delivered healthy subscriber additions in Q3 while maintaining strong unit economics with an LTV to CAC ratio greater than 9. Our commercial customer retention rate remains at 95%, and we continue to grow the business at scale with discipline.

**Q3 FY25 Financial Highlights**

Our Q3 financial highlights included:

- Cartrack year to date subscription revenue increased 20% year-on year on a U.S. dollar basis;
- Cartrack subscription revenue increased 19% year-on-year on a U.S. dollar basis;
- Cartrack surpassed ZAR 1 billion in quarterly subscription revenue;
- We remained a "Rule of 60" company; and
- Karooooo's adjusted earnings per share increased 21% year-on-year to ZAR 7.67.

Our balance sheet remains strong and unleveraged, and we ended the quarter with net cash and cash equivalents of ZAR 856 million.

Additionally, given our strong Q3 financial performance and operating momentum, we are reaffirming our previous FY 2025 financial outlook.

**Investment Highlights**

We believe we are well-positioned to deliver durable and profitable growth, driven by our strong unit economics, disciplined capital management, and consistent track record of execution. We offer an easy-to-use and differentiated enterprise SaaS platform that leverages our vast and proprietary data asset to provide our customers with actionable insights and analytics to simplify their decision making.

Our financial performance speaks for itself, underscored by a "Rule of 60" financial profile and a healthy, unlevered balance sheet.

Additionally, as a founder-led organization, we bring long-term vision, strategic focus and an entrepreneurial approach to an expansive total addressable market, with significant growth opportunities still ahead.

**Karooooo Simplifies Decision Making of Physical Operations**

Our innovative platform goes far beyond connected vehicles and equipment. We simplify the decision making of physical operations.

**Our Platform Transforms Decision Making by Unifying Data and Information**

Our platform transforms 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.

Powered by our extensive data asset, advanced AI, and robust analytics, our platform delivers actionable insights that drive meaningful improvements to our customers' physical operations. We are deeply committed to continuous innovation, ensuring our platform remains intuitive, fast, and adaptable to the ever-evolving business needs of our customers. Simplicity is at the core of our solution—from implementation to daily use—helping customers make smarter decisions, faster, while driving ROI.

**<u>End to End Operations Cloud</u>**
Our End-to-End Operations Cloud delivers a robust, all-encompassing suite of advanced features that go well beyond traditional telematics, providing unmatched value by enhancing safety, optimizing operations, and driving cost savings for our customers.

Key highlights of our platform include:

- **AI-Powered Cameras:** These cameras proactively improve driver behavior and reduce operational risks, leading to safer and more efficient fleet management.
- **Field Management Tools:** Our tools simplify daily operations with automated scheduling, dispatch management, and work order coordination.
- **Delivery Management Excellence:** Smart route optimization enables faster, more efficient deliveries, helping customers exceed expectations with their logistics operations.
- **Real-Time Mobile Asset Tracking:** Our asset tags that leverage a proprietary network powered by our vast Cartrack subscriber base ensure real-time visibility and control of mobile assets, enhancing operational oversight in areas with limited mobile network coverage such as mines.
- **Scalable eCommerce Logistics:** Karooooo Logistics empowers our customers to scale their eCommerce operations effortlessly through a capital light model.
- **Fraud Mitigation Features:** Our advanced rules-based cargo offloading functionality and automated fuel claim validation help reduce fraud.
- **Vehicle Sharing and Scheduling:** Features like vehicle sharing, scheduling, and keyless access enhance fleet utilization and overall convenience.
- **Driver Risk Analytics:** Our platform provides powerful tools to assess and mitigate driver risk, ensuring safer fleet operations.

By offering an integrated and feature-rich solution, we continue to support our customers in achieving operational excellence, scalability, and sustainable growth.

**Enhancing Emergency Services with End-to-End Operations Cloud**
A prime example of the impact and power of our End-to-End Operations Cloud is its deep integration into the daily operations of an emergency service provider. This seamless integration significantly enhances response times, patient care, and overall operational efficiency.

