

Trakm8 Holdings PLC - Settlement Agreement

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Trakm8 Holdings PLC
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1 August 2007

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

Trakm8, a leading provider of on-line telematics services, solutions and related hardware, today announces an update to trading as a consequence of reaching a settlement agreement with an external supplier of a product component.

On the 2nd April 2007 Trakm8 advised that a technical issue with one of Trakm8's externally sourced components had affected a limited number of hardware units. Trakm8 also advised that it had incurred costs and would be making necessary provisions for the rectification expenditure which would have a detrimental impact on the financial results for the year ending on 31 March 2007.

Trakm8 is pleased to announce that a settlement agreement has now been signed with the supplier in question and as a consequence, the financial losses incurred as a result of this issue have been substantially reduced. The settlement agreement includes both immediate direct financial re-imburement to Trakm8 and future reduced component cost. As a result, the Directors are confident that the net adverse pre-tax financial impact will not exceed £13,000. This will be fully expensed in the year ending 31 March 2007. These costs will be more than offset in the current financial year by the reduced component cost referred to above.

- 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 allow vehicle assets to be monitored; allowing organisations to manage deliveries and services, or track stolen vehicles down to 5 metres.

This information is provided by RNS
The company news service from the London Stock Exchange

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