NYSE American: TEUM
Company Overview
January 31, 2018

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**
- **77% 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**

© Pareteum 2018 (NYSE American : TEUM)

Equity Snapshot

Ticker: TEUM Exchange: NYSE American

Stock Price (1/17/18): $2.40

Analysts Price Targets: $2.10 - $3.00*

Daily Avg. Trading Volume for 3 Months (ending 12/29/17): ~ 8.2 M

Shares Outstanding: 46.6 M

Market Cap (1/3/18): ~ $111.9 M

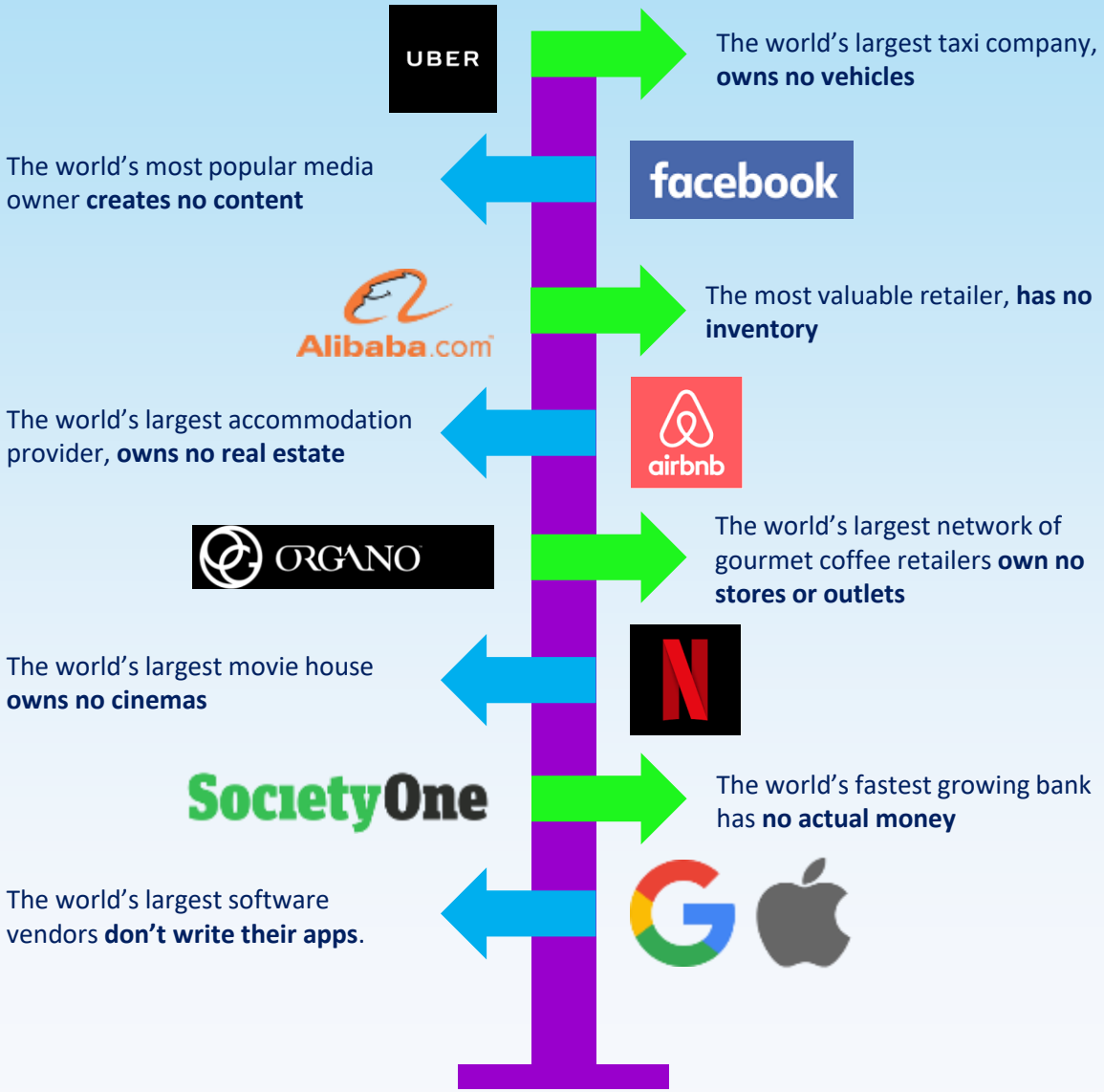
Revenues (ttm) (12/29/17): ~ $14 M

36 Month Contractual Revenue Backlog (01/31/18): $162 M

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

© Pareteum 2018 (NYSE American : TEUM)

Digital Economy: Monetization to the Cloud



Pareteum

One of the world's ***most innovative*** communications and services companies, **has no proprietary telco infrastructure**

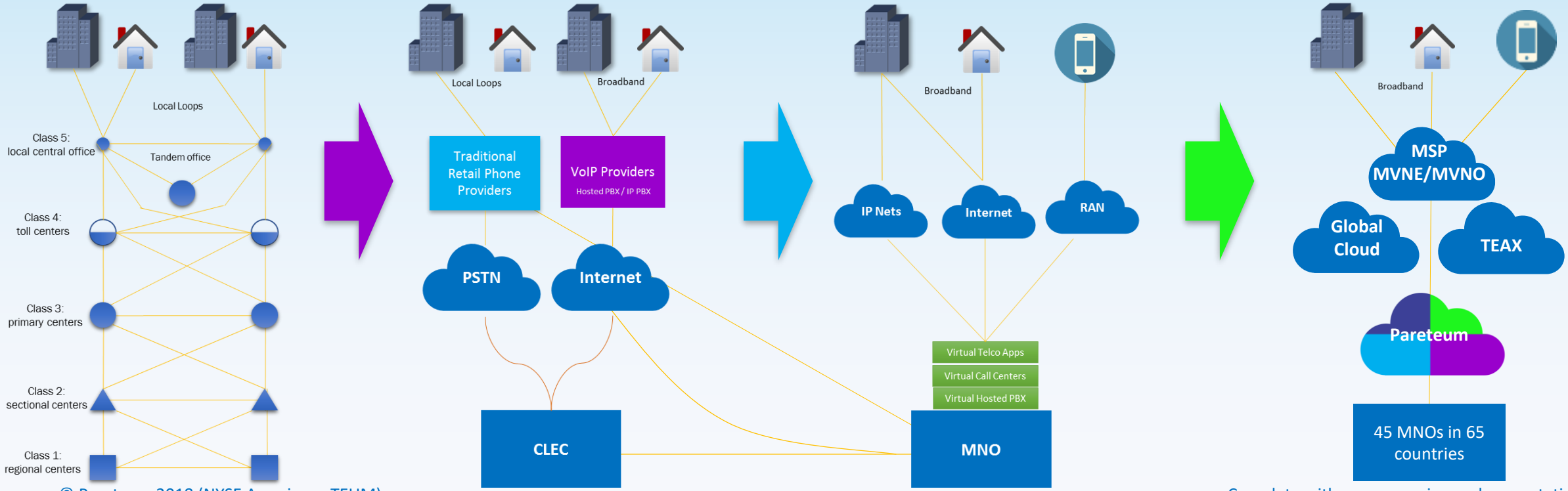
© Pareteum 2018 (NYSE American : TEUM)

