

Pareteum[®] Corporation

TEUM Enters Definitive Agreement to Acquire iPass

- **November 13, 2018**
- **New York, New York USA**





Safe Harbor Statement



Forward-Looking Statements

Statements in this presentation regarding Pareteum's offer to acquire iPass Inc. ("iPass"), the expected timing of the proposed transaction, the potential benefits of the acquisition (including potentially accretive and synergistic benefits), Pareteum's expected future performance (including expected results of operations and financial guidance), the combined company's future financial condition, operating results, strategy and plans, and all other statements in this presentation other than the recitation of historical facts are forward-looking statements. These statements are based on current expectations or beliefs, as well as a number of assumptions about future events, and are subject to factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Potential risks and uncertainties include, but are not limited to, such factors as the ultimate outcome of any possible transaction between Pareteum and iPass, including the possibilities that iPass's secured lender will not consent to the transaction; if a transaction between Pareteum and iPass were to occur, the ultimate outcome and results of integrating the operations of Pareteum and iPass, the ultimate outcome of Pareteum's operating strategy applied to iPass and the ultimate ability to realize synergies; the effects of the business combination of Pareteum and iPass, including the combined company's future financial condition, operating results, strategy and plans; and negative or worsening worldwide economic conditions or market instability.

The foregoing does not represent an exhaustive list of risks. Additional factors are described in Pareteum's public filings with the SEC, and other factors will be described in the Registration Statement on Form S-4 to be filed by Pareteum. Moreover, Pareteum operates in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for Pareteum's management to predict all risks, nor can Pareteum assess the impact of all factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements Pareteum may make. In light of these risks, uncertainties and assumptions, the future events and trends discussed in this presentation may not occur and actual results could differ materially and adversely from those anticipated or implied in the information in this presentation.

Any forward-looking statements in this presentation are not guarantees of future performance, and actual results, developments and business decisions may differ from those contemplated by those forward-looking statements, possibly materially. Accordingly, you should not place undue reliance on any such forward-looking statements. All forward-looking statements included in this presentation are based on information available to Pareteum management on the date of such information. Except to the extent required by applicable laws or rules, Pareteum undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to Pareteum or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements contained throughout this presentation.



Transaction Overview:

Acquisition of iPass, Inc. by Pareteum Corporation



Purchase Price

- Pareteum to acquire iPass in an all-stock transaction at a fixed exchange ratio of 1.17 shares of Pareteum common stock per iPass share plus the assumption of \$5.6 million of iPass net debt⁽¹⁾
- Pareteum stockholders to own 91% and iPass shareholders to own 9% of Pareteum's issued common stock upon completion⁽²⁾
- Offer represents approximately 0.65x of 2018E revenue of approximately \$40 million

Fully Financed

- No external financing required

Financial Impact

- Expected to be significantly accretive to Pareteum, with \$2.0 million increase in earnings (\$0.02 per share) and \$5.5 million increase in Non-GAAP earnings (\$0.05 per share)
- Strong growth in pro forma operating cash flow generation
- Material cost synergies – greater than \$15 million
- Expanded revenue upside from cross-selling and new product sets

Source: Company filings.

(1) As of 9/30/2018; includes cash of \$4.9 and debt principal balance of \$10.5m, including \$0.5m of debt end of term fee. (2) See page 17 for details.



Transaction Overview (Continued)

Acquisition of iPass, Inc. by Pareteum Corporation



Uniting Two Leading Cloud Technology Companies

Management

- Pareteum Management and Board remains 100% intact
- Certain key personnel of iPass have been identified and will be retained

Exchange Listing

- Pareteum will **maintain listing on the Nasdaq** under the symbol TEUM
- iPass's Nasdaq and OTC listing will be delisted



Implementation, Approvals & Closing

- Acquisition to be implemented via an exchange offer to iPass shareholders
- Tender offer to commence within 20 days
- Other customary conditions and consents required
- **Closing targeted for early Q1'19**



Compelling Strategic Rationale

A Transformational and Value Enhancing Combination



Expansion

- Enhanced ability to acquire **500 new enterprise customers** together with iPass' SmartConnect and big data solutions and Pareteum's cloud native platform creates an **integrated value package with global reach**



