

The background of the poster is a photograph of a long, straight walkway with a black and white checkered tile pattern. On the left side of the walkway is a grand, classical-style building with multiple columns and arched doorways. On the right side, there is a low wall with several tall, modern, white lamp posts. In the distance, palm trees and a clear sky are visible. The entire image is overlaid with a semi-transparent orange-to-yellow gradient.

N MVNO NATION LIVE 2022

16 - 17 November, 2022 | Valencia, Spain



MVNO FINANCING & EXIT | IPO LAUNCH

INTRODUCTORY PRESENTATION

EXIT

MNO ACQUISITION



pepephone

Lycamobile

llamaya*

LEBARA

MNO CHANGE OF OWNERSHIP



Sprint

NEXTEL

NEXTEL
Partners INC

FINANCING + EXIT

IPO



parlem
telecom

MNO FINANCING + EARN-OUT



simyo



MØBILE VIKINGS

SPAC / MERGER







mobile
X



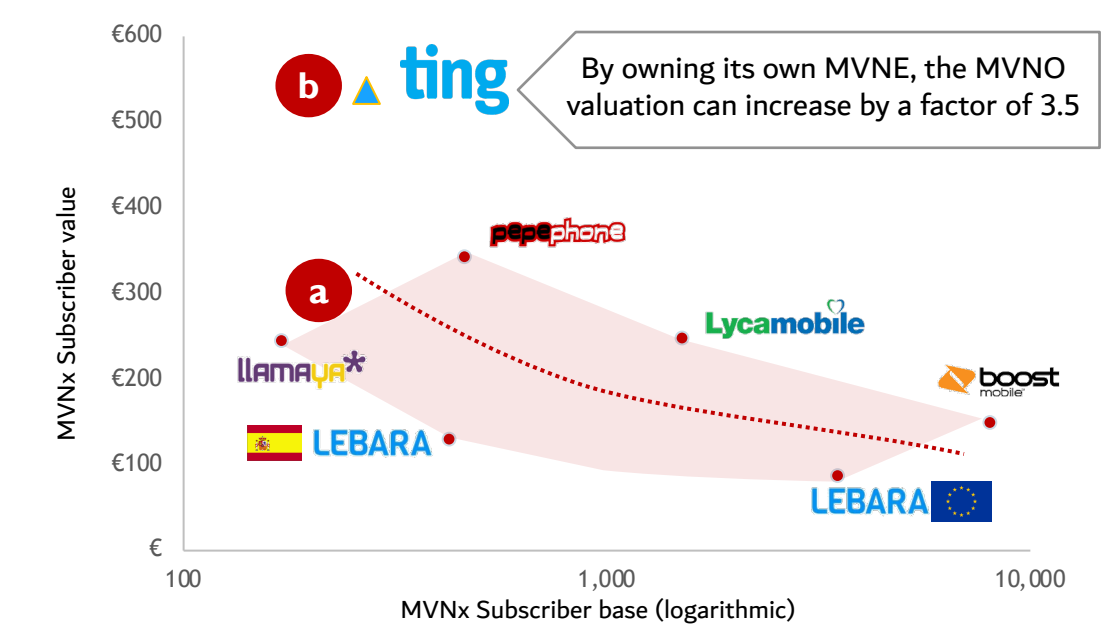
boost
mobile

THE HOSTING MNO ACQUIRES THE HOSTED MVNO TO SECURE THE WHOLESALE REVENUES AND SUBSCRIBER BASE. EACH “CONNECTED” SUBSCRIBER IS EXPECTED TO BE VALUED ABOVE €200, THAT CAN INCREASE BY AN ADDITIONAL 100%, FOR THE HOSTING MVNA

MVNO & MVNE M&A driven VALUATION

Sector	Market	Target	Base	Valuation	Sub value
a MVNO			8,000K	€1,200M	€ 150
			460K	€158M	€343
			1,500K	€372M	€248
			170K	€42Mn	€245
			423K	€55Mn	€130
b MVNO/E			270K	€145Mn	€ 537

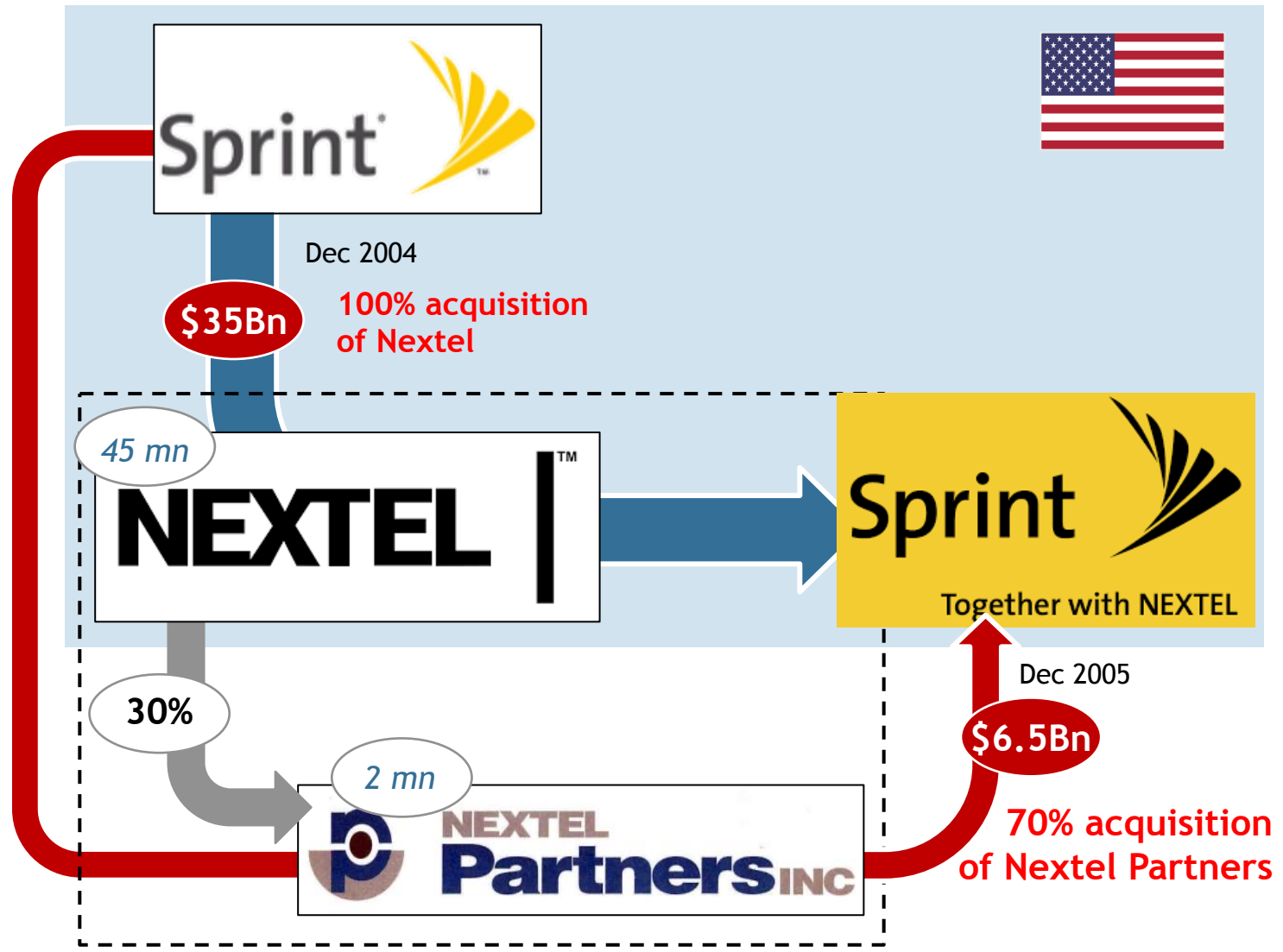
MVNO & MVNE SUBSCRIBER VALUATION trends



- a MVNO valuation per subscriber ranging between €350 and €80 - with an **average value per sub at €150** - for an MVNO customer base ranging between 150K and 8M subscribers
- b MVNO with own MVNE platform valuation set at €535 that is a 3.5 x multiplier of the MVNO industry’s average sub value

CHANGE OF OWNERSHIP OF THE HOSTING MNO (EX. MERGER/ACQUISITION; CONSOLIDATION), CAN GENERATE OPPORTUNITY FOR HOSTED MVNO SALE TO ACQUIRING PARTY

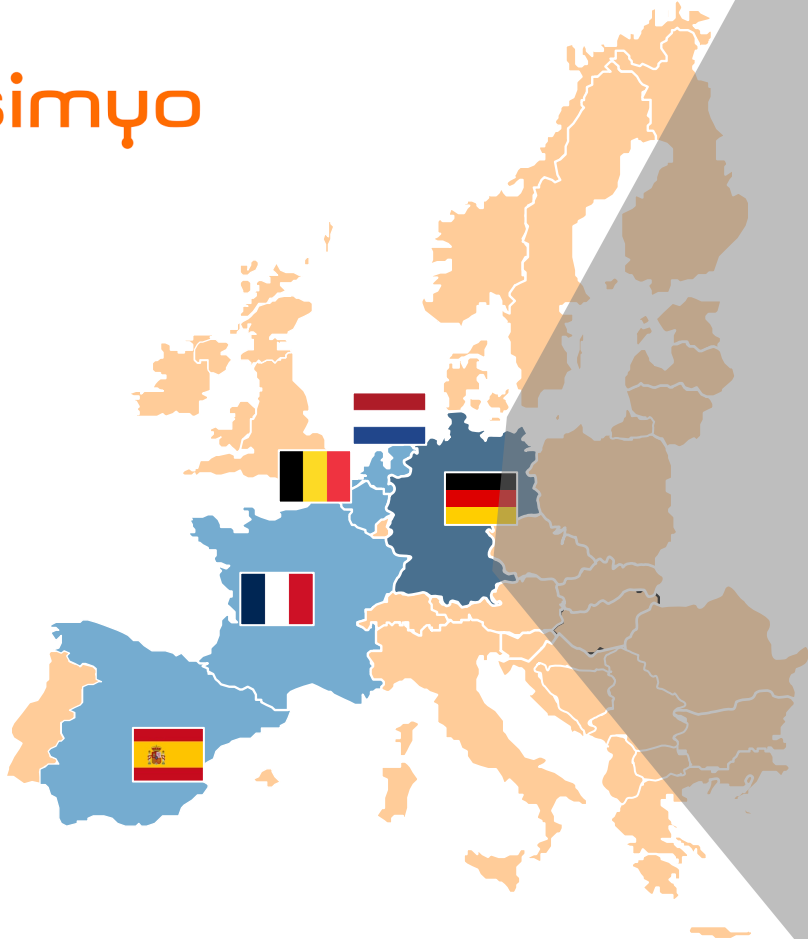
EXAMPLE | DOUBLE-DIP SALE OF NEXTEL PARTNERS TO SPRINT (AFTER NEXTEL INITIAL SALE)



- Sprint invested \$35 Bn to acquire 100% of Nextel
- Sprint owned 30% of Nextel Partners (wholesale clients)
- In the event of a change of control at Nextel, the charter of Nextel Partners allowed shareholders to sell the rest of the company's stock to the new owner (Sprint).
- Sprint invested an additional \$6.5Bn and in total \$41.5 Bn to acquire 100% of Nextel and subsidiary Nextel Partners in two consecutive transactions

