

Trakm8 Holdings PLC - Acquisition

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TRAKM8 HOLDINGS PLC
('Trakm8' or 'the Company')

Acquisition of PJ Soft s.r.o. ('PJ Soft')

Trakm8 today announces the acquisition of the entire issued share capital of the Czech Republic registered entity PJ Soft s.r.o. from its two shareholders ('the Vendors'). PJ Soft is a software research and development company specialising in the provision of cartographic mapping application software and is based in Prague.

The total consideration for the acquisition, which completed today (the 'Closing'), of PJ Soft comprises Euro535,000 (£360,269) in cash and 793,652 new ordinary shares in Trakm8 giving an implied value of Euro 900,358 (£606,301), based on a Trakm8 mid market closing share price of 31.0p on 7 August 2007 and an exchange rate of £1 = Euro1.485 on 7 August 2007. The cash element is payable in two stages: Euro385,000 (£259,259) immediately and Euro150,000 (£101,010) twelve months after Closing. The remainder of the consideration will be satisfied by the allotment and issue of 340,136 new ordinary shares in Trakm8 to the Vendors twelve months after Closing and by the allotment and issue of a further 453,516 new ordinary shares twenty four months after Closing.

PJ Soft's unaudited profit and loss account for the 12 months ended 31 December 2006 show a pre-tax profit for the period of CZK 973,000 (£23,800) on revenues of CZK 8,798,000 (£215,000). As at 31 December 2006 the unaudited balance sheet net asset value of PJ Soft was CZK 2,881,000 (£71,000). PJ Soft's financial year runs from January to December in line with statutory compliance in the Czech Republic. The Company intends that PJ Soft's accounts will now be audited as part of Trakm8's group audit. Profit & Loss and Balance Sheet Sterling conversions are based on an exchange rate of £1 = CZK 40.85 as at 31 December 2006.

Trakm8 currently licences geo-positioning software from PJ Soft which the Company uses for its own applications in the international vehicle tracking and vehicle security markets. In the financial year ended 31 March 2007, Trakm8 paid licensing fees to PJ Soft of £11,200.

This acquisition brings in-house the remaining software Intellectual Property not owned by the Company. In addition, PJ Soft has developed advanced cartographic and geo-positioning software that the Company believes will allow it to considerably strengthen its current solutions portfolio. The Company also intends to develop new products utilising this advanced software.

PJ Soft's location in Prague has enabled Trakm8 to achieve a cost effective European presence while the addition of a strong software development team should lead to faster Research and Development programmes. The Company will be actively seeking to expand sales into geographic territories surrounding the Czech Republic and the acquisition will provide significant support to existing relationships with major partners in southern Germany.

Commenting on the acquisition, Cary Knapton, Trakm8's CEO, said, 'The acquisition of PJ Soft brings additional intellectual property in-house. This will enable us to reduce costs but more importantly to develop new, market leading products thanks to the expertise of the PJ Soft team. It also brings us our first European office. We are delighted to welcome the company to the Trakm8 Group.'

- Ends -

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About Trakm8

Trakm8 is a leading provider of on-line telematics services, solutions and related hardware. The Company provides ASP vehicle monitoring and tracking services direct to the B2B market. It also distributes its own hardware and software products worldwide through a network of distributors. Trakm8's products and services enable vehicle assets to be monitored; allowing organisations to manage deliveries and services, or track stolen vehicles down to five metres.

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