
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 28, 2018

STELLAR ACQUISITION III INC.

(Exact name of registrant as specified in its charter)

Republic of Marshall Islands

(State or other jurisdiction of
incorporation or organization)

001-37862

(Commission File Number)

N/A

(I.R.S. Employer
Identification Number)

90 Kifissias Avenue, Maroussi Athens, Greece

(Address of principal executive offices)

15125

(Zip Code)

Registrant's telephone number, including area code: **+30 210 876-4858**

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation to the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

Attached as Exhibit 99.1 to this Current Report on Form 8-K is an updated investor presentation (the “Investor Presentation”) that Stellar Acquisition III Inc. (“Stellar”) expects to use in making presentations to certain of its shareholders and other persons with respect to its previously announced agreement to enter into a business combination (the “Business Combination”) with Phunware, Inc. (“Phunware”). This investor presentation updates the investor presentation filed as Exhibit 99.1 to Stellar’s Current Report on Form 8-K, which was filed on April 16, 2018 (the “Prior Presentation”), and investors should no longer rely on the prior presentation.

The Investor Presentation is intended to be furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

Additional Information

In connection with the Business Combination, Stellar has filed Amendment No.1 to its Registration Statement on Form S-4 (File No. 333-224227), which includes a preliminary proxy statement/prospectus of Stellar. Following the effectiveness of the Registration Statement, Stellar will mail a definitive proxy statement/prospectus and other relevant documents to its shareholders. **Investors and security holders of Stellar are advised to read the preliminary proxy statement/prospectus, and, when available, amendments thereto, and the definitive proxy statement/prospectus in connection with Stellar’s solicitation of proxies for its special meeting of shareholders (the “Special Meeting”) to be held to approve the Business Combination and related matters because the proxy statement/prospectus contains important information about the Business Combination and the parties to the Business Combination as well as the related matters to be considered at the Special Meeting. The definitive proxy statement/prospectus will be mailed to shareholders of Stellar as of a record date to be established for voting on the Business Combination. Shareholders will also be able to obtain copies of the Registration Statement and proxy statement/prospectus, without charge, once available, at the SEC’s website at www.sec.gov or by directing a request to: Stellar Acquisition III Inc., 90 Kifissias Avenue, Maroussi Athens, Greece.**

Participants in the Solicitation

Stellar and Phunware and their respective directors, executive officers, other members of management, and employees, under SEC rules, may be deemed to be participants in the solicitation of proxies of Stellar’s shareholders in connection with the Business Combination. **Investors and security holders may obtain more detailed information regarding the names and interests in the Business Combination and related matters of Stellar’s directors and officers in Stellar’s filings with the SEC, including Stellar’s Registration Statement on Form S-1, which was filed with the SEC on August 18, 2016 and Stellar’s Annual Report on Form 10-K for the year ended November 30, 2017, which was filed with the SEC on February 2, 2018, and such information is also in Amendment No. 1 to its Registration Statement on Form S-4, which was filed with the SEC on June 11, 2018, which includes the proxy statement/prospectus of Stellar for the proposed Business Combination and related matters.**

Cautionary Note Regarding Forward-Looking Statements

Certain statements made herein and in the Investor Presentation are not historical facts but are forward-looking statements for purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by words such as “may”, “should”, “would”, “plan”, “intend”, “anticipate”, “believe”, “estimate”, “predict”, “potential”, “seem”, “seek”, “continue”, “future”, “will”, “expect”, “outlook” or other similar words, phrases or expressions. These forward-looking statements include statements regarding Stellar’s and Phunware’s industry, future events, the Business Combination, the estimated or anticipated future results and benefits of the combined company following the transaction, including the likelihood and ability of the parties to successfully consummate the Business Combination, future opportunities for the combined company, and other statements that are not historical facts. These statements are based on the current expectations of Stellar’s management and are not predictions of actual performance. These statements are subject to a number of risks and uncertainties regarding the businesses of Stellar and Phunware and the transaction, and actual results may differ materially. These risks and uncertainties include, but are not limited to, changes in the business environment in which Stellar or Phunware operates, including inflation and interest rates, and general financial, economic, regulatory and political conditions affecting the industry in which Stellar or Phunware operates; changes in taxes, governmental laws, and regulations; competitive product and pricing activity; difficulties of managing growth profitably; the loss of one or more members of Stellar’s or Phunware’s management teams; the inability of the parties to successfully or timely consummate the Business Combination, including the risk that any required regulatory approvals are not obtained, are delayed or are subject to unanticipated conditions that could adversely affect the combined company or the expected benefits of the transaction or that the approval of the shareholders of Stellar or Phunware are not obtained; failure to realize the anticipated benefits of the transaction, including as a result of a delay in consummating the transaction or a delay or difficulty in integrating the businesses of Stellar and Phunware; uncertainty as to the long-term value of Stellar’s common stock; those discussed in the Stellar’s Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q and other documents of Stellar has filed or will file with the SEC or in the registration statement filed with the SEC by Stellar. There may be additional risks that Stellar presently does not know or that Stellar currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward-looking statements provide Stellar’s expectations, plans or forecasts of future events and views as of the date of this communication. Stellar anticipates that subsequent events and developments will cause Stellar’s assessments to change. However, while Stellar may elect to update these forward-looking statements at some point in the future, Stellar specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing Stellar’s assessments as of any date subsequent to the date of this communication.

Disclaimer

This report shall neither constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which the offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit

No.	Description
99.1	Investor Presentation - June 2018

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: June 28, 2018

STELLAR ACQUISITION III INC.

By: /s/ Prokopios (Akis) Tsirigakis
Name: Prokopios (Akis) Tsirigakis
Title: co-Chief Executive Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Investor Presentation - June 2018



