NYSE American: TEUM
Company Overview
December 19, 2017

Global Mobility Cloud Platform: Connectivity and IoT Enablement

Mobility  Messaging  Security
Forward Looking Statements

Certain statements contained herein constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements may include, without limitation, statements with respect to Pareteum’s plans and objectives, projections, expectations and intentions. These forward-looking statements are based on current expectations, estimates and projections about Pareteum’s industry, management's beliefs and certain assumptions made by management. Readers are cautioned that any such forward-looking statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Because such statements involve risks and uncertainties, the actual results and performance of Pareteum may differ materially from the results expressed or implied by such forward-looking statements. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

Unless otherwise required by law, Pareteum also disclaims any obligation to update its view of any such risks or uncertainties or to announce publicly the result of any revisions to the forward-looking statements made here. Additional information concerning certain risks and uncertainties that could cause actual results to differ materially from those projected or suggested in Pareteum’s filings with the Securities and Exchange Commission, copies of which are available from the SEC or may be obtained upon request from Pareteum.
Recent Developments

- Raised $12 million on November 9, 2017
- Reported Q3 results on November 13, 2017 exceeding analysts’ revenue estimates
- Raised $1.2 over allotment exercise on November 30, 2017
- Raised $6.7 million on December 5, 2017
- Paid Off Senior Debt on December 18, 2017
- $13 million in new 36 month contractual revenue backlog added in December 2017

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What We Do:
Secure Global Reach Without Expensive Infrastructure and with IoT

• New and disruptive business model in mobile telecommunications

• Utilizing our global reach via the cloud to provide our customers:
  • IoT services
  • Connectivity
  • Metering
  • Billing
  • New revenue generating products and services

  with greater speed, at a fraction of the price

• Our customers include:
  • Communications Service Providers (CSP): network telecom carriers .... wired and wireless
  • Enterprises: businesses of all sizes
  • IoT, A2P, & M2M: Internet of Things + Machine-to-Machine = all connected things and devices

the Internet of Things and more
Equity Snapshot

Ticker: TEUM    Exchange: NYSE American

Stock Price (12/19/17): $1.65

Analysts Price Targets: $2.00 - $2.10

Daily Avg. Trading Volume for 3 Months (ending 12/19/17): ~ 3.9 M

Shares Outstanding: 42.9M

Market Cap (12/19/17): ~ $70.8 M

Revenues (ttm) (09/30/17): ~ $14 M

Contractual Revenue Backlog (12/19/17): $129 M

*12-month price targets: Joseph Gunnar $2.00 as of 8/16/2017; Dawson James $2.10 as of 9/22/2017
Digital Economy Monetization to the Cloud

The world’s largest taxi company, owns no vehicles

The world’s most popular media owner creates no content

The world’s largest accommodation provider, owns no real estate

The world’s largest movie house owns no cinemas

The world’s largest network of gourmet coffee retailers own no stores or outlets

The world’s fastest growing bank has no actual money

The world’s largest software vendors don’t write their apps.

Pareteum

One of the world’s most innovative mobile networking and services companies, has no proprietary telco infrastructure

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The Age of the Connected Customer

TEUM's business model: subscriber access and recurring revenues

500 Million potential Subscribers*
30 Billion IoT Connected Devices by 2020**

Telcos

30 Billion
Connected Devices

IoT

Pareteum

*500 Million potential Subscribers from management estimates
**30 Billion IoT Connected Devices by 2020 from Hewlett Packard
As Connected “Things” (Cars, Goods, People) move among networks (4G, Wi-Fi, Narrow-Band IoT), needed are:

- **Seamless & Ubiquitous Access** to subscribed services
- **Security & Identification Services**
- **Scalable Platform Services** enabling exchange among multiple service providers for large volumes of data
- **Transactions Exchanged** are monetized based on interconnect and roaming agreements (CSP agreements)

**Pareteum’s Platform Services:** make all of this possible ... this is the Internet of Things
TEUM’s Customer Success Platform: Real-time Complex Solutions

Any device ... anywhere ... anytime ... pay as you go @ The Speed of Need

PROBLEMS
Legacy upgrades are costly
Integration of new solutions
New competitors
Information siloes
Cost and complex operations