Digital Economy Evolution

Product and Services Evolution

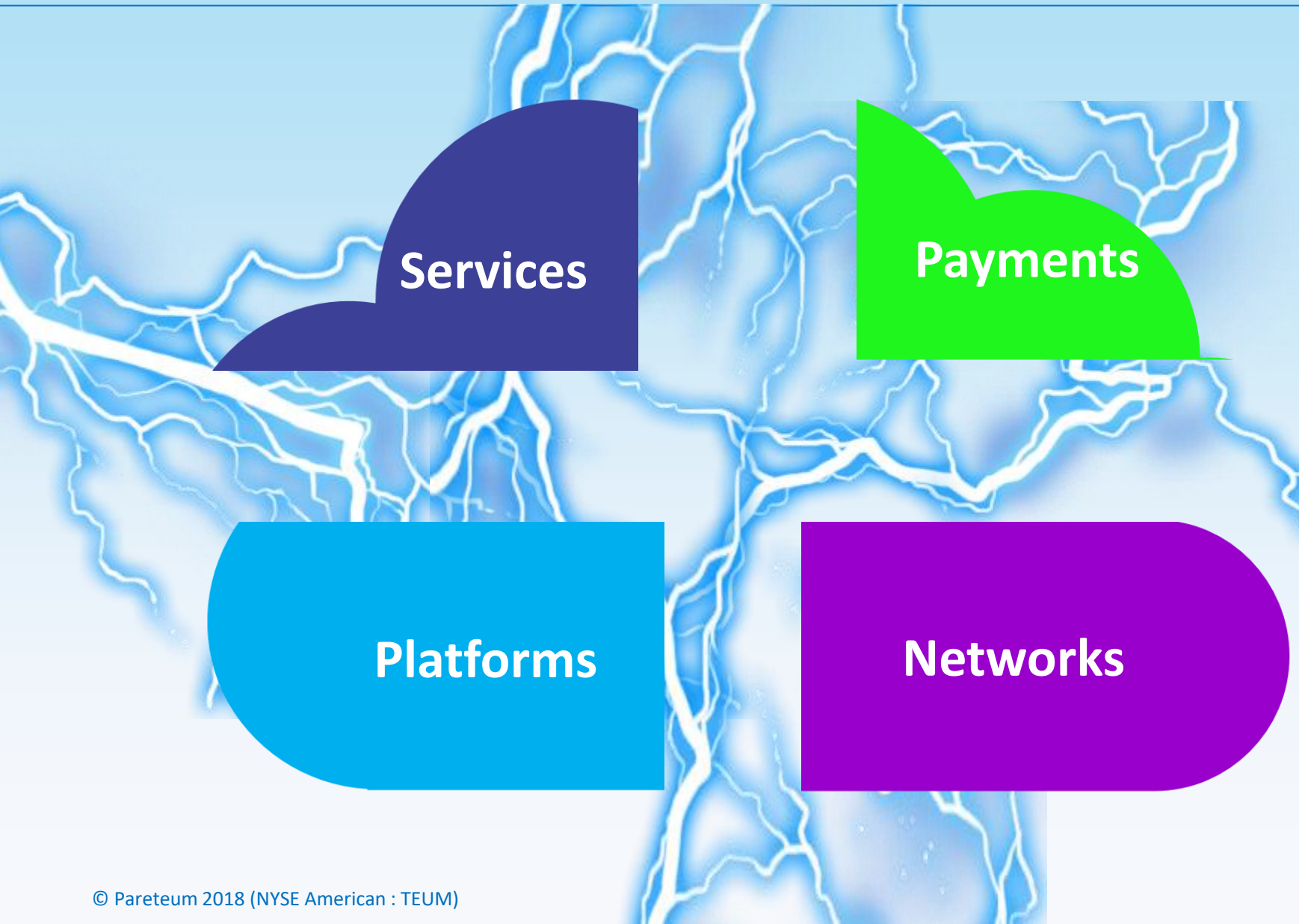
Products 1970s → **Product + Services 1990s** → **Customer Centric 2000s** → **Relationship Centric Today**

Network Evolution



© Pareteum 2018 (NYSE American : TEUM)

In the Current Era…



We are
‘**connected**’
but
‘**fragmented**’

© Pareteum 2018 (NYSE American : TEUM)

Welcome to The Age of the Ubiquitously Connected Customer

Telcos
CSP





IoT

TEUM's business model: subscriber access and recurring revenues
500 Million potential Subscribers*

30 Billion IoT Connected Devices by 2020**

Insights & Analytics

30 Billion

Connected Devices

Blockchain

Payment Systems

Consumer & App Products



'Smart' Verticals





Media & Content

*500 Million potential Subscribers from management estimates
**30 Billion IoT Connected Devices by 2020 from Hewlett Packard

© Pareteum 2018 (NYSE American : TEUM)

Pareteum Strategy

Mobile payments …
Blockchain, cryptocurrencies

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

Strategic Partners
M&A

Business & Operations Support System (B/OSS)
Clearinghouse & Settlements
Data & Information Exchange

Pareteum

2. Global Cloud Services Platform
Connectivity Enabled Turnkey Cloud Solutions

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

Any Device, Anywhere

Artificial Intelligence, Machine Learning, Predictive analytics "insights"

Connectivity/access

© Pareteum 2018 (NYSE American : TEUM)

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*



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

© Pareteum 2018 (NYSE American : TEUM)

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	Support Software
2G 3G 4G	B/OSS*
Future 5G	ERP/APPS**

Sales, Marketing, Customer Service, Subscribers, Dealers, Employees

APIS

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)

APIS

Cloud Connectivity Content

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)

© Pareteum 2018 (NYSE American : TEUM)