Investor Presentation
June 2018

Disclaimer and Important Notices



This Investor Presentation (the "Investor Presentation") is for informational purposes only and does not constitute an offer to sell, a solicitation of an offer to buy, or a recommendation to purchase any equity, debt or other financial instruments of Phunware, Inc. ("Phunware" or the "Company") or Stellar Acquisition III Inc. ("Stellar") or any of Phunware's or Stellar's affiliates' securities (as such term is defined under the U.S. federal securities laws). This Investor Presentation has been prepared to assist interested parties in making their own evaluation with respect to the proposed business combination of Phunware and Stellar and for no other purpose. The information contained herein does not purport to be all-inclusive. The data contained herein is derived from various internal and external sources. No representation is made as to the reasonableness of the assumptions made within or the accuracy or completeness of any projections, modeling or back-testing or any other information contained herein. All levels, multiples, prices and spreads are historical and do not represent current market levels, prices, multiples or spreads, some or all of which may have changed since the issuance of this document. Any data on past performance, modeling or back-testing contained herein is no indication as to future performance. Phunware and Stellar assume no obligation to update the information in this Investor Presentation.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Investor Presentation includes financial forecasts, projections, and other forward-looking statements regarding Phunware, its business and prospects that are within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "anticipate", "may", "believe", "expect", "estimate", "plan", "outlook", "target", "continue", "intend" and "project" and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters and are intended to identify forward-looking statements. Such forward-looking statements with respect to revenues, earnings, performance, strategies, prospects and other aspects of the businesses of Stellar, Phunware and the combined company after completion of the proposed business combination are based on current expectations that are subject to risks and uncertainties. Accordingly, actual results and performance may materially differ from results or performance expressed or implied by the forward-looking statements. These factors include, but are not limited to: (1) the occurrence of any event, change or other circumstances that could give rise to the termination of the Agreement and Plan of Merger for the business combination (the "Business Combination Agreement"); (2) the outcome of any legal proceedings that may be instituted against Stellar, Phunware or others following announcement of the Business Combination Agreement and transactions contemplated therein; (3) the inability to complete the transactions contemplated by the Business Combination Agreement due to the failure to obtain approval of the stockholders of either Phunware or Stellar, or other conditions to closing in the Business Combination Agreement; (4) the risk that the proposed transaction disrupts current plans and operations as a result of the announcement and consummation of the transactions described herein; (5) the ability of Phunware to meet its financial and strategic goals, due to, among other things, competition, the ability of the combined company to grow and manage growth profitability, maintain relationships with suppliers and obtain adequate supply of products and retain its key employees; (6) costs related to the proposed business combination; (7) changes in applicable laws or regulations; (8) the possibility that Phunware, or the combined company going forward, may be adversely affected by other economic, business, and/or competitive factors; (9) the ability of the combined company to meet Nasdaq's continued listing requirements and (10) other risks and uncertainties indicated from time to time in the proxy statement, including those under "Risk Factors" therein, and other filings with the Securities and Exchange Commission by Stellar. You are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made, and Stellar and Phunware undertake no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise. If the risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements.

This Investor Presentation may not be distributed, reproduced or forwarded, or its contents or existence published, to any other person, in whole or in part, in any form. You must comply with your obligations under the U.S. federal securities laws and all other applicable securities, including with respect to any applicable restrictions on trading. Continued review of this Investor Presentation constitutes agreement with the foregoing instructions.

ADDITIONAL INFORMATION ABOUT THE MERGER AND WHERE TO FIND IT

In connection with the proposed business combination, Stellar has filed a preliminary proxy statement with the SEC and will mail a definitive proxy statement and other relevant documents to its shareholders. Investors and security holders of Stellar are advised to read, when available, the preliminary proxy statement, and amendments thereto, and the definitive proxy statement in connection with Stellar's solicitation of proxies for its extraordinary shareholders' meeting to be held to approve the proposed business combination with Phunware and related matters because the proxy statement will contain important information about the proposed business combination and the parties thereto. The definitive proxy statement will be mailed to stockholders of Stellar as of a record date to be established for voting on the proposed business combination. Stockholders will also be able to obtain copies of the proxy statement, without charge, once available, at the SEC's website at www.sec.gov.

PARTICIPANTS IN SOLICITATION

Stellar, Phunware, and their respective directors, executive officers and other members of their management and employees, under SEC rules, may be deemed to be participants in the solicitation of proxies of Stellar shareholders in connection with the proposed business combination. Investors and security holders may obtain more detailed information regarding the names, affiliations and interests in Stellar of directors and officers of Stellar in Stellar's proxy statement as described above. Information regarding the persons who may, under SEC rules, be deemed participants in the solicitation of proxies to the Stellar's shareholders in connection with the proposed business combination will be set forth in the proxy statement for the proposed business combination. Information concerning the interests of Stellar's and Phunware's participants in the solicitation, which may, in some cases, be different than those of Stellar's and Phunware's equity holders generally, will be set forth in the proxy statement relating to the proposed business combination.

TRANSACTION SUMMARY



Parties to the Business Combination



- Stellar Acquisition III, Inc. ("Stellar", NASDAQ: STLR), a special purpose acquisition company (SPAC), completed a \$70.4 million IPO⁽¹⁾ in September 2016
- Stellar's management team has successfully completed two prior SPAC transactions
- Announced business combination with Phunware on February 28, 2018
- Cash in Trust: \$37.1 million post-extension, Redemption price: \$10.445/share⁽²⁾

SPAC I – Star Maritime Acquisition Corp. (AMEX:SEA)	SPAC II – Nautilus Marine Acquisition Corp. (NASDAQ:NMAR)
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| <ul style="list-style-type: none"> Closed a business combination to create Star Bulk Carriers Corp. (NASDAQ: SBLK) in December 2007; acquired a fleet of dry-bulk carriers for a purchase price of \$345 million Produced ~104% arbitrage SBLK's current NASDAQ market capitalization is ~\$850 million | <ul style="list-style-type: none"> Closed a business combination to create Nautilus Offshore Inc. in February 2013; acquired a fleet of offshore vessels and contracts with Brazilian oil company Petrobras Produced ~64% arbitrage Nautilus merged into DryShips (NASDAQ: DRY5) in October 2015 Investors achieved 60%+ IRR |
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- Phunware, Inc. ("Phunware" or the "Company") is the only fully integrated software platform that equips Fortune 500 companies to engage, manage, and monetize their mobile application portfolios globally at scale
- 2+ billion Phunware IDs, 1 billion monthly active unique devices (MAUDs)
- Hundreds of mobile apps; platform touches 1 in 10 devices worldwide
- Founded in 2009, the Company is headquartered in Austin, Texas and has 178 employees
- Highly experienced management team led by Co-Founder and Chief Executive Officer, Alan S. Knitowski
 - Founder and CEO, Vovida Networks (acquired by Cisco Systems)
 - Founder and Director, Telverse Communications (acquired by Level 3 Communications)
 - Director, vCIS (acquired first by Internet Security Systems and subsequently by IBM)
- Phunware has initiated the launch of the PhunCoin token rights sale for \$100 million to build a data-driven value exchange connecting consumers, developers, and brands

4 (1) Includes partial exercise of the over-allotment option and proceeds from the private placements with Stellar Sponsors.
 (2) As of June 25, 2018.

