

TeleSoft Partners

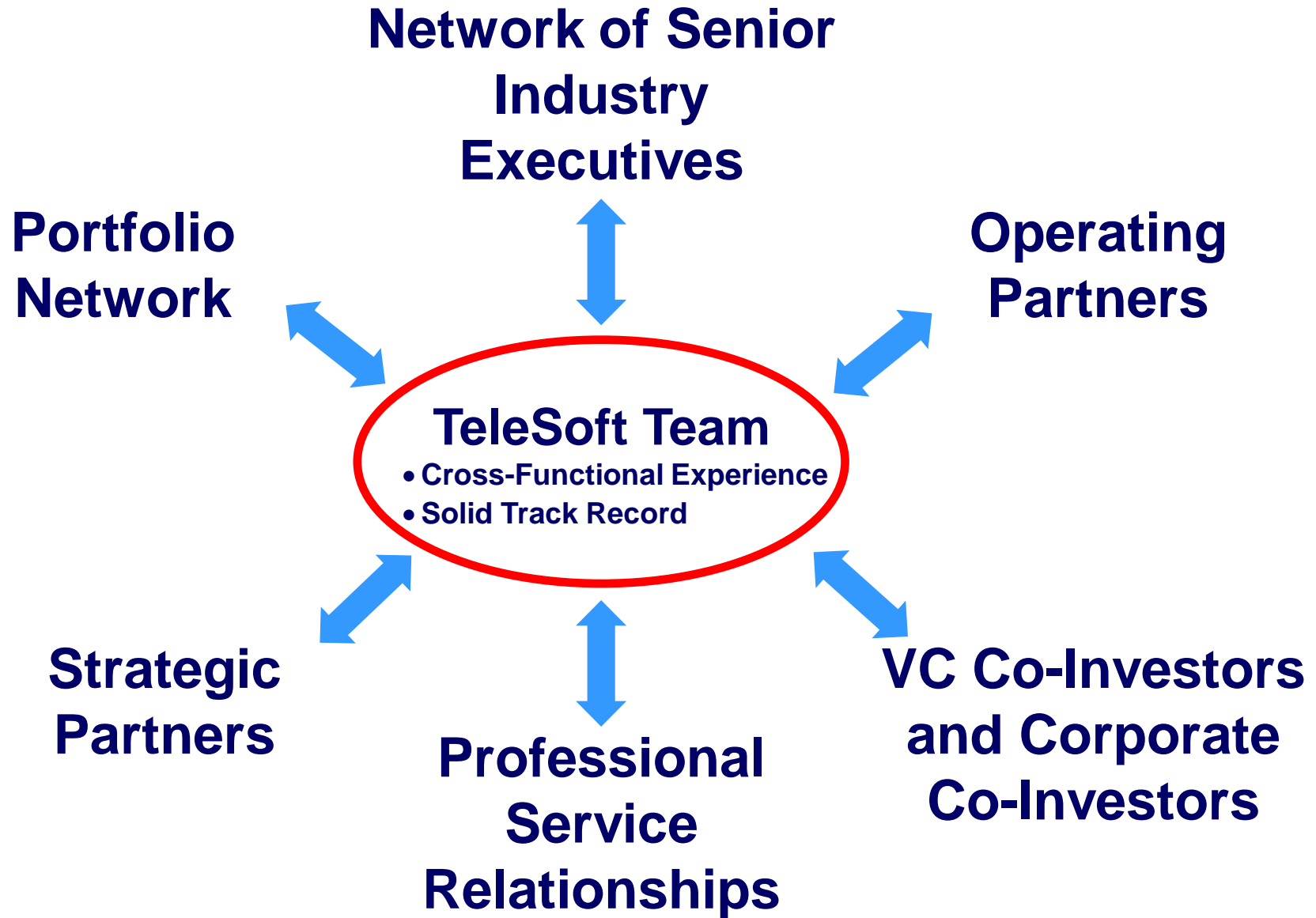
Technology • Communications • Energy Value Chain

1996 To Date: Special Situations Sweet Spot

Q2, 2016

telesoftvc.com

THE TELESOFT PLATFORM



Subject to change at the sole discretion of the General Partner.