FINANCE THE MVNO SET-UP GROWTH BY PRE-SELLING THE MVNO'S EQUITY TO THE MNO, INCLUDING THE EXIT STRUCTURE VIA AN EARN-OUT MODEL, DESCRIBING CAPITAL GAINS FROM THE FOUNDERS' SALE OF EQUITY

simyo

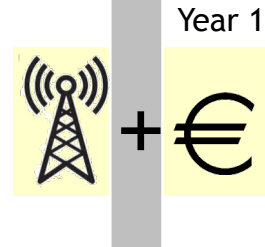


simyo 



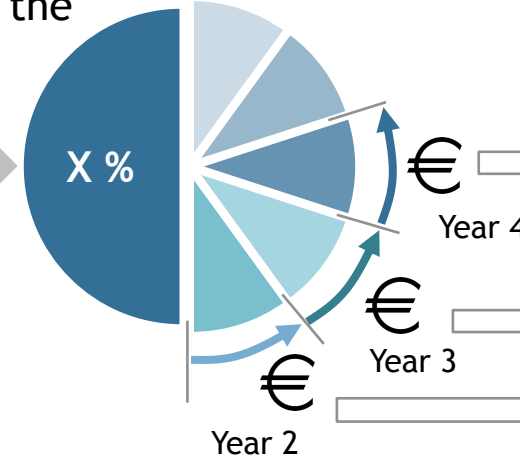
1 The founders set-up a newco MVNO

2 The MNO contributes with network access & liquidity to acquire X% of the newco MVNO



Year 1

e-plus+
kpn



4 The founders receive yearly equity payments in exchange for the sale of equity stakes based on successful KPIs

3 The MNO and the founders agree on an earn-out model describing the sale of Y% of equity for \$ according to a set of KPIs (Base, Revenues, EBITDA)

THE MVNO CAN FINANCE ITS GROWTH BY MERGING WITH A PUBLIC COMPANY (TRADING IN A LEADING STOCK EXCHANGE), SOURCING LIQUIDITY FROM THE SALE OF SHARES



**BEFORE LAUNCH
MERGER WITH
NASDAQ COMPANY**

Shares of the combined company will trade under the ticker symbol "MOBX" upon closing of the merger.

Mobile X Global shareholders will likely own 76% of the company, Electro-Sensors shareholders 11%, and new equity investors 13% of the company



Manufacturing & selling of monitoring systems that measure actual machine production and operation rates

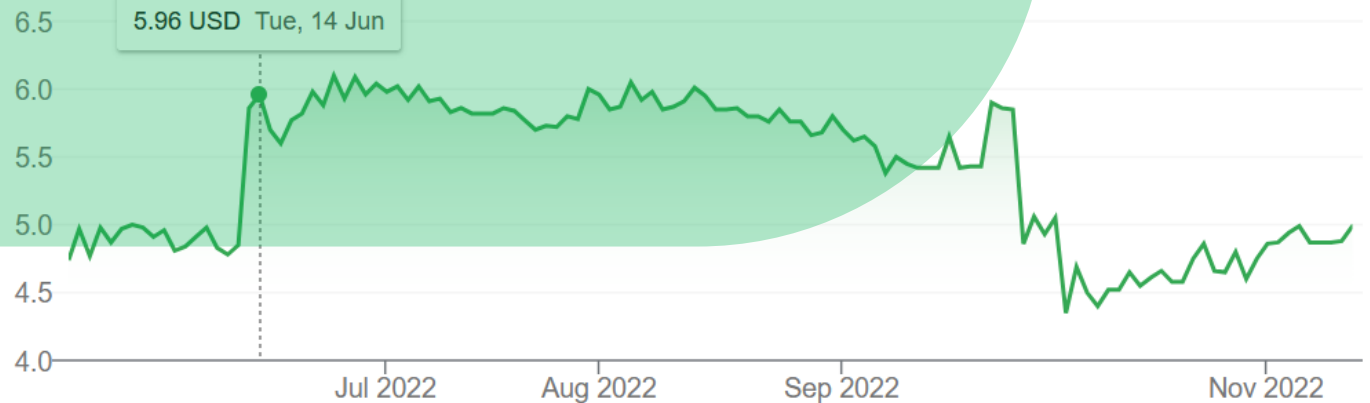
Market Summary > Electro-Sensors Inc

4.99 USD


+0.25 (5.27%) ↑ past 6 months

Nov 11, 16:00 EST • Disclaimer


1D | 5D | 1M | **6M** | YTD | 1Y | 5Y | Max




PARLEM EVOLVED TO BECOME A WELL-RECOGNIZED BRAND, OFFERING MVNO+FIBER+TV SERVICES IN THE REGION OF CATALUNYA, WITH A GROWING CONVERGENT BASE AND STRONG PRIVATE FINANCING




- Strong brand recognition in Catalunya
- Provider of mobile / fiber / telephony & TV services
- Target segment including consumer, residential & corporate




- Residential & corporate base of fixed broadband subscribers
- 60% of base subscribing to convergence / multiple-play contracts



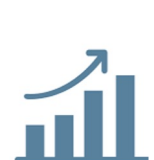
- Mobile postpaid base of 50,000 subscribers (Q1 2020)
- 25% of mobile base subscribing to 12-month fiber+mobile plans
- Customer lifespan of 7-8 years



- Investors including family office funds and private individuals
- Equity owners committed to company growth



- Management team of growth, start-up & telecom professionals
- Company founded and led by seasoned telecom entrepreneur

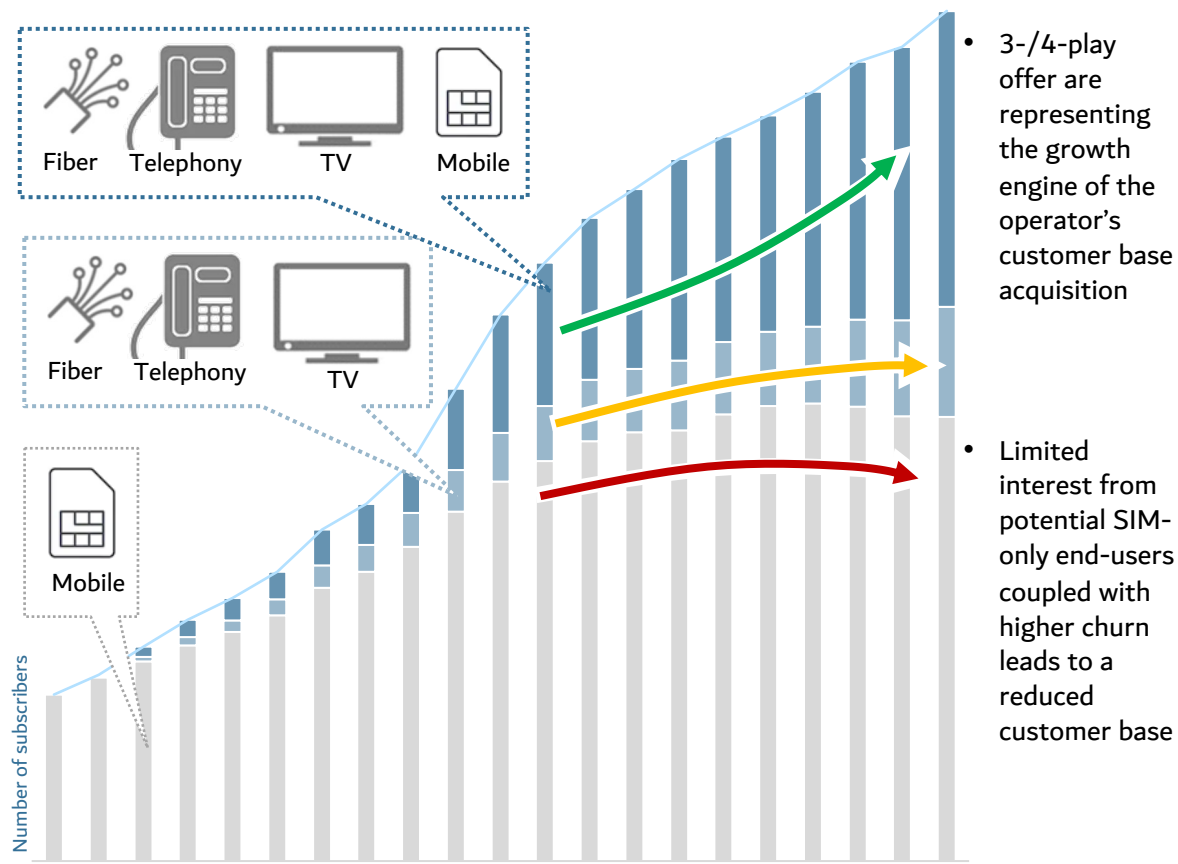


- Healthy pipeline of prospects, accelerating growth in 2020-2025
- Implementing product roadmap aiming to innovate partnerships

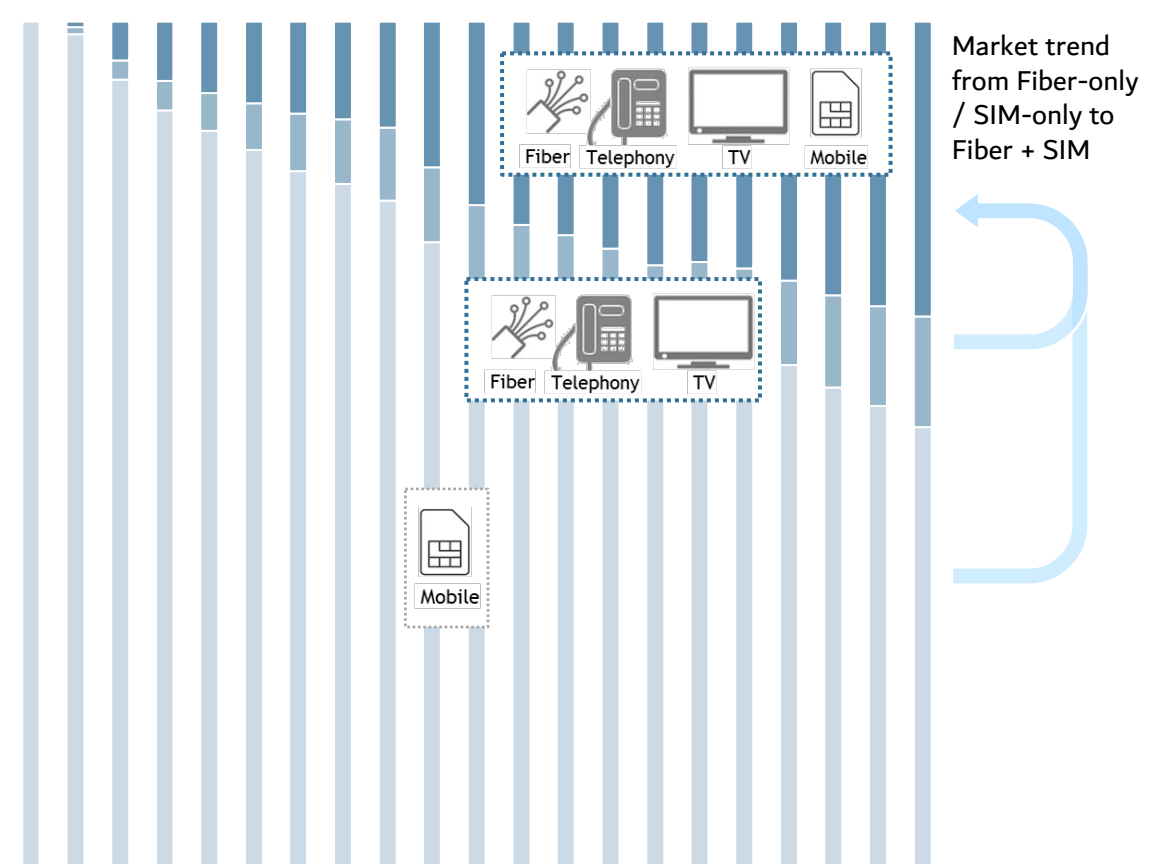


PARLEM WAS GROWING FAST BOTH IN TERMS OF SUBSCRIBER BASE & SUBSCRIBER VALUE, INCREASING 3x ITS BASE IN LESS THAN 2 YEARS WHILE DIFFERENTIATING ITS PRODUCT MIX BY ADDING HIGH ARPU LONG-TERM SUBS