LEGACY SYSTEMS
Radio Networks
2G 3G 4G
Future 5G

Support Software
B/OSS*
ERP/APPs**

SALES, MARKETING, CUSTOMER SERVICE, SUBSCRIBERS, DEALERS, EMPLOYEES

Single sign-on and apps access portal
Integrated B/OSS enabling real-time:
• Account Management (SIMs)
• Policy Management (Service & Rules)
• Online Charging (Pricing, Rating, Billing)

Internet of Things Enabler:
API Development Platform & Developer’s Toolkit
Connectivity Enabled App Exchange

* Business & Operations Support System (B/OSS)
** Enterprise Resource Planning / Applications (ERP/APPs)

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Pareteum Strategy

1. Managed Services Platform
   Mobile Virtual Network Enabler (MVNE)
   IoT Services

2. Global Mobility Cloud Services Platform & IoT
   Connectivity Enabled Turnkey Cloud Solutions

3. TEUM Application Exchange Platform (IoT)
   Developer Tool Kit
   Connectivity Enabled

Data Analytics:
- New Category Information as a Service (IaaS)
- Predictive Analytics (IoT)

Strategic Partners M&A

Cloud Services:
- Facilitate A2P & M2M sensor communications
- All devices (IoT) Secure

IoT Digital Services:
- Device trust
- Wearables
- M2M & A2P Payments

Any Device, Anywhere

the Internet of Things and more

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Pareteum’s total available market 2020 (annual customer spend):

- $200 Billion IoT & Application Exchange Platform
- $50 Billion Global Mobility Cloud Platform & IoT Connectivity
- $20 Billion Managed Services Platform & IoT Enabler
A New Worldwide Strategic Alliance: 
Artilium + Pareteum = Global Mobility IoT Solutions

Managed Service Platform / Global Mobility Cloud Service Platform
TEUM Application Exchange Developers Platform

AAA Business Suite / Intelligent Routing / ARTA Bill

9 B Worldwide Mobile Subscriptions by 2022*
29 B Worldwide IoT Connections by 2022*

*June 2017 Ericsson Mobility Report

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Artilium + Pareteum = Worldwide Opportunities

LIBERTY GLOBAL

- $18 B Revenue
- 41,002 Employees
- 10.1 M Mobile Subs.
- 10.1 M WIFI Access Points
- 59.6 M Video, Internet, and Fixed-line Telephony Subs
- 24.7 M Fixed-line Subs.

"Global License to Hunt"

vodafone

- $62.5 B Revenue
- 111,556 Employees
- 50 Add. Countries Partnerships
- 50 Country Operations
- 25 M Mobile Money Subs.
- 13 M Fixed Broadband
- 9.5 M TV Subscribers
- 38 M IoT Connections

http://www.libertyglobal.com/about-us.html as of October 17, 2017
Business Model: Cloud Delivered Services

- Subscription Monthly Contractual Recurring Revenues (3 disruptive service suites)
  - Connects service/applications developers with mobile and broadband service providers

<table>
<thead>
<tr>
<th>December 2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Backlog (Deployed Customer)</td>
<td>10,857,000</td>
<td>11,778,000</td>
<td>20,961,539</td>
<td>43,596,539</td>
</tr>
<tr>
<td>Revenue Backlog (Undeployed Customer)</td>
<td>13,268,529</td>
<td>26,462,629</td>
<td>45,956,846</td>
<td>85,688,005</td>
</tr>
</tbody>
</table>

| TOTAL REVENUE BACKLOG | 24,125,529 | 38,240,629 | 66,918,385 | 129,284,543 |

Stage 0
PROSPECTING

Stage 1
QUALIFYING

Stage 2
EVALUATION

Stage 3
PROPOSAL

Stage 4
DECISION

Stage 5
DELIVERY & BILLING

Managed Services Platform (MSP)

Global Mobility Cloud Services Platform (GMCSP)

TEUM Application Exchange Platform (TEAX) ~ On Demand

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Pareteum Quarterly Historical Financials