Through API integrations with the dispatch control room, our platform enables automated dispatch of the closest available ambulance, reducing dispatch time and ensuring faster on-scene arrival. Live tracking provides peace of mind to patients and their families. Advanced route optimization and real-time dashboards support efficiency and utilization by enforcing designated "home zones" and improving fleet distribution.

Safety is a priority. Our AI-powered cameras help reduce risk, while integrated daily medical inventory checklists ensure ambulances are fully prepared for any emergency.

A single-click route optimization feature adapts to real-time traffic conditions, and digital vehicle inspections combined with preventative maintenance improve fleet reliability and uptime.

Our control room integration helps maintain brand reputation by ensuring that emergency lights are used only when appropriate.

Additionally, remote video access supports training, incident management, and risk mitigation.

By embedding deeply into our customers' daily operations, we enhance emergency care delivery, strengthen patient trust, and minimize operational risks.

**AI-Powered Decision-Making Saves Lives**

We remain deeply committed to investing in product innovation, particularly in AI-driven solutions that deliver ROI for our customers. Our platform leverages AI to provide actionable insights in critical areas such as fatigued driving, unscheduled stops, fuel fraud detection, and driver risk profiling—key factors that directly impact our customers' operational performance. By addressing these challenges, we believe our AI solutions enable customers to mitigate risks, enhance service delivery, reduce costs, and, most importantly, help save lives.

For example, one of our customers in South Africa used our AI-powered cameras, combined with our fully digitalized coaching platform and actionable analytics, to achieve a 32% reduction in fatigue-related driving incidents, a 13% drop in mobile phone usage, and improved seat belt compliance—key contributors to preventing road fatalities.

In Q3, we saw strong momentum in our AI camera business, and we are encouraged by the growing customer interest in our vision solutions.

**Why 125,0000 Customers+ Choose Our Platform**

Our customers choose us because we deliver tangible ROI by reducing costs, boosting productivity, and enhancing safety—all through a user-friendly platform backed by a best-in-class service team.

The value proposition of our platform is significant, with a proven ability to create meaningful business impact.

**Combatting Fuel Theft Drives High ROI**

For instance, one of our customers in Thailand achieved a fuel theft reduction of over 90% within just three months of adopting our platform. By automating fuel claim validation and pinpointing theft locations through advanced analytics and other features of our platform, our solution provided unparalleled visibility and control, enabling our customer to eliminate almost all fuel theft across their fleet.

As a result, this customer reported a remarkable 70% return on investment across their entire fleet, driven solely by the significant reduction in fuel theft. Our platform drives a significantly higher all-in ROI for this customer when accounting for productivity, safety and compliance benefits.

**Karooooo Logistics**
As businesses look to increase their e-commerce offerings and optimize their logistics capabilities, many companies are also looking to move away from online marketplaces to better serve their customers and reduce the risk of losing control of the customer within a marketplace context. This is a key driver of demand for Karooooo Logistics, which connects businesses to an elastic supply of 3rd party drivers and continues to gain adoption by our large enterprise customers seeking to scale their e-commerce capabilities on their own terms. During Q3, Karooooo Logistics delivered revenue of ZAR 109 million, an increase of 20% year-on-year, and an 8% operating profit margin. Growth in Q3 was negatively impacted by our customers' strategic decision to focus on in-store Black Friday promotions.

We see a large opportunity for Karooooo Logistics going forward.

**Growing Physical Operations Market Opportunity**
Our unwavering commitment to product innovation and a disciplined approach to profitable growth positions us to capitalize on the large and growing market opportunity. We believe we have ample runway for growth as businesses across industries seek to leverage technology to optimize their physical operations.

**Our Growth Strategy**
As we continue to execute and scale, we believe we are only getting started. We believe there is ample opportunity for growth. Over time, we plan to:

- Expand our customer base;
- Increase subscription sales to existing customers;
- Expand the scope of our operations in newer geographies; and
- Expand our operations platform and services

We plan to invest in all geographies to expand our sales and support infrastructure to drive growth and maintain our customer centricity, and we continue to see Southeast Asia as the most compelling growth opportunity for the group over the medium to long term.