Board of Directors – Post-Transaction



Executive Directors



Alan S. Knitowski
CEO, [Phunware](#)

Founder and CEO, Vovida Networks (acquired by Cisco Systems)

Founder and Director, Telverse Communications (acquired by Level 3 Communications)

Director, vCIS (acquired first by Internet Security Systems and then IBM)

Cisco Systems, Nortel Networks, US Army, Curo Capital, Ecewa Capital Group

MSIE, Georgia Tech, MBA, UC Berkeley and BSIE, University of Miami (FL)



Randall Crowder
COO, [Phunware](#)

Co-Founder and Managing Partner, TEXO Ventures

Sole Founder and Managing Partner, Novè Ventures

Executive Director, Central Texas Angel Network (CTAN)

BS, United States Military Academy at West Point and MBA, McCombs School of Business at UT-Austin

Kauffman Fellow and member of the Young Entrepreneur Council (YEC)

Independent Directors



Akis Tsirigakis
Chairman, President and Co-CEO, [Stellar](#)

Co-Founder, President, and ex-CEO of Star Bulk Carriers Corp, (NASDAQ:SBLK) and Star Maritime (AMEX:SEAS).

Co-Founder and ex-CEO of Nautilus Marine Acquisition (NASDAQ:NMAR)
Ex-Board member of NASDAQ:ORIG and NASDAQ:DRYS

35-year veteran in maritime/energy, 13 years in corporate finance and SPACs

General Partner/CEO, Seven Seas Investment Fund, Luxembourg
M.S. and B.Sc., University of Michigan, Ann Arbor



George Syllantavos,
Co-CEO and CFO, [Stellar](#)

Co-Founder and ex-CFO of Star Bulk Carriers Corp, (NASDAQ:SBLK) and Star Maritime (AMEX:SEAS).

Co-Founder and ex-CFO of Nautilus Marine Acquisition (NASDAQ:NMAR)

Director and ex-President, CEO of BTHGX Inc, (data encryption / georeplication)

25 years in corporate finance and transportation/energy management, 13 years of SPAC experience

MBA, Northwestern University (Kellogg) and B.Sc. Industrial Engineering, Roosevelt University

Three(3) additional Directors to be nominated by Phunware, at least two (2) of which will be independent Directors under Nasdaq requirements (selection in process)

Transaction Overview



Overview	<ul style="list-style-type: none"> Phunware has signed a definitive agreement to merge with a newly-formed subsidiary of Stellar (NASDAQ: STLR) Existing Phunware security holders will receive a total of \$301 million in equity consideration (subject to adjustment for Phunware's cash and debt), with Phunware stockholders receiving Stellar stock at the redemption price for Stellar's public stockholders, currently \$10.445 per share⁽¹⁾ (subject to additional Trust extensions) Phunware option-holders and warrant-holders will have their options and warrants rolled over to the combined company Phunware stockholders may elect to purchase their pro rata share of up to 929,890 warrants held by Stellar's sponsors at cost Phunware stockholders will own approximately 78% of the combined company on a diluted basis⁽²⁾ Combined company will adopt Phunware's name and continue its NASDAQ listing under the ticker NASDAQ:PHUN
Transaction Milestones	<ul style="list-style-type: none"> Definitive Agreement Signed: February 27, 2018 Transaction Announcement: February 28, 2018 Proxy/Registration Statement Filed: Initial Filing April 11, 2018, 1st Amendment Filed June 11, 2018 Target Closing: Early Q3 2018
Attractive Valuation	<ul style="list-style-type: none"> Phunware Total Enterprise Value: \$301 million⁽³⁾ <ul style="list-style-type: none"> 5.2x purchase price multiple of 2018E Revenue of \$58 million which translates into a 5.7x pro forma 2018E EV/Revenue multiple Phunware ended 2017 with SaaS backlog of \$28 million and is projected to end 2018 with SaaS backlog of \$55 million Phunware has initiated its launch of a PhunCoin token rights sale for \$100 million to develop the PhunCoin ecosystem <ul style="list-style-type: none"> Phunware will retain 20% of the fully diluted tokens and 100% of the TGE proceeds on its balance sheet Phunware will also receive ongoing transfer payments for the use of its computing, data, and engineering resources as Foreign Derived Benefit
Transaction Rationale	<ul style="list-style-type: none"> Going public via a business combination will provide Phunware with capital to implement its growth strategy Global reach for the PhunCoin token with distribution across 2+ billion Phunware IDs and hundreds of mobile apps Enhanced corporate governance, expanded management and board expertise across technology development, operations, public companies and M&A
Post-Transaction Management and Board	<ul style="list-style-type: none"> Existing Phunware executive team will retain current positions Board of Directors will include Alan S. Knitowski (CEO), Randall Crowder (COO), affiliates of Stellar's sponsors George Syllantavos (Independent member), and Akis Tsirigakis (Independent member) and three other directors to be designated by Phunware, at least two of whom will be independent under Nasdaq requirements

(1) As of June 25, 2018

(2) Assuming no redemptions by Stellar public stockholders, no purchase price adjustments for cash or debt and Phunware stockholders elect to purchase all of the 929,890 sponsor warrants.

(3) On a debt-free, cash-free basis.

Pro Forma Capitalization and Ownership



(\$ and shares in millions)

Proposed Sources	
Rollover Equity ⁽¹⁾	\$301.0
SPAC Cash in Trust ⁽²⁾	37.1
Expected Phunware Cash at Closing	0.0
Additional Financing ⁽³⁾	25.0
Total Sources	\$363.1

Proposed Uses	
Stock Consideration	\$301.0
Cash to Balance Sheet	53.0
Estimated Transaction Costs	9.1
Total Uses	\$363.1

Pro Forma Ownership (Diluted)⁽⁴⁾		
	Shares	% Ownership
Phunware Securityholders	28.8	78.2%
Stellar Shareholders	5.7	15.3%
New Shareholders ⁽³⁾	2.4	6.5%
Pro Forma Outstanding Shares	36.9	100.0%

Pro Forma Capitalization (Diluted)	
Pro Forma Cash	\$53.0
Debt	1.8
Net Debt	(\$51.2)
Equity Capitalization at Closing ⁽⁵⁾	\$385.1
Pro Forma Enterprise Value	\$333.9

Pro Forma Transaction Multiples (Diluted)	
Enterprise Value / 2018E Revenue	5.8x
Enterprise Value / 2019E Revenue	4.2x

Note:

No additional funds are included other than existing cash; Phunware cash, net of debt, at closing increases rollover equity. Certain Phunware stockholders (including officers, directors, and holders of more than one percent (1%) of the outstanding equity of Phunware as of immediately prior to the Closing) and Sponsors shall enter into lock-up agreements, whereby each such individual or entity agrees not to, during the period commencing from the Closing and ending on the earlier of (x) one hundred and eighty (180) days after the date of the Closing, and (y) the date after the Closing on which the combined company consummates a liquidation, merger, share exchange or other similar transaction with an unaffiliated third party that results in all of the combined company's stockholders having the right to exchange their equity holdings in Purchaser for cash, securities or other property, enter into certain transfer transactions, which are subject to customary exclusions.

