

June 20, 2022

Israel Securities Authority

Tel Aviv Stock Exchange

Dear Madam/Sir,

**Re: Agreement of Intent for technological cooperation and exclusive global distribution of a smart device integrating Trucknet technologies to reduce fuel consumption and emissions**

The company is honored to report that on 19 June, 2022 a Memorandum of Understanding (MoU) was signed for cooperation with Rentar Environmental Solutions Inc (**Rentar**), a US company from Florida that developed and manufactures a fuel catalyst used to reduce fuel consumption and emissions in diesel engines (**the catalytic component**). To the best of the Company's knowledge, Rentar operates in the US and in more than 30 countries in Asia, Europe and Latin America. Rentar's catalytic component can reduce fuel costs in diesel engines by 3% - 8% while lowering emissions by about 20% in a wide variety of industries, including off-road vehicles, mining, rail, marine, power generation and construction. Rentar's property rights for the catalytic component are protected in patents registered in the US and Israel.

The guidelines for cooperation between the Parties, according to the MoU are as follows:

1. As part of the collaboration, the catalytic component will be combined with the competencies of the Trucknet system for measuring and reporting the reduction of polluting emissions (**Trucknet telematics**). The integrated product will be marketed exclusively by the Company to clients with commercial trucks and buses in Israel, the US, Europe, Turkey as well as the Persian Gulf countries under the brand name Trucknet Smart Catalyst (**the integrated product**).
2. The Parties will carry out a POC (proof of concept) in the framework of which Rentar will provide the Company with catalytic components. Over a period of 90 days (**POC period**) the Company will integrate the catalytic component and the telematics system, install it into commercial vehicles of clients in Israel and then examine the results of the integrated product's operation. In addition, the company will act to obtain authorizations and permits required for the import, distribution and sale of the component in Israel. For 21 days, from the end of the POC period, the Parties will review and evaluate the success of the POC, based on agreed-upon parameters.

3. So long as the Parties agree on the success of the POC results, the Company will be entitled to order catalytic components from Rentar according to the specific times, quantities and prices stipulated in the MoU. Dependent on achieving the agreed-upon purchase quantities, the Company will be entitled to exclusivity in the distribution of the catalytic component, part of the integrated product, to the commercial trucks and buses sector; this will hold for a period of 36 months within Israel, the US, the EU, Turkey and the Persian Gulf countries (GCC).
4. The MoU is for an initial period of three years from the date of signing, after which it will be automatically renewed for additional periods of one year each, unless a Party notifies, 90 days in advance, of its intent not to renew the contract. Despite the aforementioned, each Party may terminate the terms of the MoU in the event that the other Party breached the MoU and this breach was not corrected within 30 days from the time correction was requested, or in the case of bankruptcy proceedings, reorganization, liquidation, receivership, appointment of a receiver, trustee or special director against the other Party.

The abovementioned information regarding the collaboration with Rentar and details about Rentar's activities is, to the best of the Company's knowledge, based on the data received without the information having been examined independently by the Company. In addition, the Company cannot evaluate at this stage chances for success regarding the integration of the catalytic component within the measurement system, the satisfaction of the POC by the Parties and the marketing potential of the integrated product.

According to Hanan Fridman, CEO and founder of the Company, the contract with Rentar as mentioned above, enhances the Company's services and offers those systems on the market today the emissions calculator included in the Trucknet system. This tool improves systems, making them "smarter", and reduces supply chain costs, thereby reducing CO2 emissions from vehicle fleets, giving companies the opportunity to receive financial credit for the reductions.

The need for the Company's products and activities is increasing these days, considering the dramatic increase in the costs of gas and diesel fuel throughout the world. The concern for reducing fuel consumption and carbon emissions is high on the agenda of governments and large companies; the integrated solution of Trucknet and Rentar can assist in promoting an economic and environmental change. For example, a truck emits an average of 12-16 tons of pollutants per month and could save about 20% of emissions (additional savings also could be achieved from using the smart matching system developed by Trucknet). To date, a truck operating in Europe that reduces emissions will be able to receive about 85 Euros for a ton of polluting emissions saved. As mentioned above, reductions of emissions can be

estimated with the assistance of Trucknet's online calculation tool, which is integrated in the system.

The Company estimates that in addition to the positive environmental impact, the catalytic component may have an economic advantage for the end user, as its installation also results in a reduction in fuel consumption at a rate of up to 8%; to the best of the Company's knowledge, a truck in Europe consumes diesel fuel at an average of about 60,000 Euros per year.

The Company will hold an online conference call (ZOOM) with investors on Tuesday, June 21, 2022 at 11:30. During the conference call there will be a presentation that will be published on the website of the Securities Authority: [www.magna.isa.gov.il](http://www.magna.isa.gov.il) and on the Company's website under Investors Relations.

In order to participate in the online call, please register in advance using the link below: [https://us02web.zoom.us/webinar/register/WN\\_1d2VHbGLRz6Rk3507osHOQ](https://us02web.zoom.us/webinar/register/WN_1d2VHbGLRz6Rk3507osHOQ)

The conference call does not replace review of the Company's immediate reports and financial statements where complete information is found, including forward-looking information therein in accordance with Section 32A of the Israel Securities Law, 1968.

Yours Sincerely,

Trucknet Enterprise Ltd.

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