### Revenues, Gross Margin & Adjusted EBITDA

<table>
<thead>
<tr>
<th></th>
<th>Q4 2016</th>
<th>Q1 2017</th>
<th>Q2 2017</th>
<th>Q3 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$3,144</td>
<td>$2,795</td>
<td>$3,239</td>
<td>$3,499</td>
</tr>
<tr>
<td>Cost of Sales</td>
<td>$662</td>
<td>$842</td>
<td>$946</td>
<td>$792</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>$2,482</td>
<td>$1,953</td>
<td>$2,293</td>
<td>$2,707</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$110</td>
<td>$(198)</td>
<td>$463</td>
<td>$603</td>
</tr>
</tbody>
</table>

- Beat Analyst Revenue Estimates in Q1, Q2 and Q3 2017 of $2.8 M, $3.1 M and $3.3 M respectively
- Adjusted EBITDA positive for the trailing 12 months ended September 30, 2017
- 2017 Quarter over Quarter Revenue Growth
- Gross Margins from 70-79%
- Year over Year efficiencies and cost cutting result in lower direct and operating costs
Pareteum Key Performance Indicators

- Revenue per employee and revenue per subscriber continues to improve year over year
- SaaS based recurring revenues stacks up as new contracts are signed
- Subscribers historically grow quarter over quarter from Q1 through Q4
- Great efficiencies per employee as expected by a SaaS provider
- Gross Margins remain in the 70-79% range as revenue per employee and subscriber increase
Valuation Multiple Analysis – Revenue, Adj. EBITDA & 36-Month Contractual Revenue Backlog

• Current Market Cap: $70.8M = undervalued
• Revenue Multiple of current estimated revenues
  • 2017 Estimated Revenues $13M: Multiple only 1x
  • SaaS Industry Range of 2-6x
• Adjusted EBITDA Multiple
  • 2018 Estimated Adjusted EBITDA $5.8M
  • Currently only 4.78x multiple of projected 2018 Adjusted EBITDA
  • SaaS Industry Range of 8-12x
• 36-Month Contractual Revenue Backlog Multiple
  • Current Contractual Revenue Backlog of $129M as of 12/19/17
  • Current valuation multiple only 0.55x
  • SaaS Industry Range of 1-3x

$ Millions

Revenue Multiple (2017 $13M)

5 $70.80  2 $78.00  3 $91.00  4 $104.00  5 $117.00  6 $130.00

Adjusted Ebitda Multiple (2018 $5.8M)

12 $70.80  8 $75.66  9 $81.48  10 $87.30  11 $93.12  12 $98.94

Backlog Multiple (Currently $129M)

0.55 $70.80  1 $129.00  2 $258.00  3 $387.00

Notes: Management case

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• **Disruptive business model**, rapidly becoming one of the world’s largest mobile networking and IoT services companies, utilizing the cloud, without telco infrastructure investing

• Growth driven by new way to deliver services that **slashes costs and increases revenue generation for customers**

• **77% gross margins** in existing large and growing **multi-Billion dollar market**

• **$129 Million contractual revenue backlog**

• **Led by successful entrepreneurs**, completed successful turnaround and have track record managing rapid growth in telecommunications industry

• Patented **software is not easily replicated**, creating a financial, time based, **competitive barrier to entry**

• **Path to profitability** is accelerated via **high margins** on subscribers and the **magic of monthly recurring revenue** will drive **sustainable returns**

• **Attractive enterprise valuation** based upon our current PPS, facilitating **excellent risk adjusted returns**
Hal Turner: Founder, Executive Chairman & Principal Executive Officer
Vic Bozzo: Co-Founder, Chief Executive Officer
Ted O’Donnell: Chief Financial Officer

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Appendix

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Executive Team Biographies

- **Robert H. (Hal) Turner**: Founder, Executive Chairman, Principal Executive Officer: chartered the successful course of numerous international and U.S. domestic communication, software, and technology startup, growth, and Fortune 500 companies (all sizes ... all stages); selected engagements:

  - Vic Bozzo, Co-Founder, Chief Executive Officer: extensive sales and marketing leadership in the Telecom and Internet industry that has led to significant revenue and customer growth and investor returns

- **Rob Mumby**, Chief Revenue Officer: 20 years of communications industry experience building profitable businesses and leading new market entries for high-growth disruptors and Fortune 500’s

- **Ali Davachi**, Chief Operating Officer and Chief Technical Officer: 30 years experience: complex technology architecture & delivery: application, infrastructure virtualization, public/private cloud, network & application security, big data analytics, workflow orchestration, blockchain & large scale mobile applications for large global companies

