



DATORA INVESTMENT OPPORTUNITY IN TELECOM (IoT and VoIP)

March 2022



EXECUTIVE SUMMARY



Opportunity Overview

- Companhia de Desenvolvimento de Minas Gerais - Codemge ("Codemge" or "Seller"), with the exclusive financial advisory of Banco de Desenvolvimento de Minas Gerais ("BDMG"), is carrying out the divestment process of its 23,0%¹ stake in Datora Participações e Serviços S.A. ("Datora Participações" or "Company");¹
- Datora Participações is a holding company that comprises asset light enterprises in the business of VoIP (termination/interconnection of voice traffic for telecom carriers) and Communication Platform as a Service ("CPaaS") with IoT focus. The Datora Group holds the licenses STFC (fixed switched telephone service), SMC (multimedia communication service) and SMP-RV (personal mobile service by virtual network)
- Datora Group units :
 - São Paulo (SP) – JK Avenue: Datacenter, NOC 1 (network operation center), NOC 2, operations, engineering, logistics and commercial;
 - São Paulo (SP) – Faria Lima Avenue: administrative office, HR, IT, marketing, commercial, financial, fiscal and accounting;
 - Nova Lima (MG): administrative office, HR, mobile NOC, customer relations, financial and sales;
 - Business offices in Miami (USA), Silicon Valley (USA), Stockholm (Sweden) and Tel Aviv (Israel).

1) The other stakeholders are individuals (natural persons): Tomas Fuchs (25%), Daniel Fuchs (21%), Raul Fuchs (16%), Samy Uziel (7%) and others (8%).



PROGRAMA
MINEIRO DE
DESESTATIZAÇÃO

DESENVOLVIMENTO
ECONÔMICO



MINAS
GERAIS

GOVERNO
DIFERENTE.
ESTADO
EFICIENTE.

EXECUTIVE SUMMARY

Datora Group at a glance



- First company in Latin America to use VoIP technology for voice traffic
- Leadership among mobile virtual network operators (MVNOs) in Brazil - more than 1,79 million active SIM cards²
- Proprietary operational core, including Datacenter Level 3
- Solution provider for the mobile segment with focus on IoT/M2M
- Global presence that contributes to a relevant portion of its revenue being generated by voice traffic termination with origin or destination in the USA and Europe
- Operational and financial synergies among its business units: integrated operational core and possibilities of cross-selling between VoIP and mobile business
- Outsourcing of processes and services in major telecom carriers: growing trend which represents a “window of opportunity” for companies such as Datora Participações and others with similar operational profile



2) Data from December 2021



PROGRAMA
MINEIRO DE
DESESTATIZAÇÃO

DESENVOLVIMENTO
ECONÔMICO



MINAS
GERAIS

GOVERNO
DIFERENTE.
ESTADO
EFICIENTE.