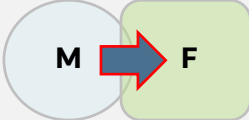


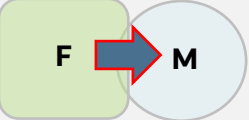








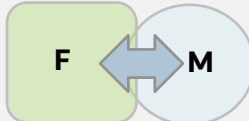


Customer base per product line (# of subscribers)

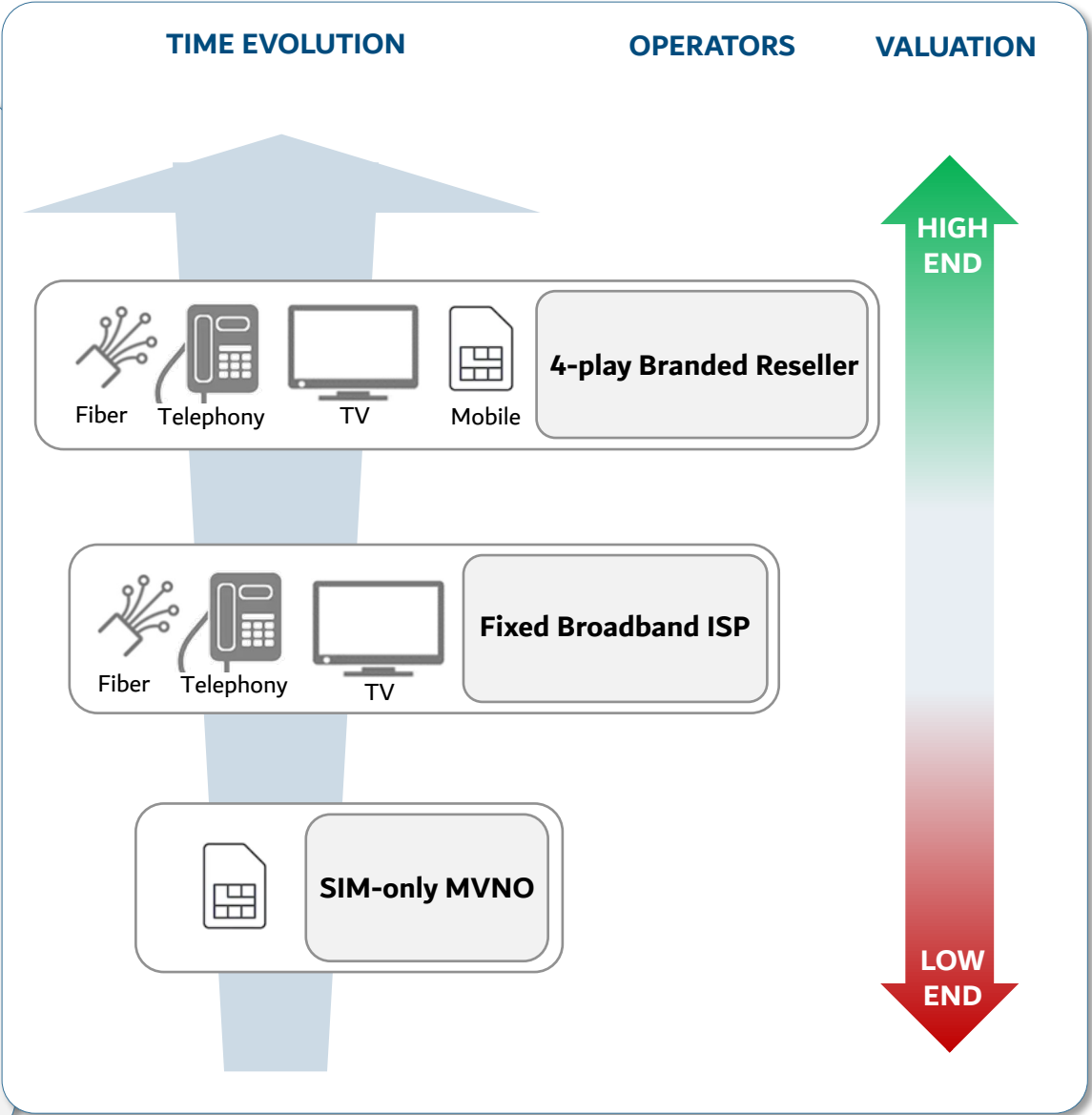


Product mix share among subscriber base



M&A TRANSACTIONS DURING THAT SAME PERIOD, WERE PROVING THE POINT THAT INVESTORS / BUYERS WOULD BACK TELCOS WITH A SOUND CONVERGENCE APPROACH RATHER THAN PLAIN SIM-ONLY...

M&A SEGMENT	TRANSACTION	RATIONALE
	Spain 2015, €3.4 bn  	<ul style="list-style-type: none">• Fixed-Mobile Convergence• Increase loyalty / reduce churn• Increase value
	Belgium 2015, €1.3 bn  	<ul style="list-style-type: none">• Mobilize access/content offers• Increase value of offers• Manage profitability
	UK 2013, \$23.2 bn  	<ul style="list-style-type: none">• Coverage footprint expansion• AND/OR Penetration increase• Efficiency improvement
	Italy  	<ul style="list-style-type: none">• Finance further expansion• Efficiency improvement• Coverage optimization
	Netherlands  	<ul style="list-style-type: none">• Fixed-Mobile Convergence• Solidify market presence• Rapid market positioning



PARLEM'S PRODUCTS WERE NOT THE CHEAPEST, PROVING THAT THE GROWTH OF THE COMPANY WAS NOT TRIGGERED BY PRICE BUT RATHER BY BRAND POSITIONING; THAT WE DID NOT WANT TO COMPROMISE

Post-paid Price Plans positioning (Parlem vs. competition)

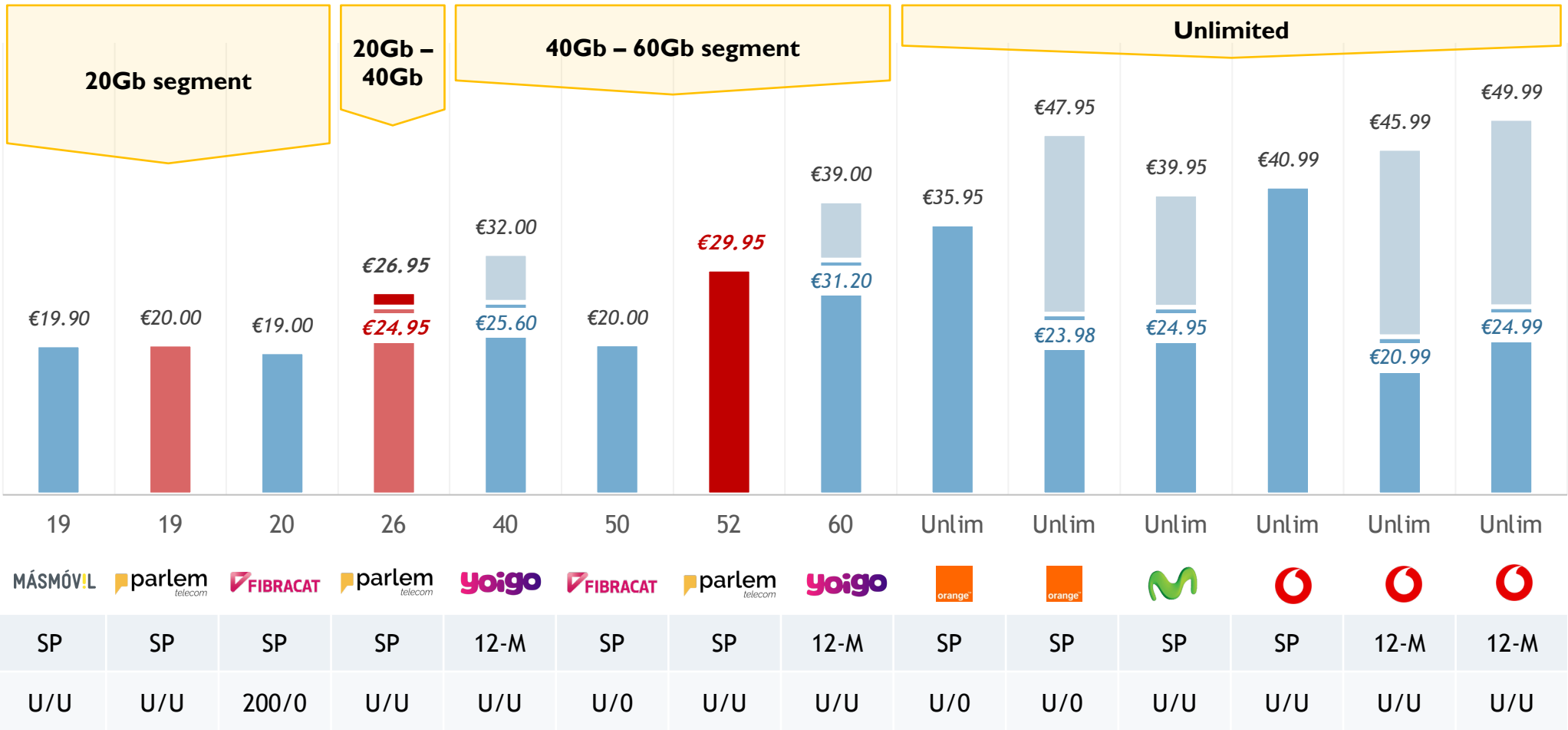
Retail pricing (incl. VAT)

Data (Gb)

Provider

Contract

Voice / SMS



THE COMPANY’S RAPID GROWTH – ACCOMPANIED BY THE LAUNCH OF AN EXTENDED PORTFOLIO OF PRODUCTS – RISKED TO IMPACT NEGATIVELY THE PROFITABILITY PROFILE

PARLEM Product Portfolio (Jan 2020)

