

# NYSE American: TEUM Company Overview

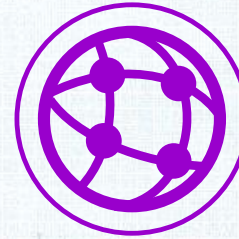
- March 21-23, 2018
- New York City

## Global Cloud Platform Services:

Cloud



Connectivity



Content





# 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.





# Investment Highlights



- **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**
- **75% + gross margins** in existing large and growing **multi-Billion dollar market**
- \$162 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**



# Equity Snapshot



Ticker: TEUM                      Exchange: NYSE American

Stock Price (3/14/18): \$2.87

Analysts Price Targets: \$2.10 - \$3.00\*

Avg. Daily Trading Volume for 3 Months (ending 3/14/18): ~ 7.5 M

Shares Outstanding: 46.6 M

Market Cap (3/14/18): ~ \$106.9 M

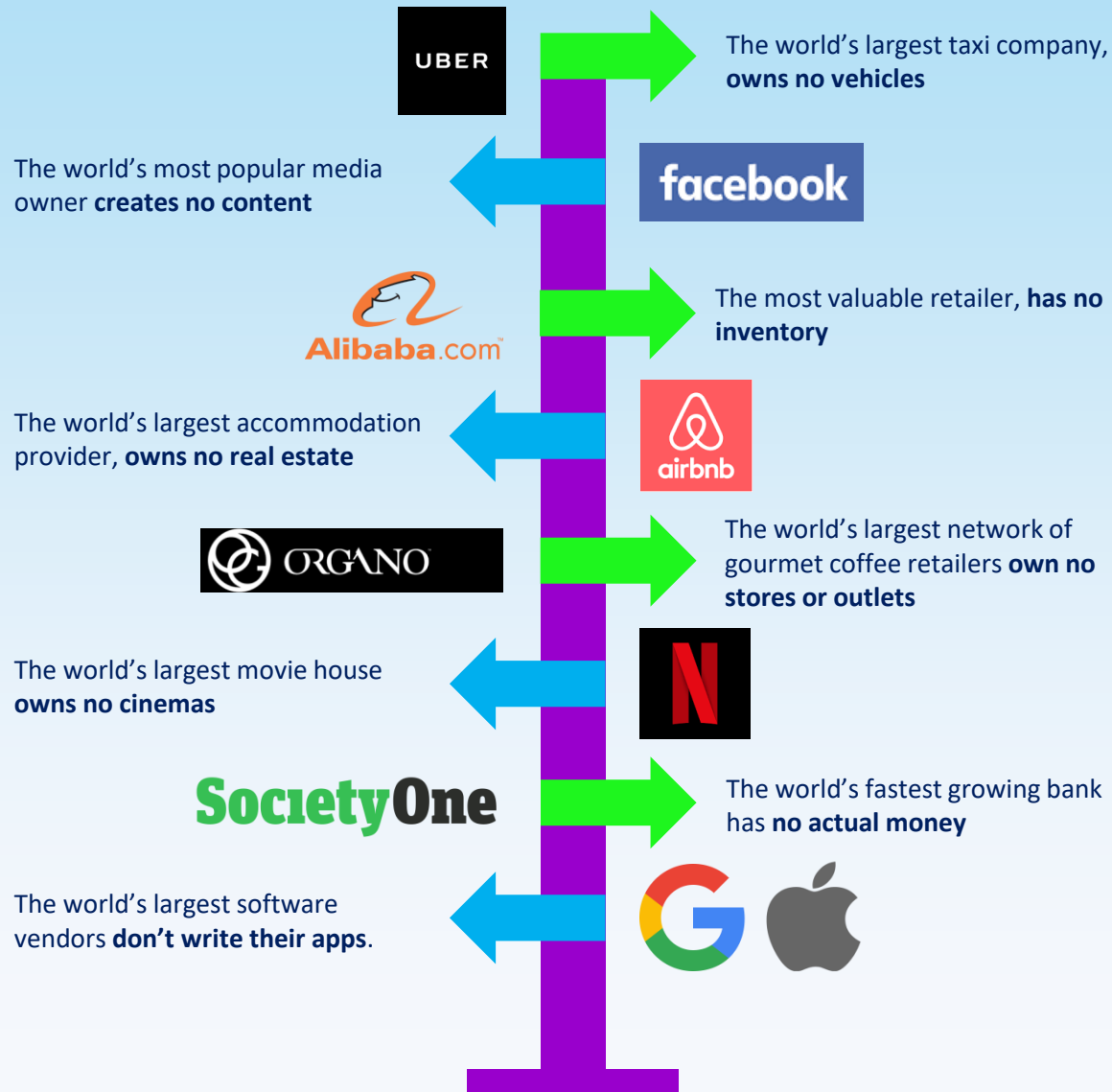
Revenues (ttm) (12/29/17): ~ \$14 M

36 Month Contractual Revenue Backlog (1/31/18): \$162 M

\*12-month price targets: Joseph Gunnar \$3.00 as of 01/16/2018; Dawson James \$2.10 as of 12/11/2017