CAPITAL COMMITMENTS

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- **Twenty-year track record including pre-TeleSoft:**
 - **Pre-TeleSoft: 1994-1996, Invested ~\$35 MM***
 - **TeleSoft-1: 1996-2008, \$163+** MM**
 - **TeleSoft-2: 2000-to-date, \$462+ MM (current fund)**
 - **Fair share of winners, mistakes, write-offs, lessons learned**
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* Pre-TeleSoft investments in Omnipoint Corporation ("Omnipoint"), BPL Mobile Communications Limited ("BPL"), and Objective Systems Integrators, Inc. ("OSI") were co-led by Arjun Gupta at the Chatterjee Management Company ("the Chatterjee Group/George Soros") prior to founding TeleSoft.

** Figure includes \$3.9 MM in TeleSoft-I Side Fund and \$18.9 MM in TeleSoft-I Coinvestments.

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SOURCING

Guess Estimates:

| | | | <u>1996-2012</u> | |
|----------------------|--------------|-----------|------------------|------------------|
| Pipeline = | ~100% | or | ~4,350 | companies |
| Initial Diligence = | ~20% | or | ~800 | companies |
| Detailed Diligence = | ~10% | or | ~400 | companies |
| Consummated = | ~1.5% | or | ~61 | companies |

~50% of the companies were introduced through TeleSoft's Strategic Partners, TeleSoft's Limited Partners, TeleSoft's Network of Executive Contacts and TeleSoft's Venture Capital relationships

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TRACK RECORD SUMMARY INCLUDING PRE-TELESOFT

- **Invested in 61* companies to date**
- **40 M&A and IPOs to date**
- **Cash acquisition price or current market value ~\$17 BB**
- **17 companies are out-of-business or written off**
- **4 private companies are left in the portfolio**

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SELECT TELESOFT AND PRE-TELESOFT TRACK RECORD*

| Year | Company |
|------|--|
| 2014 | Validity acquired by Synaptics for \$250 MM |
| 2012 | LogLogic acquired by TIBCO for \$130 MM |
| 2010 | Calix IPO priced at a market capitalization of \$570 MM |
| 2008 | Tele Atlas acquired by TomTom for \$4.3 BB |
| 2007 | Zantaz acquired by Autonomy for \$375 MM |
| 2006 | Jungo acquired by NDS for \$108 MM OnFiber acquired by Qwest Communications for \$107 MM Ikanos Secondary Offering priced at a market capitalization of \$546 MM |
| 2005 | Tele Atlas Public Offering priced at a market capitalization of \$2.6 BB Matrix acquired by SanDisk for \$250 MM Ikanos IPO priced at a market capitalization of \$377 MM BPL acquired by Hutchison for \$1.2 BB*** |
| 2004 | Internet Photonics acquired by Ciena for \$150 MM |
| 2003 | Provide Commerce IPO priced at a market capitalization of \$160 MM SigmaTel IPO priced at a market capitalization of \$502 MM |
| 2001 | Kymata acquired by Alcatel for \$117 MM Lara acquired by Cypress for \$225 MM Versatile acquired by Vitesse for \$244 MM Catamaran acquired by Infineon for \$250 MM VxTel acquired by Intel for \$550 MM |
| 2000 | OSI acquired by Agilent for \$665 MM*** CoSine IPO priced at a market capitalization of \$2.3 BB Vina IPO priced at a market capitalization of \$378 MM VoiceStream acquired by Deutsche Telekom for \$50 BB*** Triton IPO priced at a market capitalization of \$507MM Promatory acquired by Nortel for \$778 MM |
| 1999 | ConvergeNet acquired by Dell for \$340 MM Cerent acquired by Cisco for \$7 BB Omnipoint acquired by VoiceStream for \$4.5 BB*** |
| 1996 | BPL acquired by operating partner for \$228 MM*** Omnipoint IPO priced at a market capitalization of \$718 MM*** |
| 1995 | OSI IPO priced at a market capitalization of \$579 MM*** |

Total = 61 Companies***

40 M&A and IPOs

17 Out-of-business

4** Private companies

* Amounts shown are exits greater than \$100 MM. Amounts listed represent overall purchase prices for portfolio company transactions and do not represent returns to the investing fund and acquisitions following the company's IPO did not affect fund returns because acquisitions occurred after sale of securities in portfolio company.

