Today’s presenters

Padma Ravichander  
CEO

Indiresh Vivekananda  
CFO
Agenda

1. Strategy overview and Q3 business highlights
2. Financial review
3. Prospects 2023
4. Q&A
Q3 Financial Results, 2023

**Key Highlights**

- **New Orders**
  - 31 ME
  - YoY 34%
  - Record high Q3 Orders and Order backlog (78M)

- **Operating Result**
  - 6.2 ME
  - YoY 23%
  - 29% EBIT MARGIN

- **Net Sales**
  - 21.4 ME
  - YoY 7%

- **Shareholder Equity**
  - 81.6 ME
  - YoY 9%

**Key Awards**

- **TMF Excellence Awards Finalist**
- **Best Innovation in Information Technology**
- **Best Workplace Diversity Award**

**Top 4**

- AML companies globally

**Diamond Badge**

**Top 2**

- Companies on Revenue Management
Strategic Investment Focus Areas

**Business Expansion**
- New market penetration
- Customer Acquisition

**Corporate and Financial Focus**
- Mergers and Acquisitions
- Consolidation of debts

**Investment in New Product offerings**
- AI/ML | Cloud | BSS/OSS
- Healthcare
- Fintech | OTT

Strategic Investment Focus Areas

- Strategic acquisitions
  - NA Europe
  - Marketing Led sales
  - APAC expansion
- Consolidation of CS acquisition Investments
- Business Model Transformation
- Embedded AI
- AI led delivery & Operations
- Investments in Cloud, IoT &OSS
- Tecnotree - Marketplace
Tecnotree has been investing in key focus areas for growth

<table>
<thead>
<tr>
<th>FOCUS AREA</th>
<th>Business Expansion</th>
<th>Corporate and Financial Focus</th>
<th>R&amp;D and Enrichment of Product stack</th>
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<tbody>
<tr>
<td></td>
<td>New market penetration</td>
<td>From Mergers and Acquisitions</td>
<td>AI/ML</td>
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<td>New Customer Acquisition</td>
<td>Consolidation of debts</td>
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- **United Health Group**
- **Tier 1 African (MVNO)**
- **Tier 1 Mortgage Insurance Firm (USA)**
- **Claro 360 (Peru)**
- **Tier 1 Operator (Canada)**
- **Tier 1 MVNO (Brazil)**
- **Tier 1 MNO (South African)**
- **Telenor Group (Denmark, Sweden, Norway)**
- **MTN Metamorphose & Tier 2 MENA Operator**
Tecnotree’s Q3 Delivery Footprint

- More than 50% of Order Backlog – ARR (Annual Recurring Revenue)
- We celebrated 11 Go-lives in Q3 2023, including Sensa AI/ML, Cloud, Fintech and Moments
- 250+ Use cases – 70% configurable
- 352 product features added in Digital Stack in Q3
Tecnotree Delivering Impactful Customer Benefits

**Business Benefits**
- **90%** Optimized Product Offerings
- **5 Mins** (Avg.) Product pricing updates
- **70%** Reduction of TCO
- **6X** Faster Billing Processing
- **15+ Apps** Integrated Customer 360 view

**Technical Benefits**
- **100%** Open source Technologies
- **59** Tm-forum certified Open APIs & e-TOM Certified core Digital stack
- **1** Code base across all OpCos
- **66% Reduction in integration time**
- **Container & Docker** based deployments

**Operational Benefits**
- **No/Minimal** down time, across digital stack
- **Centralized logging** Across Digital Stack
- **Pro-active monitoring** Across Digital Stack
- **Zero Touch** & Cloud native deployment
- **Dashboard** based monitoring for billing operations
Diversified revenue mix with stable growth and increasing ARR

Customer profile
- New logos bringing in a steady stream of revenues
- 27 new customers added since 2018 – potential opportunities for cross-sell and up-sell
- 2 Tier 1 legacy customers – Claro and MTN
- In 2023 revenue from non-legacy business has exceeded business from legacy customers