# Digital Economy: Monetization to the Cloud



Pareteum

Industry awarded as one of the world's ***most Innovative and Excellent*** Cloud Communications Solutions, IoT and Internet Telephony services companies that **has no proprietary telco infrastructure**



# Digital Economy Evolution



## Product and Services Evolution

Products  
1970s



Product + Services  
1990s



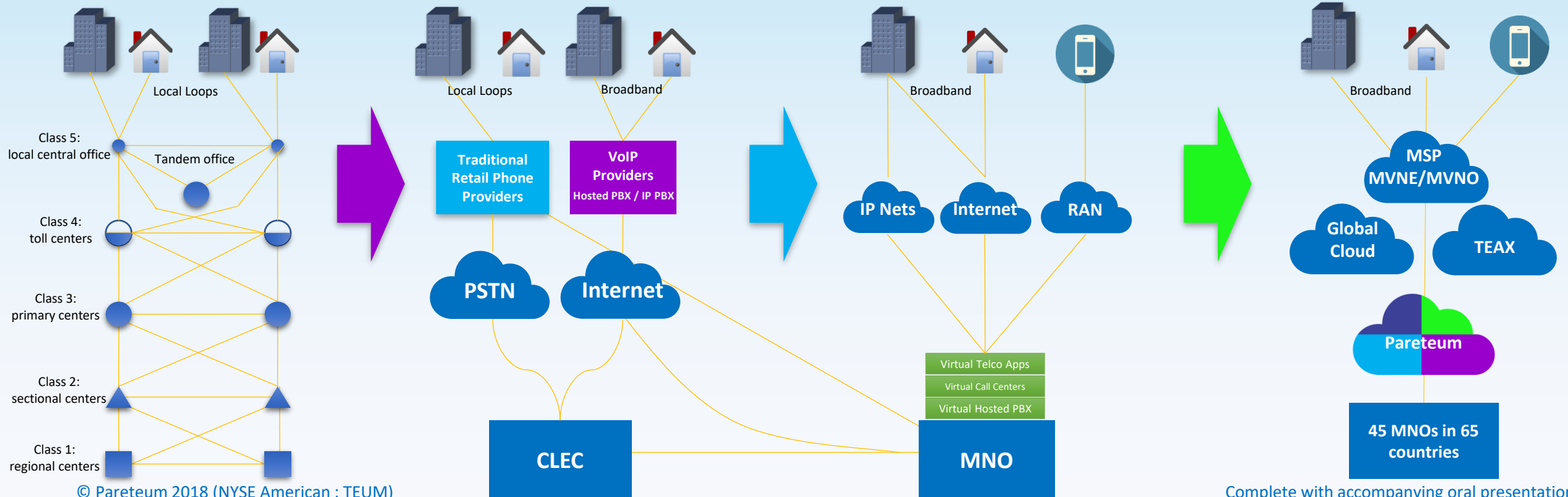
Customer Centric  
2000s



Relationship Centric  
Today



## Network Evolution





# Welcome to The Age of the Ubiquitously Connected Customer



\* 30 Billion IoT Connected Devices by 2020 from Hewlett Packard

## 30 Billion \* Connected Devices



Consumer & App Products

### Platforms



Customers

Payment Systems



Ecosystems



Media & Content

### Payments

Insights & Analytics

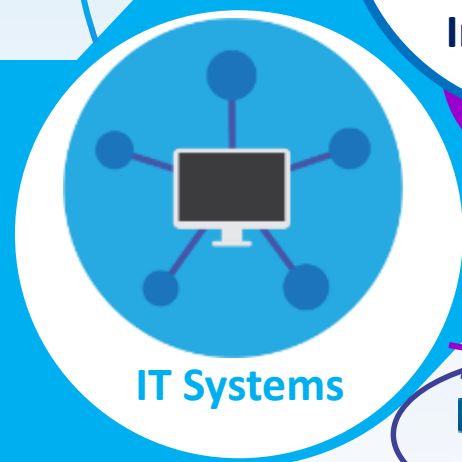


Intelligence

Blockchain

### Services

### Networks



IT Systems



Connected Things