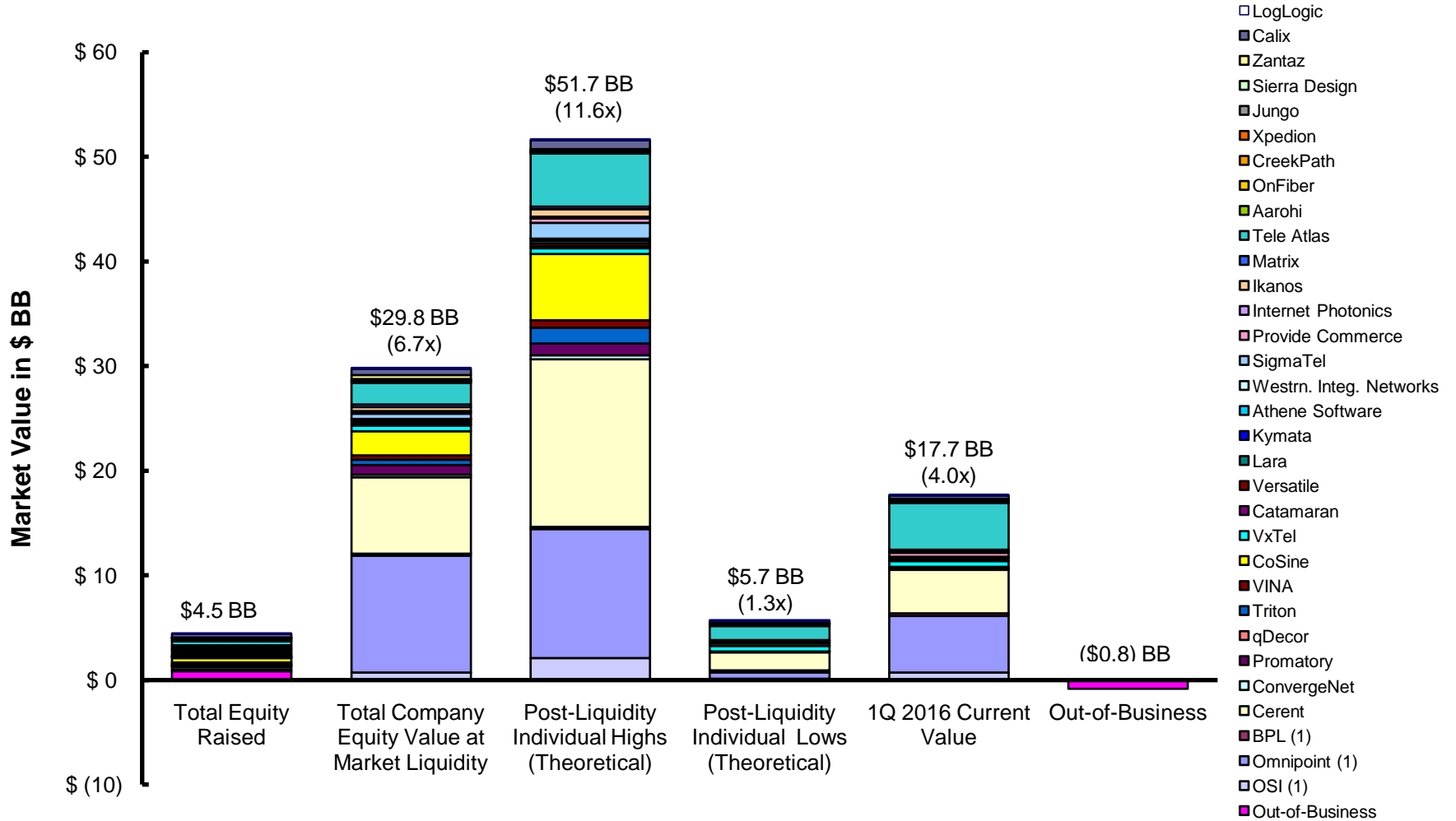
** Excludes Calix from current portfolio as Calix is in IPO count.

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BUILDING COMPANIES WITH LASTING VALUE

Market Value of Companies for 2013



Subject to change at the sole discretion of the General Partner.