**The Expansive Southeast Asia Opportunity**
In Q3, we continued to expand our sales and marketing investments in Southeast Asia, positioning ourselves to capture the significant and growing opportunity in this dynamic region.

Why are we so optimistic about Southeast Asia's potential?

Collectively, Indonesia, the Philippines, Thailand, Malaysia, Vietnam, Singapore, and Hong Kong represent over 600 million people and a thriving USD 4 trillion economy. Rapid urbanization and the rise of a growing middle class are fueling increased demand for commercial vehicles to transport both goods and passengers efficiently. Moreover, the adoption of data-driven supply chain management is accelerating globally, and Southeast Asia's logistics sector accounts for a larger share of GDP compared to markets like the U.S. and Europe, underscoring its strategic importance.

Given these favorable trends, we see significant long-term potential in Southeast Asia, driven by relatively low fleet management penetration and ongoing tailwinds such as robust economic growth, intensifying competition in logistics, and the increasing focus on fuel efficiency and driver safety.

While competitive dynamics vary by country, the landscape is broadly fragmented, with most players offering basic track-and-trace solutions. Very few competitors provide a comprehensive, feature-rich SaaS platform.

Given our best-in-class full-stack operations management SaaS platform, strong brand for high service delivery and the favourable macro trends, we believe we are in a strong market position and set up for sustained growth in the region for years to come.

**Cartrack's Leading Unit Economics**

Our healthy subscription gross margin, efficient customer acquisition, and attractive commercial retention rate continue to drive our leading unit economics. In Q3, we maintained an LTV to CAC ratio of more than 9.

We are excited about our massive TAM and remain committed to profitable growth as we pursue the expansive growth opportunity ahead of us.

**Disciplined Capital Allocation Framework**

We maintain a sharp focus on capital allocation, a cornerstone of our business strategy. Over the past 20 years, we've cultivated a culture that prioritizes profitable growth, grounded in disciplined capital management. We are committed to continuing this disciplined approach, which we firmly believe will drive long-term shareholder value.

With that in mind, we'd like to share our capital allocation framework.

Our top priority is investing in organic growth and product innovation, given our strong unit economics, sustained profitability, and large market opportunity. Over time, we've developed robust operational capabilities to assess unit economics by both country and customer acquisition channel, enabling us to focus on maximizing return on incremental capital invested by geography.

At current growth rates, our business generates significant excess cash. With our strong balance sheet and net cash position, we aim to return surplus capital to shareholders when we cannot efficiently invest it for growth, primarily through an annual dividend. As to avoid doubt, management prioritizes growth over dividends.

In addition, we have shareholder authorization to repurchase up to 10% of our outstanding shares. While share repurchases remain an option, our near- to medium-term focus is on enhancing market liquidity.

Finally, we take a prudent and strategic approach to M&A. We view M&A as a tool to accelerate time to market in key geographies, expand our product portfolio, or strengthen our competitive position. However, given our compelling organic growth profile, customer-centric culture and attractive unit economics, we set a high bar for any potential acquisitions. M&A opportunities must offer clear strategic value or optionality to meet our criteria.

Ultimately, we see it as our responsibility to allocate capital thoughtfully, always with the goal of maximizing long-term shareholder returns.

I will now hand it over to Hoeshin who will discuss our 3Q financial performance.

**Goy Hoeshin**

Thank you, Carmen. I will now discuss Karooooo's financial performance for Q3 FY25.

Please note that all comparisons are against Q3 FY24 unless otherwise stated.

**Karooooo Continue to Deliver on its Strong Track Record of Subscription Revenue and Earnings Growth**

Our proven and profitable SaaS business model continued to deliver strong results in Q3. Karooooo's total subscription revenue increased 14% year-on-year to ZAR1,032 million. On a U.S. Dollar basis, Karooooo subscription revenue increased 19% year-on-year. Operating profit increased 18% to ZAR325 million, and Adjusted Earnings per share increased 21% to ZAR7.67.

**Karooooo's Strong Growth**

The two segments of Karooooo, Cartrack and Karooooo Logistics complement each other by supporting our large enterprise customers as they scale their e-commerce operations.