IoT



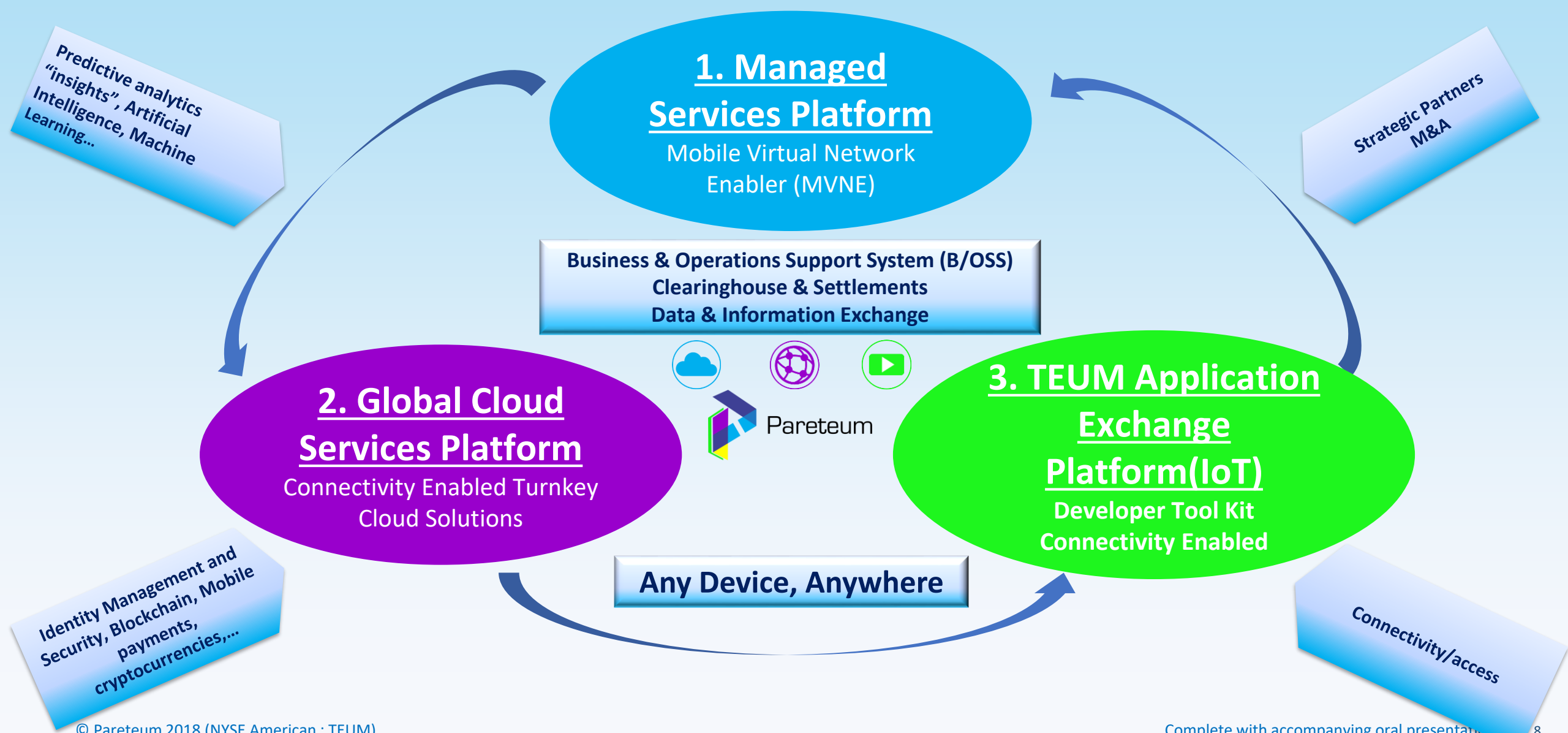
'Smart' Verticals

Telcos  
CSP





# Pareteum Strategy







# Enabling Seamless Connectivity Worldwide



As **Connected “Things”** (Cars, Goods, People, etc.) move among networks (4G, Wi-Fi, Narrow-Band IoT), needed are:

- **Seamless & Ubiquitous Access**
- **Payments Systems**
  - **Cryptocurrencies & Blockchain**
- **Security & Identification Services**
- **City & Citizen Services**
  - **Purchasing/payments/settlements/commerce**
- **Scalable Platform Services**
- **Artificial Intelligence**
- **Machine Learning**
- **Predictive analytics “insights”**
- **Cloud Connectivity**
- **Monetized Transaction Exchange**

*Pareteum’s Platform Services: make all of this possible ... this is the Internet of Things*

© Pareteum 2018 (NYSE American : TEUM)



**Citizens can make payments, report incidents, send photo and localization information, check the status of the incident**