Business view
- Steady increase in license revenues 2020 onwards
- Reduced dependency on one time license and delivery
- Acquisition of CognitiveScale is expected to increase share of ARR (license+support) 2023 onwards
- ARR share of revenue increased from 35% in FY ’22 to 40% in YTD ’23
Challenges:
• Longer Deal to Cash cycle for Tecnotree – difficult to plan expenses
• May limit scalability with the expected rising order book and demand for Tecnotree stack
• Multiple points of capex pressure on customer

Benefits:
• Standard scope of work and out of box product delivered within 6 months
• Continued recurring cashflow with standard operating model
• Better customer satisfaction – continuous improvement on a ready stack
• Post code drop, reduced cash pressure on customer
• Enable R&D expenses plan in steady and streamlined way – improved profitability
• Improved scalability – Customer success team can take up more projects quickly

*Monthly Recurring Revenue
January-September 2023 Financials

October 27, 2023
### Q1-Q3 Financial performance highlights

- Consistent growth in revenue
- Improved EBIT on account of higher revenue
- High impact of forex losses on net income
- Cash collections impacted by global economic conditions
- Significant increase in new orders received leading to record high order backlog

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<tr>
<td>Net sales</td>
<td>21.4</td>
<td>19.9</td>
<td>56.2</td>
<td>51.5</td>
<td>46.1</td>
<td>38.6</td>
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<tr>
<td>Change YoY%</td>
<td>7%</td>
<td>9%</td>
<td>9%</td>
<td>12%</td>
<td>20%</td>
<td>17%</td>
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<tr>
<td>EBIT</td>
<td>6.2</td>
<td>5.0</td>
<td>16.0</td>
<td>12.2</td>
<td>17.7</td>
<td>14.3</td>
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<td>Change YoY%</td>
<td>23%</td>
<td>-30%</td>
<td>31%</td>
<td>-31%</td>
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<td>39%</td>
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<td>Taxes</td>
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<td>-4.2</td>
<td>-2.4</td>
<td>-2.5</td>
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<tr>
<td>Net income</td>
<td>3.2</td>
<td>3.4</td>
<td>8.8</td>
<td>8.3</td>
<td>13.1</td>
<td>9.3</td>
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<tr>
<td>Change YoY%</td>
<td>-3%</td>
<td>-37%</td>
<td>5%</td>
<td>-37%</td>
<td>42%</td>
<td>89%</td>
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<tr>
<td>SCIF</td>
<td>11.9</td>
<td>21.9</td>
<td>43.4</td>
<td>47.6</td>
<td>34.3</td>
<td>33.4</td>
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<td>Change YoY%</td>
<td>-48%</td>
<td>125%</td>
<td>-9%</td>
<td>39%</td>
<td>3%</td>
<td>19%</td>
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<tr>
<td>Orders received</td>
<td>31.0</td>
<td>23.2</td>
<td>62.6</td>
<td>74.0</td>
<td>62.6</td>
<td>39.1</td>
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<tr>
<td>Change YoY%</td>
<td>+34%</td>
<td>6%</td>
<td>-18%</td>
<td>18%</td>
<td>60%</td>
<td>5%</td>
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<td>Order backlog</td>
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<td>78.0</td>
<td>76.1</td>
<td>58.6</td>
<td>26.7</td>
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<tr>
<td>Change YoY%</td>
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<td>4%</td>
<td>30%</td>
<td>119%</td>
<td>2%</td>
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<td>EPS</td>
<td>0.01</td>
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<td>0.03</td>
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Revenues driven by market demand; collections impacted by global economic conditions

**Revenue at 56.2 M in Q1-Q3 2023**

9% y-o-y growth

Strong revenue growth driven by new logos and increased demand for digital stack as well as new products – Sensa, DiWa, Moments

