

November 14, 2018



# Orbital Tracking Corp. Reports Financial Results for the Three and Nine Months Ended September 30, 2018

AVENTURA, Fla., Nov. 14, 2018 (GLOBE NEWSWIRE) -- Orbital Tracking Corp. (OTCQB: TRKK) ("Orbital Tracking" or the "Company") today reported financial results for the three and nine months ended September 30, 2018.

Sales for the nine months ended September 30, 2018 were \$4,654,507 compared to approximately \$4,547,491 for the nine months ended September 30, 2017, a \$107,016, or 2.4% increase in total revenues. During the three months ended September 30, 2018, the Company reported revenue of \$1,386,927 compared to approximately \$1,588,466 for the three months ended September 30, 2017, a decrease in total revenues of \$201,539 or 12.7%. The Company recorded a net loss of \$593,465 as compared to a net loss of \$3,609,339 for the three months ended September 30, 2017. For the nine months ended September 30, 2018 and 2017, the Company recorded a net loss of \$593,465 and \$3,609,339, respectively, a decrease of \$3,015,874 or 83.7% from the prior year.

The Company attributes the decrease in comparable revenue for the three months ended September 30, 2018 to unprecedented sales recorded during the 2017 hurricane season and the Company's award of a substantial lone worker tracker contract during the same period in 2017. The Company's gross operating margin of 21.1%, remained the same for the nine months ended September 30, 2018 as compared to the previous year, despite the negative impact of exchange rate variances. The fluctuation in the loss for the three and nine months ended September 30, 2018 was due to an increase in ecommerce fees as a percentage of sales, exchange rate variances, which were offset by a decrease in professional fees and certain non-cash expenses related to stock-based compensation of \$600,000 and non-recurring investor price protection of \$2.3 million.

Reporting on the results, the Company's Chief Executive Officer, David Phipps stated, "although total sales for latest quarter declined slightly as a result of exceptional one time sales in Q3, 2017, the Company continued to attract new customers from around the world in record numbers, and underlying sales including recurring revenue continued to progress during the nine-month reporting period, resulting in us reporting our highest level of total consolidated revenue for the period. During Q4 2018, we intend to maintain our progress by launching new international storefronts, increasing product lines and pursuing opportunities to increase recurring revenue."

## 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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