



Investor Presentation

December 2024

SAFE HARBOR STATEMENT

This presentation may contain forward-looking statements relating to the development of NETSOL Technologies' products and services and future operating results, including statements regarding the Company that are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. The words "believe," "expect," "anticipate," "intend," variations of such words, and similar expressions, identify forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, but their absence does not mean that the statement is not forward-looking. These statements are not guarantees of future performance and are subject to certain risks, uncertainties, and assumptions that are difficult to predict. Factors that could affect the Company's actual results include the progress and costs of the development of products and services and the timing of the market acceptance. Any forward-looking statements contained herein speak only as of the date hereof. The Company undertakes no obligation to update or review any forward-looking statements.

This presentation may reference non-GAAP measures such as EBITDA. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. The Company uses EBITDA as a measure of the Company's operating trends. Investors are cautioned that EBITDA is not a measure of liquidity or of financial performance under Generally Accepted Accounting Principles (GAAP). The EBITDA numbers presented may not be comparable to similarly titled measures reported by other companies. EBITDA, while providing useful information, should not be considered in isolation or as an alternative to net income or cash flows as determined under GAAP. Investors are advised to carefully review and consider this information as well as the GAAP financial results that are disclosed in the Company's SEC filings.



NETSOL TECHNOLOGIES



NETSOL

NETSOL Technologies is a global leader in delivering cutting-edge solutions for asset retail, finance, and leasing, empowering automotive and equipment OEMs, as well as financial institutions, across more than 30 countries

- Founded in 1996
- IPO'd on the Nasdaq in 1998

GROWING INDUSTRY

\$1.47T

Global Leasing and Finance
Market 2023*

70%

Growth over last decade*

\$3.1T

Expected size of Equipment
Finance Market by 2032**

\$9.7% CAGR

Expected for the Equipment
Finance Market**

*World Leasing Yearbook

**Asset Finance Connect

The global leasing and finance market is broad and expanding with strong growth projections*

INVESTMENT HIGHLIGHTS

- **Established leadership positions** in APAC and Europe
- Longstanding **relationships** with global industry leaders; sub <5% customer churn
- **Experiencing strong growth** in rapidly developing US digital retail market
- Hybrid license and SaaS model **increases deal velocity and recurring revenues**
- **Clean balance sheet** and cash to execute on growth strategy
- Demonstrated ability to **deliver profitable results**
- Projecting **double-digit revenue growth** in fiscal 2025 driven by **investments in AI and cloud technology** and expansion into new geographic markets
- Currently trading at approximately **1X book value and 1X recurring revenue**