Key Team Members

| | |
|-----------------------|-------------------------------|
| Arjun Gupta | Founder and Executive Manager |
| Al Howard | Managing Director |
| Alan Foster | Managing Director |
| Bill Magill | Managing Director |
| George Schmitt | Managing Director |
| Chris LeBlanc | Industry Research |
| Paul Unruh | Managing Director |
| Chris Brennan | Operating Partner |
| Don Kirby | Operating Partner |
| Gary Cuccio | Operating Partner |
| Kristin Keeffe | Counsel |

Senior Advisors

| | |
|-----------------------|-------------------------|
| Hagen Hultzsch | Senior Advisor – Europe |
| Ned Martin | Senior Advisor |
| Atiq Raza | Senior Advisor |

Industry Executive Consultants

| | |
|-------------------------|-----------------------------------|
| Amos Ben-Meir | Semiconductor Industry Consultant |
| Bruce Cohen | Semiconductor Industry Consultant |
| Mark Himmelstein | Software Industry Consultant |

OPERATING PARTNERS PROGRAM

Chris Brennan

- Former CEO of LogLogic
 - Former President & CEO of Banter and Mobileum
 - Former SVP & CFO of Genesys Telecommunications
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Gary Cuccio

- Former CEO of LHS Group
 - Former COO of Omnipoint
 - Former CEO of ATG
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Don Kirby

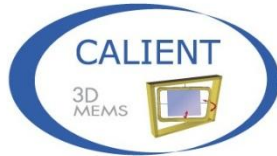
- Former Acting CEO of Validity
 - Former SVP of Synaptics
 - Former VP of National Semiconductor
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STRATEGIC PARTNERSHIPS AND RELATIONSHIPS



REMAINING TELESOFT PORTFOLIO COMPANIES

Remaining Companies



Move the light, not the fiber



Note: Education.com, Nexant, Voxeo are not in the SBIC Fund, but are in the Parent Fund.

BUILDING VALUE POST-INVESTMENT SPECIFIC ACTION PLANS ALONG SIX KEY PARAMETERS

① Product Roadmap and Execution

② Team

- Management Team, Board of Directors, Industry Advisors

③ Capital

- VCs and Corporate Co-Investors, Individual Investors

④ Channels

⑤ Strategic Partnerships

⑥ Anchor Customers and Early Revenue

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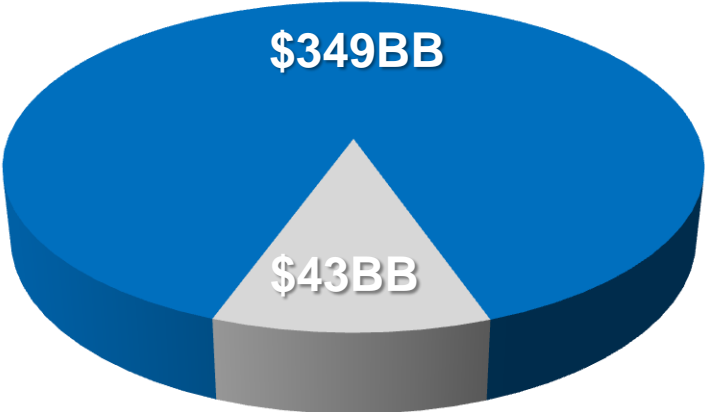
THE NEXT DECADE

- **Software as a Service (SaaS)**
- **Wireless Opportunities**
- **Digital Media and Consumer Applications**
- **Energy Value Chain**
- **India Opportunities**

MEGA SaaS OPPORTUNITY

2014A WW Software Spending
100% = ~\$382 billion

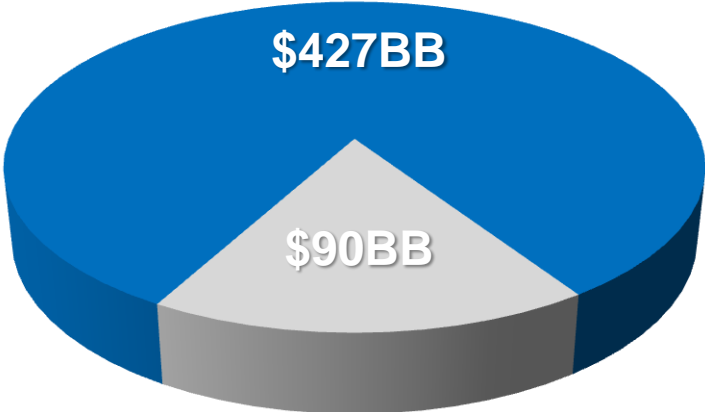
Traditional software
(~89%)



SaaS
(~11%)

2019E WW Software Spending
100% = ~\$518 billion

Traditional software
(~83%)