(1) Equity consideration issued to existing Phunware stockholders, option holders and warrant holders rolled over as a part of \$301 million enterprise value; Phunware cash, net of debt, at closing increases the rollover equity.

(2) As of June 25, 2018.

(3) Stellar is currently seeking additional financing which may be in the form of convertible preferred equity. Assumes that additional financing is issued at the redemption price per share.

(4) Excludes (i) warrants to purchase 6,900,610 shares of Stellar common stock issued in the IPO (ii) 7,970,488 Sponsor Warrants; each holder of Phunware Stock shall be entitled to elect to receive such holder's pro rata share of up to an aggregate of 929,890 warrants to purchase shares of Stellar common stock that are currently held by Stellar's sponsors (the "Transferred Sponsor Warrants"), and (iii) Underwriter purchase option for 130,000 units. Phunware shareholder information based on \$301 million enterprise value divided by \$10.445 liquidation value. Actual values will differ based, among other things, on the number and exercise prices of outstanding warrants and options of Phunware.

(5) Based on trust value per share of \$10.445 (as of June 25, 2018).

Attractive Valuation Relative to Peers



Sum of the Parts Analysis (in millions)

Statistic	Mean Multiples	Implied Valuation
2018E Revenue - SaaS	11.24x	\$259
2018E Revenue - Media / DaaS	3.26x	\$114
TGE Proceeds		\$100
Total Enterprise Value		\$473
Implied 2018E Revenue Multiple		8.1x
Deal Value		\$301
Implied 2018E Revenue Multiple		5.2x
Arbitrage		57%

■ A sum of the parts analysis of comparable SaaS and Media / DaaS companies including expected proceeds from the Company's TGE implies an enterprise valuation of \$473 million, which is at a 57% premium to the deal value of \$301 million

■ The addition of the Phuncoin ecosystem is expected to add up to \$100 million, as well as 20% of the fully diluted tokens to Phunware's balance sheet without diluting shareholders

Public Comparable Companies

Company Name (in millions)	Ticker	Price as of 6/12/2018	% 52-week Δ		Equity Value	Enterprise Value	Revenue Growth		EV / Revenue	
			Low	High			CY17-CY18	CY18-CY19	CY18E	CY19E
SaaS										
Proofpoint, Inc.	PFPT	\$125.63	52%	(4%)	\$6,380	\$6,472	37%	28%	9.2x	7.2x
Zendesk, Inc.	ZEN	55.26	132%	(8%)	6,091	5,793	33%	28%	10.1x	7.9x
Okta, Inc.	OKTA	52.94	146%	(13%)	5,644	5,414	37%	31%	15.2x	11.6x
Twilio Inc.	TWLO	59.97	158%	(8%)	5,744	5,453	36%	23%	10.0x	8.1x
Coupa Software Incorporated	COUP	62.07	118%	(1%)	3,538	3,288	26%	24%	14.0x	11.3x
Alteryx, Inc.	AYX	39.64	118%	(4%)	2,402	2,209	41%	32%	11.9x	9.0x
AppFolio, Inc.	APPF	62.50	103%	(2%)	2,136	2,090	27%	23%	11.5x	9.3x
Talend S.A.	TLND	58.40	73%	(2%)	1,730	1,642	37%	28%	8.1x	6.3x
Mean							34%	27%	11.2x	8.8x
Media / DaaS										
The Trade Desk, Inc.	TTD	\$90.77	123%	(1%)	\$3,823	\$3,894	41%	27%	8.5x	6.7x
Crteo S.A.	CRTO	29.39	40%	(45%)	1,960	1,539	8%	12%	1.5x	1.3x
QairStreet, Inc.	QNST	13.83	312%	(8%)	652	605	30%	7%	1.4x	1.3x
SITO Mobile, Ltd.	SITO	3.13	17%	(64%)	79	75	8%	45%	1.6x	1.1x
Mean							22%	23%	3.3x	2.6x
Phunware						\$301	117%	36%	5.2x	3.8x

8 [1] Analysis of the share price performance of Advanced Micro Devices, Overstock.com, Square, and NVIDIA. Source: SEC filings, CapIQ (data as of June 12, 2018).

WHO IS PHUNWARE?



Phunware Executive Team



<p>Alan S. Knitowski CEO, Phunware</p>	<p>Randall Crowder COO, Phunware</p>	<p>Matt Aune CFO, Phunware</p>	<p>Luan Dang CTO, Phunware</p>	<p>Tushar Patel EVP Corporate Development, Phunware</p>	<p>Matt Lindenberg VP Engineering, Phunware</p>
<p>Founder and CEO, Vovida Networks (acquired by Cisco Systems)</p> <p>Founder and Director, Telverse Communications (acquired by Level 3 Communications)</p> <p>Director, vCIS (acquired first by Internet Security Systems and then IBM)</p> <p>Cisco Systems, Nortel Networks, US Army, Curo Capital, Ecewa Capital Group</p> <p>MSIE, Georgia Tech, MBA, UC Berkeley and BSIE, University of Miami (FL)</p>	<p>Co-Founder and Managing Partner, TEXO Ventures</p> <p>Sole Founder and Managing Partner, Novē Ventures</p> <p>Executive Director, Central Texas Angel Network (CTAN)</p> <p>BS, United States Military Academy at West Point and MBA, McCombs School of Business at UT-Austin</p> <p>Kauffman Fellow and member of the Young Entrepreneur Council (YEC)</p>	<p>Global Technology Finance Lead, Sony Computer Entertainment</p> <p>Head of Worldwide Financial Planning and Analysis, Midway Games</p> <p>MBA, San Diego State University and BA, UC San Diego</p>	<p>Founder, EVP and CTO, Vovida Networks (acquired by Cisco Systems)</p> <p>Advisor and Architect, Telverse Communications (acquired by Level 3 Communications)</p> <p>Advisor, Bitfone (acquired by Hewlett-Packard)</p> <p>Cisco Systems, Nortel Networks, Unisys, Curo Capital, Sagoso Capital</p> <p>MSCS, Stanford and BSCE, UC San Diego</p>	<p>CEO, Simplikate Systems (acquired by Phunware)</p> <p>25-year veteran of technology-based solutions</p> <p>Merged web company he founded with other web shops into USWeb, culminating in IPO valuation over \$1B within 2 years</p> <p>BBA Marketing, UT-Austin</p>	<p>President and CTO, Simplikate Systems (acquired by Phunware)</p> <p>15+ years of leadership and innovation in technology architecture, management, implementation and maintenance of cloud-based SaaS platforms (ERP/CRM, PMS, VoIP, etc.)</p> <p>Developed groundbreaking patent pending mobile solutions for the real estate industry</p> <p>BS, DePaul University, Chicago</p>

Top-Tier Investors and Customers



Investors	Indicative Customers by Industry						
	Aviation	Gaming	Healthcare	Media & Ent.	Retail	Real Estate	Sports
 <div style="background-color: #0056b3; color: white; padding: 5px; text-align: center; font-weight: bold;"> 6 Financing Rounds Raised >\$100 million </div>							

Global investor and customer base provides unmatched distribution for Phunware's platform

PHUNWARE's Services



Phunware, Inc. is the only fully integrated software platform that equips companies with the products, solutions and services necessary to engage, manage and monetize their mobile application portfolios globally at scale.