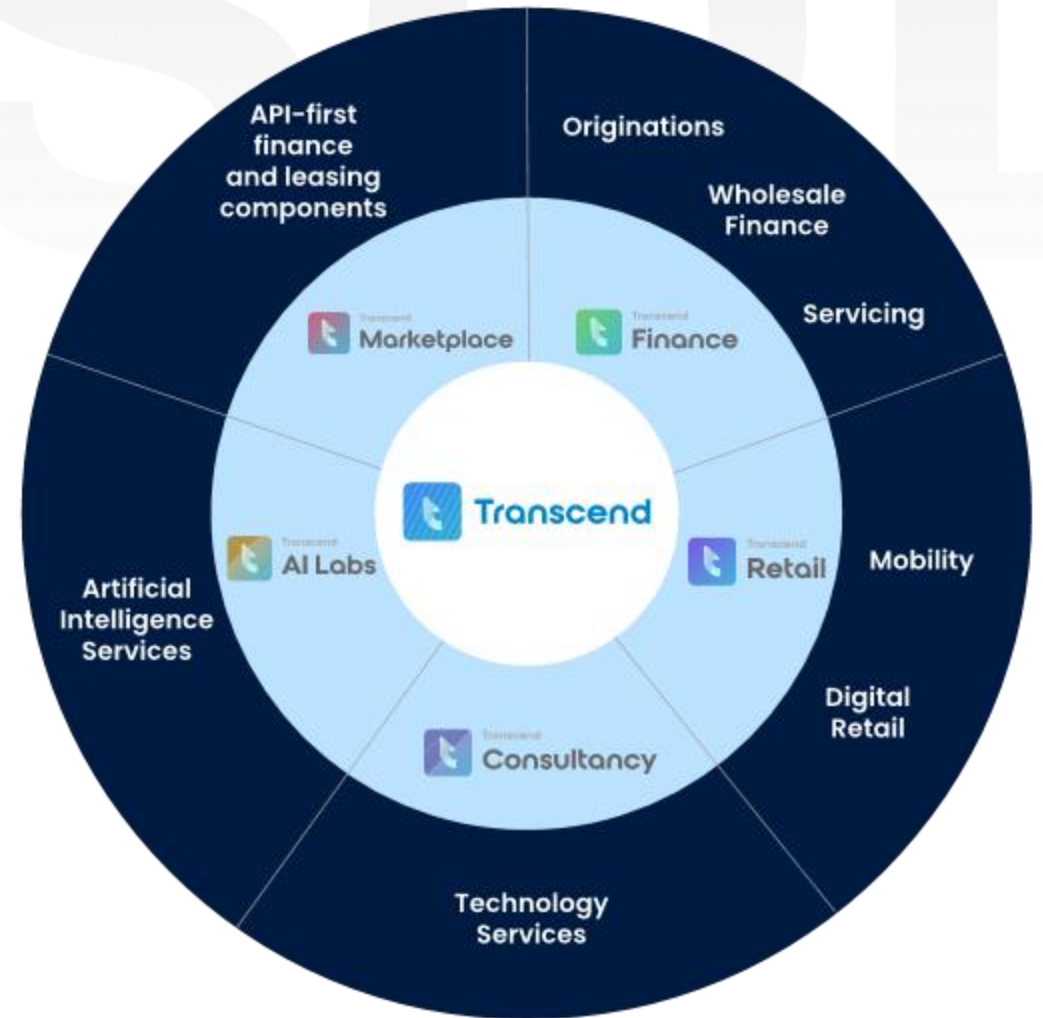


TRANSCEND PLATFORM

The Transcend Platform is an AI-driven unified ecosystem that **revolutionizes how assets are sold, financed and leased**.

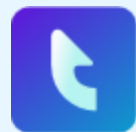
Designed to automate and optimize every step – from sales to originations to servicing, Transcend **leverages AI and ML to drive predictive insights and smarter decision-making**.

100% success rate with implementations for some of the largest and most recognizable brands in the world



DIVERSE PRODUCT SUITE

- Future-ready technology
- Highly configurable
- Enterprise caliber security
- AI Powered



Transcend
Retail

Revolutionize auto and equipment retail with a fully digital, integrated platform that simplifies the entire customer journey.



Transcend
Finance

Streamline finance and leasing operations with a comprehensive solution for originations, servicing and wholesale finance.



Transcend
Marketplace

A suite of flexible, component-based solutions that integrate seamlessly with existing infrastructures



Transcend
Consultancy

NETSOL partners with businesses to create tailored solutions that drive innovation, efficiency and growth across critical areas like information security, data engineering and cloud services.



Transcend
AI Labs

Integrating advanced AI services into our product suite to solve the unique challenges of BFSI, equipment and auto OEMs and dealerships



NORTH AMERICA EXPANSION STRATEGY

- **Strong pipeline** of both licensing and SaaS deals. Transcend Platform is receiving strong demand.
- **Growing NETSOL brand awareness** with tier-1 North American customers. \$16M contract with major US automaker announced in July 2024.
- **Transcend Retail products being integrated into MINI US dealerships** on a nationwide scale. Live in 55 dealerships as of June 30, 2024.



