

A Letter to Our Transparent Path Shareholders

Our 2025 year-end update & 2026 outlook

Dear Transparent Path Shareholders,

The short version: 2025 was a very challenging year in Transparent Path's journey.

We could not have survived this year without the continued belief and support of our shareholders, and especially our angel investors who have doubled down on their conviction that supply chain certainty will only become *more* essential as the world becomes a more uncertain place.

Why 2025 was challenging

When we founded Transparent Path in 2020, venture capital was flowing freely into logistics technology. Investors believed that supply chain visibility was important, and small startups like us had a clear path to capital and growth: build an MVP, prove product-market fit, land customers, and grow.

So much has changed since then. Venture deal volume in early-stage companies has collapsed — particularly in capital-constrained sectors like logistics technology. The median deal size for early-stage ventures has climbed significantly — pricing out startups like us from traditional VC sources. Supply chain and logistics technology has fallen from 6-9% of startup investment to just 2-4%. Meanwhile, multi-billion-dollar AI infrastructure and machine learning deals now command over 50% of global venture funding flows.

On top of this, new geopolitical uncertainty, tariff chaos, and federal budget reallocations created additional pressure. A previously-announced NSF grant opportunity that would have accelerated development of our innovative bio-recyclable sensor line was not renewed due to government cuts. This resulted in us pausing commercial development of this strategic effort while pursuing new funding sources.

Yet Transparent Path is still here — by growing customers, expanding product offers, and delivering on our mission that is more relevant than ever.

Product wins and customer loyalty



Above: a Lineage Logistics employee applies a tracker to a Darigold cross-border rail shipment. Darigold has grown their business with us in 2025.

Despite the headwinds, we grew business with our three largest U.S. customers, doubling their volume in 2025. These customers — sophisticated, demanding organizations with high standards — chose to expand their relationship with Transparent Path. That vote of confidence matters.



Above: Customer Relations Manager Terra Clark (far left) and VP of Sales Ryan Sullivan (far right) with our long-time customers at **Ingredion**, Salem, Oregon.

Growth in Australia

We also expanded into new customer segments. A Washington State Governor’s trade mission to Australia, along with an April 2025 tradeshow presence in Brisbane, resulted in new sales partnerships across agricultural export and specialty goods markets. We added customers in the high-value produce export sector and in fine arts logistics — customers who need ironclad proof of where their products have been, and how they were treated in transit.



Photos from our new business trips to Australia. In 2025, we signed two new sales partnerships along with a number of new customers. At left, the principals of All Aussie Farmers with Transparent Path CTO Sunil Koduri and CEO Eric Weaver. At right, our VP of Sales Ryan Sullivan with All Aussie's Travis Murphy, and Vidu and Danesh of Pacific Sensor Technologies. Both partners are based in Melbourne.

These wins are steady growth that demonstrates what we build solves problems across many verticals. And we know how to get more from each customer as we learn about their business.



Our technology is evolving (and so is our market)

In 2025, we released Version 1.6 of our platform with improved shipment status handling, advanced reporting capabilities, and integration with new proprietary tracking hardware we've developed: **ProofTracker™** and **ProofTracker™ Air**. These trackers offer full location and environmental tracking at very competitive price points, giving our customers more choice in how they deploy our solution.

Regarding the platform, we will be introducing ocean location visibility in Q1. And as I write this, Sunil and team are redesigning our platform user experience, working with UX/UI specialists to reduce workflow steps and make our solution easier for customers to implement. The improved interface should be ready in Q2 2026.

2026: Transparent Path gets a boost from global compliance requirements

It's one thing when you want to stem cargo losses. It's another when shipment visibility and proof of condition are required to meet critical compliance requirements. This coming year, regulatory mandates start requiring exactly what Transparent Path provides — proof of supply chain custody, safe carriage, full visibility, and partner accountability.



The European Union's [EUDR](#) (European Deforestation Regulation) requires detailed proof of carriage and custody for shipments to ensure they do not contribute to deforestation or habitat losses, creating a new market appetite for supply chain visibility solutions. This is not optional: it's the law. And similar regulations are spreading globally as governments and enterprises demand proof of where goods came from, how they were handled, and who is accountable when those goods are lost or wasted. *(Image at left: deforestation in Brazil. Photo courtesy Wikimedia Commons)*

In October 2025, I relocated to Greece to lead Transparent Path's entry into Europe.