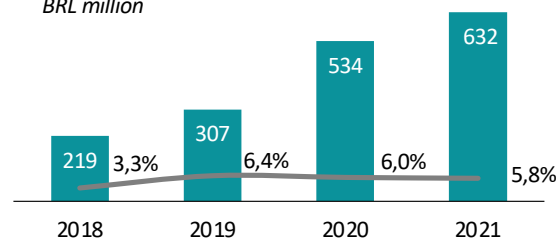
EXECUTIVE SUMMARY

Operating and financial highlights

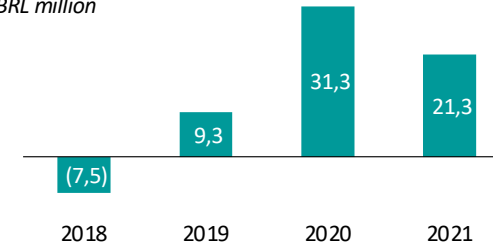


- Major Brazilian and international telecom companies are, simultaneously, the main customers and suppliers of Datora Group, mitigating the credit risk of its operations
- Low financial leverage and mitigation of currency exposure by natural hedging created by the common base of customers and suppliers
- Revenues, EBITDA and volume of operations in IoT/M2M presented increasing figures in 2021 in comparison to 2020; net income of 2021 reflects non-recurring costs disbursed in IPO preparation (cancelled)
- Perspective of growing operating margins with the increase of the customer base in IoT/M2M and new applications for 5G technology
- The publicly-held company registration was granted by CVM (Securities and Exchange Commission of Brazil) in December 22nd, 2021. However, the initial public offering (IPO), previously underway, was cancelled in January 31st, 2022, due to reassessments of market conditions by the Company

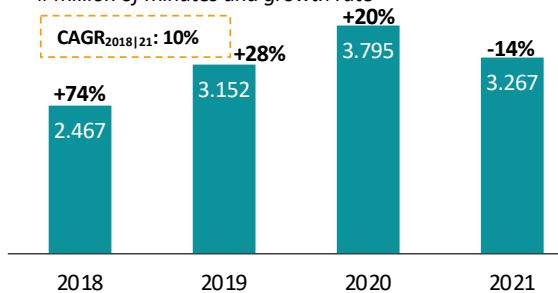
Net Revenue and Ebitda Margin
BRL million



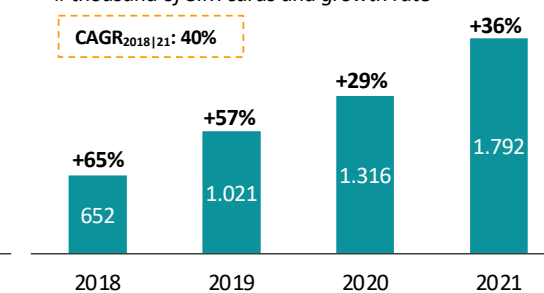
Net Income
BRL million



Voice traffic
million of minutes and growth rate



SIM Cards
thousand of SIM cards and growth rate



PROGRAMA
MINEIRO DE
DESESTATIZAÇÃO

DESENVOLVIMENTO
ECONÔMICO



MINAS
GERAIS

GOVERNO
DIFERENTE.
ESTADO
EFICIENTE.

EXECUTIVE SUMMARY

Datora



VoIP



Business Model

- Voice traffic termination for Brazilian and international telecom carriers using VoIP technology
- Foundation for the growth of other business lines in the Datora Group
- Call management, capacity control, anti-fraud and other services

Products and Services

- Call processing
- Voice traffic management

New businesses

- Expansion of VoIP core and consolidation of the Datora Group as a relevant seller of data and IP port



CPaaS

IoT



Business Model

- Mobile operator with IoT focus
- Regulatory frame as MVNO with features of asset light
- Integrated chain network from mobile devices to customer interface
- Access to telecom network infrastructure provided by TIM

Products and Services

- Connectivity plan
- Corporate SMS
- Devices management
- Connectivity and support to global customers with business in Brazil

New businesses

- Immersion in the agribusiness segment
- New redundant IoT core prepared for 5G technology

Customers



PROGRAMA
MINEIRO DE
DESESTATIZAÇÃO

DESENVOLVIMENTO
ECONÔMICO



MINAS
GERAIS

GOVERNO
DIFERENTE.
ESTADO
EFICIENTE.

EXECUTIVE SUMMARY

Datora



CPaaS

General



Business Model

- Focus on small and medium-sized operators: call management, capacity control, anti-fraud and other services
- Offer of regulatory frame and platform to accredited MVNOs

Products and Services

- Telephone numbering, 0800, single number and phone prefix management
- Call management and anti-fraud services
- Connectivity platform for accredited MVNOs (mobile broadband, voice and SMS)
- IoT

New businesses

- ArqiaPag: solutions platform and payment method for CaaS customers

Customers



CPaaS

OTT



Business Model

- Offer of services to OTT companies that have global customers with business in Brazil
- Support to enterprises that provide services to OTT companies