"It was important to create something more than a lead generator to facilitate the complete transaction for any MINI customer, any place, any time. The usual suspects in the market could not offer that except for Transcend Retail (FKA Otoz). We launched after only 7 months of development, which is considered almost unheard of for this type of project."
– **Mike Peyton, Chief Motorer and Vice-President of MINI of the Americas.**



THREE COMPLEMENTARY REVENUE STREAMS

Working together to drive predictable results and profitability

License Fees

- Historically **primary driver** of business revenues
- **Contract-based** model
- **Building robust pipeline** of licensing deals across major markets

SaaS/Recurring Revenue

- SaaS based offerings drive **consistent, reliable revenue**
- **Developing and launching new products** to position SaaS business for continued growth

Services Revenue

- Generated through **implementation and consulting services** after contract signing
- **Increasing contributor to total revenues** as more contracts are signed



GLOBAL PRESENCE

APAC

\$9.2M*

63.3% of total revenues

- **Significant market presence**
- Contracts with multiple tier-1 automotive OEMs and captives
- ~75% market share in China
- Offices in Beijing, Bangkok, Jakarta, and Tianjin

Europe

\$2.5M*

17.1% of total revenues

- **Strong market foothold**
- Contracts with major automotive OEMs across the continent
- Accelerating growth within banks, lenders, and brokers
- Continuing to increase penetration via innovative new products

North America

\$2.9M*

19.6% of total revenues

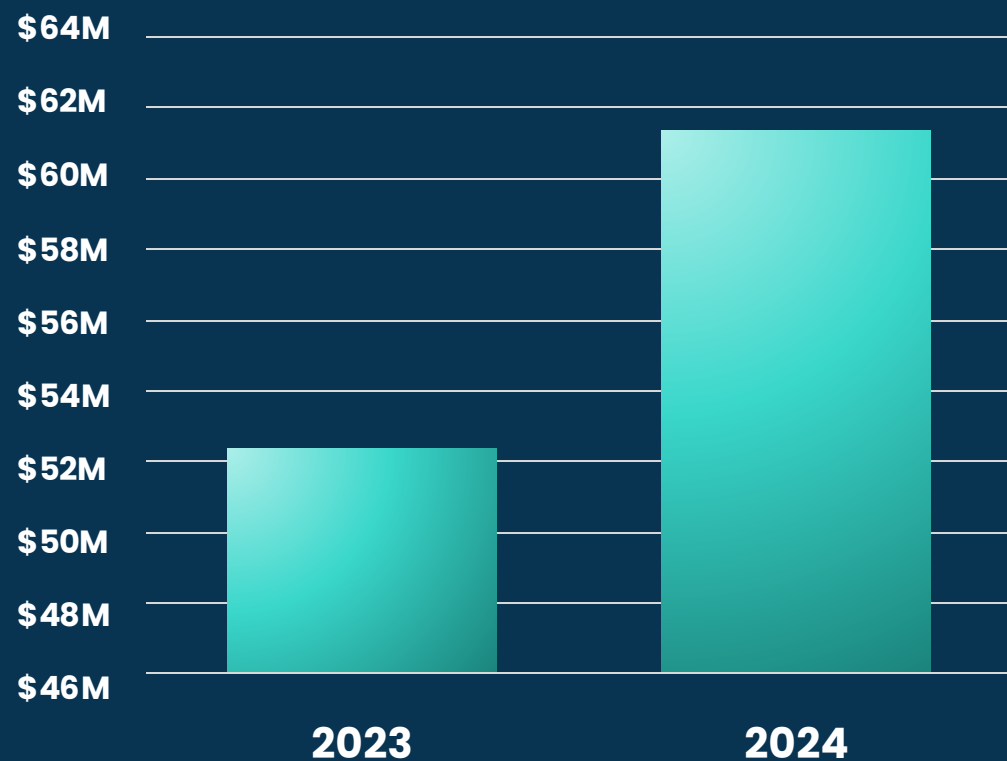
- **Massive growth potential; US is the largest asset finance market**
- Current global customer list has strong North American presence
- 40+ years of experience through acquisitions
- Headquarters in Los Angeles, CA; Offices in Austin, TX