# TEUM's Customer Success Platform: Real-time Complex Solutions

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



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

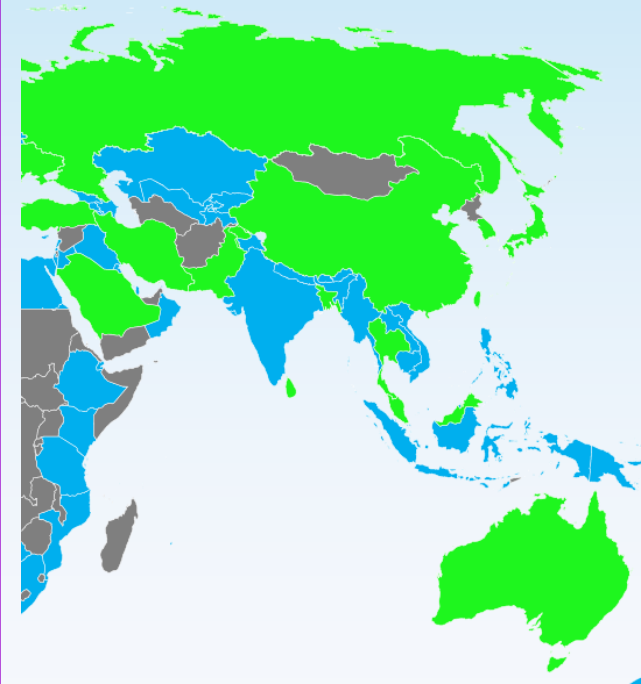
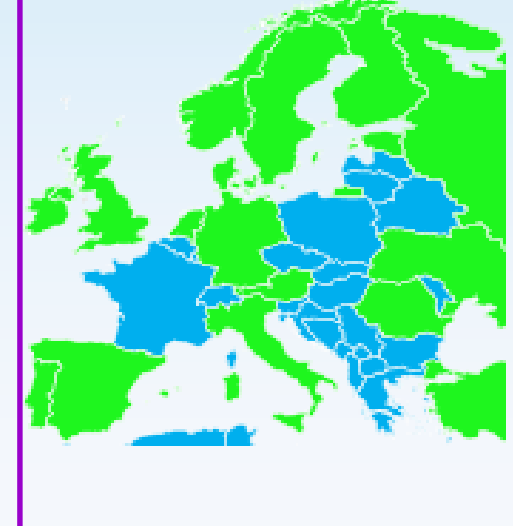
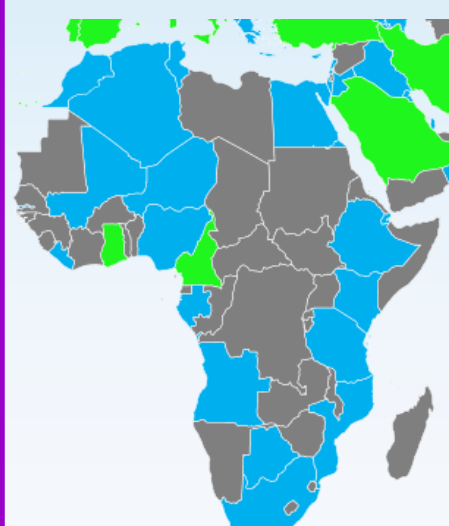
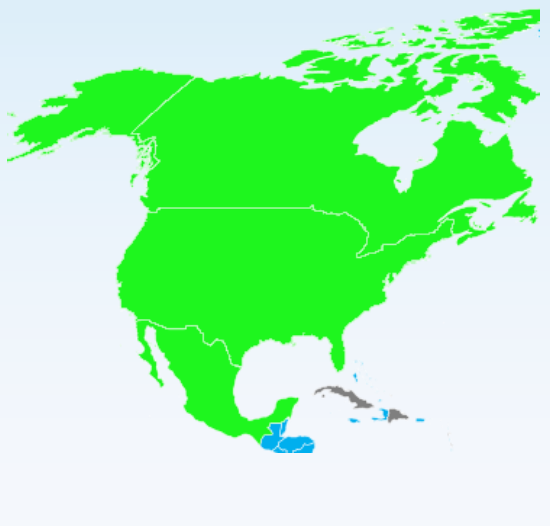
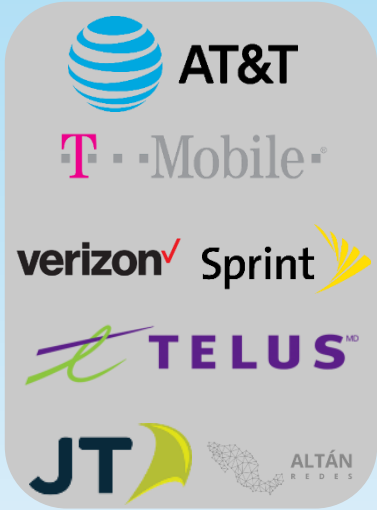