Products and Services

- Wholesale
- DID numbering
- Colocation
- A2P corporate SMS
- IoT

New businesses

- Focus on international market expansion by opening of offices in California (2019) – to be closer to Silicon Valley – and Israel (2021)

Customers



PROGRAMA
MINEIRO DE
DESESTATIZAÇÃO

DESENVOLVIMENTO
ECONÔMICO

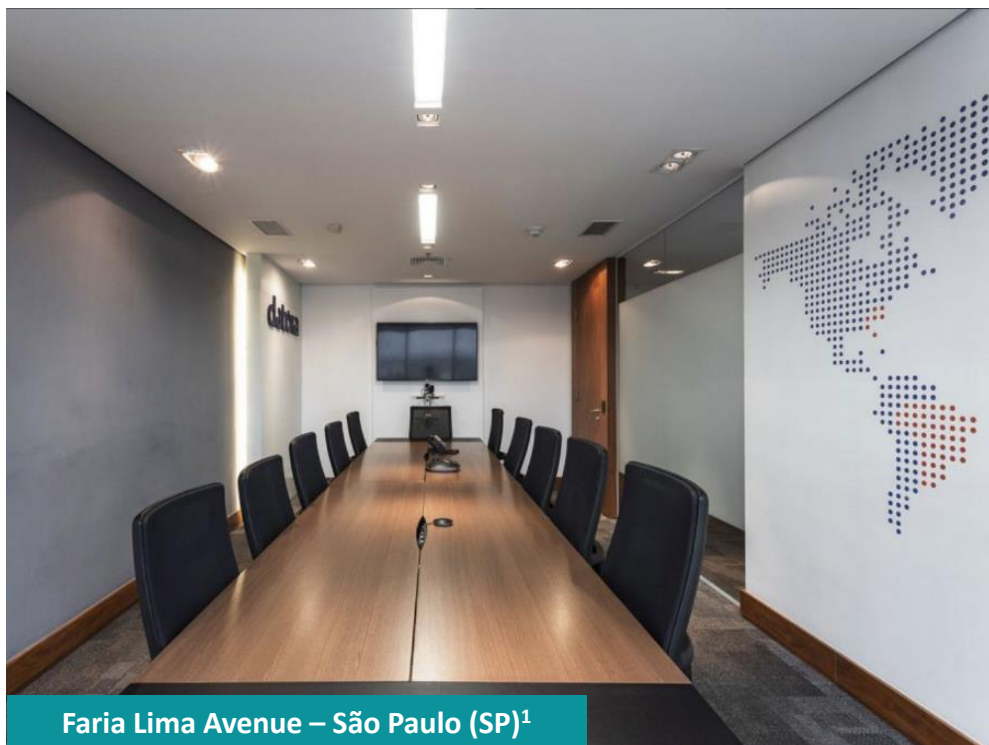


MINAS
GERAIS

GOVERNO
DIFERENTE.
ESTADO
EFICIENTE.

EXECUTIVE SUMMARY

Pictures of the operating units



- 1) Administrative Office, HR, IT, Marketing, Commercial, Financial, Fiscal, accounting and others
- 2) Datacenter, NOC 1, NOC 2, Operations, Commercial, Engineering, Logistics and others



PROGRAMA
MINEIRO DE
DESESTATIZAÇÃO

DESENVOLVIMENTO
ECONÔMICO



MINAS
GERAIS

GOVERNO
DIFERENTE.
ESTADO
EFICIENTE.

EXECUTIVE SUMMARY

Pictures of the operating units

datora



JK Avenue – São Paulo (SP)



Nova Lima (MG)³

3) Administrative Office, HR, Customer Relations, Commercial, Financial, NOC Mobile and others

BDMG



PROGRAMA
MINEIRO DE
DESESTATIZAÇÃO

DESENVOLVIMENTO
ECONÔMICO



MINAS
GERAIS

GOVERNO
DIFERENTE.
ESTADO
EFICIENTE.