- **Edward (Ted) O’Donnell**, Chief Financial Officer: 25 years experience: investment banking, private equity & venture capital, internet technology, Software as a Service (SaaS) and other new media businesses

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## Capitalization Table as of December 19, 2017

<table>
<thead>
<tr>
<th>TEUM (000's)</th>
<th>Common Share Equivalents</th>
<th>Warrants</th>
<th>Options</th>
<th>Fully Diluted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issued &amp; Outstanding</td>
<td>42,925 (a)</td>
<td>21,799</td>
<td>6,763 (c)</td>
<td>71,487</td>
</tr>
<tr>
<td>Convertible Debt</td>
<td>48 (d)</td>
<td>732 (e)</td>
<td>-</td>
<td>780</td>
</tr>
<tr>
<td>Preferred Shares</td>
<td>(f)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fully Diluted</td>
<td>42,973</td>
<td>22,531</td>
<td>6,763</td>
<td>72,267</td>
</tr>
</tbody>
</table>

### Footnotes:

(a) Includes certain shares in process of being issued, including S-3 offering closing and the conversion of preferred shares into common shares.

(b) Exercise prices between $0.64 and $23.25, with expiration dates of 2017 - 2020.

(c) Includes prior issued plan options, 2017 option issuances and expirations to date with an active S-8 with 3.5 million option shares and 3.0 million unissued unregistered options in the shareholder approved plan. Exercise strike prices between $1.00 and $67.50.

(d) Based on $165k remaining convertible debt (PIPE) and the 10% ($16.5k) ValidSoft-sale-related uplift and a conversion price of $3.75.

(e) 105k DJS Agent warrants; 106k Saffelberg warrants related to the $723,900 convertible Note; and 520k DJS PIPE investor warrants. (DJS PIPE & Saffelberg warrants include 10% bonus/uplift warrants).

(f) The Preferred shares were converted into common shares. (Included in currently outstanding shares)

(g) Atalaya and Corbin Warrants Fixed at 2.4mm common stock equivalents with a $0.64 strike price. (Included in 3.513m currently outstanding)
Corporate Turnaround Yields Benefits: IoT and Cloud Service Company Created

- **Restructuring Highlights - Creates Fundamental Financial Stability**
  - New senior leadership team: Hal Turner named Executive Chairman and Principal Executive Officer Nov. 2015: others recruited
  - Paid off Senior Secure Debt in Full on December 18, 2017
  - FTE Reduction from 265 to 62 (Q3/15-Q3/17); rationalized operations to current business
  - Ongoing organizational rationalization & optimization: “everything on the table”

- **Capital Markets and Developments**
  - Raised $12 Million in a public offering of common stock and warrants in Nov 2017
  - Raised $6.6 Million in a public offering of common stock and warrants in Dec 2017
  - Raised $6 Million in convertible debt and equity in 2016;
    - Converted $3.5 Million in debt to equity in end-2016/early-2017 +
    - March 2017 5-3 ($3.5 M) + July 2017 Warrant Ex ($1 M)
    - October 2017 5-3 ($1.5 M)

- **Reestablished Sales and Commercial Activities: Vic Bozzo named CEO**
  - Re-established and expanded relationship with key strategic customer Vodafone
  - New Channel Partnerships & Ongoing expansion of sales organization
  - Resulted in record revenue backlog growth

- **Financial Reorganization: Ted O'Connell named CFO**
  - Actual reported expense savings during 2015 and 2016 thus far have totaled $7.453 M
  - ~77% gross margins
  - Operating (adjusted) EBITDA positive for the trailing twelve months ending of Q3 2017 (Sept. 30th)
  - Q3 2017 Operating (adjusted) EBITDA = $603 K, 109% improvement over Q3 2016
  - Operating (adjusted) EBITDA breakeven point achieved at the end of Q3 2016 (Sept. 30th)
  - Balance sheet cleaned up

- **Executive Team Expands: Rob Mumby: Chief Revenue Officer + Ali Davachi: COO & CTO**
  - Improving underlying costs structure, accelerating time to market and creating opportunity for exponential sales growth
  - IoT experience of Rob and Ali lead to our future sales growth and developments

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