**Collections at 43.4 M in Q1-Q3 2023**

-9% y-o-y

Collections in Q3 impacted by overall global economic conditions
Focus on operational cost optimization along with planned mitigation for FX impact to secure net income

Operating Result (EBIT) at 16.0 M in Q1-Q3 2023
31% y-o-y growth

Net income at 8.8M in Q1-Q3 2023
+5% y-o-y

Risk
- Central bank restrictions (unavailability of hard currency)
- Unstable geographical and/or economical situation in customer country

Mitigation
Empowering treasury functions with new financial instruments e.g. currency swaps and forward booking of Fx in key markets
Stable current asset ratio driven by strong current assets

Key initiatives for improving cash collections

Sales incentives linked to collection targets
Reduced payment cycles through SaaS and transactional revenue models and advanced product readiness
Penalty on customers for delayed payments
Business model and payment plan transformation with existing customers

Current ratio

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<th>Quarter</th>
<th>Current Ratio</th>
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<td>Q1 2021</td>
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<td>Q2 2021</td>
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<td>Q3 2021</td>
<td>6.3</td>
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<td>Q4 2021</td>
<td>7.4</td>
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<td>Q1 2022</td>
<td>5.6</td>
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<td>Q2 2022</td>
<td>5.5</td>
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<td>Q3 2022</td>
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<td>Q4 2022</td>
<td>4.2</td>
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<td>Q1 2023</td>
<td>4.5</td>
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<td>Q2 2023</td>
<td>3.9</td>
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<tr>
<td>Q3 2023</td>
<td>5.3</td>
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Account receivables ageing

Total AR 35.9 MEUR (out of which 2.6 MEUR is provided for)

- Not due: 9.3, 26%
- <90 days: 5.6, 16%
- 90-270 days: 6.2, 17%
- 270-365 days: 12.4, 34%
- >1 year: 2.5, 7%
### Tecnotree Balance Sheet

<table>
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<tr>
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<th>9/2023</th>
<th>9/2022</th>
<th>DIFFERENCE</th>
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<tbody>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
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<tr>
<td>Intangible assets</td>
<td>31.4</td>
<td>14.4</td>
<td>118%</td>
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<tr>
<td>Tangible assets</td>
<td>0.4</td>
<td>0.4</td>
<td>0%</td>
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<tr>
<td>Deferred tax assets</td>
<td>0.9</td>
<td>0.7</td>
<td>29%</td>
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<tr>
<td>Other non-current</td>
<td>2.0</td>
<td>1.7</td>
<td>18%</td>
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<td>trade and other</td>
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<tr>
<td>receivables</td>
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<tr>
<td><strong>Current assets</strong></td>
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<tr>
<td>Trade receivables</td>
<td>33.3</td>
<td>35.8</td>
<td>-7%</td>
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<tr>
<td>Other receivables</td>
<td>38.0</td>
<td>25</td>
<td>52%</td>
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<tr>
<td>Cash and cash</td>
<td>15.5</td>
<td>19.9</td>
<td>-22%</td>
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<td>equivalents</td>
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<tr>
<td><strong>Assets total</strong></td>
<td>121.6</td>
<td>97.9</td>
<td>24%</td>
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<tr>
<td><strong>Shareholders’ equity</strong></td>
<td>86.1</td>
<td>79.1</td>
<td>9%</td>
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<tr>
<td>Compulsory convertible</td>
<td>14.1</td>
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<td>debentures</td>
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<tr>
<td><strong>Non-current liabilities</strong></td>
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<tr>
<td>Non-current interest-</td>
<td>1.2</td>
<td>0</td>
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<td>bearing liabilities</td>
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<tr>
<td>Other non-current</td>
<td>3.7</td>
<td>3.2</td>
<td>16%</td>
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<tr>
<td>liabilities</td>
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<tr>
<td><strong>Current liabilities</strong></td>
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<tr>
<td>Current interest-</td>
<td>4.7</td>
<td>0</td>
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<td>bearing liabilities</td>
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<tr>
<td>Trade payables and other</td>
<td>11.8</td>
<td>15.6</td>
<td>-24%</td>
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<tr>
<td>liabilities</td>
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<tr>
<td><strong>Equity and liabilities</strong></td>
<td>121.6</td>
<td>97.9</td>
<td>24%</td>
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- **Substantial R&D for product and portfolio enhancement**
- **Rise in other receivables:**
  - Real estate deposits, advance taxes recoverable/adjustable in future period
- **Contribution from subscribers of CCD - 14.1 M**
CCD Update