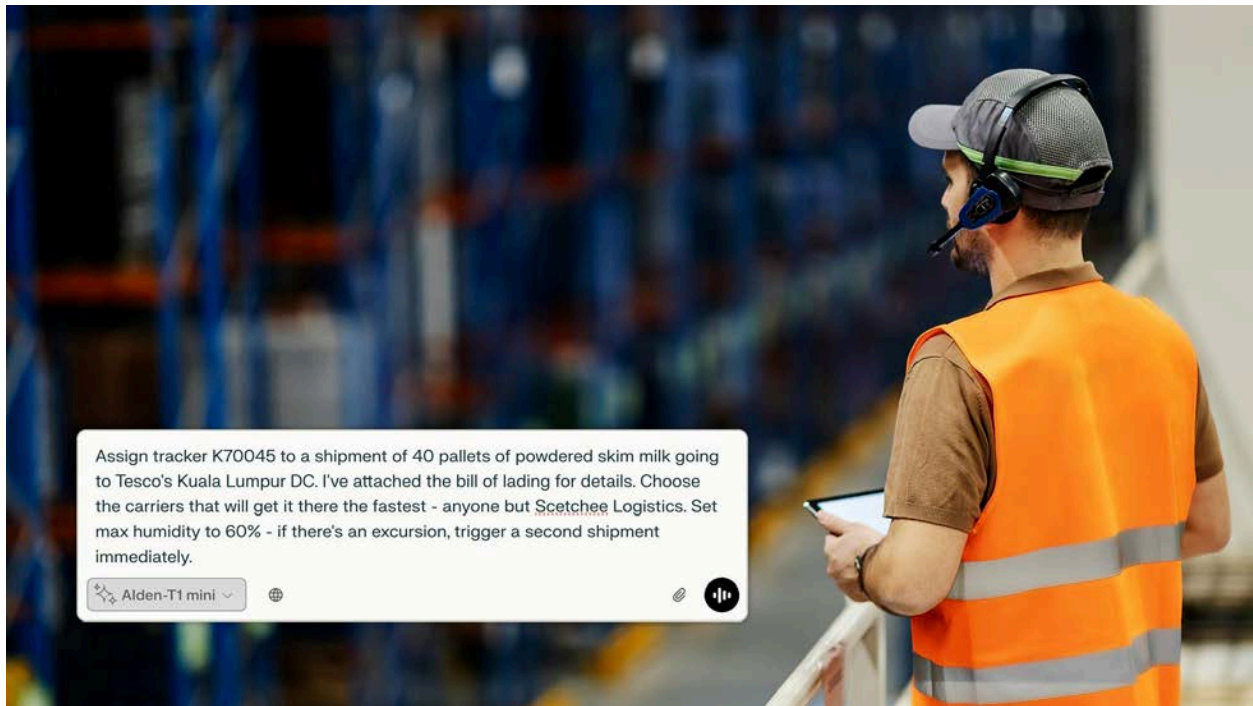
The EU is a sophisticated market driven by regulation, and by being here, I'm closer to potential customers from a geographic and timezone perspective. This year, we'll start market research and commercial development in the EU — positioned directly at the intersection of a mandatory compliance requirement and our core capabilities.

And while it's a big world and we can't chase down *every* market, we also continue to explore significant opportunities in other regions. We cannot share details on these conversations yet, but we are optimistic about the scale of these opportunities.

Looking ahead: capital & execution

To support the new product efforts and market growth, we are actively securing the necessary capital to execute on our 2026 strategic initiatives. We are grateful to have the continued backing of long-term investors who understand that in a world of unprecedented geopolitical uncertainty and economic complexity, transparency and proof matter more than ever.

With this support, we will be able to simultaneously pursue multiple initiatives: accelerate development of **AIden** (our logistics-specific agentic AI), provide even more robust data analytics offerings, continue development of our bio-recyclable sensor technology through alternative funding, launch our redesigned platform interface with additional capabilities, commercialize ProofTracker, invest in ProofTracker Pro, and scale our market development efforts in Europe and beyond.



Above: imagine being able to set up sophisticated shipments of perishables and high-value goods simply by talking to your tablet or phone. That's what AIden, our logistics-focused agentic AI, will enable.

Our 2026 goal is straightforward: \$1.4 million in annual recurring revenue by the end of 2026. We believe this is achievable with disciplined execution and the continued support of our stakeholders.

Why we're still fighting

Transparent Path exists because our founding team — Chief Commercial Officer / Chief Financial Officer Mark Kammerer, CTO Sunil Koduri, and myself — believe that **supply chain transparency and accountability are a requirement for ethical, conscientious business practices**. The facts are stark: the world loses \$600 billion to \$1 trillion annually to food loss and waste in supply chains, with an estimated \$50-80 billion in perishable food losses in transit alone. In pharmaceuticals, the challenge is equally severe: \$40 billion in products are lost, diverted, or stolen annually from supply chains that lack visibility and custody verification.

This waste is not inevitable. It's the direct result of an absence of verifiable information — the inability to know and prove, in real time, where products are, what condition they are in, and who is responsible when something goes wrong.

As you know, our mission has always been **to reduce cost, risk, waste, and planetary impact**. And the human and planetary costs of opacity are staggering. While one billion people face food insecurity globally, one-third of all food produced for human consumption is lost or wasted. In pharmaceuticals, product diversion fuels counterfeit markets, which undermines the integrity of healthcare supply chains and the health of the people in those systems.

Transparent Path exists to solve this. It's why we're here. When producers and transporters have proof of custody and condition for every shipment, they can drastically reduce unnecessary product waste, eliminate financial losses to spoilage and diversion, mitigate supply chain risk, and reduce the planetary impact of inefficient logistics.

Supply chain accountability is not a luxury feature. It is the critical capability required to build a world where resources are valued, accountability is real, time and effort aren't wasted, and the impacts to our planet are minimized.

Even as the venture capital market, federal funding sources, and some investors' sentiment have made shifts in their support for early-stage companies in our space, we didn't lose hope. If anything, the events of 2025 are further vindicating our thesis.

We're still here. We're still building. We're still shipping. And we're just getting started.

On behalf of the entire team, thank you for your continued support for Transparent Path.

Sincerely,



Eric Weaver
Founder & CEO
Transparent Path spc

This letter contains forward-looking statements that reflect management's current expectations, estimates, projections, and assumptions about the company's future performance, business plans, events, and financial results. Forward-looking statements are often identified by words such as "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "project," "seek," "should," "will," and similar expressions, or their negatives.

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