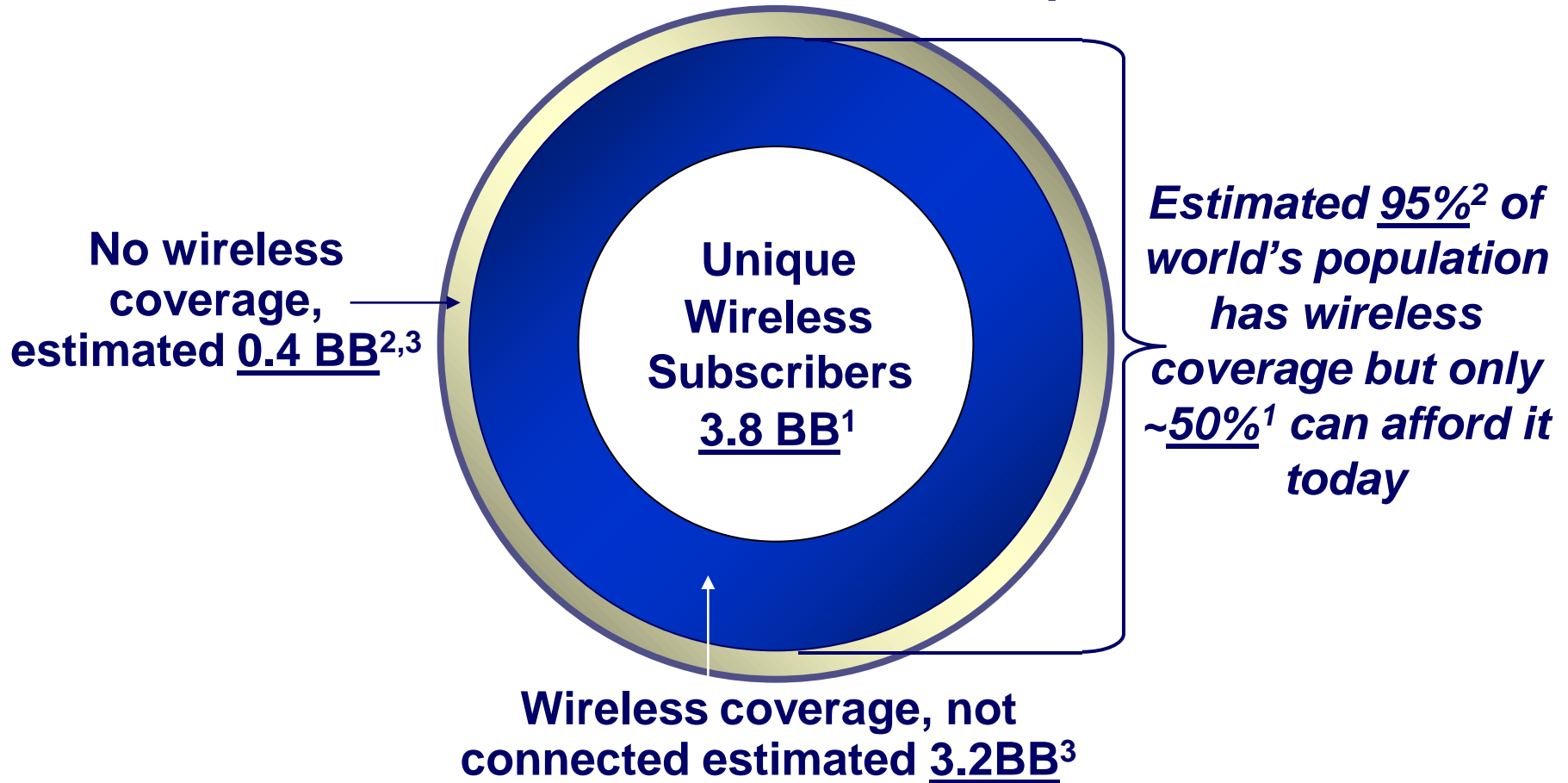


SaaS
(~17%)

Sources: IDC, Worldwide SaaS and Cloud Software 2015–2019 Forecast.
Subject to change at the sole discretion of the General Partner.