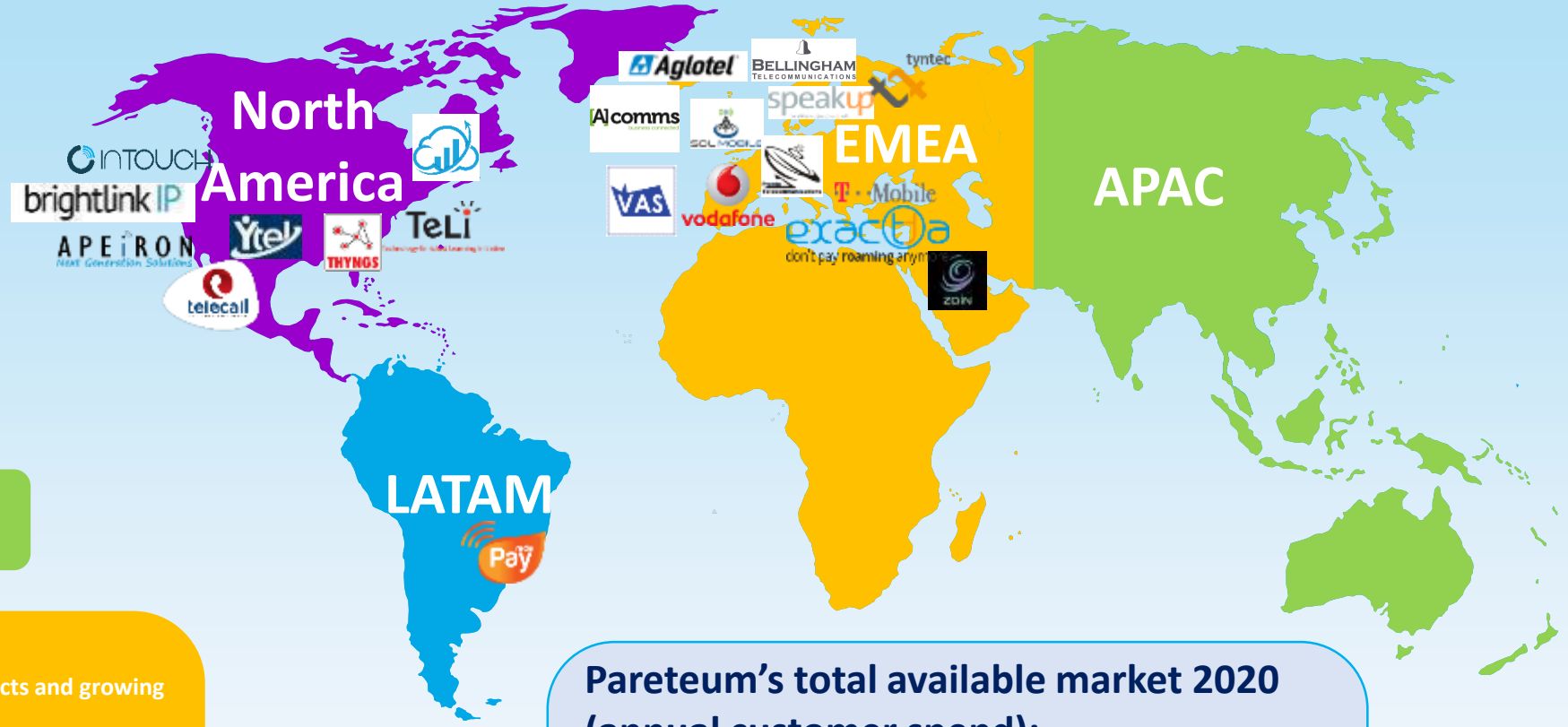
Pareteum's Markets

- **MSP**
  - USA – 1 customer existing 1 MVNO and growing
- **GCSP**
  - USA – 8 customers

- **MSP**
  - Brazil – 1 customer existing 1 MVNO and growing

- **GCSP**
  - Bangladesh – 1 customer and growing

- **MSP**
  - Spain – 1 customer existing 7 MVNOs, 7 major projects and growing
  - The Netherlands – 1 customer existing 6 MVNOs
  - KSA – 1 customer existing 4 MVNOs
  - MEA – 1 customer existing 1 MVNO and growing
  - Africa – 1 customer existing 1 MVNO and growing
  - East EU – 1 customers existing 1 MVNO and growing
- **GCSP**
  - The United Kingdom – 6 customers and growing
  - Germany – 1 customer and growing
- **TEAX**
  - The United Kingdom – 1 customer and growing



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

- $200 Billion IoT & Application Exchange Platform
- $50 Billion Global Cloud Platform & IoT Connectivity
- $20 Billion Managed Services Platform & IoT Enabler

© Pareteum 2018 (NYSE American : TEUM)