Scale

- Carrier fee and cloud cost **economies of scale** – approx. **\$3 million**
- **Reduction** in corporate **overhead** and **capex** – approx. **\$12 million**
- **Pro forma 2018E revenue and Adj. EBITDA** of **\$92mm** and **\$18.7mm⁽¹⁾**, respectively



Earnings & Capital

- Accretive to pro forma EPS +\$0.02 and Non-GAAP EPS +\$0.05
- Enhanced financial profile with which to **access the capital markets**



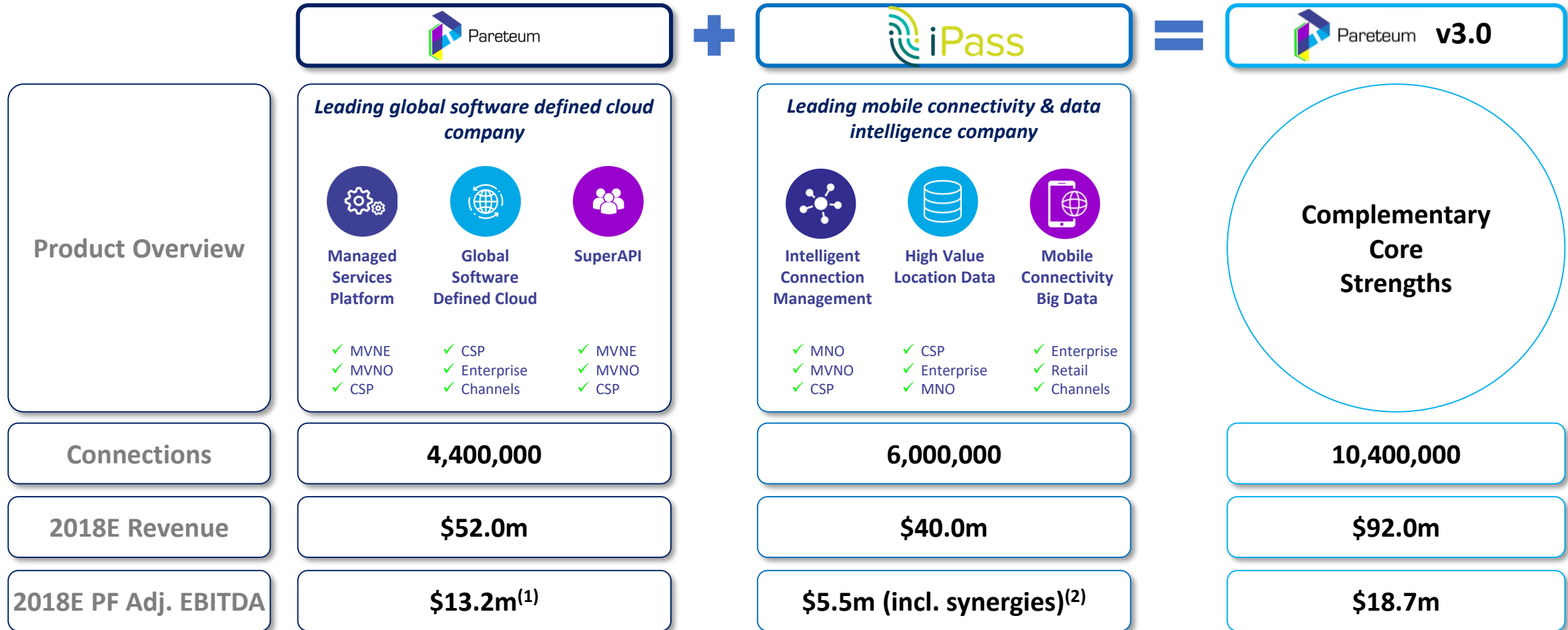
Platform

- Strong platform for **acquisitions** and **market consolidation**
- Significant pipeline of **potential add-on M&A**
- **Strong growth in pro forma cash flow**

(1) Includes \$15m of run-rate cost savings.



