



# THE BENEFITS OF THE GSMA EMBEDDED SIM SPECIFICATION

M2M is gaining momentum across a wide range of sectors

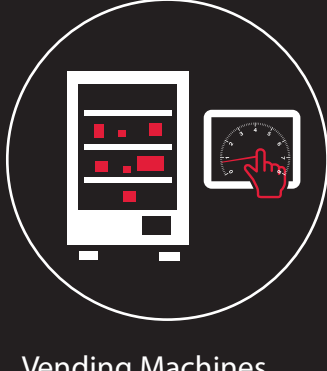


## KEY M2M APPLICATION CATEGORIES

After Market

Regulatory/ Government

Linefit/ OEM



Vending Machines  
Environmental Monitors

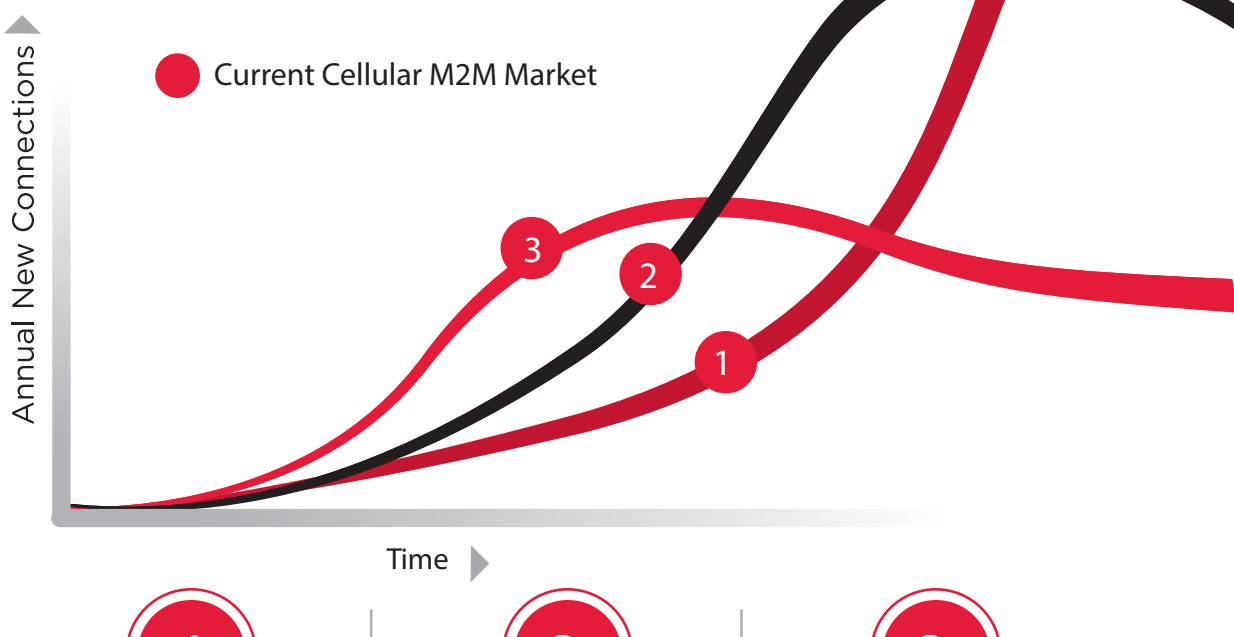


Smart Meters  
Toll Charge



Automobiles  
Watches

## IMPACT OF KEY APPLICATION CATEGORIES ON FUTURE MARKET GROWTH



1

OEM-Based

- Embedded Network
- Service Led
- Low Cost
- High Volume

2

Regulatory/ Government

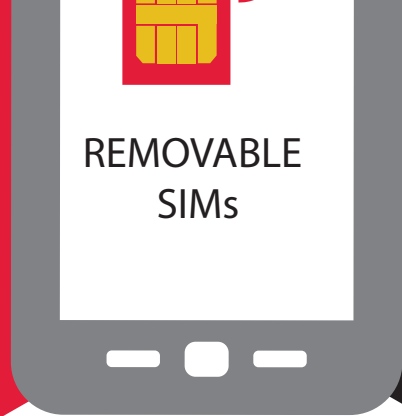
- Embedded Network
- Specific Activities
- Covered
- Low Cost
- High Volume

3

After-market Applications

- Network Add-on
- Solutions Led
- Individual Support
- Requirement
- High Cost
- Low/ Medium Volume

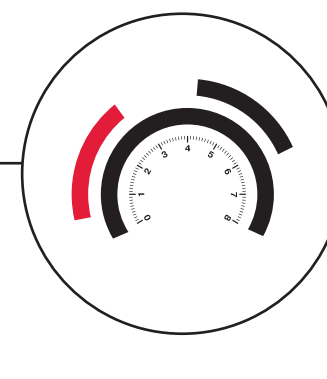
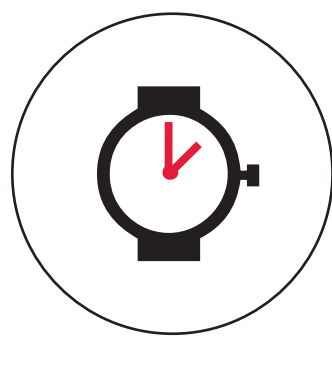
Whilst removable SIMs ideal for handset market where SIM card inserted at point of sale



