



Trucknet Enterprise LTD  
("the Company")

October 17, 2021

**To:**  
**Israel Securities Authority**

**To:**  
**Tel Aviv Stock Exchange**

Dear Sir/ Madame,

**Re: Signing a Letter of Intent for Cooperation with C.A.L. Cargo Airlines in Israel  
from the Challenge Group**

The Company is pleased to report that on October 14, 2021, an initial Letter of Intent was signed between the Company and the Israeli airline C.A.L. Cargo Airlines Ltd. from the Challenge Group ("C.A.L."), for cooperation between the Company and the Challenge Group.

In the initial phase the Company will grant C.A.L. a license for use of the platform for the entire Group within Europe and later on the agreement will be expanded to include the United States.

Challenge Group is a group of companies specializing in air cargo including, among others, C.A.L., and another company that operates a cargo terminal in Belgium, the Belgian airline Challenge Airlines, and Challenge Air Cargo, that serves as the group's commercial branch with sales offices throughout Europe. The entire Group is concentrated in Liege, Belgium.

The guidelines for the cooperation between the parties based on the LOI are as follows:

1. The Company will grant Challenge Group a license for use of the Trucknet platform within Europe (in the First phase) and in the United States (in the Second phase).
2. There will be a one-month trial period without payment.
3. After adapting the system, C.A.L. will pay the Company a sum of 5 Euro for the planning of each trip using the Trucknet platform.
4. In addition, for use of the system and the automatic smart adaptations on the Trucknet platform, an additional sum of 5% of the shipment price from each order will be paid to the Company.



In the LOI it was determined that the Parties will work to advance cooperation between the companies, at their discretion, and to signing of Detailed and Binding Agreement within 30 days. In so far as the Parties have not come to an agreement and have not entered into a Detailed and Binding Agreement within the said period and they have not extended this period, the Letter of Intent does not and will not have any binding validity.

The information provided above regarding the cooperation with Challenge Group and its components is, to the best of the Company's knowledge, based on the data they have to hand and without these being verified independently by the Company. Furthermore, the Company cannot at this stage estimate the chances of engagement of the parties in a binding agreement, if at all, and the expected scope of use of the Trucknet platform by the Challenge Group.

Yours Sincerely,

Trucknet Enterprise Ltd.

Signed by: Hanan Fridman, Chairman of the Board and CEO