Uniting Two Leading Cloud Technology Companies



Source: Company filings.

(1) Assumes annualized synergies of \$4.3m from Artium acquisition. (2) Assumes \$15m of synergies; iPass standalone EBITDA of (\$9.5m).



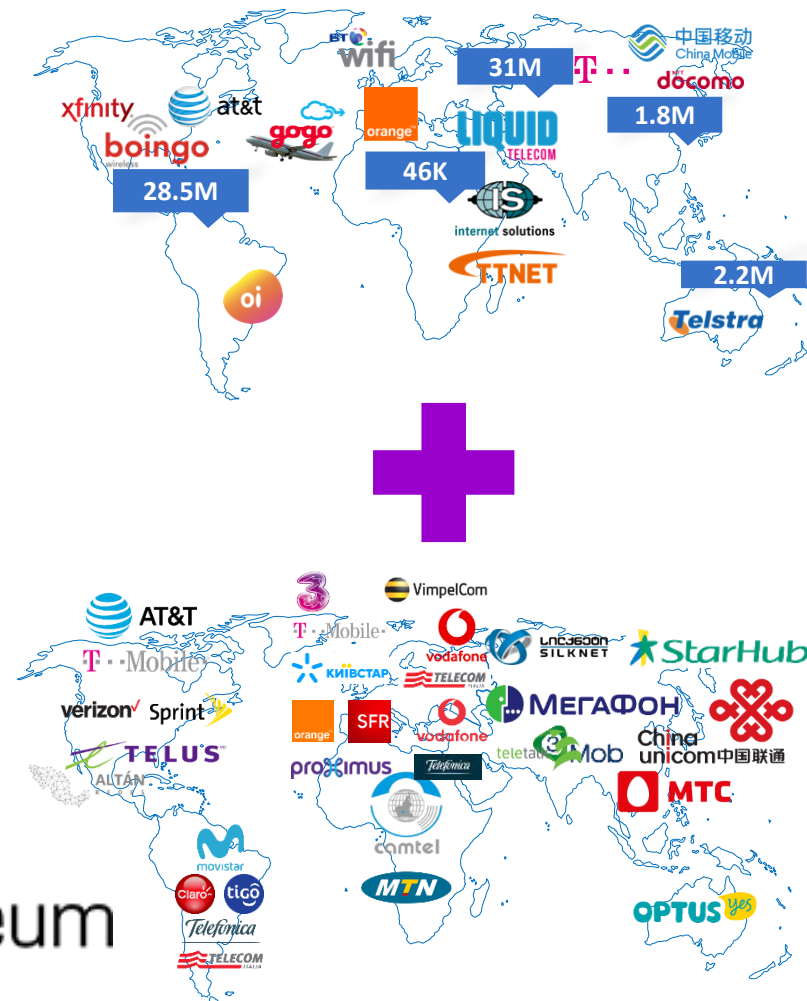
iPass + Pareteum = Global Connectivity Access for Open Mobility and Open Applications



68M+ Wi-Fi Hot Spots in 180+ Countries

1,000+ GSM and 200 CDMA SMS Global Agreements

48 MNO Global Agreements in 73 Countries





Pareteum-iPass Alliance: Q2 2017-Q3 2018: 18 weeks so far...



14 Opportunities

Joint Sales...

2 Managed Service Platform

- **Mobile Network Operators** – branded cellular, triple/quad play media & enterprise broadband services wireless and Wi-Fi infrastructure

12 Global Cloud Services

- **CSPs, Businesses, and Developers:** Internet of Things; Banks, Industrial and IT managing wireless connectivity
- **Affinity Marketing Branded Services:** requiring wifi + connectivity
- **Social media & computer gaming:** requiring connectivity and messaging using global wifi

6 Sales Wins

Closed Transactions...