***For the first quarter ended September 30, 2024**



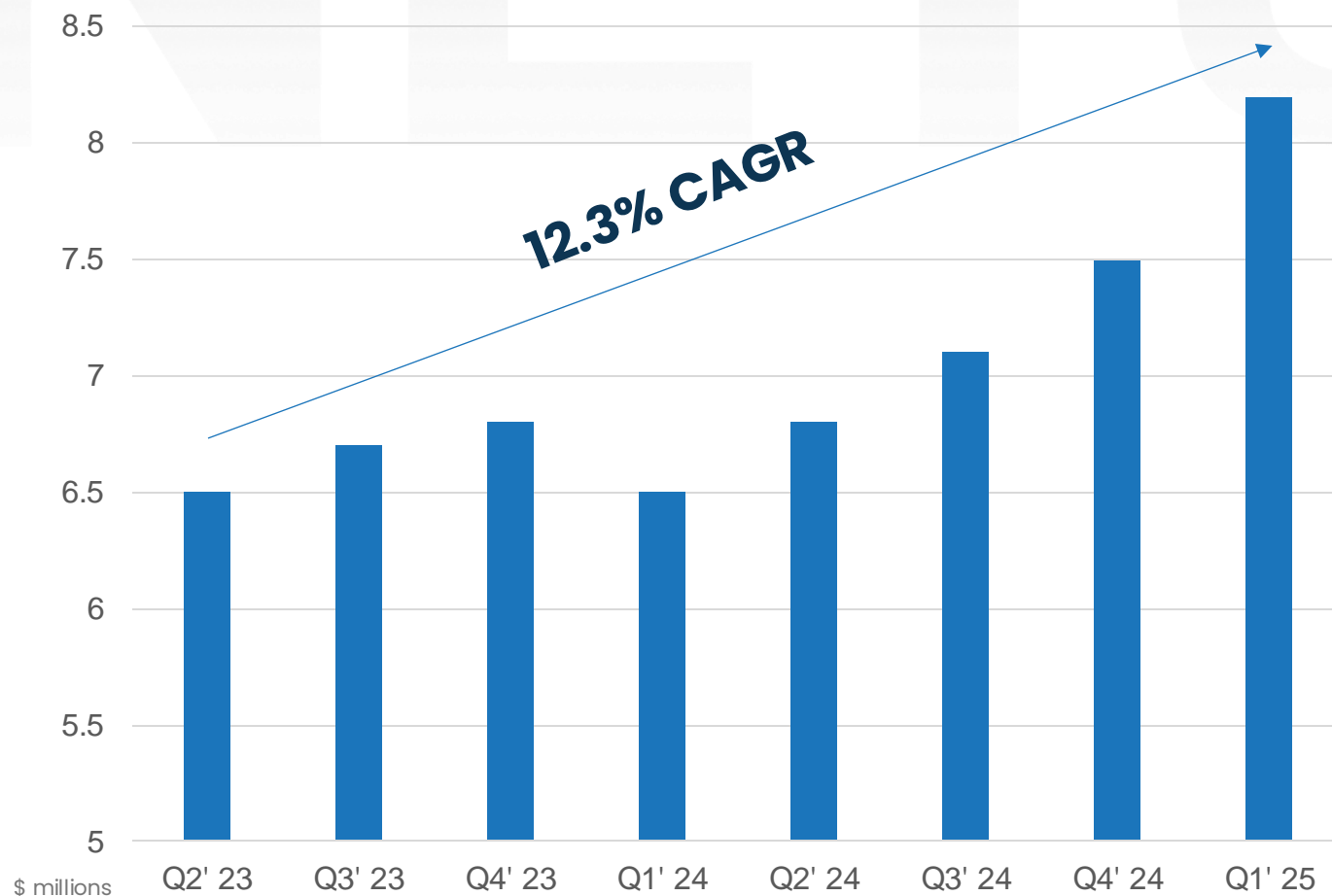
REVENUE & PROFITABILITY

Annual revenue growth as company revitalizes business strategy



- FY24 revenue of **\$61.4 million** surpassed the revenue target of **\$60-\$61 million**
- 48% FY24 gross margin, up from 32% in FY23
- FY24 profitability of **\$0.06** per share