- **Licenses-out enterprise mobile software** via period contracts. Services include content management, location-based services, marketing automation, business intelligence and analytics, alerts, notifications and messaging, audience engagement, audience monetization, vertical solutions and crypto-networking
- **Application Framework** in modular form for developers and publishers building their own mobile applications in-house;
- **Transactional Media Services** for mobile audience building and activation, application discovery, brand awareness, user engagement, user monetization and more; and
- **Data** for audience insights, campaign engagement and business process optimization.

PHUNWARE is the only integrated service provider of its kind

Mobile Application Lifecycle Management



STRATEGIZE

Application experience definition: devices, operating systems, feature sets and use cases

Phunware's Multiscreen as a Service (MaaS) platform provides the entire mobile lifecycle of applications, media and data in one login through one procurement relationship.

DISTRIBUTE + MONETIZE
Data-driven value exchange



CREATE
Application portfolio completion: build, buy or lease

LAUNCH

Application discovery: user acquisition and audience building

Customer Highlights



Dignity Health Compass



- Phunware vertical solution application uses Wi-Fi and beacons to help patients, visitors, employees, physicians and volunteers navigate hospital facilities
- Provides directions within the hospital, physician and department information and an up-to-date news feed
- Deploying across all 39 facilities of this nationwide hospital system



NBC Live: Sochi Olympic Games



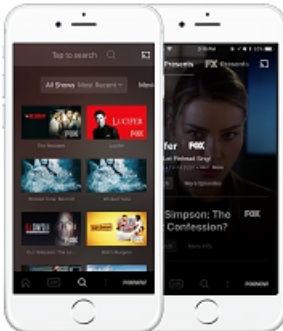
- Develop, manage and support streaming capabilities for 500+ hours of live Olympics content (vs. 200 across all TV networks)
- First mobile application to include Nielsen tags
- Over 7 million iOS and 2.5 million Android users during the event
- Downtime of less than 0.01% achieved for entire duration of coverage
- Set record for largest live event mobile viewing audience (2+ million) at the time



Customer Highlights (cont'd)



FOX NOW



- Develop, manage and support application portfolio for streaming full episodes of FOX, FX, FXX Originals and National Geographic shows live or on demand
- Over 2 million users in 2017
- Multi-platform availability: iOS, Android, TVOS and fireTV (Kindle)
- 2017 Cablefax Digital Awards "App for Smartphone" Winner

Brickell City Centre (BCC)

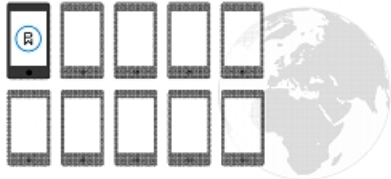


- iOS and Android app for billion-dollar mixed-use development using Phunware vertical solution and platform SDKs
- Shoppers: access directory and transportation info, receive turn-by-turn directions to any point of interest, reserve amenities and more
- Residents: view and reserve property amenities, manage work orders and visitors and receive package delivery notifications
- Staff: manage deliveries, calendars, resident communication, visitors, work orders and more

Global Reach and Scale



1 in 10



Platform touches 1 in 10 devices globally
1000s of applications launched
5TB (terabytes) of daily data generated

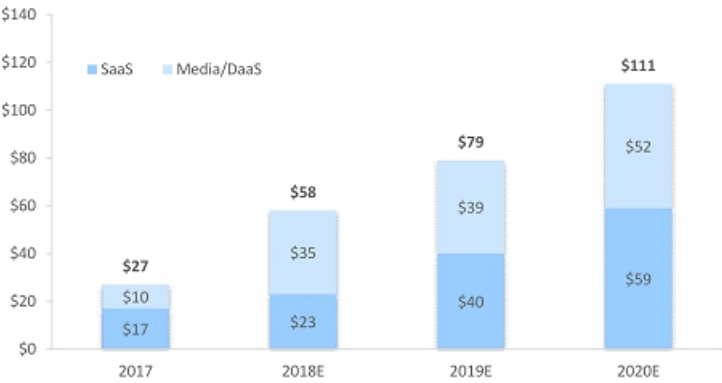
Monthly Active Users (MAU) in millions
Source: Statista, 2018

Financial Highlights and Estimates



Revenue Mix

(Fiscal year ending December 31; \$ in millions)



Backlog

2017
Backlog: \$27.8M

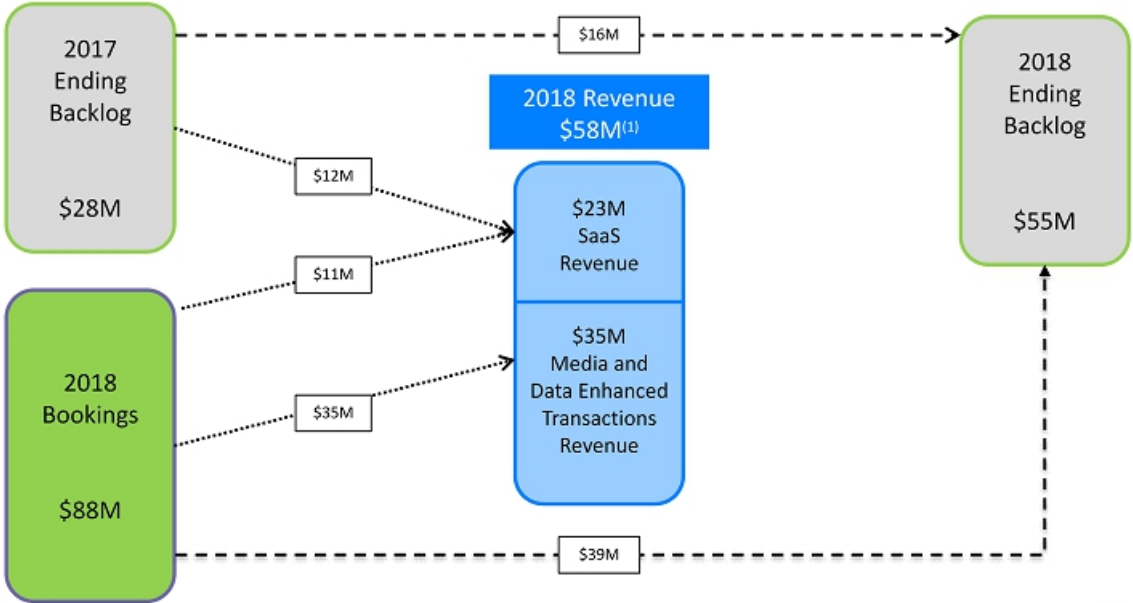


2018
Backlog: \$55.4M



Over 90% of revenue derived from recurring multi-year software and data subscriptions (SaaS/DaaS) and reoccurring transactions