Removable SIMs not ideal for OEM & regulatory/ government categories

Where increase costs and impact sales opportunities

EMBEDDED SIMs ARE IDEAL FOR THESE CATEGORIES



OEM & regulatory/ government categories

BUT MARKET FRAGMENTED AS NO STANDARDISATION

• Until now all solutions have been PROPRIETARY

• Difficult to change MNO at contract expiry  
• Secondhand market problem

THESE CHALLENGES AND MORE CAN BE OVERCOME WITH THE GSMA EMBEDDED SIM SPECIFICATION

By 2020  
Creating Revenue

**\$8.96 bn**

PROPRIETARY EMBEDDED SIM



GSMA EMBEDDED SIM SPECIFICATION



OVERALL MARKET GROWTH

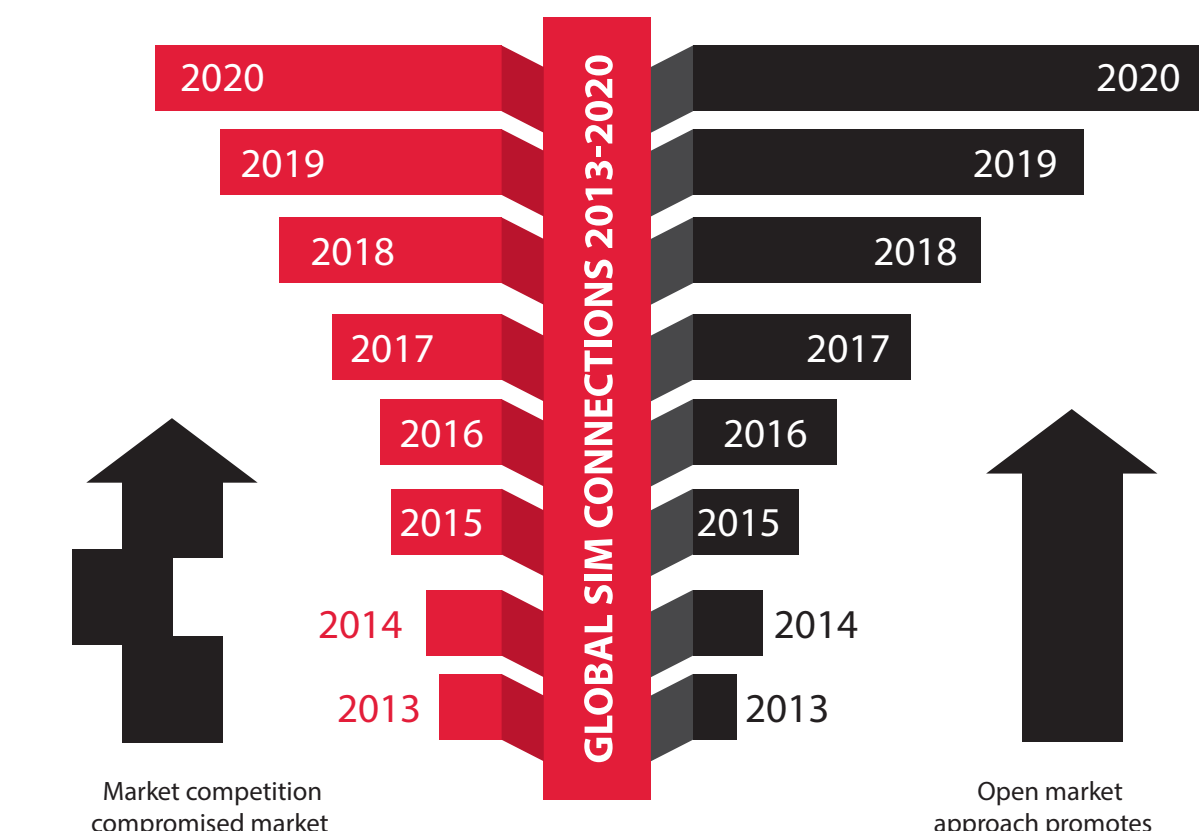
**478M**

EMBEDDED M2M SIM CONNECTIONS 2020

OVERALL MARKET GROWTH

**639M**

EMBEDDED M2M SIM CONNECTIONS 2020



Market competition compromised market fragmented market growth slower

Open market approach promotes market growth

Changing MNO at contract expiry is difficult

Limits global sales opportunity

Potential as Global Standard to drive global sales opportunity



**158M**  
CONNECTED CAR CONNECTION  
WORLDWIDE 2020

**252M**  
CONNECTED CAR CONNECTION  
WORLDWIDE 2020

**112K**

CONSUMER ELECTRONIC CONNECTIONS  
WORLDWIDE 2020

**220K**

CONSUMER ELECTRONICS CONNECTIONS