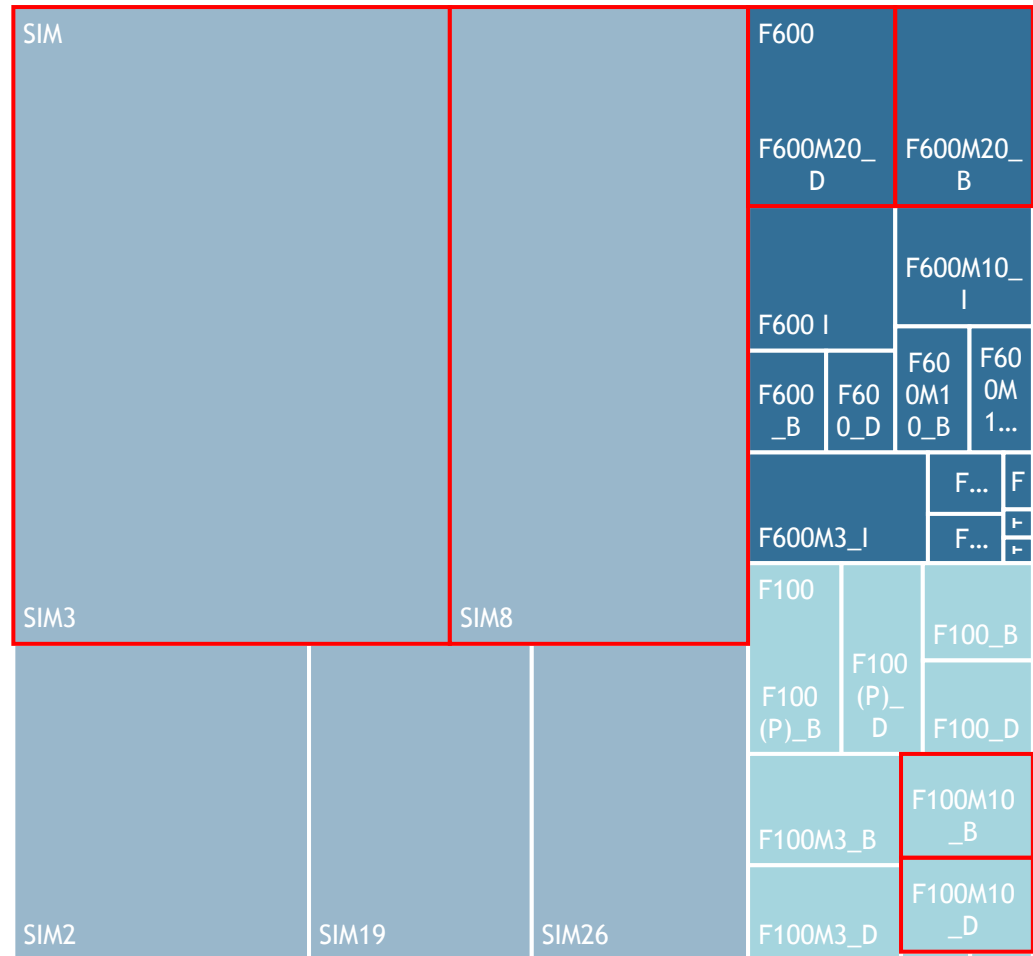
KEY QUESTIONS TO REPLY

<div><div></div><div>Sense permanència!</div></div> <div><div>MÒBIL CONTRACTE</div><div><div>150 MINUTS + 3GB</div><div>7'00 €/mes</div></div><div><div>IL·LIMITADES + 2GB</div><div>10'00 €/mes</div></div><div><div>IL·LIMITADES + 8GB</div><div>15'00 €/mes</div></div><div><div>IL·LIMITADES + 26GB</div><div>26'95 €/mes</div></div></div>		<div><div></div><div></div></div> <div><div>FIBRA + FIX + TV</div><div><div>100 Mbps + FIX</div><div>29'95 €/mes</div><div>Promo 12 mesos. Després promo 39'95€</div></div><div><div>600 Mbps + FIX</div><div>29'95 €/mes</div><div>Promo 3 mesos. Després promo 49'95€</div></div><div><div>COBERTURA INDIRECTA</div><div><div>600 Mbps + FIX</div><div>49'95 €/mes</div></div></div></div>		<div><div></div><div>V. Gener 20</div></div> <div><div>FIBRA + FIX + MÒBIL + TV</div><div><div>100Mbps + FIX + 3GB + IL·LIMITADES</div><div>44'95 €/mes</div><div>Promo 3 mesos. Després promo 54'95€</div></div><div><div>100Mbps + FIX + 10GB + IL·LIMITADES</div><div>48'95 €/mes</div><div>Promo 3 mesos. Després promo 58'95€</div></div><div><div>100Mbps + FIX + 19GB + IL·LIMITADES</div><div>52'95 €/mes</div><div>Promo 3 mesos. Després promo 62'95€</div></div><div><div>600Mbps + FIX + 3GB + IL·LIMITADES</div><div>44'95 €/mes</div><div>Promo 3 mesos. Després promo 54'95€</div></div><div><div>600Mbps + FIX + 10GB + IL·LIMITADES</div><div>48'95 €/mes</div><div>Promo 3 mesos. Després promo 58'95€</div></div><div><div>600Mbps + FIX + 19GB + IL·LIMITADES</div><div>52'95 €/mes</div><div>Promo 3 mesos. Després promo 62'95€</div></div><div><div>COBERTURA INDIRECTA</div><div><div>600Mbps + FIX + 3GB + IL·LIMITADES</div><div>54'95 €/mes</div></div><div><div>600Mbps + FIX + 10GB + IL·LIMITADES</div><div>58'95 €/mes</div></div><div><div>600Mbps + FIX + 19GB + IL·LIMITADES</div><div>62'95 €/mes</div></div></div></div>	
<div><div>CONDICIONS PARTICULARS</div><div>(1) Promoció vàlida del 07/01/2020 al 01/03/2020 per a altes noves i portabilitats. Tarifa no subjecte a la promoció d'Àgile TV + Rakuten TV per 0€. Promoció no vàlida per a cobertura indirecta (Telefónica).</div><div>(2) Les tarifes de segones línies sempre han d'anar associades a una tarifa de fibra+mòbil o fibra+fix+mòbil.</div><div><div>INCLOU TV</div>Servei de Televisió (Àgile TV + Rakuten TV) per 0€/mes durant els 12 primers mesos. Després 6.95€/mes. No aplicable a la tarifa promo de Fibra600+20Gb per 38.95€/mes.</div></div>		<div><div></div><div>El millor preu</div></div> <div><div>FIBRA + MÒBIL</div><div><div>600Mbps + 20GB + IL·LIMITADES</div><div>38'95</div><div>(1) Promo 3 mesos. Després promo 48'95€. Fix opcional per 5€/mes</div></div></div>		<div><div></div><div>Estalvia afegint una segona línia al teu pack</div></div> <div><div>SEGONES LÍNIES</div><div><div>IL·LIMITADES + 3GB</div><div>6'00 €/mes</div><div>(2)</div></div><div><div>IL·LIMITADES + 10GB</div><div>10'00 €/mes</div><div>(2)</div></div><div><div>IL·LIMITADES + 19GB</div><div>13'00 €/mes</div><div>(2)</div></div></div>	

- Which products sold faster & better?
 - Which products were sliding behind?
- While products had highest profitability?
 - Which products cost more than the revenue they advertised
- On which product should we invest \$1 of marketing spend
 - Which product we should sell below-the-counter
- Which products should we remove from our pizza menu
 - How should we manage the 'acquired' subs?

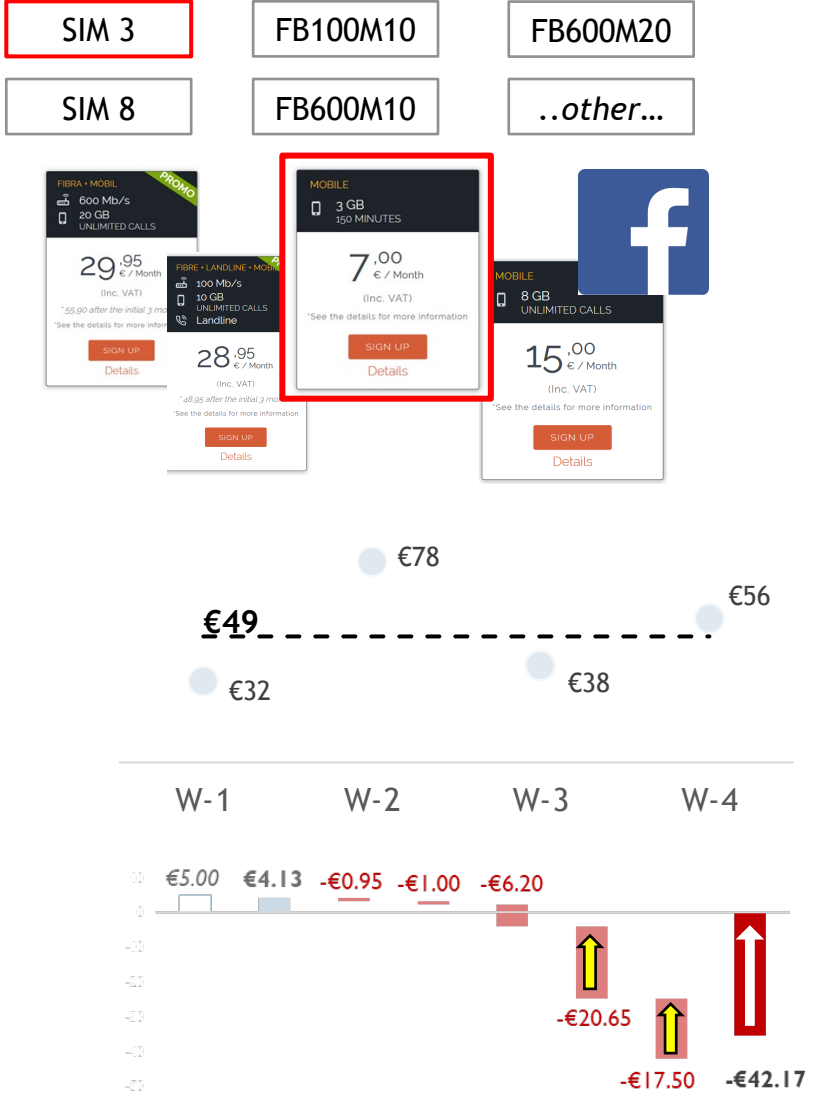
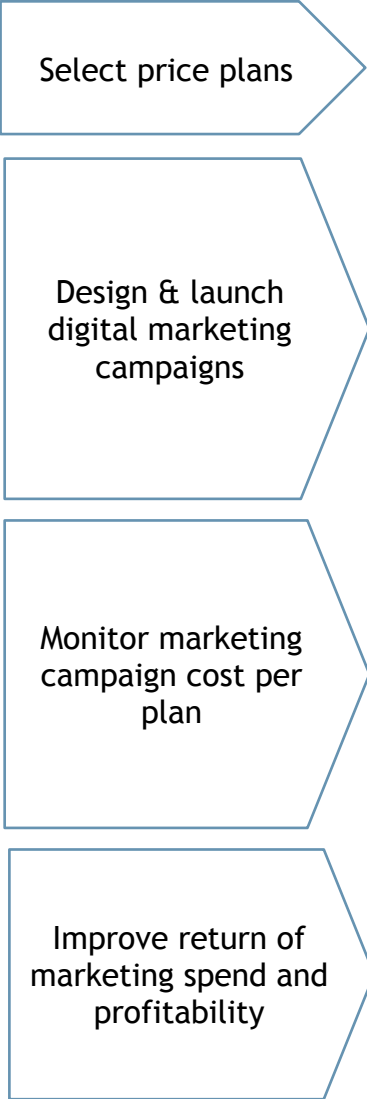
MARKETING + SALES + ONBOARDING COSTS REPRESENTED THOSE DIRECT COSTS THAT HAD TO BE OPTIMIZED IN ORDER TO INCREASE PROFITABILITY & CASH-FLOW GENERATION

PARLEM base per product & price plan (March 2020)