GROWTH IN RECURRING REVENUE



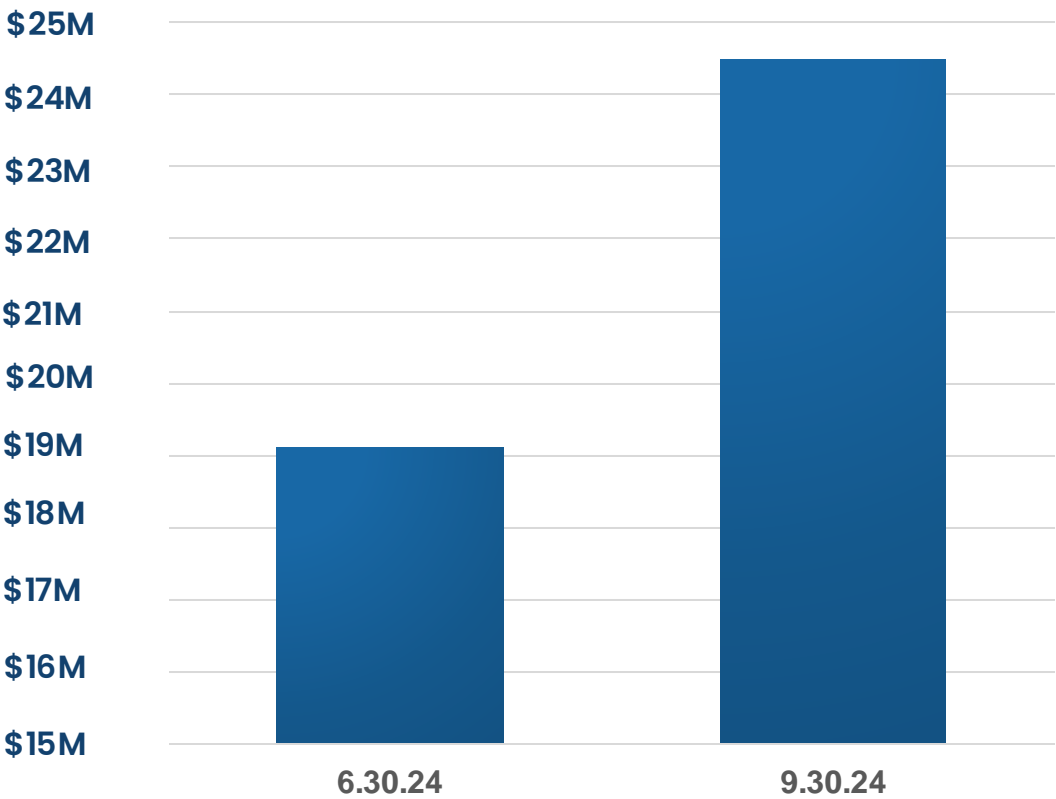
Sources of Future Revenue Growth

- Increased investment in digital marketing
- Investments in AI beginning to monetize
- Market and product expansion to meet diverse customer needs

