

Starcom Plc
("Starcom" or the "Company")

Major Supply and Support Agreement

Starcom (AIM: STAR), which specialises in the development of wireless solutions for the remote tracking, monitoring and protection of a variety of assets and people, is pleased to announce that it has entered into a three year supply and support agreement with Shiptek Solutions Corporation ("Shiptek"), a Philippine software company, for the supply of its Tetis R container tracking system.

Under the agreement, Shiptek has committed to purchase a minimum of 2,900 Tetis R units over three years for a total sales value of US\$1.2 million, and has placed an initial order of US\$42,500 (for 100 units). The minimum order commitment of the remaining 2,800 units is phased as to 800 units in 2018, 800 units in 2019 and 1,200 units in 2020.

In addition to revenue from sales of units, the Company will also provide its online tracking software system, which will generate SAS (Software-as-a-Service) revenues of an average of US\$5 per month per unit. For these minimum volumes it is expected that SAS revenues over the three years will be approximately US\$250,000.

The Tetis R system tracks shipping containers and monitors temperature and humidity within the container remotely and in real time. The Tetis R is targeted primarily at companies wishing to monitor the environment of their products in transit, such as pharmaceutical, tobacco and food distribution companies.

The Tetis range is being supplied to Shiptek and will be offered as an integral part of a new digital platform it has developed, named X-Log. The platform includes an App and offers similar functionality as price comparison websites. X-Log has a number of original features and allows the end-user customer to select the right container for its products, the cheapest / best shipping company for the type of product, where the products will be collected from and delivered to, and all other details needed to ship a container to its ultimate destination. X-Log has generated a high level of interest and Shiptek has already signed up a major top-ten shipping company which has begun trials. Starcom has been working closely with Shiptek and its partner throughout the trial period and feedback has been excellent.

Avi Hartmann, CEO of Starcom, commented, "This is a major breakthrough for Tetis in terms of the volume potential as well as the endorsement effect. We are delighted to be working with Shiptek who we have found to be a highly innovative company and, as they sign up more shipping companies, volumes for Tetis can dramatically exceed the minimum order they committed to contractually. We believe we will enjoy a long and beneficial relationship with Shiptek and look forward to working with them."

Further details regarding the Tetis R is on: <https://www.starcomsystems.com/products/tetis>

-ends-

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014.

For further information, please contact:

Starcom Plc

Michael Rosenberg, Chairman

07785 727 595

Avi Hartmann, CEO

+972 5430 70103

+972 3619 9901

Northland Capital Partners Limited (Nominated Adviser and Broker)

020 3861 6625

Edward Hutton / David Hignell (Corporate Finance)

John Howes (Sales and Broking)

Peterhouse Corporate Finance (Joint Broker)

020 7469 0930

Lucy Williams / Charles Goodfellow / Eran Zucker

Leander PR (Financial PR)

020 7520 9267

Christian Taylor-Wilkinson

07795 168 157