# Proven Market Partners: Interoperability With 45+ MNOs ... growing





# Where We Are Going In 2018

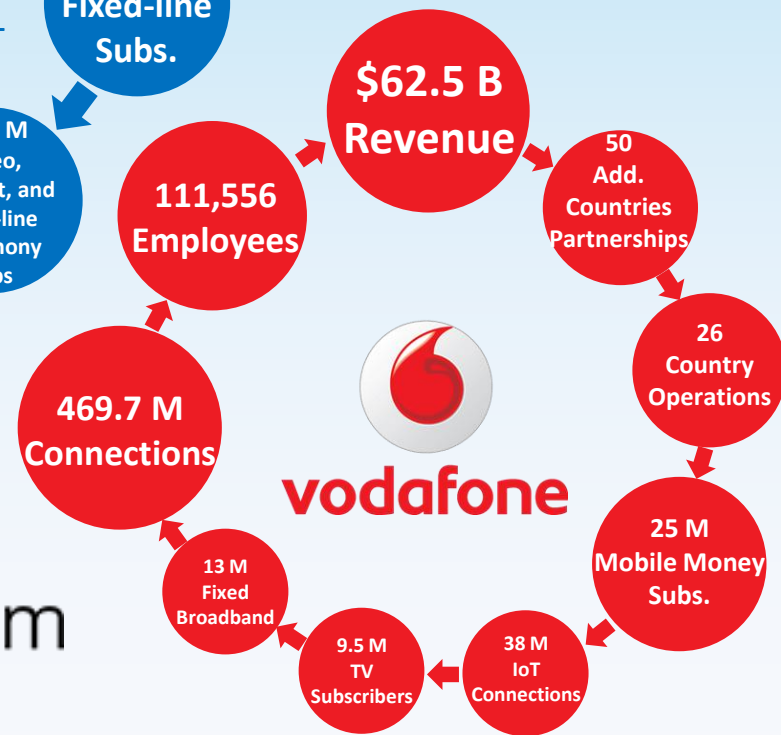
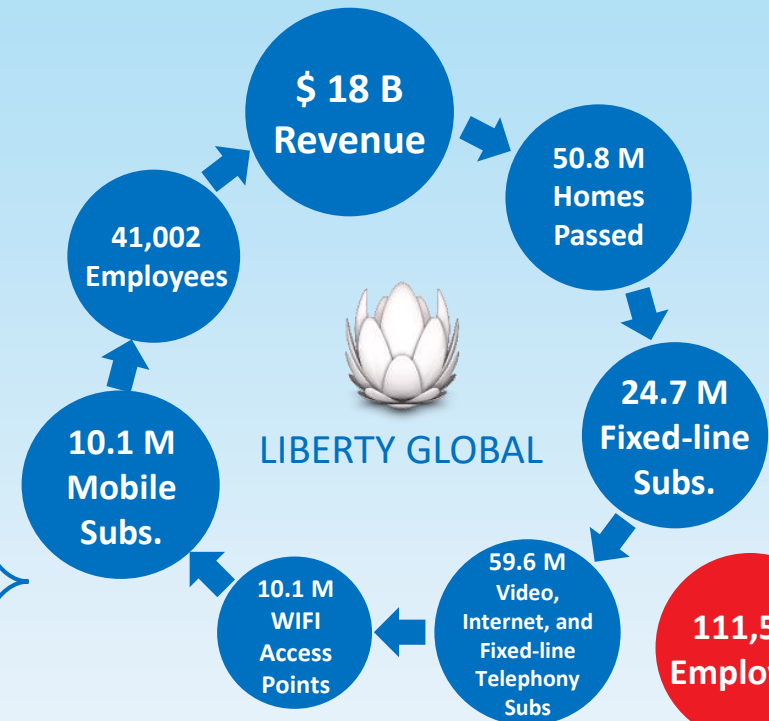
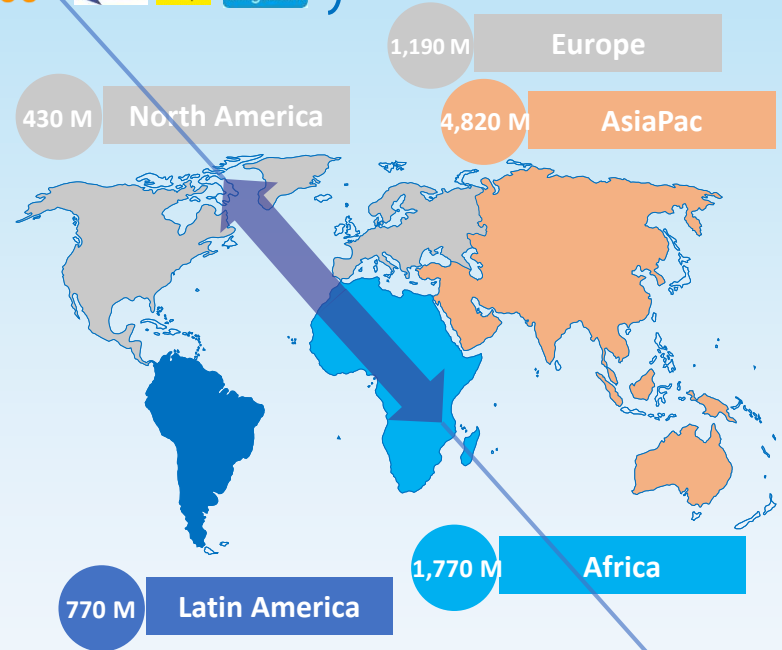