A New Worldwide Strategic Alliance:
Artilium + Pareteum = Global IoT Solutions

AAA Business Suite / Intelligent Routing / ARTA Bill

artilium

Pareteum

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

Teaming Agreement



Strategic Alliance

9 B Worldwide Mobile Subscriptions by 2022*

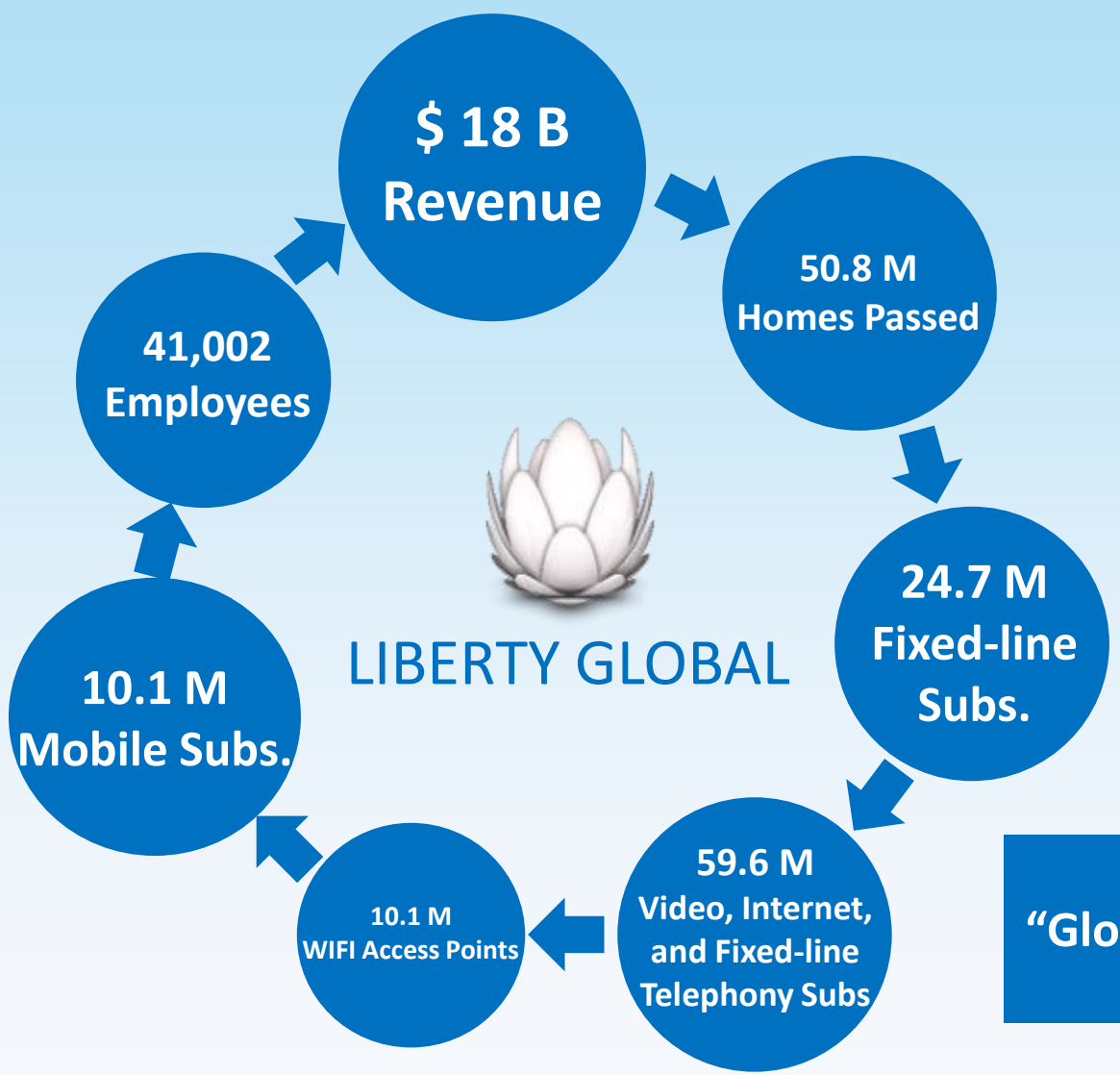
29 B Worldwide IoT Connections by 2022*



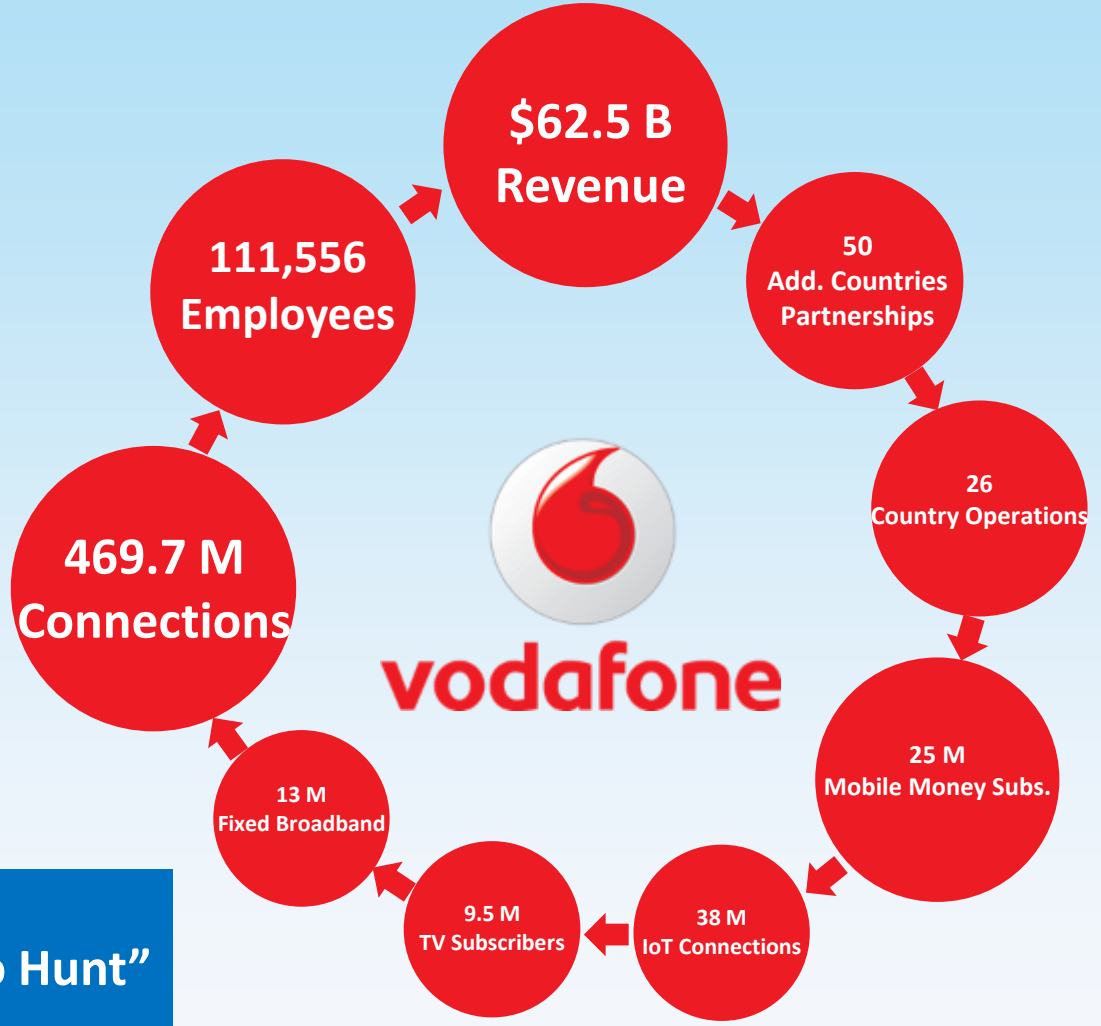
*June 2017 Ericsson Mobility Report
https://www.ericsson.com/assets/local/mobility-report/documents/2017/ericsson-mobility-report-june-2017.pdf

© Pareteum 2018 (NYSE American : TEUM)

Artilium + Pareteum = Worldwide Opportunities



+



"Global License to Hunt"

http://www.libertyglobal.com/about-us.html as of October 17, 2017

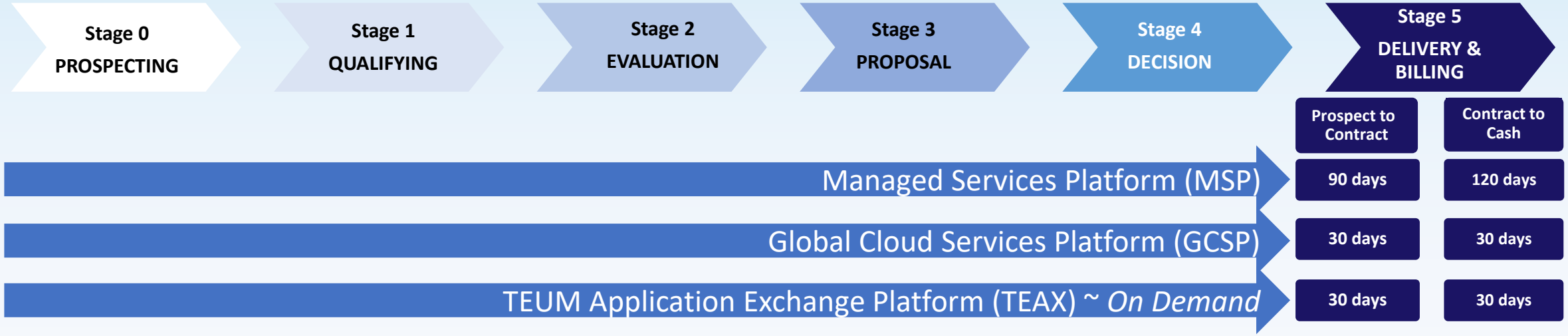
http://www.vodafone.com/content/annualreport/annual_report16/downloads/vodafone-overview-2016.pdf as of October 17, 2017