Customer	Service Suite	Application Case
Airport Wireless Provider	GCSP+ Connectivity + Wi-Fi	Providing Wi-Fi service to APAC Airport
Full Service Virtual Mobile Provider	GSDC + Connectivity + Wi-Fi	Multi-use to Enterprise Mobile workforce + multi campus Wi-Fi performance data
Rural Wireless Internet Service Provider	GSDC + Connectivity + Wi-Fi	Providing economics for Wi-Fi first enterprise mobility strategy
MVNO	GSDC + Connectivity + Messaging + Wi-Fi	Helping retail MVNO to provide integrated Wi-Fi and wireless
Streaming Media Content and Cable Company	GSDC + Connectivity + Wi-Fi + e-commerce	Taking a powerful cable station brand directly to wireless subscribers
Social Media and Gaming Portal	GSDC + Connectivity + Wi-Fi	Enabling developers to add mobile communication services combined with Wi-Fi with simple super API
National Mobile Virtual Network Enabler	GSDC + Connectivity + Wi-Fi	Speed to market for instant mobile plans for consumers
e-commerce Solution Company	GSDC + e-commerce + Wi-Fi	Enabling multiple products, currency denominations, & multi-level commission structure plus analytics for Wi-Fi and cellular
Worldwide Concierge & Travel Solutions Company	GSDC + Connectivity + Wi-Fi	Expanding existing partnerships with airlines to deliver mobile services to enterprise customers

8 Pending Sales

Always Be Closing...

- New opportunities added to pipeline regularly and with increasing frequency
- Highly qualified/advanced sales cycle stages:
 - 2 Multinational Enterprise : Banking, IOT(water meters)
 - 1 Managed Services Platform
 - 3 Global Software Defined Cloud Services: Healthcare monitoring
 - 2 Social media & computer gaming

\$19M 36M-CRB value

\$9.0M 36M-CRB value

\$10.0M 36M-CRB value

Note: GSDC = Global Software Defined Cloud.

Pareteum® Corporation (Nasdaq: TEUM)

© 2018 All rights reserved



2018E Pro Forma Combination



(\$ in millions)

	Pareteum	iPass	Synergies ⁽¹⁾	Pro Forma Combined
Revenue	\$52.0	\$40.0		\$92.0
COGS	(19.0)	(24.0)	3.0	(40.0)
Gross Profit	33.0	16.0	3.0	52.0
Operating Exp.	(33.9)	(28.0)	12.0	(49.9)
Non-Operating Exp.	(0.1)	(1.0)		(1.1)
Net Income	\$(1.0)	\$(13.0)	\$15.0	\$1.0
Adjusted EBITDA	\$13.2	\$(9.5)	\$15.0	\$18.7

(1) Detailed breakdown of synergies on slide 12; excludes estimated \$3.3m of costs to achieve synergies.



2018E Pro Forma Synergy Analysis



(\$ in millions)

	2018	Timing
Network Access Costs	\$3.0	Achieved by end of Q2 2019 (\$1.75 million prior to close)
Payroll and Benefits	8.4	Achieved by end of Q3 2019 (\$7.75 million prior to close)
Office Lease	1.1	Fully achieved by end of 2019.
Insurance	0.5	Fully achieved at close
Legal Costs	1.0	Fully achieved at close
Public Company Expenses	0.5	Fully achieved at close
Consulting Fees	0.5	Fully achieved at close
Total	\$15.0	



2019E-2022E Pro Forma Financial Summary



(\$ in millions)

	2019E ⁽¹⁾	2020E	2021E	2022E
Revenue	\$144	\$202	\$266	\$322
COGS	(57)	(85)	(116)	(143)
Gross Profit	87	117	150	179
Operating Exp.	(60)	(70)	(80)	(90)
Non-Operating Exp.	(7)	(17)	(30)	(38)
Net Income	\$20	\$30	\$40	\$51
Adjusted EBITDA	\$40	\$57	\$78	\$107
Non-GAAP Basic EPS	\$0.38	\$0.54	\$0.73	\$1.01
Basic EPS	\$0.19	\$0.28	\$0.38	\$0.48
Diluted EPS	\$0.18	\$0.27	\$0.35	\$0.44

(1) Excludes estimated \$3.3m of costs to achieve synergies.