Financial Model Inputs



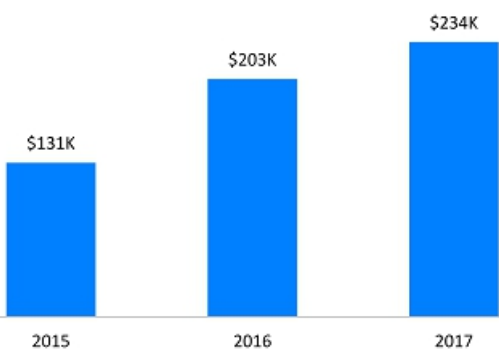
18

(1) Over 90% of revenue derived from recurring multi-year software and data subscriptions (SaaS/DaaS) and reoccurring audience building, audience engagement and audience monetization transactions.

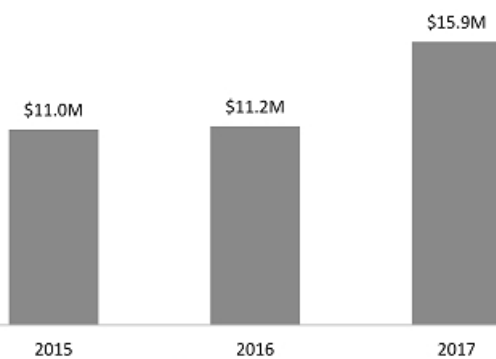
SaaS Metrics



Annual Contract Value



ARR



Average Contract Length



LTV:CAC
>6.0

EVOLUTION THROUGH PHUNCOIN



PhunCoin: a Real Token with Real Utility



- Phunware intends to raise capital via a token generation event (TGE) and launch PhunCoin
 - Secure, transparent and incentive-based way to connect businesses and target consumers directly
 - Neutralizes centralized intermediaries such as Facebook and Google
- Leveraging Phunware’s global MaaS platform, PhunCoin believes that it will be able to launch with **tens of millions of crypto wallets in place on day one**
- Because the PhunCoin Software Development Kit (SDK) would be embedded in Phunware’s App Framework, it could be embedded in applications licensed from Phunware, running a Phunware SDK or custom-built by Phunware
- Phunware’s corporate strategic investors and millions of users would provide a global PhunCoin distribution channel



(Philippine Long Distance Telephone Company)

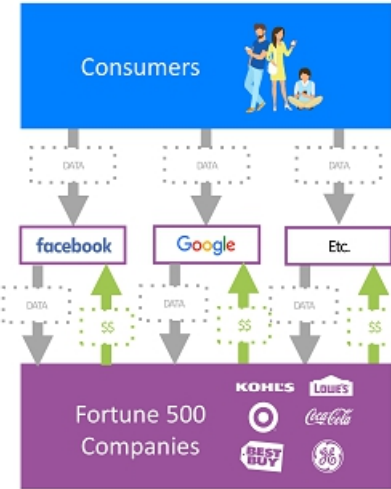
- Phunware would retain 20% of the fully diluted tokens and 50% of the TGE proceeds on its balance sheet
- Phunware would also receive ongoing transfer payments for the use of its computing, data and engineering resources as Foreign Derived Benefit

PhunCoin Value Exchange



Without PhunCoin

Brands leverage consumers' data without compensating them



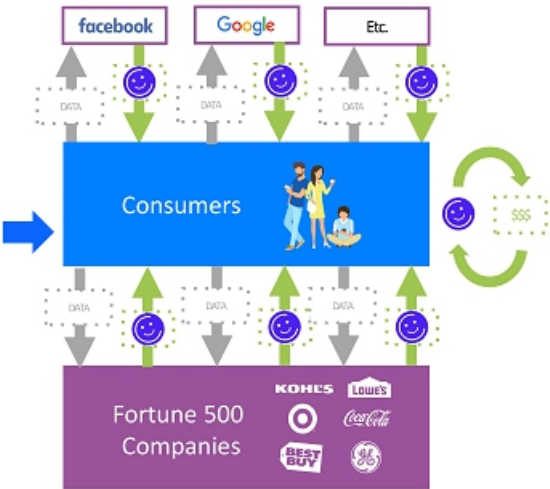
Disruptive Consumer Empowerment

Consumers

- Can download the PhunCoin application for free
- Are rewarded with PhunCoin tokens for opting to share their data
- Can decide how much personal data to share and how it can be used
- Receive additional PhunCoin tokens anytime their data is licensed
- Can block ads and advertisers they dislike while opting in to those that are relevant
- Gain control over and visibility into their own data and profit from its use

With PhunCoin

Consumers, publishers and brands share and consume data in a value-based exchange



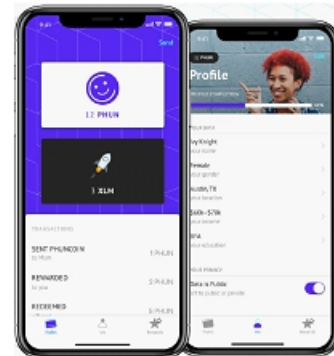
Token Rights Sale Launch Initiated in June 2018



PHUNCOIN TOKENOMICS

Hard Cap: \$100M | PhunCoin Price: \$0.008 USD | Max Supply: 100B | Target Token Sale: 30B

PHASE 0	< \$250K	< \$500K	< \$1M	< \$2M	< \$5M	> \$5M
Access to the Cryptonium Tier is restricted						
PHASE I	= \$250K	= \$500K	= \$1M	= \$2M	= \$5M	> \$5M
Gold Tier	100%	90%	80%	70%	60%	50%
Platinum Tier	0%	10%	20%	30%	40%	50%
PHASE II	= \$250K	= \$500K	= \$1M	= \$2M	= \$5M	> \$5M
Silver Tier	100%	90%	80%	70%	60%	50%
Platinum Tier	0%	10%	20%	30%	40%	50%
PLATINUM: ONGOING		GOLD: PHASE I		SILVER: PHASE II		
\$20M 70% DISCOUNT		\$30M 50% DISCOUNT		\$40M 30% DISCOUNT		



Phunware Initiated the Launch of a \$100 Million PhunCoin Token Rights Sale

"The PhunCoin ecosystem is intended to complement and accelerate Phunware's core business as an enterprise cloud platform for mobile ..."