WORLDWIDE WIRELESS MARKET OPPORTUNITIES

Worldwide Mobile Connectivity
80% of Total Telecom Subscriptions⁴



(1) 3.8BB unique subscribers based on estimate from GSM Association - <https://gsmaintelligence.com/>

(2) 95% of global population covered by 2G networks – International Telecommunications Union, "The World in 2015"

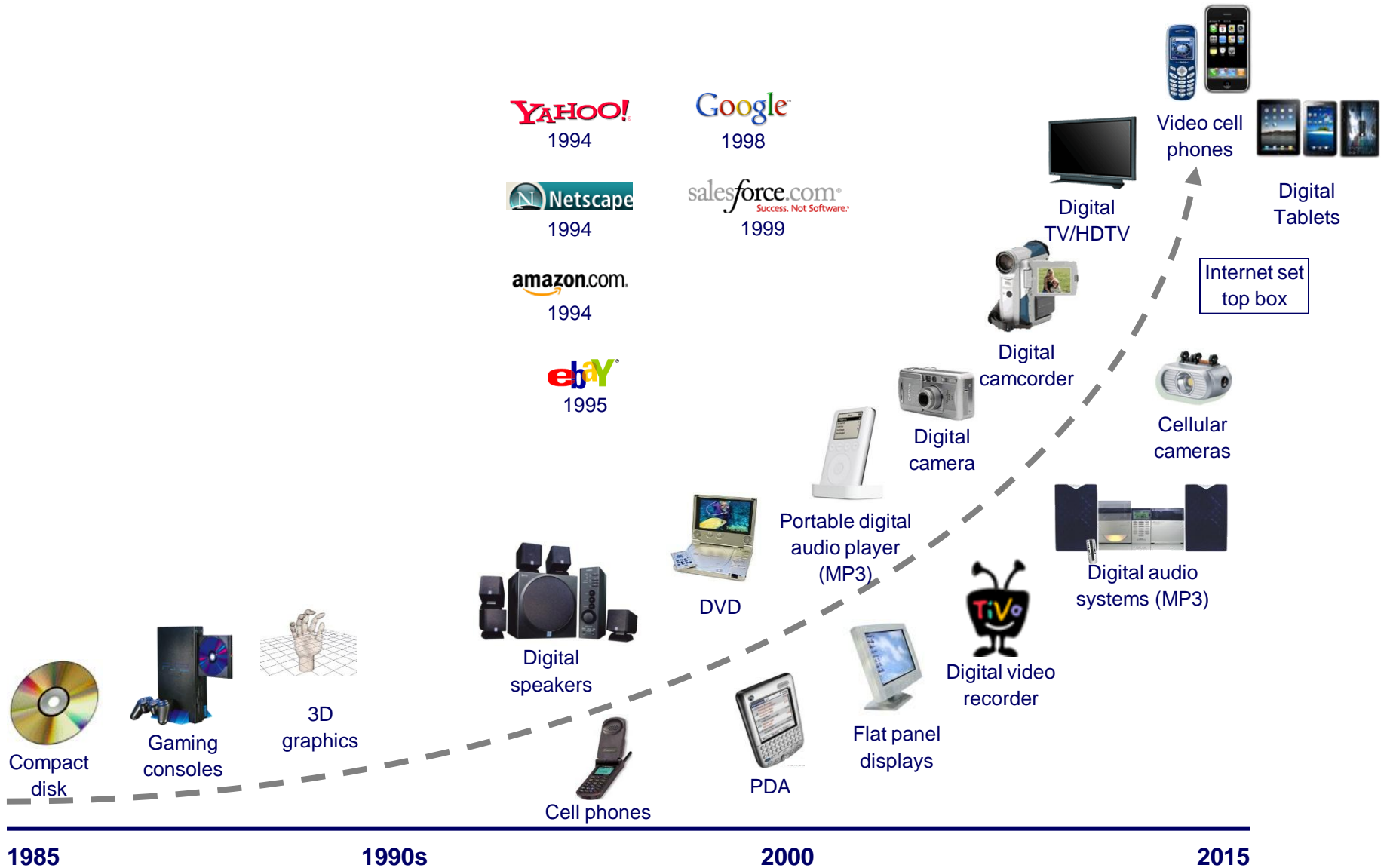
(3) Assumes 7.4BB population as of January 2016

(4) Based on data from Research and Markets (estimated 7.2BB wireless subscriptions, 9.2BB total telecom subscriptions at end of 2015)

Sources: GSMA estimates, Merrill Lynch estimates, Trade press, Industry sources, Internal estimates.