© Pareteum 2018 (NYSE American : TEUM)

Business Model: Cloud Delivered Services

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

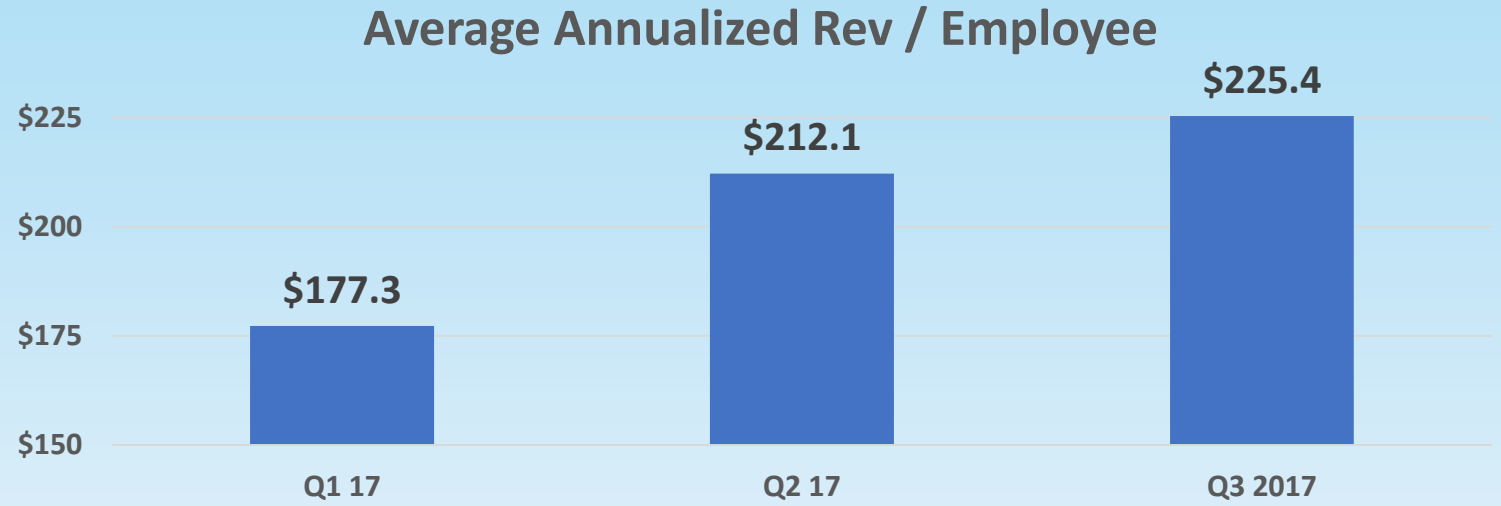
January 31, 2018	2018	2019	2020		Total
36 Month Contracted Revenue Backlog Live and in Service	11,057,000	11,778,000	20,961,539		43,796,539
36 Month Contracted Revenue Backlog: In Deployment and Service Establishment	14,955,399	35,377,476	68,550,149		118,883,024
TOTAL REVENEUE BACKLOG	**26,012,399**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

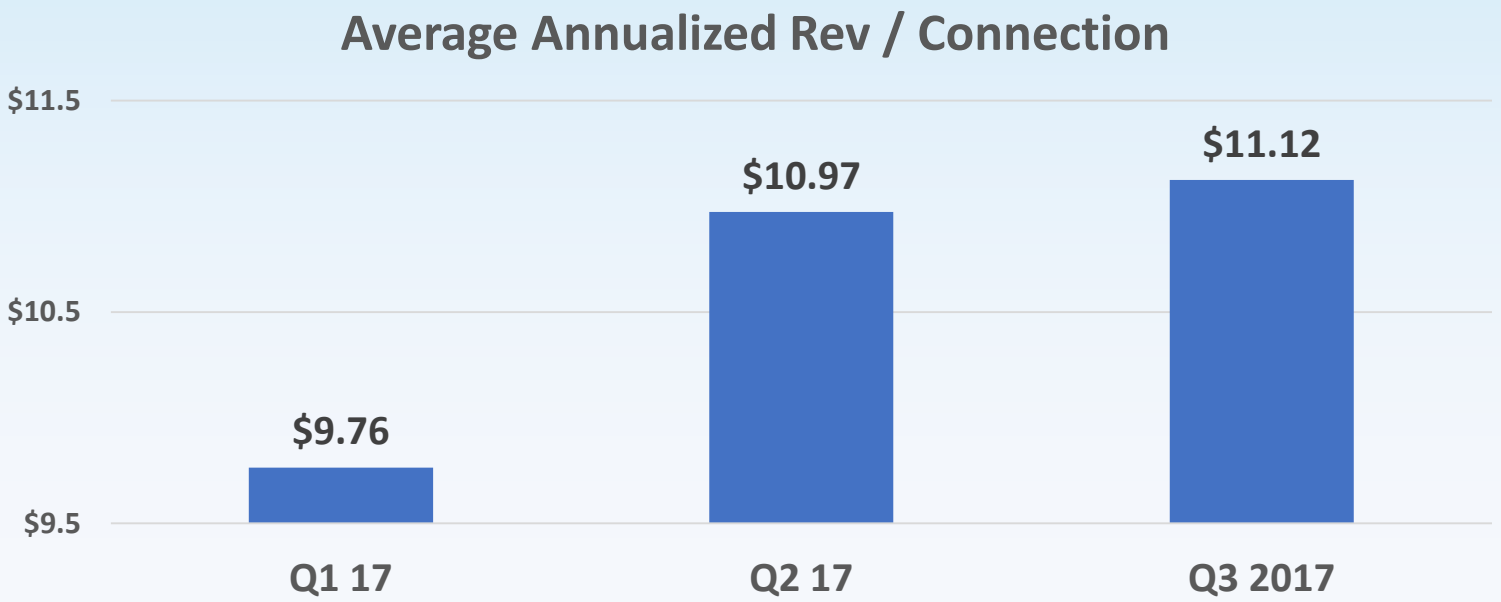


© Pareteum 2018 (NYSE American : TEUM)