Growth plans

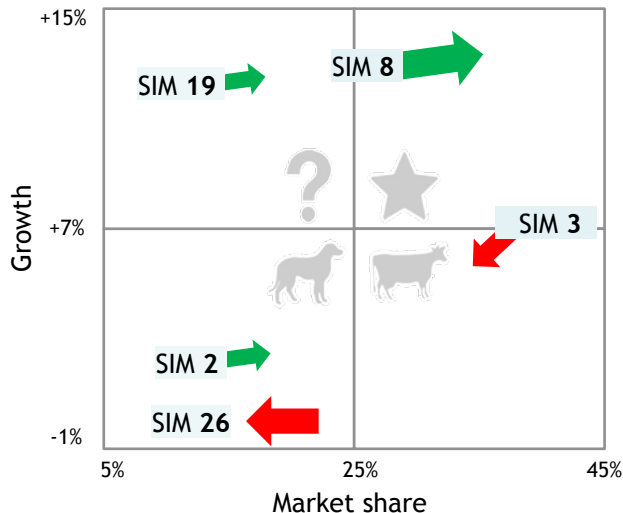
Measure acquisition marketing spend per plan



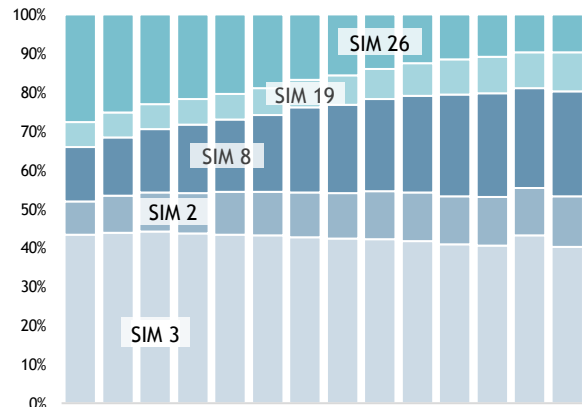
WE SHIFTED OUR ACQUISITION FOCUS TO HIGHER VALUE GROSS ADDS, BY STEERING MARKETING SPEND AND RE-SHUFFLING THE PRODUCT PORTFOLIO WHILE PHASING OUT LOW-END PRODUCTS

SIM ONLY ANALYSIS

Growth Matrix



Relative market share (2019 - Feb '20; %)



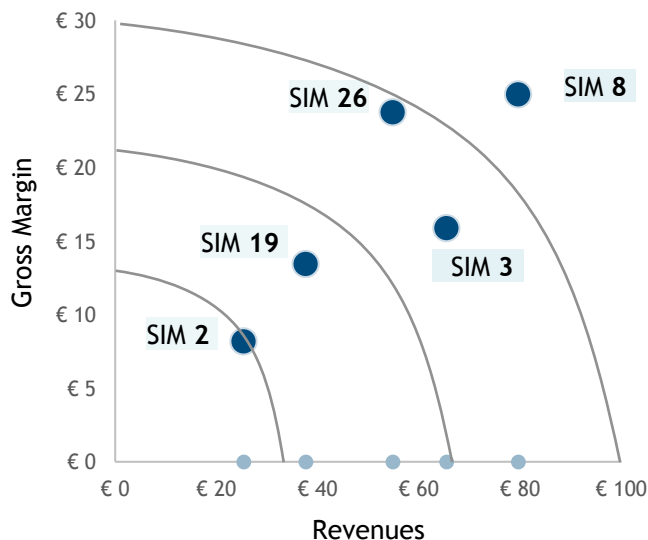
Findings & Suggestions

- Low APRU / low margin SIM 2 & SIM 3 controlling over 50% of total SIM-only base. SIM 3 gradually declining as a result of end users' shift to higher bundles.
- SIM 8 contributing most of value, growing faster at expense of high ARPU & margin SIM 26 that is declining (instead of increasing)

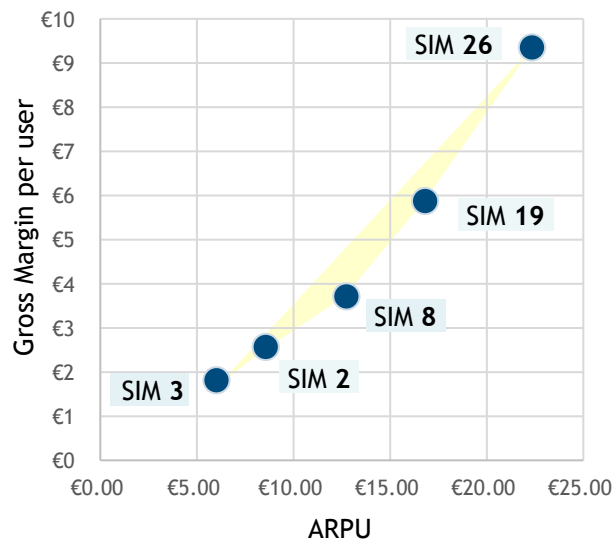


- Consider phasing-out SIM 2 offer by YE 2020 and migrate users to SIM 8
- Consider phasing-out SIM 3 offer by YE 2020 and migrate users to SIM 8
- SIM 8 | Leave as-is.
- SIM 19 | Leave as-is for now.
- SIM 26 | Consider a promotion boosting sales (and margin contribution)

Revenues vs. Gross Margin

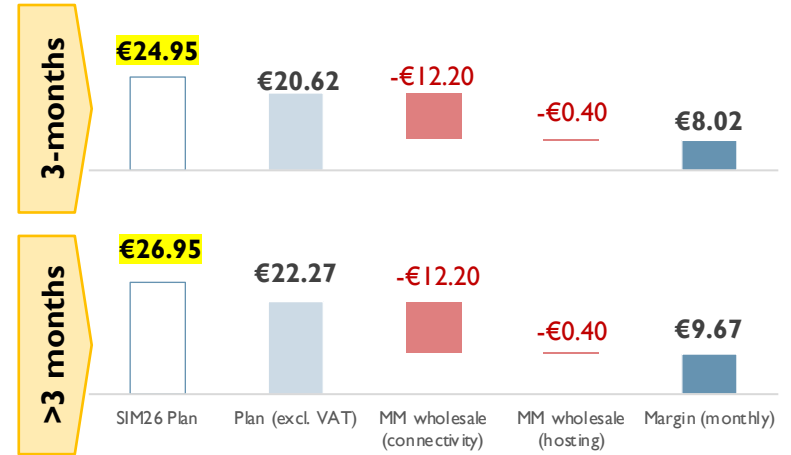


ARPU vs. Gross Margin per Price Plan

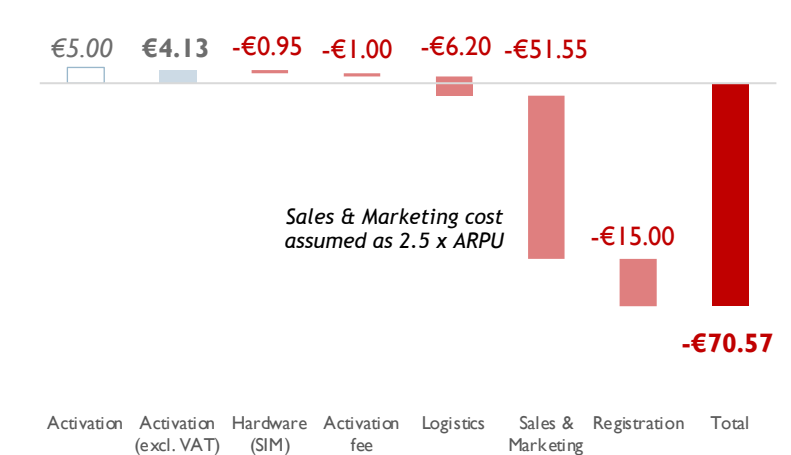


CHURN MANAGEMENT COUPLED TO RE-PRICING OF CERTAIN PRODUCTS LED TO AN INCREASE OF THOSE PRODUCTS' PROFITABILITY IN A SHORTER TIME, INCREASING THOSE PRODUCTS' VALUE CONTRIBUTION

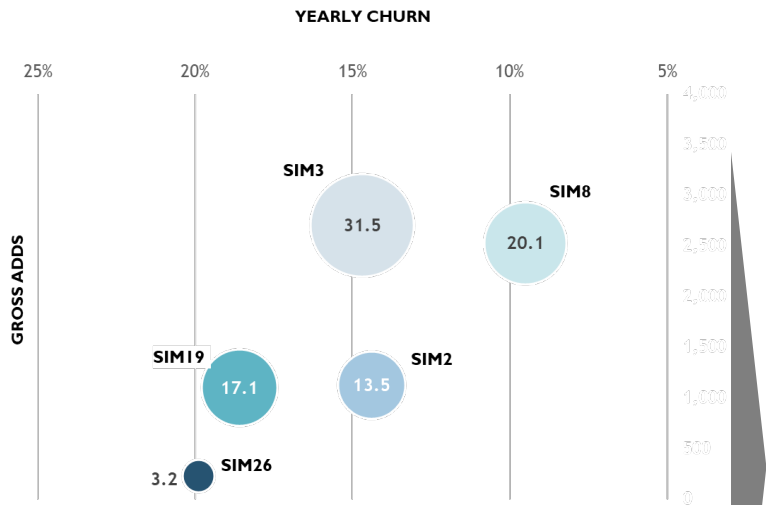
Recurring revenues & costs per sub (€; monthly)



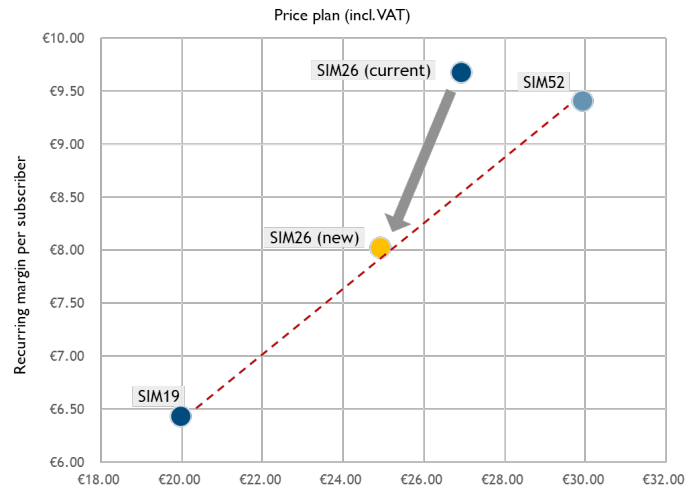
One-off revenues & costs per Gross Add (€)



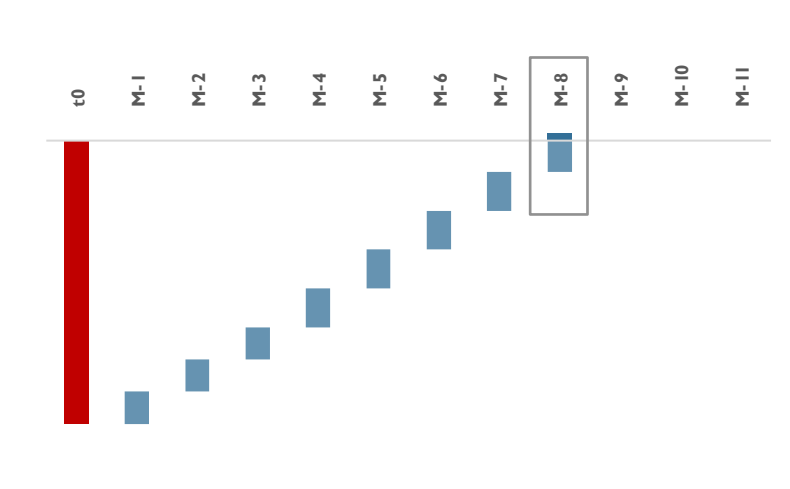
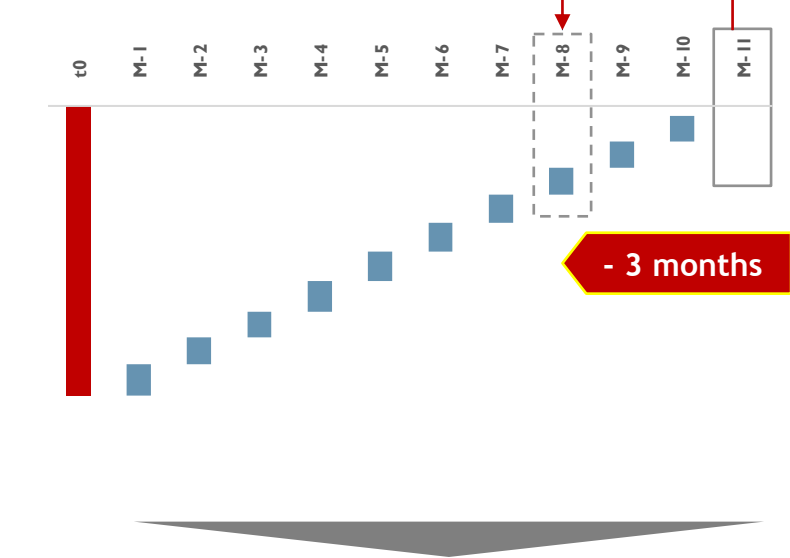
Churn profile



