

Starcom plc
("Starcom" or the "Company")

Posting of Annual Report and Accounts and notice of Annual General Meeting and proposed grant of options to directors

Starcom (AIM: STAR), which specialises in the development of wireless, Internet-Of-Things (IoT) based solutions for the remote tracking, monitoring and protection of a variety of assets, announces that its Annual Report and Accounts for the year ended 31 December 2020 and the notice of the 2021 Annual General Meeting will be posted to shareholders later today and will shortly be available on the Company's website at www.starcomsystems.com.

The Company's Annual General Meeting ("AGM") will be held at 11.00 am on 15 July 2021 at 16a Hataas St, Kfar Saba, Israel.

Attendance and voting at the AGM

Given the COVID-19 pandemic and the associated restrictions on travel and the prohibition on public gatherings, it will not be possible to hold an open AGM with shareholders in attendance and accordingly the AGM this year will be run as a closed meeting. Therefore, it will not be possible for shareholders to attend the AGM in person and the Company will not be able to grant entry to anyone seeking to attend the AGM. Shareholders may attend the AGM by conference call via the following link <https://us02web.zoom.us/j/88565946045?pwd=c3lNaUI2WTdETFpHOTJZdWg2ZUpmQT09>.

The Company will convene the AGM with the minimum necessary quorum of two shareholders, in accordance with its articles of association. No presentation will be provided at the meeting.

Shareholders are strongly encouraged to vote via completion of a Form of Proxy. Full details of how to complete the Form of Proxy are contained in the Notice of AGM. You are strongly advised to appoint the chairman of the meeting as your proxy to ensure your vote is counted as no other individuals will be granted access to the meeting. The chairman of the meeting will direct that all resolutions will take place by way of a poll, rather than on a show of hands, to ensure an accurate reflection of the views of shareholders and ensure that proxy votes are recognised. The results of the poll votes on the proposed resolutions will be published on the Company's website as soon as possible after the conclusion of the AGM.

Proposed grant of Fee options

At the AGM, resolutions will be proposed for shareholders to consider the grant of share options to certain directors as detailed below.

It is proposed that in consideration of the agreement by certain directors to reduce their cash salaries and fees for the twelve-month period from 1 June 2021 to 31 May 2022, they will be granted with options to subscribe for new ordinary shares in the Company ("Shares") under the Company's share option scheme (the "Fee Options") as follows:

- Michael Rosenberg will be granted 2,232,558 Fee Options and will reduce his fees payable to Eastkings Ltd from £3,333 per month to £1,333 per month until 31 May 2022.

- Avi Engel will be granted 2,009,302 Fee Options and will reduce his fees from £3,000 per month to £1,200 per month until 31 May 2022.
- Martin Blair will be granted 2,009,302 Fee Options and will reduce his fees from £3,000 per month to £1,200 per month until 31 May 2022.

The number of Fee Options granted has been calculated based on an issue price of 1.075p per Share, being the mid-market closing price on AIM on 22 June 2021. The Fee Options will vest one year after grant date and can be exercised from that date until 10 years from date of grant. If a director leaves before the end of the vesting period a pro rata entitlement will vest and the remaining options will lapse. As the Fee Options are being granted in place of salaries and fees, the Fee Options are exercisable at nil cost. Pursuant to the Company's share option scheme, the Fee Options will be subject to certain customary good leaver and bad leaver provisions.

The aggregate 6,251,162 Fee Options would represent 1.71% per cent. of the Company's issued share capital as at the date of this announcement.

The grant of Fee Options is subject to shareholder approval at the AGM.

Total options

If the grant of the Fee Options is approved by shareholders at the AGM, the Company would have a total of 52,645,109 options over Shares outstanding, which would represent 14.43 per cent. of the Company's issued share capital as at the date of this announcement, and the directors of the Company would have interests in options over new Shares as follows:

<i>Director</i>	<i>No. of options over Shares currently held</i>	<i>No. of Fee Options to be granted</i>	<i>Total no. of options over new Shares to be held if approved at the AGM ("Total Options")</i>	<i>Percentage of existing issued share capital of the Company represented by Total Options</i>
Michael Rosenberg	7,222,710*	2,232,558	9,455,268	2.59%
Avi Engel	7,921,710	2,009,302	9,931,012	2.72%
Martin Blair	2,910,000	2,009,302	4,919,302	1.35%

*It should be noted that in the RNS announcement dated 24 May 2021, it incorrectly stated Michael Rosenberg's total number of options over new Ordinary shares currently held as 7,056,043. The correct number is, as stated above, 7,222,710.

Related party transactions

The grant of the Fee Options to Michael Rosenberg, Avi Engel and Martin Blair are deemed to be related party transactions pursuant to rule 13 of the AIM Rules for Companies. The directors independent of the transactions, being Avi Hartman and Igor Vatenmacher, consider, having consulted the Company's nominated adviser, Allenby Capital Limited, that the terms of the transactions are fair and reasonable insofar as the Company's shareholders are concerned.

For further information please contact:

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