"New token ecosystem boasts early crypto investors BlockTower Capital, DNA, Draper Venture Network, Wavemaker Genesis, Strong Ventures and Hazaar Partners ..."

"We look to invest in projects like PhunCoin that bridge the gap between cryptocurrency and real-world users ..."

Ari Paul, CIO & Managing Partner,
BlockTower Capital

PhunCoin is a Regulation D, Rule 506(c) offering for accredited investors who have successfully completed third-party KYC / AML process via CoinList at <https://complyapi.coinlist.co/phuncoin>.

PhunCoin Leverages Phunware's Enormous Ecosystem



PhunCoin Market Opportunity

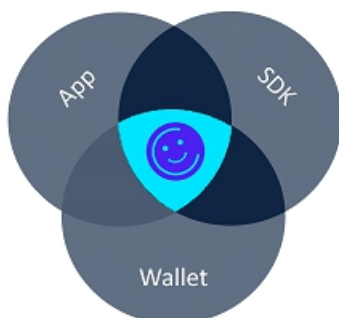
- Today, the system allows intermediaries such as Facebook and Google to profit from consumer data provided to them **for free** by users
- PhunCoin tokens would enable consumers to **regain control of their data** by creating a value-based exchange
- Consumers, along with mobile users and publishers, would receive PhunCoin payouts based on how much data they choose to share
- Brands would get direct, real-time access to deterministic and intent-based data for their target customers
- **Immediate scale based on existing 1 billion monthly active unique devices (MAUDs)**

PhunCoin Benefits

- PhunCoin will be a secure, transparent, and incentive-based way to connect brands and consumers directly, without third-party intermediaries such as Facebook and Google
- PhunCoin will provide a global rewards-based ecosystem of mobile applications and data that empowers and compensates consumers and app developers for the use of data related to their identity, behaviors and intent

PhunCoin Platform

- Will allow registration of sovereign identity and hosts wallet
- Will store user data locally and securely on mobile device
- Will give end users visibility into their digital profile / persona
- Will allow end users to opt into / out of marketing segments
- Will send signed user data to data exchange



- Crypto-wallet will be capable of storing ERC-20 tokens
- Will be governed by underlying smart-contracts framework
- Will maintain token balances and process transactions

- Will enable payments from app developers to their end users for data usage
- Will authenticate using identity provider
- Will send signed usage data to data exchange

PhunCoin Data Exchange

The PhunCoin data exchange will store segments and data created from PhunCoin users, will manage prices for data based on order book and value of data and will maintain a token reserve to pay out PhunCoin for usage

- Will be compatible with existing demand-side platforms (DSPs), supply-side platforms (SSPs), data marketplaces, and mobile device IDs (IDFA / GAID)
- Will leverage email / address data for direct usage
- Will be a neutral arbiter to:
 - Charge DSPs and/or advertisers for usage (\$)
 - Pay mobile app developers and publishers for usage (tokens)
 - Pay end users for data and usage (tokens)

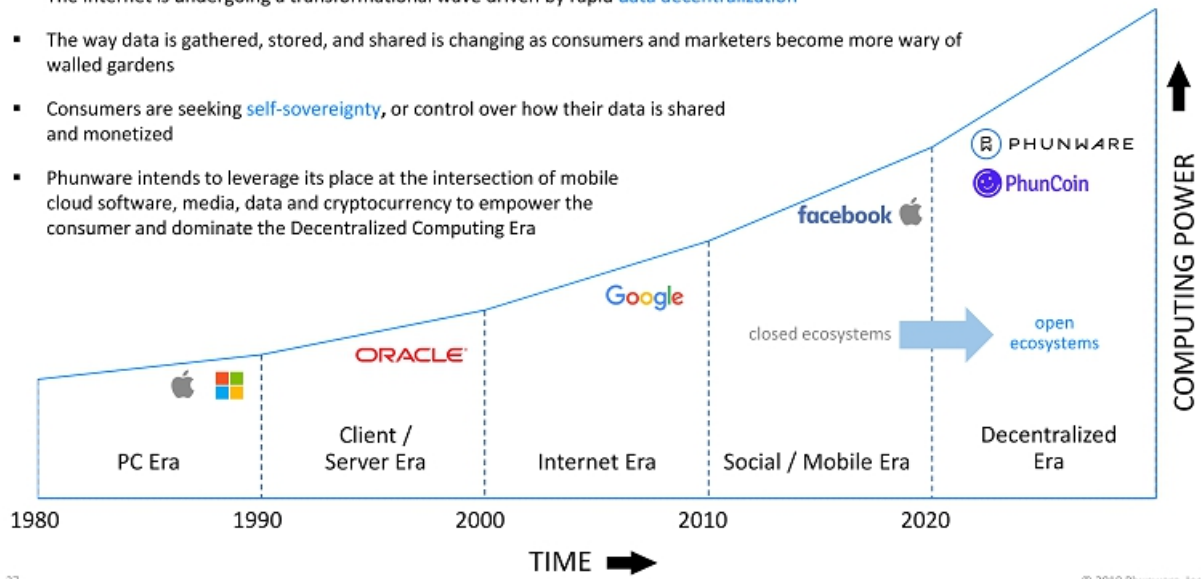
VISION AND STRATEGY



Transformational Market Opportunity



- The Internet is undergoing a transformational wave driven by rapid **data decentralization**
- The way data is gathered, stored, and shared is changing as consumers and marketers become more wary of walled gardens
- Consumers are seeking **self-sovereignty**, or control over how their data is shared and monetized
- Phunware intends to leverage its place at the intersection of mobile cloud software, media, data and cryptocurrency to empower the consumer and dominate the Decentralized Computing Era



Growth Strategy



Organic Growth Strategy

- Expand mobile products and services
- Deepen existing customer relationships and aggressively expand customer base through direct and indirect channels
- Continue growing domestic footprint and expand internationally
- Increase investment in sales and marketing post-closing to drive revenue growth
 - Per sector standard: every \$1 to sales and marketing translates to over \$6 of revenue
 - \$20 million sales and marketing spend could add in excess of \$120 million in incremental revenue, or \$3.20/share⁽¹⁾

Inorganic Growth Strategy

- Continue to identify, target and acquire value-enhancing platforms – Phunware is an experienced acquirer with 5 completed acquisitions to date