Product re-positioning

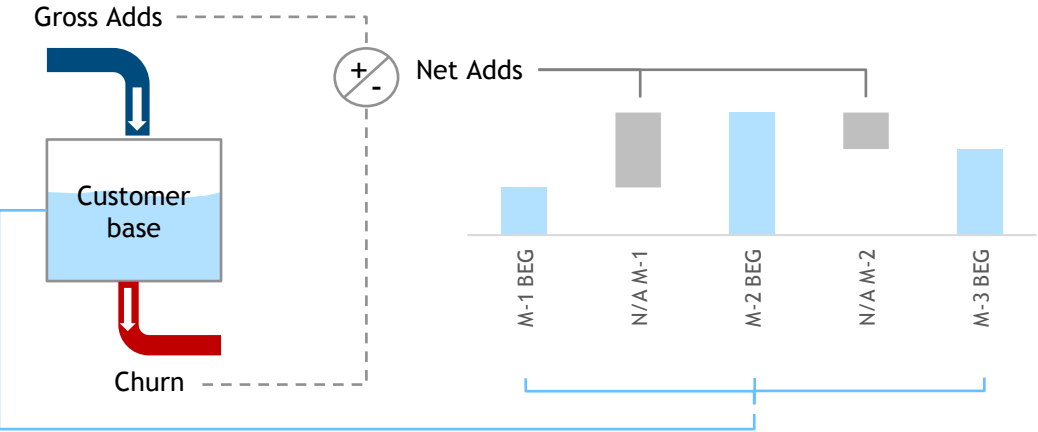


Churn vs. Profitability (Break-even point)

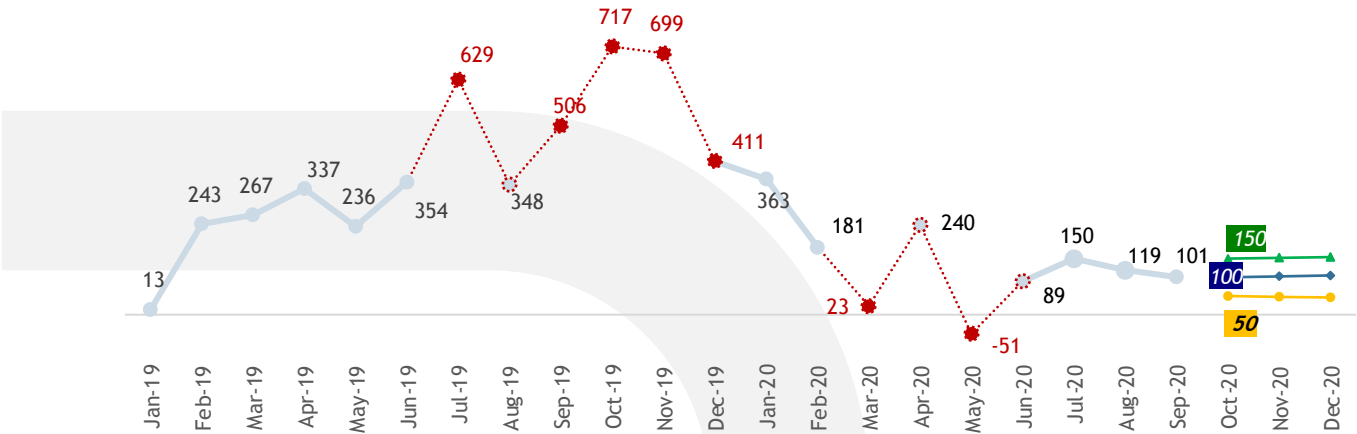


THE MONTHLY ‘NET ADDS’ OF THE LAST TWO YEARS REPRESENTED A RELIABLE METRIC TO DEFINE CUSTOMER BASE PROJECTIONS AND AS A RESULT ALL THOSE FINANCIAL KPIS REQUIRED FOR A RELIABLE BUSINESS PLAN

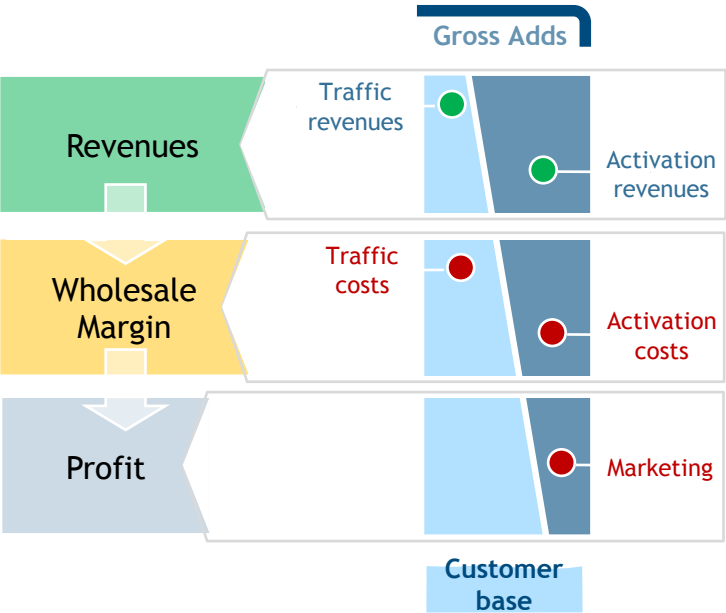
1 Net Adds as a Business Plan Driver



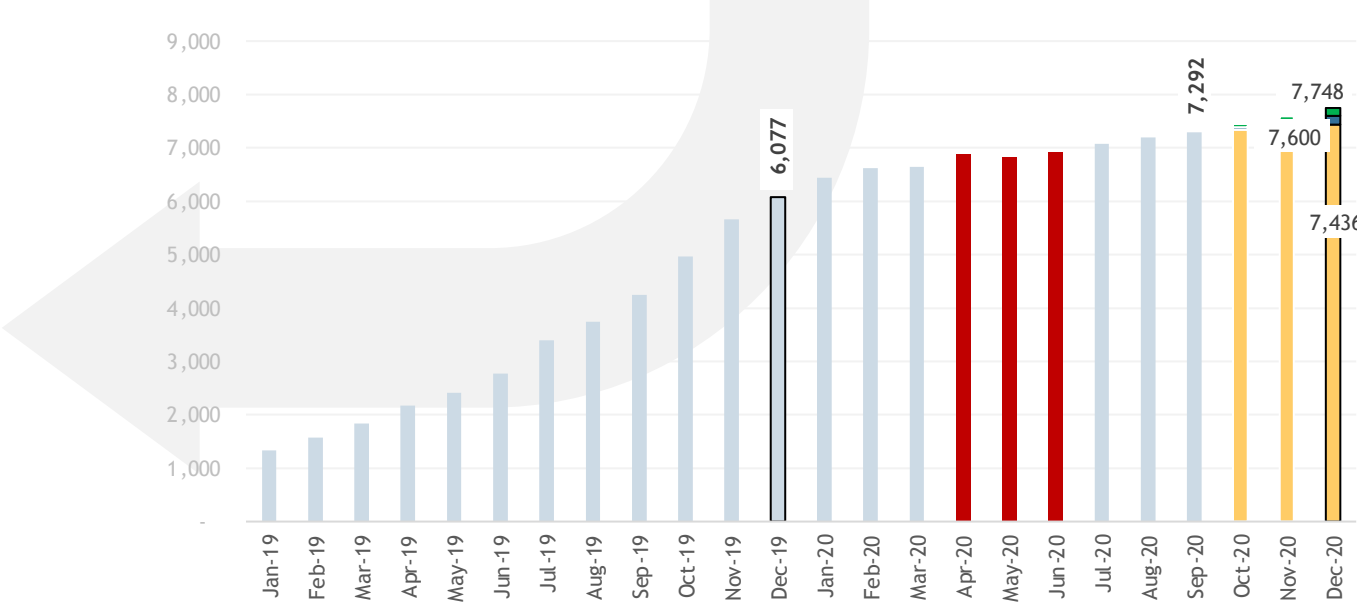
2 Monthly Net Adds per Price Plan (actual & projections)



4 Business Plan Structure



3 Customer Base per Price Plan (end of monthly period; actual & projections)



THE DIGITALIZATION TRENDS FORCED PARLEM TO INITIATE A DISCUSSION WITH ITS SOURCING NETWORK OPERATORS TO EXPLORE TECHNICAL SET-UPS AND COMMERCIAL STRUCTURES TO SUSTAIN THAT DIGITAL TRANSFORMATION

WHILE PARLEM TODAY IS A BRAND..

..WITH ITS DIGITAL ENABLER SET-UP..