14.1 Me has been collected to date as per the agreed terms

431 Notes of amounting to 100,000 Euros each was subscribed

A consortium of shareholders have agreed to invest 200 Notes

The scheme was launched in 22nd June, 2023

The remaining 90 notes is expected to be received as per agreement, completing the scheme
Prospects and risks

October 27, 2023
Prospects 2023 retained and further refined

Revenue to be higher by 9% - 13% (7%-15%)

Operating profit (EBIT) to be higher by 15% - 20% (10% - 20%)

Cost rationalization by Q4 of 2023 to the tune of 5% - 7%

Cash recovery expected to grow by 12% - 14% (12% - 18%)

Assumptions:
- Continued growth in market demand for our products and solutions
- Short term impact on EBIT combined with long term revenue benefits with investment in AI/ML capabilities
- Benefits of cost rationalization to be realized Q4 2023 onwards and extending into 2024
- Foreign exchange rates are expected to remain at approximately current levels
Key risks

Cost Pressures

1. Geography specific inflation
2. Customer diversification & Geo expansions

Mitigation

Cost Optimization plan – remote deployment & productization on cloud

Key Investments

1. Investment to retire large order book & productization
2. Investments in AI/ML, Fintech, OTT required for diversification from BSS pure-play

Mitigation

Product Maturity resulting in faster deployment cycles and cash collection

Improved margins – through value based pricing

Clear in-organic growth and diversification strategy

Receivables & Currency

1. Cash collection complicated by multiple factors such as revenue concentrations in emerging markets, global economic conditions
2. Long project gestations

Mitigation

focusing on organic and inorganic growth in NA, EU and the Middle-east

Improved product readiness to reduce payment cycles

Empowering treasury functions with new financial instruments
# Why Should you Invest in Tecnotree?

<table>
<thead>
<tr>
<th>Key KPIs and Attributes</th>
<th>Tecnotree</th>
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<tbody>
<tr>
<td><strong>Large TAM</strong></td>
<td>60B TAM across OSS/BSS with 14% CAGR</td>
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<td>Favorable Tailwinds: CSPs to DSPs with flexible cloud based models</td>
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<td><strong>Customer Demand</strong></td>
<td>New Customer revenue growth exceed legacy customer growth</td>
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<td>ARR revenue increasing YoY</td>
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<td>B2B2X revenue monetization 1Bn+ subs</td>
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<td><strong>Differentiated Technology</strong></td>
<td>250+ Prebuilt journeys</td>
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<td>70% configurable enabled by low code/no code</td>
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<td>114+ Aml patents</td>
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<td><strong>Attractive Growth Opportunity</strong></td>
<td>14% 5 year Revenue CAGR</td>
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<td>51% Market cap growth over 5 Years</td>
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<td></td>
<td>27 new customers since 2018 with cross-sell upsell opportunities</td>
</tr>
<tr>
<td><strong>Compelling Margins and Financial Profile</strong></td>
<td>36% EBIT 5 year CAGR</td>
</tr>
<tr>
<td></td>
<td>40% YTD Revenue is ARR with high margin</td>
</tr>
<tr>
<td></td>
<td>Shareholder Equity up from - 7.7Me in 2018 to 81.6 Me in Q3 2023</td>
</tr>
</tbody>
</table>
THANK YOU

Investor relation connects:

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Investor.relations@tecnotree.com