EXECUTIVE SUMMARY

Investment thesis and stages of the divestment process

- Company has low level of indebtedness, which adds growth potential by increasing financial leverage
- Datora Group is a pioneer in the MVNO segment in Brazil
- Consistent operating growth in recent years – in 2021, EBITDA increased 14% in comparison to 2020;
- Executive team integrates the controlling stake of Datora Participações and has long-term experience in Telecom
- Exposure to IoT/M2M, segment which demonstrates favorable perspectives of growth in Brazil and Latin America
- Investments in progress by the Company to prepare itself for the 5G technology
- Modernization of the business environment and expectations of regulatory marks changes that can be favorable to the Company business
- Stages of the process (indicative):



Current Phase

* According to the Company's RILC (Regimento Interno de Licitações e Contratos da Codemge), chapter III-A, this stage can be removed from the process.



PROGRAMA
MINEIRO DE
DESESTATIZAÇÃO

DESENVOLVIMENTO
ECONÔMICO



MINAS
GERAIS

GOVERNO
DIFERENTE.
ESTADO
EFICIENTE.

FINANCIAL REQUIREMENTS

and Eligibility Criteria

- **Strategic Investors**
 - Book Equity Value of the Prospective Purchaser
 - Greater than R\$ 50,0 million or
 - Greater than R\$ 30,0 million if it holds assets or interests in the Company's operating sector (for example: telecom, datacenter, IoT and others)
- **Financial Investors (Investment Fund Manager)**
 - Assets under management (AUM): greater than R\$ 160,0 million
- **Individual Investors (natural persons)**
 - Assets and Rights: greater than R\$ 160,0 million

FINANCIAL REQUIREMENTS

and Eligibility Criteria



To participate in the Process, a Prospective Purchaser must meet the following requirements:

1. The Prospective Purchaser or any of its subsidiaries must not :

- a) Be subject to, belong to, or be controlled by an individual or legal entity subject to (i) economic, financial or commercial sanctions; (ii) embargoes; or (iii) restrictive measures administered, issued, or applied by the World Bank, the United Nations Security Council, the United States of America, Canada, the United Kingdom, the European Union, the Netherlands, Brazil, or by the respective governmental institutions and agencies of any of the abovementioned (Sanctioned Person)
- b) Be located, created, incorporated, organized or resident in a country subject to (i) economic, financial or commercial sanctions; (ii) embargoes; or (iii) restrictive measures administered, issued, or applied by the World Bank, the United Nations Security Council, the United States of America, Canada, the United Kingdom, the European Union, the Netherlands, Brazil, or by the respective governmental institutions and agencies of any of the abovementioned (Sanctioned Country)
- c) Have the predominant part of your business affiliation or do business with any Sanctioned Person or in a Sanctioned Country
- d) Have on its board of directors people who, by themselves, or their relatives up to the third civil degree, are or have been occupants of effective position or employment at Codemge or in any controlled company or occupant of a position of management, superior advice or intermediary assistance of the State of Minas Gerais in the 180 (one hundred and eighty) days immediately prior to the date of disclosure of this investment opportunity
- e) Have been sentenced, by a final, non-appeable sentence, to the penalty of interdiction of rights for environmental crimes, according to article 10 of Federal Law 9605/98
- f) Be in bankruptcy

continued>>>



PROGRAMA
MINEIRO DE
DESESTATIZAÇÃO

DESENVOLVIMENTO
ECONÔMICO



MINAS
GERAIS

GOVERNO
DIFERENTE.
ESTADO
EFICIENTE.