Karooooo demonstrated strong quarter on quarter financial performance, with a quarterly operating profit now at a record of ZAR325 million.

**Cartrack Extends Decade-Plus Track Record of Execution Excellence**

Cartrack experienced healthy customer acquisition during the quarter. Q3 Subscribers increased 17% year-on-year to 2.2 million, Q3 subscription revenue increased 14% year-on-year to ZAR1,029 million and Q3 Operating profit was a record ZAR316 million.

Cartrack continues to prove its ability to scale in varying macro-economic conditions and was a "Rule of 60" company in Q3 when adding our 3Q Subscription Revenue growth of 14% year-on-year and our 3Q Adjusted EBITDA Margin of 47%.

**Cartrack Delivered Strong Net Subscriber Additions**

In Q3, Cartrack experienced solid customer acquisition with net subscriber additions of 86,617 in this quarter, an increase of 15% year-on-year.

We operate in a massive addressable market and we believe that we have ample runway to accelerate our customer acquisition strategy while maintaining robust earnings. We will also prioritize our capital allocation in sales and marketing.

Looking ahead, we are on track to surpass 2.3 million subscribers by year-end, and we are expecting record Q4 net subscriber additions.

**Subscriber and Growth Mix**

Cartrack continues to grow its subscriber base across geographies.

South African subscribers increased 16% year-on-year in Q3 and comprised 75% of our total subscribers. We believe that the economic environment in South Africa is improving, and we are confident that our move to our newly built central office, positions us to support strong organic growth as it will allow us to expand our customer base and increase subscription sales to existing customers.

In Asia and the Middle East, subscribers increased 20% year-on-year in Q3 with strong momentum in Southeast Asia. This region comprised 12% of our total subscribers. Southeast Asia remains the second largest contributor to the group's revenue, presenting the most compelling growth opportunity over the medium to long term.

Europe subscribers increased 19% year-on-year in Q3 and comprised 9% of our total subscribers. European subscriber growth accelerated by 200 basis points quarter over quarter driven by our investments in distribution over the last few quarters.

We remain focused on increasing our presence in this region, especially through OEM partnerships. In addition, we are experiencing encouraging demand with our proprietary compliance technology as customers seek to simplify compliance with changing legislations.

Africa other maintained its growth with 16% increase in subscribers and comprised 4% of our total subscribers.

**Karooooo Continues to Deliver Strong Earnings Per Share Growth**
Karooooo's adjusted earnings per share increased 21% to ZAR7.67 in this quarter. This is driven by higher subscription revenue and expanding gross margins.

Cartrack's earning per share increased 8% to ZAR7.51, and Karooooo Logistics earnings per share increased 23% to ZAR0.16.

As Karooooo continues to scale and grow, we are confident with our FY25 adjusted earnings per share outlook.

**Karooooo has a Decade Plus Track Record of High Cash Conversion**
In this quarter, we continued to demonstrate high cash conversion as our earnings increased. Free cash flow was ZAR188 million.

We have now settled into our newly built South African central office and looking forward to strong economic growth in this region. Our total development cost of the new building (excluding the land) was ZAR322 million and we do not expect significant capital allocation to the building going forward.

**Karooooo has a Robust Business Model and Strong Balance Sheet**
Our balance sheet reflects our track record of growth at scale, profitability and cash generation.

Our net cash on hand plus cash in bank fixed deposits was ZAR856 million. We expect our disciplined approach to capital allocation coupled with our earnings and free cash flow growth to continue to bolster our strong balance sheet.

Debtor's collection days remain extremely healthy and within our historical norms at 27 days.

Last August, we paid a cash dividend of USD 33.4 million or USD 1.08 per share to our shareholders. The dividend per share increased 27%.

We have strong unit economics, robust operating margins, an unleveraged balance sheet and strong cash conversion.

We remain confident that our track record of success, especially our ability to generate healthy cash flows, is sustainable.

**Reaffirming FY25 Outlook**
Given our strong Q3 results, we are reaffirming our financial outlook for FY25.

In closing, we are excited about the operating momentum in the business and our year-to-date financial performance.