Complete with accompanying oral presentation

Pareteum Key Performance Indicators

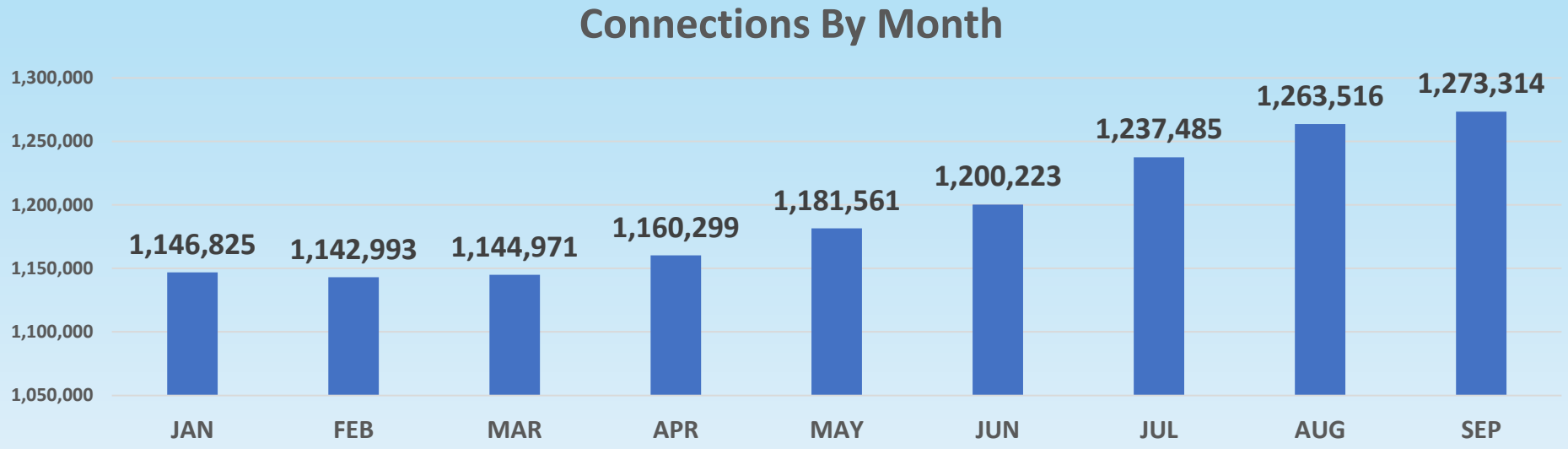


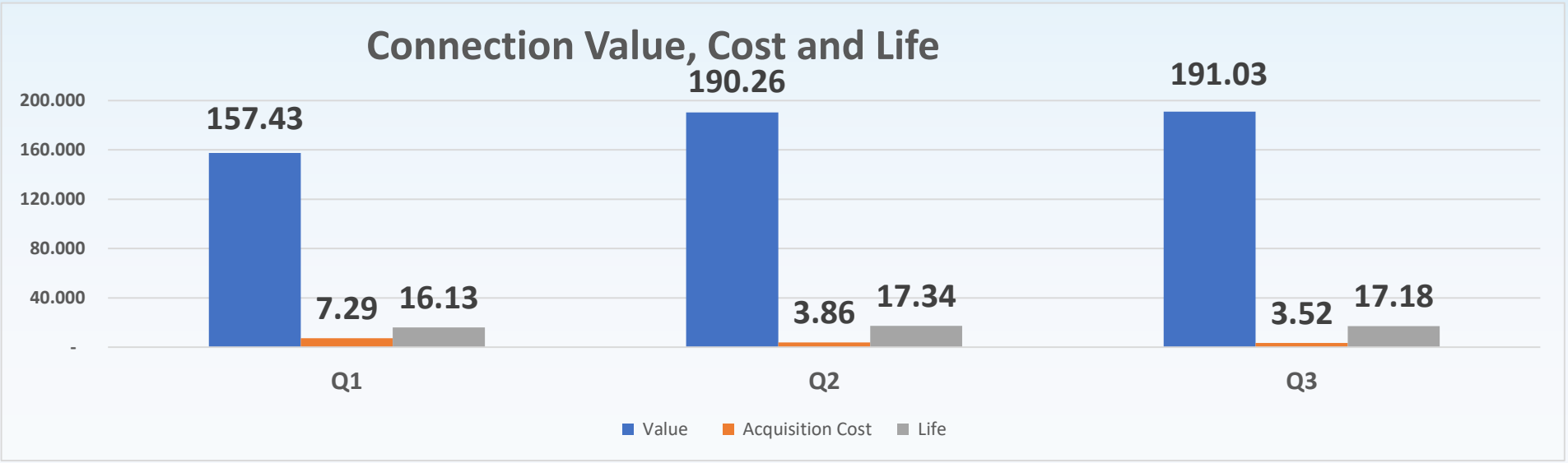


- Revenue per employee and revenue per connection continues to improve quarter over quarter
- Great efficiencies per employee as expected by a SaaS provider
- SaaS based recurring revenues stacks up as new contracts are signed
- Gross Margins remain in the 70-79% range as revenue per employee and connections increase

© Pareteum 2018 (NYSE American : TEUM)

