

August 16, 2017



# Orbital Tracking Corp. Reports Financial Results for the Three and Six Months Ended June 30, 2017

## Quarterly Revenue Jumps 32% Due to New Product Launches and Strong European Sales

AVENTURA, FL -- (Marketwired) -- 08/16/17 -- Orbital Tracking Corp. (OTCQB: TRKK) ("Orbital Tracking" or the "Company") yesterday reported financial results for the three and six months ended June 30, 2017.

### ***Second Quarter 2017 Highlights***

- During the quarter ended June 30, 2017, the Company's wholly owned subsidiaries Global Telesat Communications Ltd. ("GTC") and [Orbital Satcom Corp.](#) ("OSC") continued to record combined sales at record levels despite the continued adverse effects of currency fluctuations. This increase in sales during the quarter was a result of numerous diversified factors including revenue from new product lines, an increase in sales through e-commerce website sales and to recurring revenue airline customers, and a 65% year-on-year increase in sales on our Amazon EU storefronts.
- Notable achievements for the Company during the quarter ended June 30, 2017, in terms of sales included the supply of 140 satellite phones and tracking devices with recurring airline for use by a leading mining company in Africa, renewal of a satellite based tracking services contract for the United States' premier emergency response organization and continued growth in our sales to resellers.
- On May 31, 2017, the Company raised \$500,000 from existing investors through the issuance and sale of Series J convertible preferred stock to support continued international expansion, additional product lines and increase inventory levels.

"We are pleased with the excellent progress made by the Company during the second quarter of 2017. Our quarterly sales exceeded \$1.5m for the first time and increased by 32% from the comparable quarter of 2016, despite a near 11% decline in the GBP/US\$ exchange rate which affects our sales negatively as reported in US\$," said David Phipps, Chief Executive Officer of Orbital Tracking Corp. "We have been actively introducing new product lines during the past twelve months which, combined with a continued increase in demand for our more established lines, has had a positive effect on recent sales. Looking forward, we anticipate launching additional product lines, further building our recurring revenue customer base, and working on growing our international sales."

### ***Financial Results for the Three and Six Months Ended June 30, 2017***

Comparable revenue for the Company's wholly owned subsidiary, Global Telesat Communications, increased 50.4%, from £600,347 to £903,076, a variance of £302,729, in

its home currency, GBP, for the three months ended June 30, 2017 as compared to the three months ended June 30, 2016. When converted to US\$ for reporting purposes, total sales for Global Telesat Communications were \$1,153,287 for the three months ended June 30, 2017 as compared to \$861,762 for the three months ended June 30, 2016, an increase of \$291,525 or 33.8%. For the six months ended June 30, 2017, comparable revenue for Global Telesat Communications, increased 34.3%, from £1,238,501 to £1,663,717, a variance of £425,216, in its home currency, GBP, for the six months ended June 30, 2017 as compared to the six months ended June 30, 2016. When converted to US\$ for reporting purposes, total sales for Global Telesat Communications were \$2,075,659 for the six months ended June 30, 2017 as compared to \$1,776,184 for the six months ended June 30, 2016, an increase of \$299,475 or 16.9%.

Comparable revenue for the Company's wholly owned subsidiary, Orbital Satcom Corp. was \$413,904 for the three months ended June 30, 2017 as compared to \$321,458 for the three months ended June 30, 2016, an increase of \$92,446 or 28.8%. For the six months ended June 30, 2017, comparable sales increased \$164,416, or 23.5%, from \$698,807 to \$863,222.

For the three and six months ended June 30, 2017 and June 30, 2016, consolidated revenues increased 32.0% or \$378,598 to \$1,567,191 and for the six months 18.3% or \$455,024 to \$2,938,881, respectively. Although product volume sales were at record levels during the quarter, results continued to show the negative impact of recent depreciation in the GBP and EUR against the US\$.

The Company recorded a net loss before income tax of approximately \$3,130,516 for the three months ended June 30, 2017 as compared to a net loss of \$1,173,737, for the three months ended June 30, 2016. For the six months ended June 30, 2017, the Company recorded a net loss of \$3,360,273 as compared to a net loss of \$1,113,791. For the six months ended June 30, 2016. The increase in the loss for the three and six months ended June 30, 2017 is attributable to certain non-cash expense realized in the three months ended June 30, 2017, of \$2,308,981, representing the issuance of convertible preferred Series K for price protection, to certain Subscribers of the Company's convertible preferred shares of Preferred Series F, Preferred Series G and Preferred Series H for the Series J Preferred stock issuance. The additional issuance of Preferred Series K for price protection, while expensed as other expense, also results as an increase to additional paid in capital.

### ***About Orbital Tracking Corp.***

Orbital Tracking Corp. provides satellite based tracking, services as well as mobile voice and data communications services globally via satellite to the commercial and government users. Orbital specializes in services related to the Globalstar satellite constellation, including ground station construction, simplex tracking services and satellite telecommunications voice airtime. Orbital operates various e-commerce retail and tracking portals where users around the world can purchase satellite hardware and track assets in real-time on mobile devices or PCs. For more information regarding Orbital, please visit [www.orbitaltracking.com](http://www.orbitaltracking.com).

### ***Forward-Looking Statements***

Certain statements in this release constitute forward-looking statements. These statements include the capabilities and success of the Company's business and any of its products, services or solutions. The words "believe," "forecast," "project," "intend," "expect," "plan,"

"should," "would," and similar expressions and all statements, which are not historical facts, are intended to identify forward-looking statements. These forward-looking statements involve and are subject to known and unknown risks, uncertainties and other factors, any of which could cause the Company to not achieve some or all of its goals or the Company's previously reported actual results, performance (finance or operating) to change or differ from future results, performance (financing and operating) or achievements, including those expressed or implied by such forward-looking statements. More detailed information about the Company and the risk factors that may affect the realization of forward-looking statements is set forth in the Company's filings with the SEC, copies of which may be obtained from the SEC's website at [www.sec.gov](http://www.sec.gov). The Company assumes no, and hereby disclaims any, obligation to update the forward-looking statements contained in this press release.

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