Looking forward, we believe our attractive SaaS business model, robust cash generation and strong balance sheet positions us to capitalize on the expansive growth opportunity in front of us.

I would like to thank everybody for joining us today and will now open the floor to Q&A with our Group CEO and founder Mr. Zak Calisto.

**Question-and-Answer Session**

**Zak Calisto**

Thank you, Hoe Shin.

**Question: Jackson Bogli, William Blair**
Looking at attracting the necessary talent, what have been the best sources of human capital and what has been the company's selling point to prospective employees?

**A – Zak Calisto**

Firstly, we don't outsource our recruitment, we do it all internally. There's various channels whether its referrals or digital platforms, we have different ways of attracting people. We also post on job platforms and have incoming queries or applicants for the jobs.

Unique selling points really depends on whether you are hiring a technical person, developer or a sales person. We would have selling points that talk to the respective jobs in the business. But fundamentally, hiring senior people to the business is very easy. We are a very attractive business. So if we want a senior person, we find those hires are extremely easy. Where it becomes more challenging is on the distribution front, which is salespeople. There are really few good quality sales people and attracting the right people and training them is not always the easiest. So that's really where it is probably the most difficult, is building out that ability to sell while being vertically integrated and not looking for agents and third parties to sell for us.

**Q: Rudi van Niekerk, Desert Lion Capital**
How should we think about the impact of new generation vehicle manufacturers that have integrated the new Self-Driving technologies? What are the potential impacts on Cartrack's business and how are you positioning for these impacts?

**A – Zak Calisto**
I think we are in the very early stages of self-driving technologies. There are one or two cities in America that are doing it, and there are a few running around Singapore. But I think we are still a long way from self-driving becoming a way of life. Obviously, things do change, between now and where that becomes an absolute reality. The way we operate our business and where we see our business is that we are agile and we adapt. There is no need to adapt right now, its too early in the curve to start planning for that. In any event, we are helping businesses run their operations and quite frankly whether the vehicle is self-driven or not, there a lot more we do in the whole eco system of the supply and distribution process. We are probably a couple of years away from this and by the time that has happened, we will look like a very different business to what we are today. In actual fact, we are very different today to what we were 4 years ago, and certainly a very big difference to the business we were 10 years ago.

**Q: Jackson Bogli, William Blair**
With multiple regions performing strongly, what has been the contribution to ARR from each? Is this a good way to think about the breakdown going forward?

**A – Zak Calisto**
Yes I think that's a good way to look at it. It's very much in keeping with the growth in subscription revenue in the region. Obviously at the moment, our ARR and our subscription revenue was impacted by the stronger Rand. The non-South African entities - whether its Europe or South East Asia - they were dealing with a stronger Rand. I see since November and year end, that has corrected quite a bit where the Rand has weakened, but I think the other currencies have probably weakened against the Dollar as well. I haven't quite looked at the impact for Q3 or the potential impact for Q4.

**Q: Alex Sklar, Raymond James**
Can you talk about your planned global sales and marketing hiring efforts? What is the magnitude you are looking to grow the sales organizations over the next 12 months in some of your core regions?

How did the cross-sell of the AI cameras perform in F3Q and how incremental do you view that opportunity for FY26.

**A – Zak Calisto**

In Asia our target is to grow that by about 70% of our current headcount, and we believe we'll comfortably be able to do that. We're also increasing in South Africa, we're just settling down in our new building but we're probably going to increase headcount in South Africa by about 30% on the sales and marketing side. And in Europe we're also looking at increasing it by about 50% this year. We've been increasing headcount in Europe consistently over the last 6 or 8 quarters and we can see already there's results where we're starting to get 19% growth.

**Q: Patrick O Leary, Fleetwatch**
There is a lot of noise around the Africa Free Trade Agreement. Do you see the noise translating into positive opportunities for Cartrack in Africa.

**A – Zak Calisto**

With the trade agreement or no trade agreement, the opportunities are very vast and huge for us. The more free trade and logistics there are, the greater the benefit to us.

Those are all the questions, thank you.