Celitech – the platform Enabling any Business to offer Mobile Connectivity

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Interview conducted by:
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CEOCFO: *Mr. Fares, what is the concept behind CeliTech®. Inc?*
Mr. Fares: Celitech is the world's first digital-only cellular data platform, enabling online businesses and apps to offer wireless connectivity to their customers and improve their mobile reach and engagement. It is basically an API or a platform-as-a-service (PaaS) that enables any business with online presence to add cellular data eSIM to what they offer and accordingly utilize mobile connectivity & analytics to better serve customers or upsell new products.

CEOCFO: *What was the challenge in creating the platform?*
Mr. Fares: The challenge was that cellular data has always been provided using a physical element, which is a sim card. The main challenge for us was to make sure that we have a digital-only platform both on the backend and the device side, so that we can basically enable businesses to program wireless connectivity to fit their use case without using any hardware elements that affect distribution. We actually have a cellular network in our office in Santa Clarita, CA, where we did all of our initial R&D and our main challenge was to make sure that we can deliver the service using an end-to-end digital platform utilizing the cloud on one end and eSIM QR codes on the other.

CEOCFO: *Are people skeptical about this new approach?*
Mr. Fares: On the user side we ended up using a standard feature, which is the eSIM. Our earlier research was trying to connect phones to networks or let us say, smart devices to cellular networks, using a non-standardized way which works over-the-top (OTP), similar to what happened with voice communication. The internet securely enabled Voice over IP, without using dedicated switching or hardware elements. We were trying to follow a similar approach for cellular data until eSIM came out and solved our problem from the user end.

eSIM is an embedded sim card in phones, now in the iPhone and in many phones, tablets, laptops and watches. Therefore, it is a standard feature now and it can accept our QR code to basically connect and to consume the service. Given that it is standardized by the GSMA, it became an easier sell to businesses or even to the customers to accept.

CEOCFO: *Who is using your service? Who is your typical customer?*
Mr. Fares: For a typical customer; in our case we have a variety of customers, especially in travel where our early use case was with Expedia. However, now we have a variety of other use cases like apps and online businesses that add the service to their offerings. I can say VoIP apps, Wi-Fi apps, marketing apps, even businesses with, let us say, distributed teams operating outdoors. These are also apps that currently benefit from the service. But we are just scratching the surface now and expect many new businesses and apps to benefit from our platform to improve their mobile reach and engagement.

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I think we are going to see more use cases with time given how simple and effective wireless data can get, because businesses can program it now and deliver it digitally to better serve their customers. Remember back in the days when we used to pay for Wi-Fi at hotels and coffee shops until these businesses realized that they can sponsor such Wi-Fi to upsell you something else like in-room food & beverage or movie streaming. Accordingly, complimentary Wi-Fi became so common in these places but coupled with another paid service or product. Now similarly we have businesses that want to reach out and do more for mobile customers, and they are doing it using cellular data eSIMs.

CEOCFO: *How would a company implement your service?*
Mr. Fares: For a company to implement our service we have a trial access that we give them so that they can try our API, because seeing is believing as always. This is where they can start with a few testing users. Then we proceed to sign up a basic agreement that specifies our services & prices. From here we progress to full integration and once the business website or app is fully integrated, they would be able to request eSIMs programmatically and on-demand whenever they need it, to offer it to their customers and end-users. It is a very easy process. Depending on the partner and how they want to present & utilize the service, it can take a couple of days to have the integration complete and it is totally free as we don't charge any set up fees.

> **"Celitech is the world's first digital-only cellular data platform, enabling online businesses and apps to offer wireless connectivity to their customers and improve their mobile reach and engagement." Ahmad "Al" Fares**

CEOCFO: *How are you reaching out so people know what you have and understand Celitech?*
Mr. Fares: That is a great question. We unofficially released our API a couple of months back and what we are trying to do now is to reach out to decision makers in companies with online presence, websites or apps that can benefit from our API. We do that using e-mail for the time being. At the same time, we use online exhibitions and I speak at conferences where we can meet these people to firstly introduce our service, because so many still do not know about the existence and possibility of such service. Therefore, we kind of introduce and demo the service first before moving down the funnel to eventually signing new clients.

CEOCFO: *Would you tell us about being named as the Overall Wireless Broadband Solution of the Year from the Mobile Breakthrough awards?*
Mr. Fares: Yes. We were approached by the Mobile Breakthrough awards to be considered to the award, and basically submitted an application sharing with them what we do. We found out that we were short-listed and eventually named as the "Overall Wireless Broadband Solution of the Year", because they could see how we make cellular data programmable and accessible through our API. Eventually, they spotted how we are enabling a new generation of connectivity by offering such wireless service using eSIM QR codes in a programmable manner that can fit any business use case.

CEOCFO: *You have a US service. Do you also have a separate global service?*
Mr. Fares: Yes. We currently have over forty-five countries in total, including the US, UK and Europe, but we plan to add even more countries as we go. We have access to over six hundred networks in over two hundred countries. However, we only opted to activate forty-five countries to begin with, because these are the countries where we see eSIM penetration, mainly through iPhone and other devices that support this feature. However, gradually as we grow, we want to add the other countries to our platform and eventually cover over two hundred countries soon.