# Artilium + Pareteum = Global IoT Solutions

9 B Worldwide Mobile Subscriptions by 2022\*

29 B Worldwide IoT Connections by 2022\*



\*June 2017 Ericsson Mobility Report

<https://www.ericsson.com/assets/local/mobility-report/documents/2017/ericsson-mobility-report-june-2017.pdf>

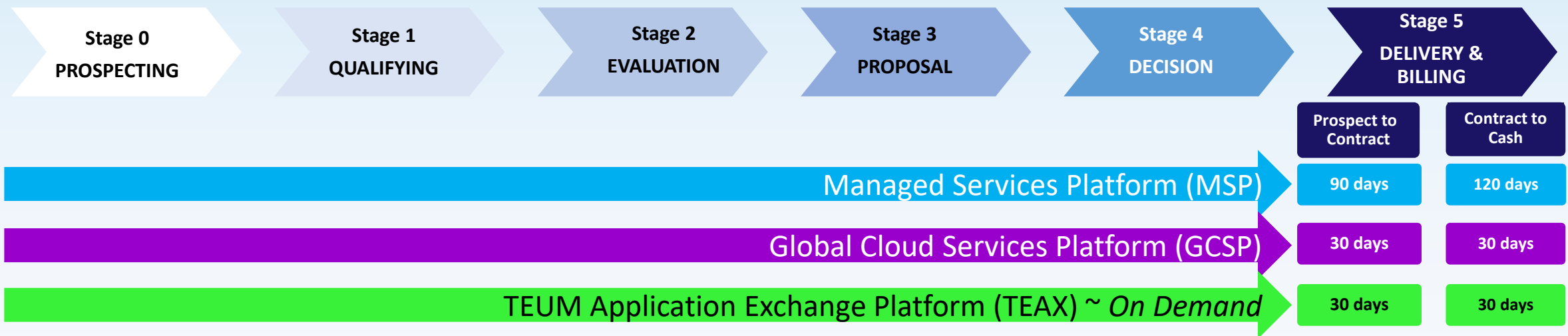


# Business Model: Cloud Delivered Services



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

January 31, 2018	2018	2019	2020		Total
<b>36 Month Contracted Revenue Backlog Live and in Service</b>	11,057,000	11,778,000	20,961,539		43,796,539
36 Month Contracted Revenue Backlog: In Deployment and Service Establishment	14,955,399	35,377,476	68,550,149		118,883,024
<b>TOTAL REVENUE BACKLOG</b>	<b>26,012,399</b>	<b>47,155,476</b>	<b>89,511,688</b>		<b>162,679,562</b>





# Pareteum Quarterly Historical Financials



	Q4		Q1		Q2		Q3	
	Q4 2016		Q1 2017		Q2 2017		Q3 2017	
REVENUE	\$	3,144	\$	2,795	\$	3,239	\$	3,499
COST OF SALES	\$	662	\$	842	\$	946	\$	792
GROSS MARGIN	\$	2,482	\$	1,953	\$	2,293	\$	2,707
ADJUSTED EBITDA	\$	110	\$	(198)	\$	463	\$	603
CONNECTIONS		1,140		1,145		1,200		1,273

- YTD & Q4 2017 financial results to be reported in March 2018
- 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