- Areas of acquisition interest include AI, big data, and mobile software (SaaS)
- Intend to utilize Transaction cash and public company shares for acquisitions

Opportunity to take part in creating a mobile technology bellwether with strong upside return potential based on growth strategy and transaction structure

Massive Addressable Market



APPLICATIONS

- 175 billion app downloads annually⁽¹⁾ (+60% since 2015)
- \$86 billion in worldwide mobile app spending⁽²⁾ (+105% since 2015)
- The average user spends 43 days per year in apps⁽¹⁾
- The average user accesses ~40 apps per month⁽¹⁾

MEDIA AND DATA

- Users spend 66% of online time on mobile devices⁽²⁾
- Mobile advertising revenue now 54% of all digital ad revenues⁽²⁾
- Big data market growing from \$130 billion in 2016 to \$203 billion in 2020⁽³⁾ (11.7% CAGR)

CRYPTOCURRENCY

- Global cryptocurrency market cap currently \$369 billion⁽⁴⁾
- \$15 billion average daily trading volume across all cryptocurrencies⁽⁴⁾
- Altcoins (ex-bitcoin) now make up 59% of total cryptocurrency market cap (up from 15% a year ago)⁽⁴⁾
- MAUs for the largest cryptocurrency mobile app quadrupled in 2H-2018 to 8 million⁽³⁾

Additive and rapidly expanding multi-billion dollar addressable markets

The Phunware Multiscreen as a Service (MaaS) Platform



APPLICATIONS	MEDIA AND DATA	CRYPTOCURRENCY
Fortune 500 customer base	Global mobile footprint	Self-sovereign identity
Over 5,000 apps deployed	Platform touches 1 in 10 devices worldwide	Decentralized data
Embedded within core customer business processes	2+ billion Phunware IDs	Distributed compute
Recurring, multi-year contracts	1 billion monthly active unique devices (MAUDs)	1-to-1 consumer and marketer value exchange
141% net dollar retention rate for CY 2017	1 trillion database events	PhunCoin ecosystem
\$28M backlog		

Phunware's goal is to touch every connected device on Earth

The Phunware MaaS Platform (cont'd)



RECAP



Investment Highlights

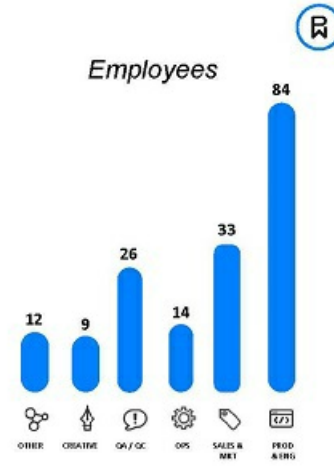


World Scale Mobile Platform	<ul style="list-style-type: none">■ Pioneering Multiscreen as a Service (MaaS) platform, the only fully integrated software platform that equips the Fortune 500 to engage, manage and monetize their mobile application portfolios globally at scale■ Provides everything brands need to create “sticky” experiences throughout the entire mobile application lifecycle■ Inventory of more than 2 billion Phunware IDs across hundreds of mobile application portfolios, more than 1 billion monthly active devices and more than 1 trillion database events
Experienced Management Team and Board	<ul style="list-style-type: none">■ Experienced senior team of industry experts with experience in scaling high-growth tech companies■ Top-tier board of directors with complementary domain and operational expertise
Strong Financial Profile	<ul style="list-style-type: none">■ Over 90% of revenue derived from recurring multi-year software and data subscriptions (SaaS/DaaS) and reoccurring audience building, audience engagement and audience monetization transactions■ Strong revenue visibility – SaaS backlog of \$28 million at the end of 2017 and \$58 million projected for 2018■ 141% net dollar retention rate for CY 2017
Massive Market Opportunity	<ul style="list-style-type: none">■ Mobile Applications: The mobile application market is enormous, with worldwide smartphone users downloading more than 175 billion apps—and spending over \$86 billion on them—in 2017 alone (Source: App Annie, 2017)■ Media: Users spend 66% of their online time on a mobile device and mobile advertising revenue now makes up 54% of all digital ad revenues (Source: IAB, 2017)■ Big Data: According to IDC, the big data and business analytics market will grow from \$130 billion in 2016 to more than \$203 billion in 2020 (Source: IDC, 2016)
World-Class Financial Sponsors and Backers	<ul style="list-style-type: none">■ Phunware is backed by blue chip strategic and financial investors including Cisco, PLDT (Philippine Long Distance Telephone Company), Samsung, Wavemaker Partners and WWE■ The Stellar team has completed two successful SPAC transactions and has significant public company experience



Appendix

Resources and Geography of Staff



Intellectual Property Summary



ISSUED PATENTS

1. Method and System for Accessing Wireless Account Information (Patent # 7,979,350)
2. Server-Side Wireless Communications Link Support for Mobile Handheld Devices (Patent # 8,009,619)
3. Client-Side Wireless Communications Link Support for Mobile Handheld Devices (Patent # 8,060,594)
4. Server Method and System for Rendering Content on a Wireless Device (Patent # 8,103,865)
5. Method and System for Rendering Content on a Wireless Device (Patent # 8,478,245 & Patent # 8,989,715)
6. Server Method and System for Executing Applications on a Wireless Device (Patent # 8,560,601)
7. Methods and Systems for Interactive User Interface Objects (Patent # 8,732,619)
8. Enterprise Branded Application Frameworks for Mobile and Other Environments (Patent # 8,788,358)
9. Geo-Fence Entry and Exit Notification System (Patent # 8,812,024 & Patent # 8,812,027)
10. Method and System for Customizing Content on a Server for Rendering on a Wireless Device (Patent # 9,015,692)
11. [ALLOWED] Systems and Methods for Indoor and Outdoor Mobile Device navigation (US Patent App. # 15/061,933) (unpublished)

PENDING PATENTS

1. System and Method for Leveraging Device Location for Targeting Hyper-Localized Mobile Advertisements (Application # 13/943,746)
2. Location Based Coupon Delivery System (Application # 12/477,220)
3. System and Method for Adaptive Use of Geofence Parameters (Application # 14/216,729)
4. System and Methods for Device Identification (Provisional Application # 62/060,402) (Application # 14/874,352)
5. Monitoring Outdoor and Indoor Regions with Mobile Devices (Provisional Application # 62/091,120) (Application # 14/968,240)
6. Systems and Methods for Enterprise Branded Application Frameworks for Mobile and Other Environments (Application # 14/336,960)
7. Methods and Systems for Interactive User Interface Objects (Application # 14/279,269)
8. Mobile Device Localization Based on Relative Received Signal Strength Indicators (Provisional Patent Application # 62/358,465)