CEOCFO: *What are the barriers to entry for other companies that can offer something similar?*
Mr. Fares: For barriers to entry, we patented much of what we did, especially around the programmability of cellular data using eSIM. Therefore, our patents or IP are, let us say, kind of a barrier to direct competition. Other barriers would be, for example, having a deep understanding of cellular networks on one hand and on the other having the required cloud/tech capabilities and integrations.

CEOCFO: *With COVID more and more people are working remotely with questionable security. Do you see an upside for Celitech?*
Mr. Fares: Absolutely! COVID had an impact on our travel use case, which was our primary use case early on, because international travelers tend to pay a lot for roaming and our service can provide an alternative which is much cheaper and

convenient. However, COVID created many new use cases. It probably changed the way we interact as human beings as we will be more remote now, whether it comes to work, education, telehealth, shopping, and all of these applications and activities that are online now.

We see so many of these use cases that are remote and require wireless connectivity or mobile analytics. This is where our API can be handy. Let us say that you have telehealth appointment with a doctor, and you are using your Wi-Fi at home to run this appointment. However, this is a critical appointment that you cannot miss, so you do not want your Wi-Fi to let you down. One use case here is basically offering our service as a backup connectivity, as connectivity insurance to your primary connectivity, to make sure that in case you lose Wi-Fi at home, you have cellular as a backup option and accordingly, you will not miss your appointment. Whether it is a doctor appointment, an online class, or even work meetings, whatever you are interacting with online, business continuity and backup connectivity have become extremely essential.

Also, when it comes to remote work, people are also working out of public places and remote areas. Accordingly, public Wi-Fi is not an option in some cases and in other cases it is not secure. Cellular data in this case can be an alternative, because cellular data is encrypted over the radio and accordingly, it provides more secure connectivity, especially for companies interacting with their employees. Therefore, companies can offer the service to their employees and contractors to make sure they stay securely connected or have backup connectivity while working remotely.

CEOCFO: *If you are, for example, in an area where there are hurricanes and everything seems to fall apart, including Wi-Fi, would this be an option?*
Mr. Fares: Absolutely! What we do is we utilize existing cellular networks. Obviously, we work with cellular networks. We us the cloud and our back end to connect to cellular networks, like AT&T in the US, and Vodafone, Telefonica, Orange among others globally. For example, in the US, whenever there is an issue with Wi-Fi, let us say due to a drop in the service, if AT&T's network is there our service will be there, in this case because we are using AT&T's cellular towers. The beauty of this service is that you can program it as well to pick more than one network. In most of the countries we serve we have more than one network, so you can have the redundancy and coverage of two wireless networks instead of one; i.e. your smartphone or smart device would automatically connect to the best available network and we achieve more redundancy in this sense on top of better quality of service.

CEOCFO: *How did you decide on pricing? It is always a critical factor.*
Mr. Fares: For pricing, one factor which differentiates what we do is that we help you to connect on demand. The problem with the emerging use cases, especially given that we are operating remotely and using more consumer IOT devices, more on-demand connectivity is required. Now, your home speaker is connected to the internet, your tablet, your car, your watch, your door camera; you have so many devices that connect to wireless in general. However, you are not willing to buy a wireless plan for every device, because it gets crazy and then you prefer just to keep the main plan or the main service restricted to your smartphone, because you do not want to pay a regular monthly subscription for every device.

If you have a drone, a laptop or a tablet, you are mostly using such device at home, but when you go outdoors (e.g. on a road trip or to a park) you want to connect to wireless and you are willing to pay for connectivity for a couple of hours, or maybe couple days, but not for a monthly plan. Our service enables these kinds of "disconnected" use cases.

In our case, you can offer such users a ten-dollar access for like few hours or couple days and then they will be able to connect any of their eSIM-enabled devices. In this sense, by enabling the on-demand digital availability of this connectivity, we make the price much more affordable and the service convenient given that you don't have to go to a shop or wait for a sim card by mail. And to make it even more convenient, businesses offering you any product can be the service provider and effectively bundle this connectivity either as an extra, paid service or as a complimentary perk (e.g. to improve customer engagement or loyalty).

CEOCFO: *Are you seeking funding, partnerships or investment as you move forward?*
Mr. Fares: Yes, absolutely! Our primary focus now is seeking partnerships and new use cases, let us say, online businesses and apps that can benefit from what we offer. That is why we do the basic B2B marketing; to reach out to these businesses and sign up new clients. We have a basic API demo available online (https://celitech.com/api/) and we

also offer a free trial access to show these businesses and apps what our API can do for them and their customers. As a secondary focus and as we grow, we will require more funding and expect to talk to relevant VC's.

CEOCFO: *What is the takeaway for our readers? What should people remember about CeliTech?*
Mr. Fares: People should probably remember that we are making connectivity flexible to fit the customer first. Historically, businesses and customers had to pick from static connectivity services, like to pick from pre-defined plans that the customer has to choose from. We are changing connectivity, making it both digital and programmable to fit exactly what the customer or business needs in a more efficient way. We are moving from carrier-focused or network-focused to customer-focused, because we believe we are scratching the surface when it comes to the consumer IoT and what we can connect in terms of smart devices around us.

The side effect we are also addressing here is the digital divide that affects about 25% of Americans and as many as 3 billion people globally. Now, with this programmability and digital delivery of eSIM and with the help of businesses who want to improve their mobile reach, we will be able to offer connectivity in new innovative ways and make it not only economical and accessible for new use cases, but also for people who need it and cannot afford it.