FINANCIAL REQUIREMENTS

and Eligibility Criteria



2. The Prospective Purchaser must not be included in any of the following restrictive lists:
 - a) “Cadastro de Empresas Inidôneas e Suspensas” (CEIS), available at: <http://www.portaldatransparencia.gov.br/sancoes/ceis>
 - b) “Cadastro Nacional de Empresas Punidas” (CNEP), available at: <http://www.portaltransparencia.gov.br/sancoes/cnep>
 - c) “Cadastro de fornecedores impedidos de licitar e contratar com a Administração Pública Estadual” (CAFIMP), disponível em: <http://transparencia.mg.gov.br/cadastro-de-fornecedores-impedidos-de-licitar-e-contratar-com-a-administracao-publica-estadual-cafimp>
 - d) “Lista de Alertas de Suspensão da CVM”
 - e) “Cadastro de Empregadores – Trabalho Escravo” (Portaria Interministerial MTPS/MMIRDH n. 4 de 11/05/2016, art. 2º , caput)
3. The Prospective Purchaser, in the case of a foreign company, must submit an Authorization Decree to operate in Brazil (according to Brazilian Federal Decree-Law No. 2.627/1940 and Decree No. 9.787/2019).
4. Cumulatively, the Prospective Purchaser must not:
 - a) have violated any provisions of anticorruption laws
 - b) be involved or subject to any ongoing process (judicial or administrative) or be conducting an internal procedure, related to subjects of anticorruption laws
 - c) be involved in providing services or telecommunications activities, direct or indirectly (also through shareholdings which provide the Prospective Purchaser influence or control in the entities involved in such activities), and be a direct competitor of Datora Participações
 - d) control a direct competitor of Datora Participações
 - e) be involved in any action, arbitration proceeding or other judicial proceeding or administrative process with Datora Participações

continue>>>



PROGRAMA
MINEIRO DE
DESESTATIZAÇÃO

DESENVOLVIMENTO
ECONÔMICO



MINAS
GERAIS

GOVERNO
DIFERENTE.
ESTADO
EFICIENTE.

FINANCIAL REQUIREMENTS

and Eligibility Criteria

5. By participating in this Process, the Prospective Purchaser undertakes to refrain from any action or omission that would violate any applicable law regarding business ethics, including Brazilian anticorruption laws (specifically, Brazilian Federal Law No. 12.846/2013)
6. To avoid conflicts of interest, no Prospective Purchaser considered an affiliate of the sole financial advisor in the Process (BDMG), as well as its directors and managers and supplementary pension entity of which it is a sponsor, may participate in the Process.

Prerogatives of the Divestment Commission and Exclusion of Prospective Purchaser from the Process:

1. Codemge and the other shareholders of Datora Participações are signatories of a Shareholders Agreement that is covered by confidentiality obligation. The Divestment Commission, in analysing the expressions of interest received, will decide about the habilitation of the Prospective Purchasers, being authorized to disqualify interested investors in case of finding any conflict situation or definitive restriction from the Shareholders Agreement.
2. If the Prospective Purchaser or any of its affiliates is included in the abovementioned lists or fails to meet any of the abovementioned requirements, the Prospective Purchaser will be excluded from the Process at any time.

continue>>>



PROGRAMA
MINEIRO DE
DESESTATIZAÇÃO

DESENVOLVIMENTO
ECONÔMICO



MINAS
GERAIS

GOVERNO
DIFERENTE.
ESTADO
EFICIENTE.

FINANCIAL REQUIREMENTS

and Eligibility Criteria

2. The Prospective Purchaser must be aware that the transfers of shares are subject to obtaining the necessary regulatory approvals from ANATEL (National Telecommunications Agency) and CADE (Administrative Council for Economic Defense), what includes the possibility of limitations in its vote rights in case of its participation in other companies of the Telecom sector (restrictions that can be presented in Resolution No. 101/1999 from ANATEL, which addresses the control, prevention and repression of economic order infractions in the Telecom sector. Obtaining such approvals constitutes a precedent condition to the closing of the Potential Transaction.
3. The completeness of the declaration and the fulfillment of the requirements mentioned above will be verified by Codemge after the Prospective Purchaser accepts the confidentiality obligations necessary for participating in the Process.
4. The Prospective Purchasers may, at their own risk and subject to payment of all related expenses, hire financial, technical and legal consultants to assist in the Process, as long as such consultants are reputable, experienced and unquestionable institutions not subject to any conflict of interest related to Codemge, regardless of the existence of a conflict determined according to the criteria specified by Codemge.
5. Joint proposals and/or consortiums will not be accepted.