Revenues, Gross Margin, Adjusted EBITDA and Connections

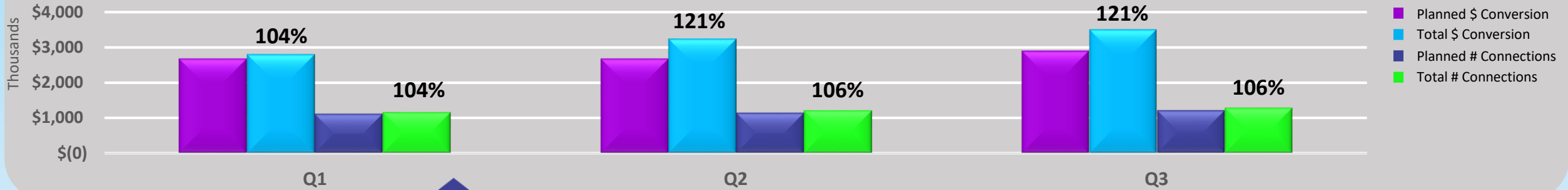




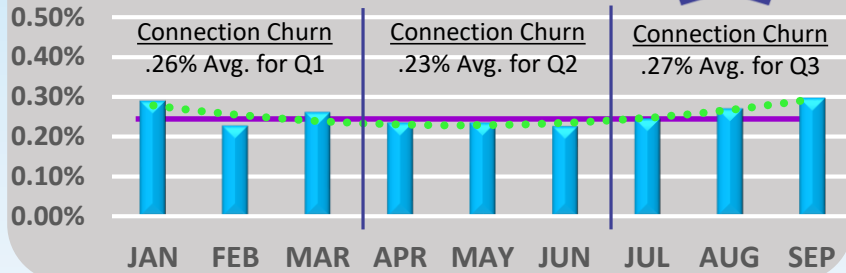
# Pareteum Key Performance Indicators



## 36-month Contractual Revenue Backlog Conversion



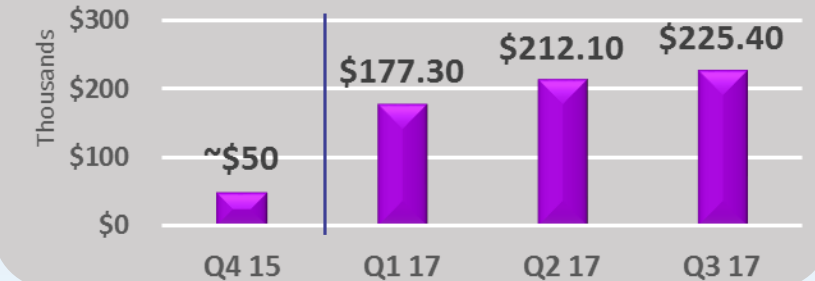
## Churn By Month



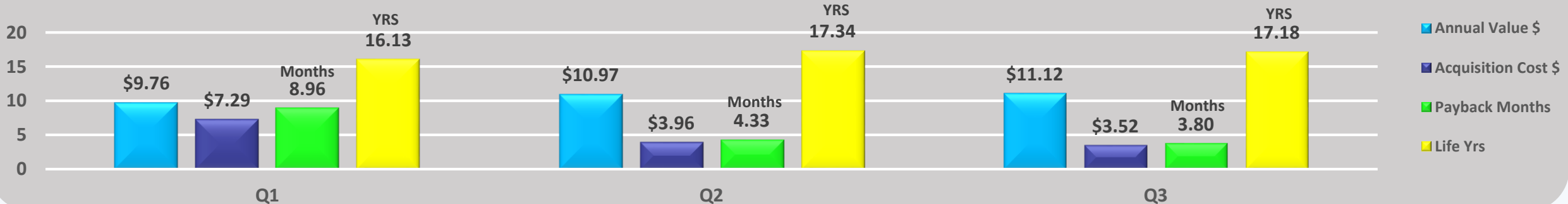
## Connection: LTV Value



## Average Annualized Rev/Employee



## Connection: Cost of Acquiring and Value Lifetime







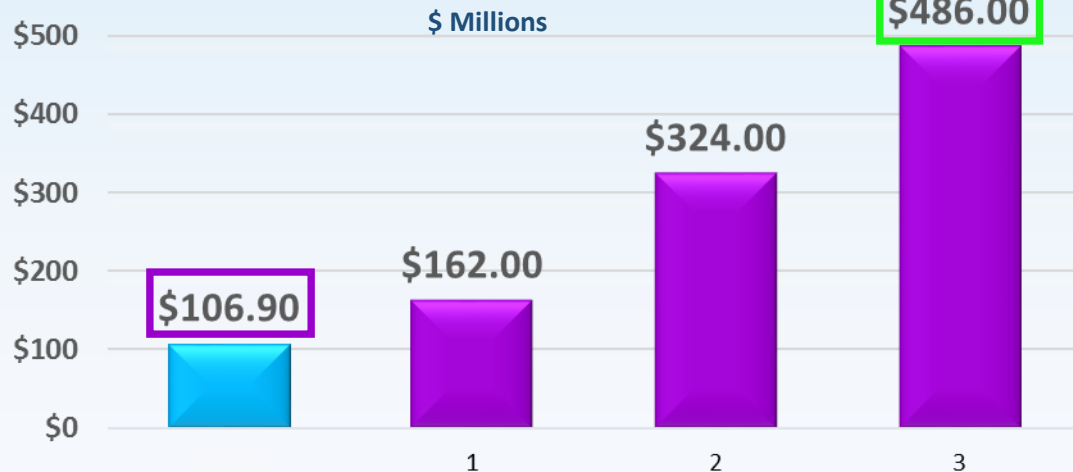
# Valuation Multiple Analysis – Revenue & 36-Month Contractual Revenue Backlog



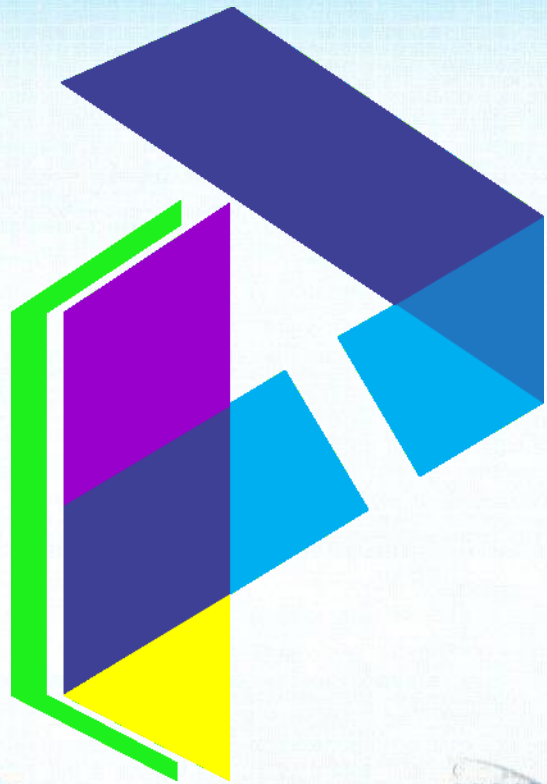
Revenue Multiple (2017 \$13M)