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DIGITAL MEDIA APPLICATIONS PROLIFERATION



1985

1990s

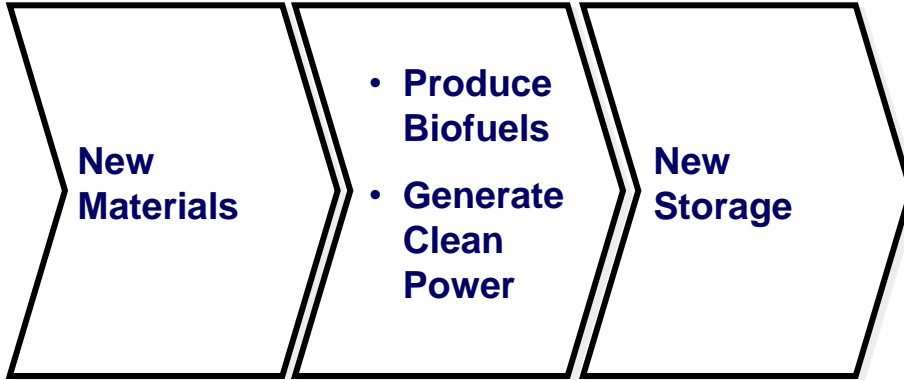
2000

2015

Sources: Wall Street research and Industry sources.
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CASE STUDY: NEXANT – ENERGY VALUE CHAIN (EVC)

Supply Side

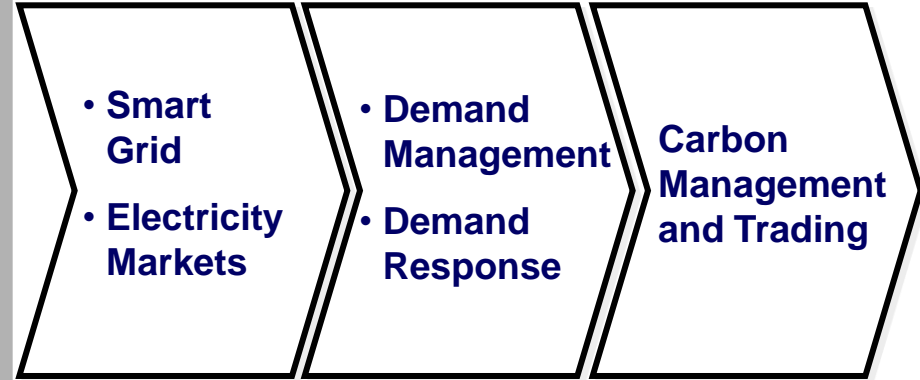


New Science and Technologies

Nexant state-of-the-art examples include:

- California Renewables Initiative
- Solar II -- Advanced Central Receivers
- Hydrogen Fuel Cell Tech (AC Transit)
- Liquid Biofuels
- Ultraclean Fuel Technology (WMPI)
- Innovative CO2 capture technologies

Demand Side



Mega IT/Comm/Network Opportunities

~\$20 trillion to be invested in the world's power infrastructure in the next 2-3 decades*

- Wireless & smart meters (AMI)
- Control systems & sensors
- Network management systems (NMS)
- Power routers & power network
- Operational support systems (OSS)
- Grid management & applications

*Source: International Energy Agency

CASE STUDY: NEXANT OVERVIEW



- Technology Enabled Services (TES) for utilities, software for T&D companies and ISOs; services for utilities' energy efficiency programs, customer strategy and grid management; and energy and chemicals advisory.
- TeleSoft Partners is the largest preferred shareholder of Nexant.
- ~625 energy software and industry specialists, including 45 PhD's and 240 Advanced Degrees, across 30 global offices.
- Engaged in high-growth markets including Energy Efficiency, Demand Response, and Grid Modernization.
- Key Customers: Over 70 utilities in North America, 150 power control centers, and 100 oil and gas companies worldwide; including PG&E, ComEd, Southern California Edison, PJM Interconnection, New York ISO, ISO-New England, ConocoPhillips, ExxonMobile, Saudi Aramco, etc.
- TES and Software IP: (i) Efficiency & Demand Response; (ii) Customer Engagement, Billing and Care; (iii) Grid Management.