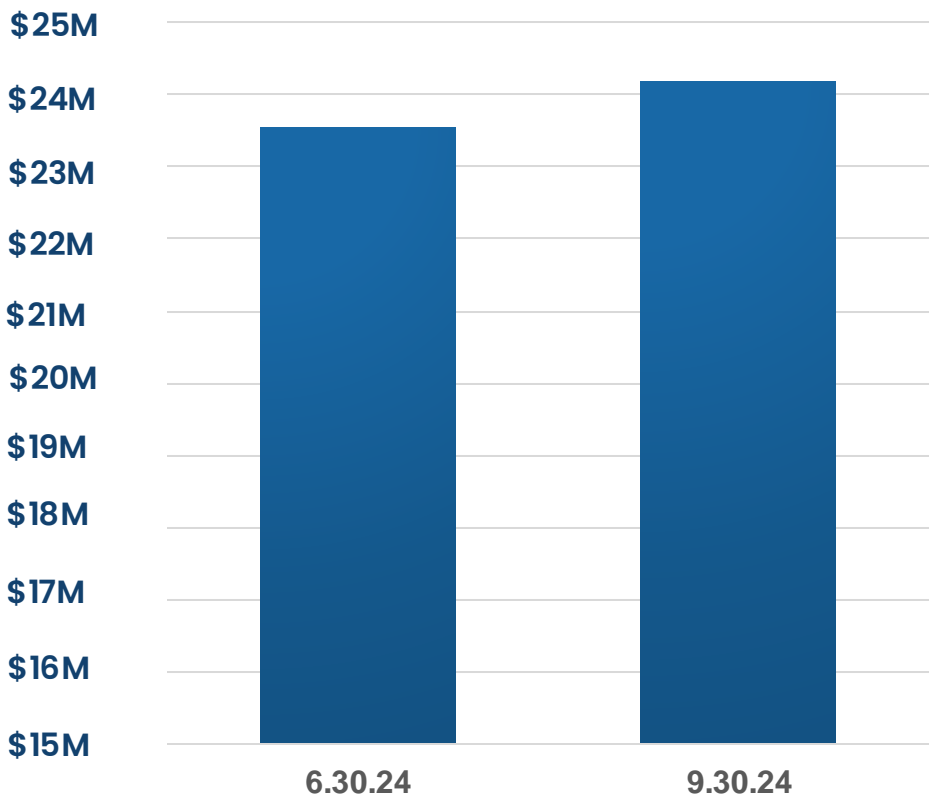


STRENGTHENED BALANCE SHEET

Cash & Cash Equivalents



Working Capital



SUMMARY



NETSOL

STRATEGIC FOCUS FOR LONG-TERM GROWTH


- **Expand sales growth** via Transcend platform introduction in key markets
- **Expand leadership position** by targeting tier-2 and tier-3 customers in existing markets
- **Invest in innovation** by integrating AI into NETSOL products and business processes to offer superior outcomes
- **Double-digit revenue growth in fiscal 2025** through accelerated sales and market recognition of NETSOL's products; **investing in AI and cloud technology and expansion into new markets**
- Currently trading at approximately **1X book value and 1X recurring revenue**





Thank You

NETSOL Technologies

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APPENDIX

IMPROVING FINANCIAL RESULTS

Consistently Improving Financial Results

(in thousands)	1Q25	1Q24
License Fees	\$1	\$1,280
Subscription and Support	\$8,192	\$6,512
Services	\$6,404	\$6,449
Total Net Revenues	\$14,598	\$14,242
Operating Income (loss)	\$(760)	\$350
Net Income (loss)	\$71	\$31
Earnings (loss) per share	\$0.006	\$0.003
EBITDA*	\$301	\$805
Adjusted EBITDA*	\$203	\$466

Strong Balance Sheet

(in thousands)	As of 9.30.24	As of 6.30.24
Cash & Cash Equivalents	\$24,525	\$15,533
Working Capital	\$24,161	\$23,593
Shareholders' Equity	\$34,722	\$34,838

*EBITDA and adjusted EBITDA are non-GAAP financial metrics. A full reconciliation of EBITDA and adjusted EBITDA can be found in the appendix of this presentation



NON-GAAP RECONCILIATION

	For the Three Months	
	Ended September 30,	
	2024	2023
Net Income (loss) attributable to NetSol	\$ 70,795	\$ 30,890
Non-controlling interest	146,914	260,173
Income taxes	229,817	121,895
Depreciation and amortization	365,997	530,786
Interest expense	258,219	276,017
Interest (income)	(769,867)	(414,718)
EBITDA	\$ 301,875	\$ 805,043
Add back:		
Non-cash stock-based compensation	47,779	60,354
Adjusted EBITDA, gross	\$ 349,654	\$ 865,397
Less non-controlling interest (a)	(145,781)	(399,440)
Adjusted EBITDA, net	\$ 203,873	\$ 465,957
Weighted Average number of shares outstanding		
Basic	11,429,695	11,345,856
Diluted	11,482,754	11,345,856
Basic adjusted EBITDA	\$ 0.02	\$ 0.04
Diluted adjusted EBITDA	\$ 0.02	\$ 0.04
(a)The reconciliation of adjusted EBITDA of non-controlling interest to net income attributable to non-controlling interest is as follows		
Net Income (loss) attributable to non-controlling interest	\$ 146,914	\$ 260,173
Income Taxes	70,587	36,377
Depreciation and amortization	89,135	141,351
Interest expense	79,192	85,889
Interest (income)	(242,647)	(128,091)
EBITDA	\$ 143,181	\$ 395,699
Add back:		
Non-cash stock-based compensation	2,600	3,741
Adjusted EBITDA of non-controlling interest	\$ 145,781	\$ 399,440