Pareteum Key Performance Indicators

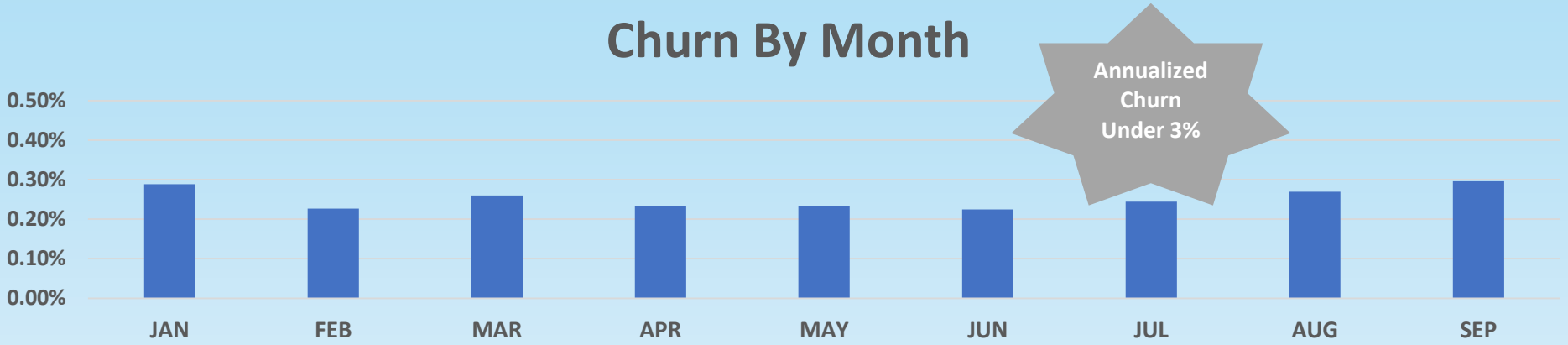


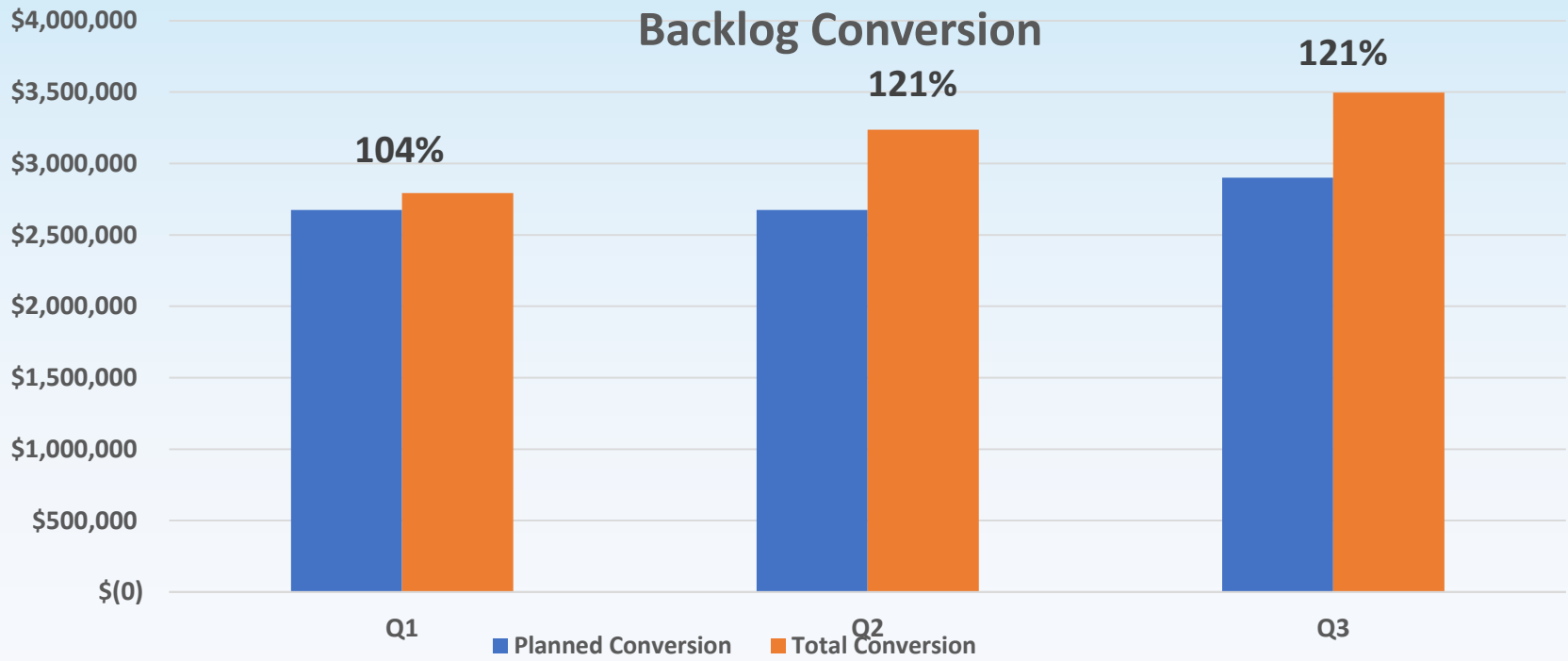


- Connections Growing as new customers implemented
- Revenue per connection increases and improvement in customer life driving quarter over quarter growth
- Connections grew quarter over quarter from Q1 through Q3. 1,144, 1,200 and 1,273 respectively
- As we ramp up sales efforts, the cost to acquire connections has increased over 2017
- Customer Life increasing due to added services and performance

© Pareteum 2018 (NYSE American : TEUM)

Pareteum Key Performance Indicators





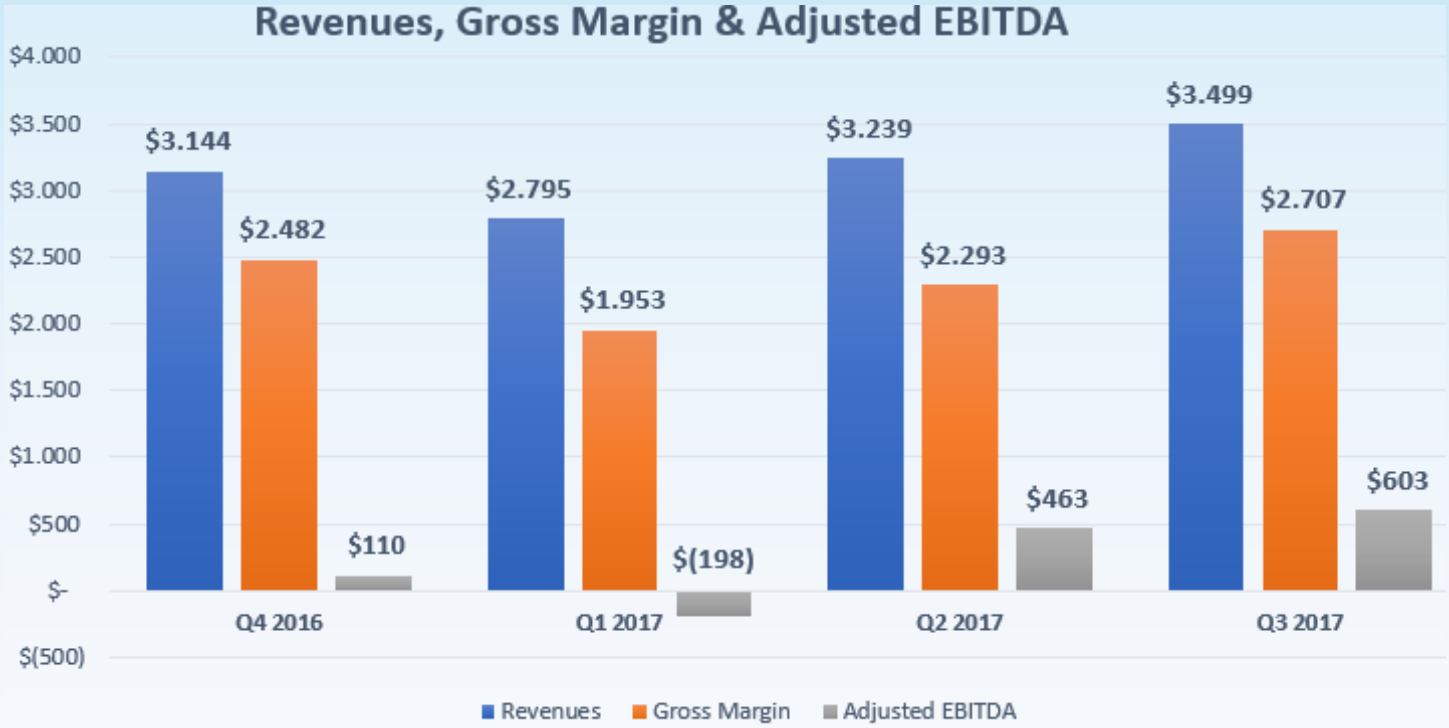
- Churn remains healthy at less than 1% per quarter trending slightly downward and connection base grows
- Exceeded planned backlog conversion for each quarter in 2017.
- In Q2 and Q3 exceeded planned conversion by over 20%