Conclusion

Combination Enables Pareteum to Cement its Leadership Position in Cloud Communications



1

Complements and extends Pareteum's footprint globally

2

Enhances product set to better serve both Pareteum and iPass customers

3

Significant potential to monetize customer bases through cross-sell and upsell

4

A larger platform from which to expand into new markets and pursue further acquisition opportunities

5

Significant synergy and value creation potential which will enhance stockholder value



Appendix



Adjusted EBITDA Reconciliation



(\$ in millions)

	2018	2019	2020	2021	2022
Net Income	\$1.0	\$20.0	\$30.0	\$40.0	\$51.0
Depreciation and Amortization	6.0	4.0	4.0	4.0	4.0
Interest Expense	1.0	1.0	0.0	0.0	0.0
Taxes	0.2	3.0	10.0	22.0	40.0
Stock Based Compensation	8.5	8.0	10.0	10.0	10.0
Restructuring Expense	2.0	4.0	3.0	2.0	2.0
Adjusted EBITDA	\$18.7	\$40.0	\$57.0	\$78.0	\$107.0



2019E-2022E Pro Forma Growth Rate Comparison

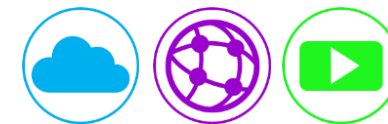


(\$ in millions)

	2018	2019	2020	2021	2022
Revenue (IPAS Transaction)	\$92.0	\$144.0	\$202.0	\$266.0	\$322.0
Growth Rate		57%	40%	32%	21%
Revenue (ARTA Transaction)	\$49.0	\$74.9	\$104.6	\$137.5	\$175.2
Growth Rate		53%	40%	31%	27%



Pro Forma Combined Capitalization Table



Pareteum pro forma capitalization as of September 30, 2018

TEUM (000's)	Common Share Equivalents	Warrants	Options	Fully Diluted
Issued & Outstanding	96,581	3,601	3,502	103,685
Convertible Debt	31	722		753
Total Equity	96,612	4,323	3,502	104,438
<u>Transaction Adjustment</u>				
Consideration Shares	9,681			9,681
Pro-Forma Total Equity	106,293	4,323	3,502	114,119
% Pareteum Stockholders	90.9%			91.5%
% Ipass Stockholders	9.1%			8.5%
	100%			100%

Note: Not inclusive of approximately 0.3mm iPass shares which are currently out of the money but which may be assumed by Pareteum as part of the transaction.



Additional Information



Important Additional Information to be Filed with the SEC

This document relates to a pending business combination transaction between Pareteum and iPass. The exchange offer referenced in this document has not yet commenced. This document does not constitute an offer to sell or exchange, or the solicitation of an offer to buy or exchange, any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, sale or exchange would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. Pareteum will file a registration statement on Form S-4 related to the transaction with the SEC and may file amendments thereto. Pareteum and a wholly-owned subsidiary of Pareteum will file a tender offer statement on Schedule TO (including a prospectus/offer to exchange, a related letter of transmittal and other exchange offer documents) related to the transaction with the SEC and may file amendments thereto. iPass will file a recommendation statement on Schedule 14D-9 with the SEC and may file amendments thereto. iPass and Pareteum may also file other documents with the SEC regarding the transaction. This document is not a substitute for any registration statement, Schedule TO, Schedule 14D-9 or any other document which iPass or Pareteum may file with the SEC in connection with the transaction. **Investors and security holders are urged to read the registration statement, the Schedule TO (including the prospectus/offer to exchange, related letter of transmittal and other exchange offer documents), the recommendation statement on Schedule 14D-9 and the other relevant materials with respect to the transaction carefully and in their entirety when they become available before making any investment decision with respect to the transaction, because they will contain important information about the transaction.**

Such materials (and all other offer documents filed with the SEC) will be available at no charge on the SEC's Web site: www.sec.gov. In addition, Pareteum's stockholders will be able to obtain free copies of such materials by contacting Ted O'Donnell, Pareteum's Chief Financial Officer, at (646) 810-2182, or requesting by mail to Pareteum as follows: Pareteum Corporation, Attn: Chief Financial Officer, 1185 Avenue of the Americas, 37th Floor, New York, NY 10036.