..EVOLVES TO A FULL FLETCHED PROVIDER

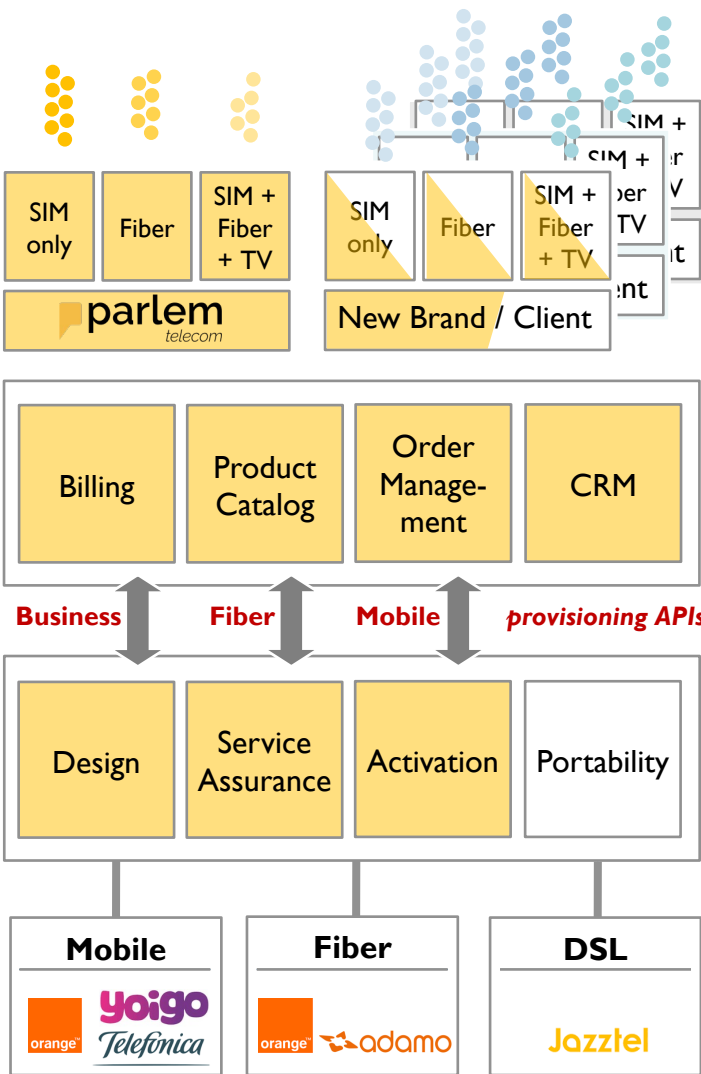
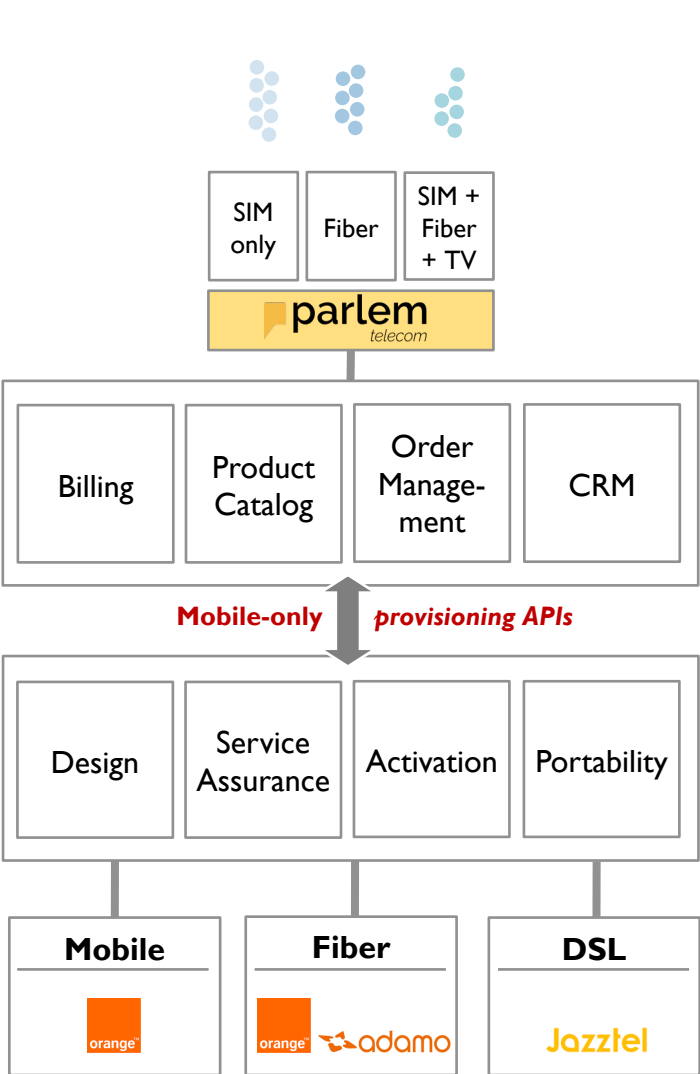
Customer base

Retail Products

Business Support Systems

OSS / Network Systems

Network Connectivity



PARLEM can increase its base with secondary brands and client MVNOs

PARLEM manages its own branded customers AND acting as aggregator / enabler for secondary brands

By managing directly its Business systems, PARLEM can define its own commercial strategy

By setting-up its network interfacing systems, PARLEM can develop its own product portfolio

PARLEM can implement a multi-network strategy

IN ADDITION TO DEVELOP A LONG-TERM PROFITABLE BASE, WE HAD TO SOLIDIFY THE ECOSYSTEM OF PARTNERSHIPS WHO WOULD CONTRIBUTE TO THE VALUATION 'STRUCTURE' WE WERE DEVELOPING



Suggestions

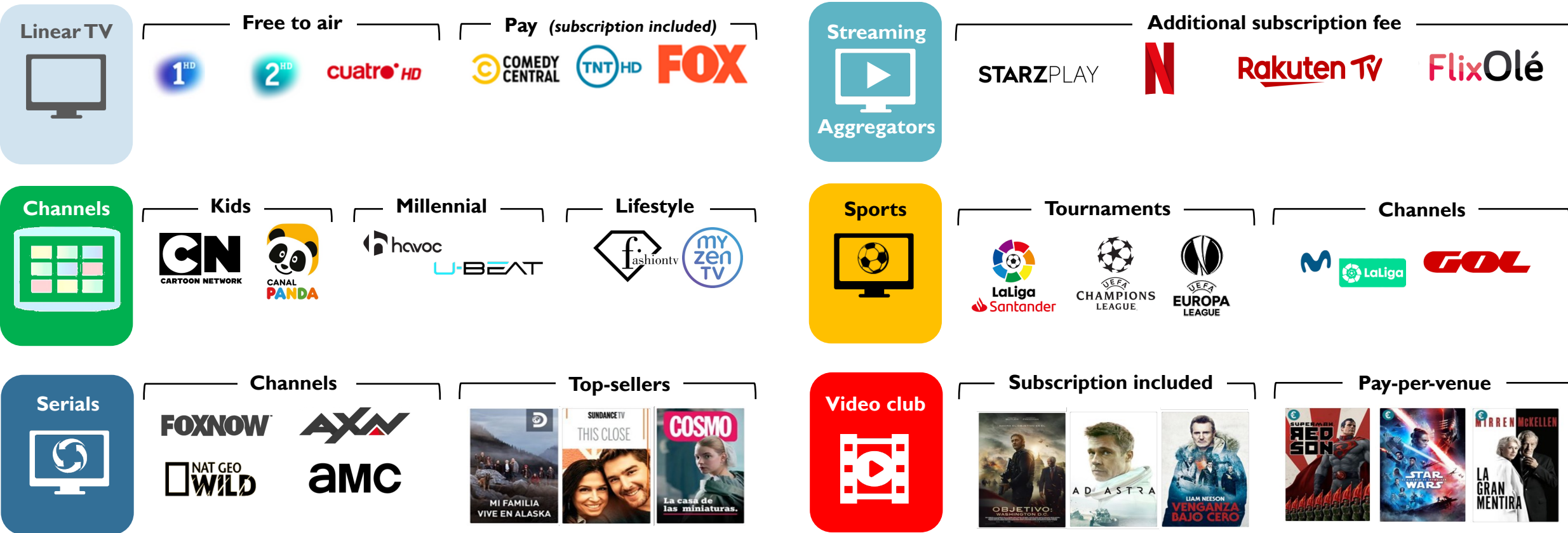
- 1** • Provide access to ParlemTV without use of set-top box (directly from smarttv, smartphones, laptops, ipads & mirroring on TV screen)
- 2** • In case of STB requirement, subscriber buys a generic (or specific) android box from electronic stores.
- 3** • Alternatively lease android box from Parlem and the obligation to return the set-top box if subscriber terminates the TV service or its STB is being replaced with newer version.

Impact

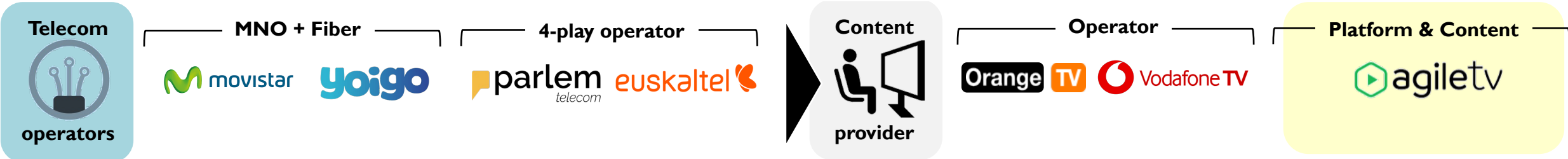
- No set-top cost for Parlem lowering total investment, reducing time to break-even, increasing TV product profitability
- End-user pays separately for android box (allowing for additional US/UK/EU android TV providers to 'hosted' on that box)
- Parlem TV subscribers lease android box for a fee.
- Parlem TV's Agile box could be returned after 12/24 months and sold by to refurbishing companies for a one-off fee, improving further the TV product's business case

AS AN EXAMPLE, WE HAD TO ACCOMMODATE THE RIGHT COMMERCIALS WITH A SELECTION BETWEEN TECHNICAL AND CONTENT SOLUTIONS THAT WOULD SUSTAIN OUR VALUATION PROFILE

CONTENT AGGREGATORS & DISTRIBUTION



CONTENT DISTRIBUTION FRAMEWORK FOR TELCOS



THERE HAVE BEEN EFFORTS THAT FAILED TO DELIVER EXPECTED RESULTS. AS AN EXAMPLE, WE TRIED A BUNLDED <HANDSET+PRICE PLAN> APPROACH THAT DID NOT DELIVER ACCORDING TO EXPECTATIONS

