TrackX Reports First Quarter of Fiscal 2020

DENVER, CO — May 6, 2020 — TrackX Holdings Inc. (TSX.V:TKX | OTC: TKXHF | FRANKFURT:3TH) ("TrackX" or the "Company"), a SaaS-based enterprise asset management solution provider, announces the financial and operational highlights from its first quarter of fiscal 2020 ended December 31, 2019. All results are reported in Canadian dollars unless otherwise specified. A complete set of the December 31, 2019 Consolidated Financial Statements and Management's Discussion & Analysis has been filed on SEDAR (www.sedar.com).

Financial Highlights for the 3-Months Ended December 31, 2019

- Recurring revenue increased 28% over the previous year period and 3% over the prior quarter to $731,123;
- Quarterly revenue of $1.18 million versus $2.19 million in the year-ago quarter (46% decrease); largely resulting from a strategic reduction in both traditional enterprise software licensing revenue and hardware revenue;
- Gross margin of 49% compared to 40% in the year-ago quarter, resulting from the Company's focus on higher margin recurring SaaS revenue;
- Adjusted EBITDA loss of $192,000 compared to a $295,165 loss in Q1 FY19; and
- Net operating loss of $0.75 million versus a $0.82 million loss in Q1 FY19.

First Quarter FY20 Revenue Mix

Revenue	**Q1 FY20**	**Q1 FY19**
Recurring	62%	26%
Perpetual Software License	0 %	10%
Hardware	9%	23%
Setup, implementation, and other fees	29%	37%
Services	0%	4%
TOTAL	**100%**	**100%**

Operational Highlights for the 3-Months Ended December 31, 2019

- Completed an additional installation of GAME (Global Asset Management for Enterprises) for a global household appliance manufacturer;
- Successfully installed GAME at two additional Carvana vehicle inspection and processing centers;
- Expanded the GAME solution footprint and automation of additional business processes for a large national insurance company;
- Successfully completed the phase 1 implementation of GAME to manage vehicles for a global powersports leader; and

- Entered into a letter of intent with FourKites, Inc for the purchase of the TrackX Yard Management line of business; this strategic transaction was subsequently completed and announced on March 24, 2020.

Management Commentary

"In Q1, 2020, TrackX further refined its solution focus on the growth of highly repeatable, high margin SaaS-based solutions in the supply chain and enterprise asset management industries. As a result, the company made a strategic decision to sell the Yard Management line of business. That lead the Company to sign a letter of intent with FourKites, the Chicago-based creator of the predictive supply chain visibility category, for the sale of the TrackX Yard Management business. This strategic transaction was subsequently closed in Q2 2020 and announced on March 24, 2020," said CEO Tim Harvie. "During the quarter, we continued to execute on our core strategies with new partners added to our ecosystem, additional expansion within our current customer base, numerous extensions and functional enhancements to our GAME platform, and an increase in recurring revenue, our core metric."

Selected Financial Information

C$(000s) (except per share)	**Three-month Period Ended December 31**	
	2020	**2019**
Revenue	$1,177	$2,188
Gross Margin %	49%	40%
Net comprehensive loss for the period	($1,496)	($698)
Loss per share	($0.02)	($0.01)
Adjusted EBITDA (Loss)*	($192)	($295)
* Adjusted EBITDA is a non-IFRS (international financial reporting standards) measure and excludes stock-based compensation		

Business Outlook

TrackX has remained consistent in its focus to execute on its core strategies. The Company's land and expand strategy resulted in multiple solution implementations during the quarter. Expansion within our existing client base during the quarter and additional deployments beyond include:

- Global household appliance manufacturer: Completed an additional implementation of GAME for Supply Chain Management (SCM), bringing the total number of implementations for this customer to 10.

- Carvana: Continued solution expansion and completed the installation of the GAME platform at two additional vehicle inspection centers (IC's), bringing the implementation to a total of 10 IC's.

- Global Powersports leader: Completed phase 1 of the GAME implementation to manage the inventory of recreational vehicles. Discussions are underway regarding phase 2 functional requirements.

- National insurance company: Expanded the GAME solution footprint and automated additional business processes across multiple administrative buildings.

The Company will narrow its focus in returnable asset tracking, high value asset tracking (i.e., IT asset tracking) and supply chain management. COVID-19 has brought with it many global challenges across every industry and within every community. Companies need now, more than ever, to gain supply chain visibility and improve supply chain efficiency. This need to eliminate the black holes in the supply chain, protect against product tampering, eliminate theft, maintain a clear chain of custody, ensure product quality and obtain proof of delivery has resulted in supply chain initiatives moving closer to the top of the priority list for many companies. With a proven, enterprise scalable, IOT hardware agnostic, blockchain-enabled supply chain platform, TrackX expects to not only see an increase in pipeline activity, but to also see opportunities close more quickly over the subsequent quarters.

To increase delivery capacity and more effectively respond to industry opportunities, TrackX will continue to develop its partner network. Not only will new partners, like FourKites, continue to be added to the TrackX ecosystem, but additional improvements to joint sales and marketing collaboration with partners are expected to fuel additional growth in pipeline activity, and growth in high margin recurring SaaS revenue.

About TrackX

TrackX Holdings, Inc., based in Denver, Colorado, is an enterprise asset management company deploying SaaS-based solutions leveraging multiple auto-ID and sensor technologies for the comprehensive tracking and management of physical assets. TrackX's Global Asset Management for Enterprises (GAME) platform enables the Industrial Internet of Things (IIoT) by providing unique item level tracking, workflow processing, event management, alerting and powerful analytics to deliver solutions across a growing number of industries. TrackX delivers significant value to a growing list of Fortune 500 companies and for customers in industries such as transportation, beverage, brewery, healthcare, hi-tech, hospitality, mining, agriculture, horticulture, manufacturing and government.

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