Backlog Multiple (Currently \$162M)



- Current Market Cap: \$106.9M
- Revenue Multiple of current estimated revenues
  - 2017 Estimated Revenues \$13M:
    - Multiple only 8.6x
    - SaaS Industry Range of 10-12x
- 36-Month Contractual Revenue Backlog Multiple
  - Current Contractual Revenue Backlog of \$162M as of 1/31/18
    - Current valuation multiple only 0.76x
    - SaaS Industry Range of 4-6x



# Recent Developments

## Q1 2018

- ✓ Increased up to \$162 million the 36 month contractual revenue backlog
- ✓ Pareteum Adds IP/PBX Features into Global Cloud and Managed Service Offering
- ✓ Pareteum Appoints Dr. Francisco Ros and Mr. Manjot Mann to its Newly Established Strategic Advisory Board
- ✓ Partners with NetNumber to Enhance its Global Cloud Platform
- ✓ Pareteum and AirFox Expand Technology Partnership
- ✓ Q4 2017 Revenue to Exceed Expectations
- ✓ Awarded 2018 Internet Telephony Product of the Year
- ✓ Awarded 2017 IOT Excellence Award

## Q4 2017

- ✓ Raised \$20 million
- ✓ Paid Off Senior Debt



# Executive Team Biographies



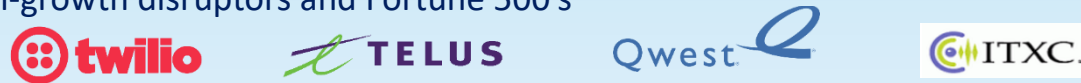
- **Robert H. (Hal) Turner: Founder, Executive Chairman, Principal Executive Officer:** chartered the successful course of numerous international and U.S. domestic communication, software, and technology startup, growth, and Fortune 500 companies (**all sizes ... all stages**); selected engagements:



- **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



- **Denis McCarthy, Senior Vice President Corporate Development:** 20 years experience: financial management and mergers and acquisitions as well as operational experience in network management, agile software development, engineering and customer service in telecom and software sectors





**Hal Turner:** Founder, Executive Chairman &  
Principal Executive Officer

**Vic Bozzo:** Co-Founder, Chief Executive Officer

**Ted O'Donnell:** Chief Financial Officer

**Denis McCarthy:** SVP Corporate Development

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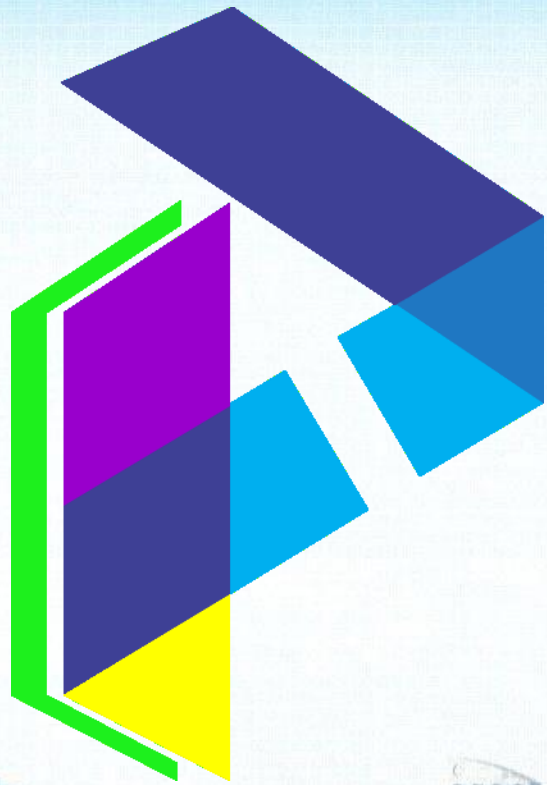
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# Appendix





# Capitalization Table as of January 31, 2017



<b>TEUM (000's)</b>	<b>Common Share Equivalents</b>	<b>Warrants</b>	<b>Options</b>	<b>Fully Diluted</b>
<b>Issued &amp; Outstanding</b>	46,608	18,116	6,763	71,487
<b>Convertible Debt</b>	48	732	-	780
<b>Preferred Shares</b>				-
<b>Total Equity</b>	46,656	18,848	6,763	72,267