SELECTED HANDSETS



Apple iPhone 6S 128GB Gris Espacial (Reacondicionado)
★★★★☆ ~ 6.818



Apple iPhone 7 256GB Negro Mate



Apple iPhone 8 256GB Gris Espacial (Reacondicionado)
★★★★☆ ~ 2.605



Apple iPhone XR (256GB) - Yellow

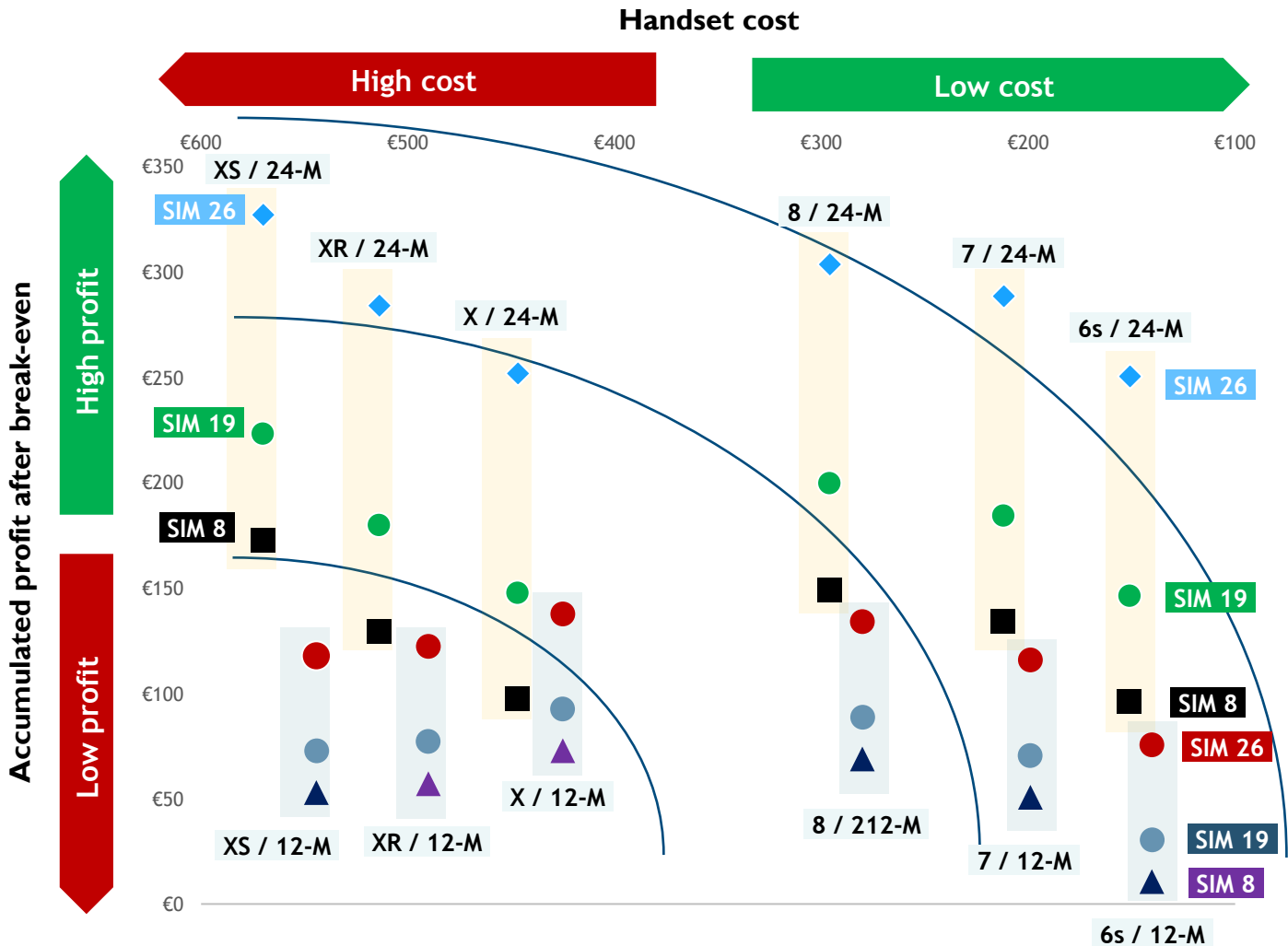


Apple iPhone X 256Go Argent (Reconditionné)
★★★★☆ ~ 1 252



Apple iPhone XS (de 256GB) - Oro

PROFITABILITY ANALYSIS

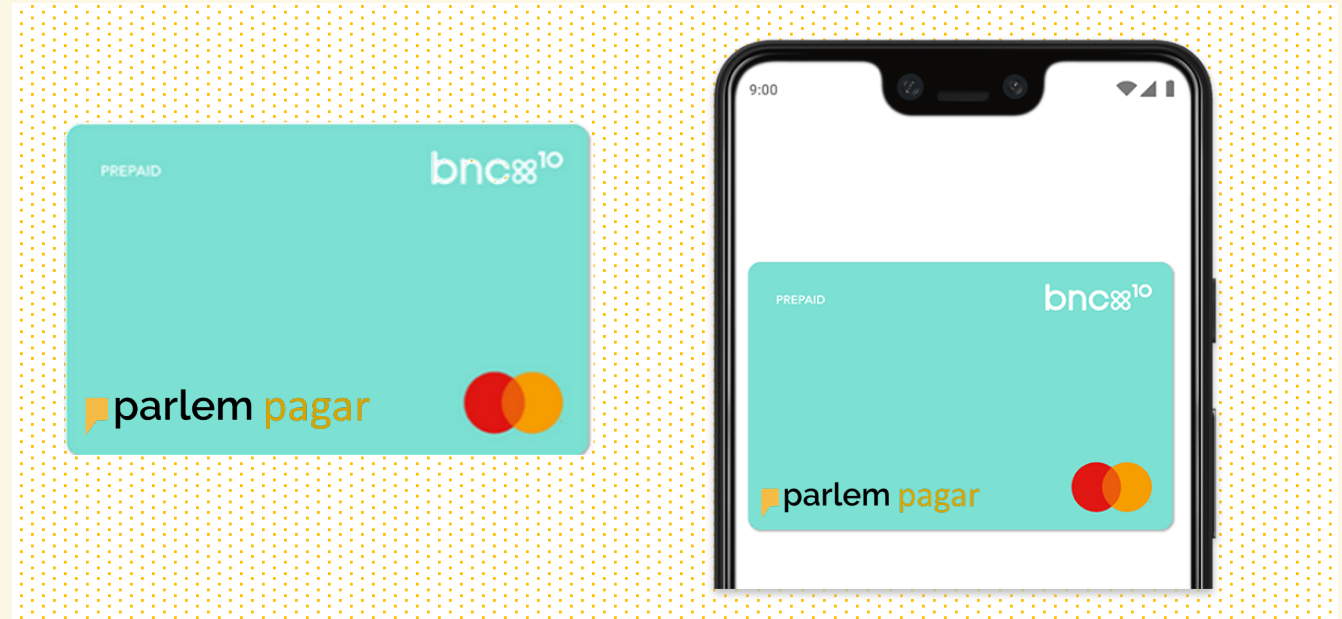


WE ALSO NEGOTIATED A MOBILE PAYMENT SERVICE PROVIDED BY A DIGITAL BANK TO BE BUNDLED WITH SELECTED PRICE PLANS; A MINI-VENTURE THAT ULTIMATELY WAS ANALYZED BUT NEVER LAUNCHED

Parlem receiving a 'conversion bonus' from bnc¹⁰ while digitalizing its acquisition process

 parlem pagar

La carta Mastercard gratuita
che ti regala 50 €



- 'Parlem pagar' launched as a co-branding initiative of bnc¹⁰ (i.e. the 'parlem pagar' card subscriber is a bnc¹⁰ client).

Special offer



Parlem's F+M products' gross adds (i.e. F+M new parlem subscribers) to receive €5 monthly on their card if paying for telecom services through card (see offer details in following slide)

Conversion bonus



After first payment of Parlem subscription via bnc¹⁰ account, bnc¹⁰ to pay a one-off 'conversion bonus' to parlem

THE SUCCESS OF OUR REGIONAL APPROACH IN SPAIN, SETS THE BASIS FOR CONSIDERING OPPORTUNITIES INTERNATIONALLY, ESTABLISHING PARTNERSHIPS WITH OPERATORS IN SELECTED REGIONS THAT COULD ADOPT A SIMILAR APPROACH TO THAT OF PARLEM

THE PARTICULARITIES OF A REGIONAL IDENTITY...

...CAN BE IDENTIFIED IN DIFFERENT REGIONS IN EUROPE



Region of Catalunya

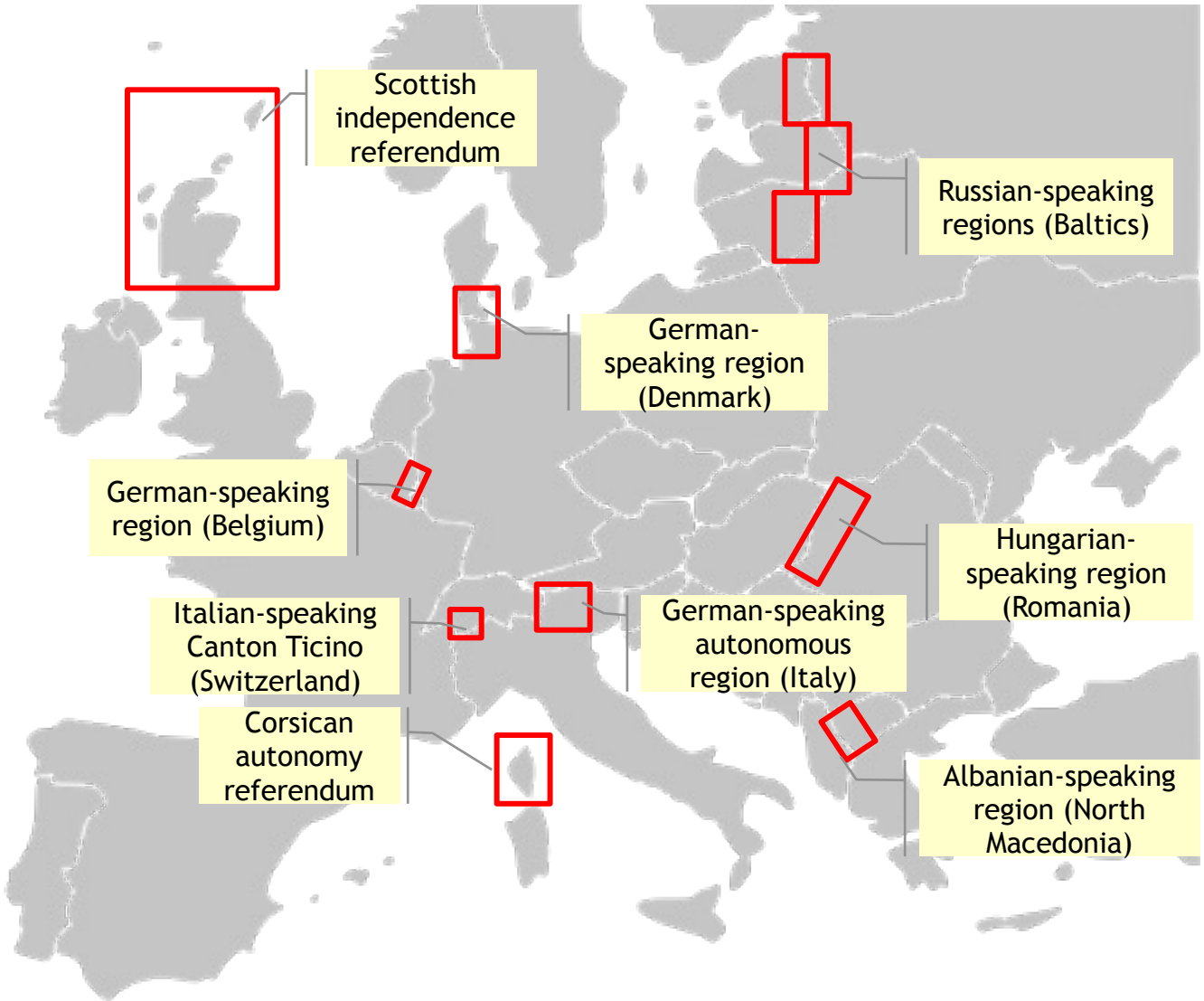
7.5 mn population



- Generalitat de Catalunya (1977)
- Statute of Autonomy (1979)
- Independence Referendum (2017)

- GDP/capita: €33K (vs. €24K Spain)

- 75% of population speaks Catalan (90% among people aged 15-29)



POST-IPO, PARLEM EXPANDED BY ACQUIRING COMPETITORS AND PROVIDERS THAT ARE COMPLEMENTARY TO ITS ADDRESSABLE MARKET, WHILE SETTING-UP PARTNERSHIPS AND LAUNCHING ITS OWN VENTURE FUND



STRATEGIC PARTNERSHIPS



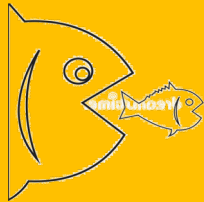
Strategic alliance Catalan Foundation for Digitalization



Strategic Alliance for innovative initiatives in Catalunya, Balearic islands & Valencia



Strategic Alliance



MERGERS & ACQUISITIONS



Acquisition of IT integrator for enterprises



Acquisition 3-play operator in Valencia



Acquisition green energy provider



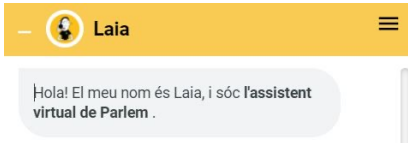
START-UPS



Tech start-up accelerator



Corporate messenger



Chatbot in Catalan language

THE FUTURE OF PARLEM IS THE AGGREGATION OF ADDITIONAL SERVICES AROUND THE TELCO OFFER, BECOMING THE SME & HOUSEHOLD PROVIDER (AND NOT JUST OPERATOR) OF FIRST CHOICE FOR A REGIONAL ECONOMY