© Pareteum 2018 (NYSE American : TEUM)

Pareteum Quarterly Historical Financials

Revenues, Gross Margin & Adjusted EBITDA

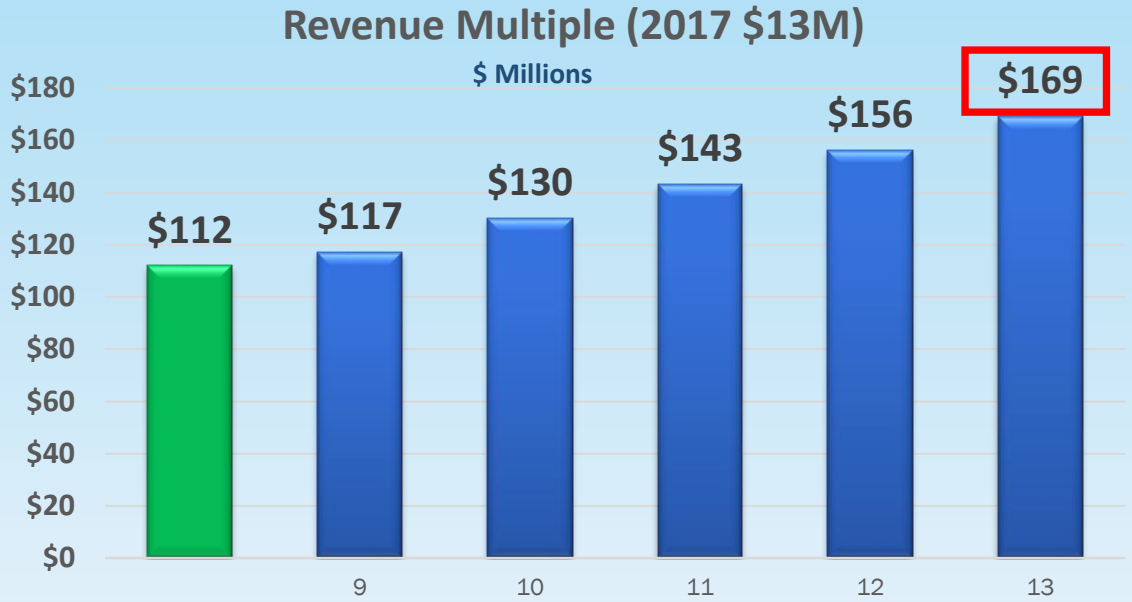
	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017
REVENUE	$ 3,144	$ 2,795	$ 3,239	$ 3,499	TBR
COST OF SALES	$ 662	$ 842	$ 946	$ 792	
GROSS MARGIN	$ 2,482	$ 1,953	$ 2,293	$ 2,707	
ADJUSTED EBITDA	$ 110	$ (198)	$ 463	$ 603	

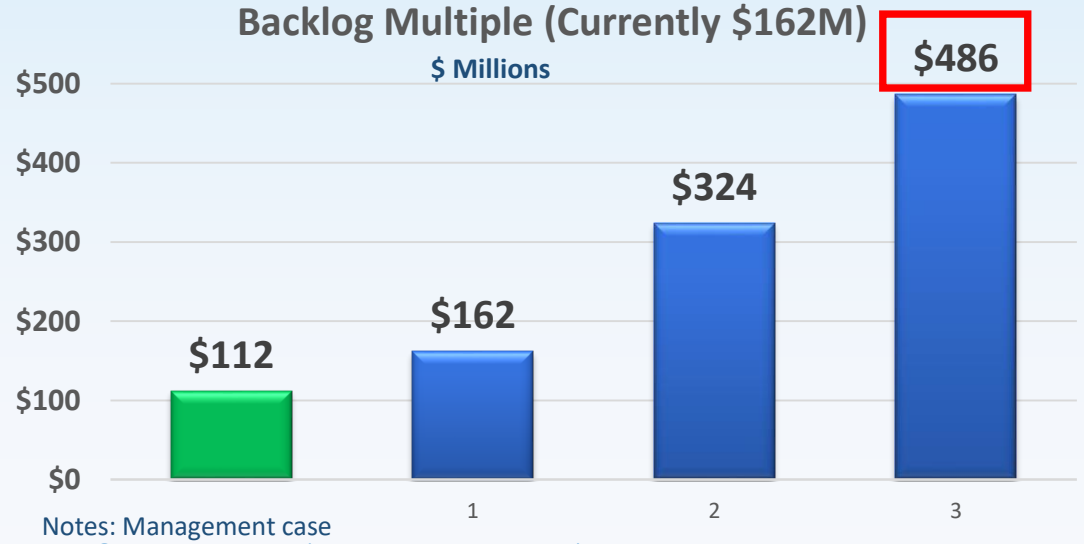


- YTD & Q4 2017 financial results to be reported in March 2018
- Beat Analyst Revenue Estimates in Q1, Q2 and Q3 2017 of $2.8 M, $3.1 M and $3.3 M respectively
- Adjusted EBITDA positive for the trailing 12 months ended September 30, 2017
- 2017 Quarter over Quarter Revenue Growth
- Gross Margins from 70-79%
- Year over Year efficiencies and cost cutting result in lower direct and operating costs

© Pareteum 2018 (NYSE American : TEUM)

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





- Current Market Cap: $111.9M
- 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

Notes: Management case

© Pareteum 2018 (NYSE American : TEUM)

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 and AirFox Expand Technology Partnership
- ✓ Q4 2017 Revenue to Exceed Expectations

Q4 2017

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

Contact Us

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

InvestorRelations@Pareteum.com



Investor Relations Contact

Investor Relations:

(212) 984-1096

InvestorRelations@Pareteum.com

Hayden IR

(917) 658-7878

HQ: New York City
Offices : The Netherlands, Spain, Brazil, Bahrain

Appendix

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:

  at&t, kpn, PanTerra, Pac-West Telecomm, Inc., telastic, NEONOVA

- **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

  telarix, Pac-West Telecomm, Inc., factor communications, NexTone communications, ITXC.

- **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

  twilio, TELUS, Qwest, ITXC.

- **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

  scivantage, TRANSACTIS, WENGER

- **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

  ACTV, audioeye, AUGME TECHNOLOGIES, Carlyle Capital Group

- **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

  Mosaic Network, Pac-West Telecomm, Inc., unitedbrands, caturano and company, telastic, APTELECOM

Funding Summary: 2017 – 2018

Pareteum Capital Table as of December 31, 2017

TEUM *(000's)*	Common Share Equivalents		Warrants		Options		Fully Diluted
Issued & Outstanding	46,608	(a)	18,116	(b),(g)	6,763	(c)	71,487
Convertible Debt	48	(d)	732	(e)	-		780
Total Equity	46,656		18,848		6,763		72,267