CASE STUDY: NEXANT BUSINESS HIGHLIGHTS

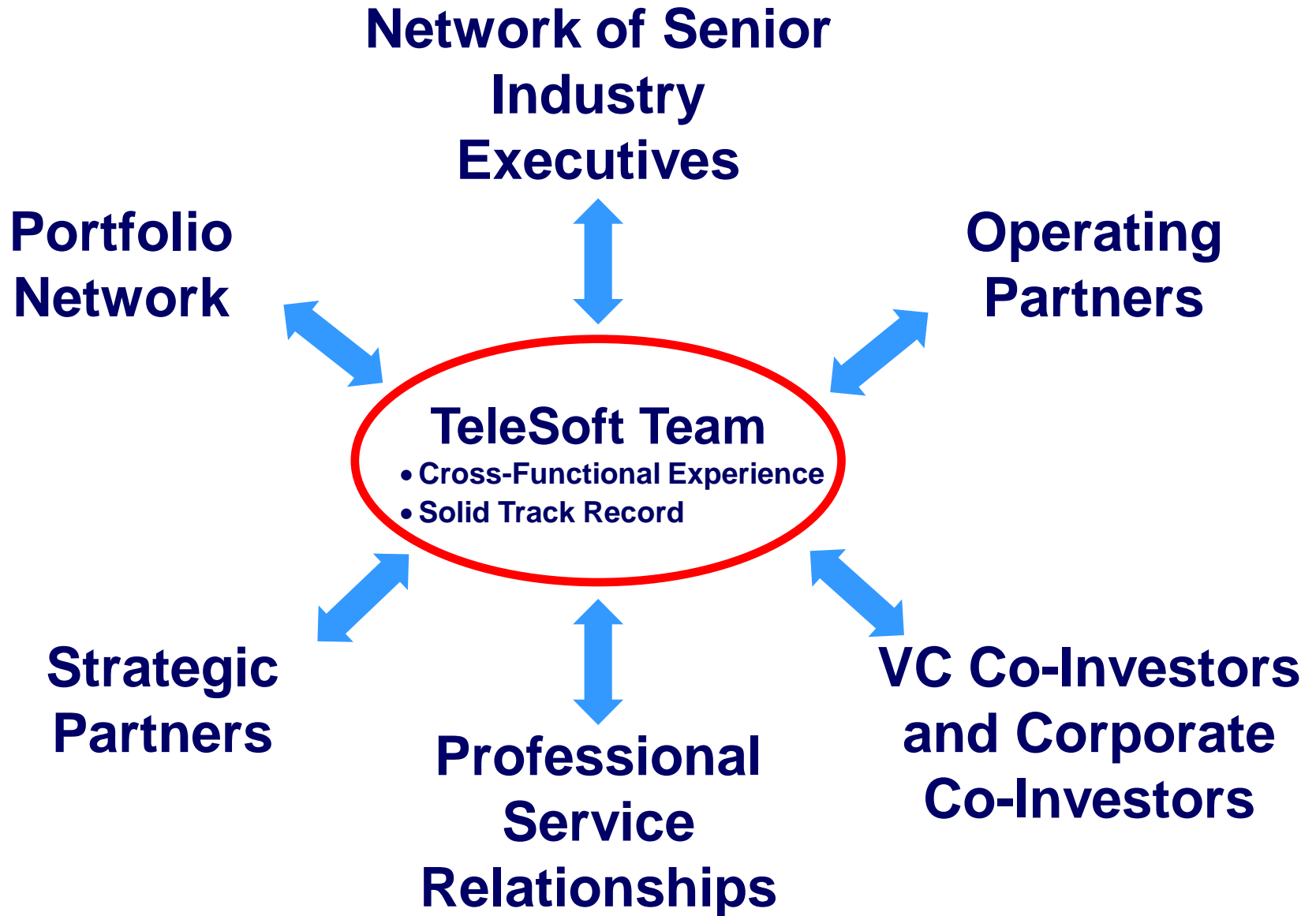


- Business transition underway to offering Technology Enabled Services (TES) and grid management software for utilities.
- Key software IP includes –
 - (i) iEnergy®, a purpose-built data management, analytics and customer engagement platform for DSM initiatives;
 - (ii) RevenueManager®, for dynamic pricing and complex billing; and
 - (iii) Grid360®, to model, plan and optimize grid operations.
- Revenue growth 2008 ~\$60MM to 2015 ~\$120M (CAGR ~10.5%).
- Target revenue growth 2015 ~\$120M to 2020 ~\$300MM (CAGR ~20%).
- At YE2015 Backlog of ~\$130M and Cash of ~\$28M.

COMMUNITY PROJECTS & FOUNDATION

- **Corporate Social Responsibility**
- **Significant capital commitment**
- **Up to 1% time volunteered by TeleSoft staff**
- **Key areas: Education, Medical Research, Performing Arts, Community**
- **Helped fund ~90 projects to date in America, India, and Africa**

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