

20th October 2020

ASX Announcement

ETHERSTACK PLC [ASX:ESK]

("Etherstack" or the "Company")

Etherstack signs licence agreement with TPL Systèmes

Etherstack plc's UK based subsidiary has entered a technology licensing agreement with TPL Systèmes, a French company designing and manufacturing radio communications equipment and solutions for the emergency services sector.

Anna Squires, Director of Etherstack's Waveforms and EMEA Division said, "We are pleased to be working with TPL Systèmes in France. TPL Systèmes have a longstanding track record of delivering exceptional products to emergency services users around the world, in particular helping firefighting and ambulance services keep our communities safer."

Under the terms of the agreement, Etherstack will license wireless technology to be incorporated in certain TPL Systèmes products and receive royalties on units sold utilising the technology.

Future revenues earned by Etherstack are dependent upon the sales volumes achieved TPL Systèmes as licensee however the royalty revenues are subject to a minimum of EUR 440,000 (USD\$518,000 at current exchange rates).

As previously reported, Etherstack has been experiencing consistent strong growth in its recurring revenues, and royalty deals such as these, contribute to current and future recurring revenues.

The revenues commence on delivery of the technology which is expected to be in the last quarter of 2020 and will continue until the agreement is terminated by either party. The minimum guaranteed royalty is recognised on delivery of the technology. Additional revenues attributable to either sales volumes above the minimum or sales of product variants with additional functionality will be recognised by Etherstack when these sales are made TPL Systèmes, and will form part of Etherstack's future recurring revenues streams.

David Villacastin of TPL Systèmes said "In order to accelerate delivery of new products to the market quickly, we have chosen to work with Etherstack to provide to our mission critical customers with proven, high quality wireless protocol software. "

Authorised for release by David Carter

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About Etherstack plc (ASX:ESK):

Etherstack is a wireless technology company specialising in developing, manufacturing and licensing mission critical radio technologies for wireless equipment manufacturers and network operators around the globe. With a particular focus in the public safety, defence, utilities, transportation and resource sectors, Etherstack's technology and solutions can be found in radio communications equipment used in the most demanding situations. The company has R&D facilities in London, Sydney, New York and Yokohama.