

The information contained within this announcement is deemed by the Company to constitute inside information pursuant to Article 7 of EU Regulation 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 as amended.

4 January 2022

t42 IoT Tracking Solutions plc

t42 signs a five year U.S. distribution contract for containers tracking solutions with exclusivity linked to the achievement of total estimated sales of US\$76m

t42 IoT Tracking Solutions plc (AIM: TRAC) ("**t42**" or the "**Company**"), the real-time tracking, security and monitoring solutions for the global container and freight market, is pleased to announce a five-year contract with OpenBox Ventures Inc ("**OpenBox**"), for the sale and distribution of some of t42's tracking solutions and services across the USA (the "**Contract**").

In order to maintain exclusivity, OpenBox must meet minimum annual order volumes and whilst these are not guaranteed, if they are met it could result over the period of the Contract in over 280,000 t42 Tracking Lock units (previously known as Lokies) supplied to OpenBox and revenue of approximately US\$21m in the first three years and a total of US\$76 million over the five years of the Contract, of which approximately US\$29 million is expected to be contributed by recurring SaaS revenues.

OpenBox distributes cutting edge technologies across the US security industry ensuring the integrity of goods transported in shipping containers. It will act as the vendor and distributor of the t42 Tracking Lock product in the USA, as well as on certain online platforms. t42's remaining innovative IoT capabilities which enable real-time tracking, monitoring and security for shipping container owners remain outside the scope of the Contract, which the management of t42 believe have huge revenue potential in the USA alone, in addition to the Contract.

The Company's new strategy targets the multibillion-dollar global shipping container industry, where the Board sees immense unmet asset tracking needs. t42's state-of-the-art solution provides 24/7 real-time monitoring, cloud-based analytics, enhanced security and actionable data for target customers which includes ports, cargo owners, shipping companies, freight forwarders, insurance companies, customs authorities and homeland security and police.

Avi Hartmann, CEO of t42, commented:

"We are delighted to announce t42 IoT Tracking Solutions plc's second sales and distribution partnership since the implementation of the Company's new strategy. The Contract with OpenBox reflects our new strategic focus on the global shipping container market and the minimum orders needed for exclusivity to be maintained by the distributor are a strong indicator of the major sales opportunities they believe they can achieve.

"The Board believes that considerable losses for global shipping and logistics companies, and the disruption to supply chains, could be prevented by widespread adoption of t42's real-time monitoring solution. The Company is therefore keen to spread the benefits of its tracking technology as widely as possible around the world and to deliver significant benefits in terms of improved reliability and efficiency of global supply chain assets. This will in turn drive down costs for the shipping industry, and hence for end user consumers.

"With discussions now well advanced on a promising pipeline of substantial projects within the sector, we look forward to providing further updates in due course."

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Notes to Editors

t42 IoT Tracking Solutions plc (AIM: TRAC), formerly Starcom Systems plc, provides real-time tracking, analysis, monitoring and security IoT solutions for the global container and freight market and covers 55 countries, over 100 distributors and 50 logistics and support partners.

t42's multi-sensor IoT tracking devices use a wide range of detection capabilities with cloud-based analytics and alerts, with real-time data transmission, analysis and actionable insights. Its devices are used by ports, cargo owners, shipping companies, freight forwarders, insurance companies, customs authorities and homeland security and police for end-to-end global container tracking and digital transformation of shipments.

For more information on the Company, please visit: www.t42.co.uk/

Information required pursuant to rule 26 of the AIM Rules for Companies can be found at www.starcomsystems.com

OpenBox Ventures Inc.

OpenBox provides companies with venture capital funding and commercial distribution through pairing new cutting-edge technology with the U.S. defense and shipping markets. With over 25 years of track record in successful business development, OpenBox is driving partnerships towards operational and commercial scale-up within the U.S. defense, transportation and port authority sectors.

The company's website can be found at: <https://openboxventures.com>.