DISCLAIMER

This Opportunity Overview (the “teaser”) is being furnished to prospective assignees and published in CODEMGE site (<http://www.codemge.com.br>) with the purpose to present the Potential Transaction related to **Datora Participações e Serviços S.A.** (“Datora Participações”, “Company” or “Potential Transaction” and only with the purpose of verifying the interest of the market in the “Potential Transaction”. Therefore do not oblige CODEMGE to start or to conclude the process for the sale of its asset.

This document has been prepared by CODEMGE in conjunction with BDMG as its exclusive financial advisor for the “Potential Transaction” and is furnished by CODEMGE solely for information and should not be relied upon and shall not confer rights or remedies upon the recipient/participant or any of its employees, creditors, holders of securities or other equity holders or any other person directly or indirectly related to the recipient/participant. This “teaser” has been assembled for the sole purpose of determining whether the prospective assignees wish to receive further information for analysis in connection with the “Potential Transaction” upon undertaking certain confidentiality obligations provided prospective assignees meet the requirements to participate in the Process.

Although this document was prepared in good faith and the information provided here may be obtained from publicly available sources, neither CODEMGE nor any of its subsidiaries, nor any of their respective directors, officers, employees, representatives, advisors or agents, nor BDMG is making any representation or warranties, expressed or implied as to the fairness, accuracy, reliability sufficiency, reasonableness or completeness of such information, statements or opinions contained in, or otherwise in relation to, this document or any written or oral information made available to any interested party, and no liability whatsoever is accepted by any such person in relation to any such information or opinion. Only those representations and warranties which may be made on a definitive agreement concerning the Potential Transaction (which will not contain any representations, warranties, or undertaking as to this document) shall have any effect. Any prospective assignee will so far as permitted by law, be required to acknowledge in the definitive agreement relating to the Potential Transaction that it has not relied on or been induced to enter into such agreement by any representation or warranty made by CODEMGE or BDMG, save as expressly set out in such agreement. The information contained in this document is being delivered for information purposes only. Any financial information (“Financial Information”) contained in this document regarding Datora Participações has been obtained from information (“Source Data”) prepared by the Company itself (Datora Participações), through CODEMGE, and may not comply with IFRS, UK, BR or US GAAP. No attempt has been made by CODEMGE to audit or verify the Source Data or the Financial Information or any other financial information mentioned in this document. Furthermore, any information that might be contained in this document regarding lithium market is subject to a number of factors and involves several risks that cannot be predicted by CODEMGE. This “teaser” is necessarily based upon information available to this date and considering economic condition and other conditions considered relevant in the situation they are and how these can be evaluated now.

CODEMGE does not consider that the Financial Information that might be herein contained is or should be taken as a reliable indication of the projected financial performance or any other matter. The Financial Information may include certain forward-looking statements and forecasts including statements with respect to financial conditions and results of operations relating to certain business and cost savings, management’s plans and objectives for relevant assets. These statements and forecasts involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and may be based on certain assumptions regarding the future evolution of a series of magnitudes and of the economy in general, which may not be fulfilled and, thus, the conclusions reached in this document may be altered accordingly. Terms such as “anticipate”, “believe”, “expect”, “anticipate”, “intend”, “plan”, “provide”, together with similar or analogous expressions are used to identify forward-looking statements. These forecasts obviously involve risks and uncertainties whether or not foreseen by CODEMGE. Therefore, future results of operations may differ from current expectations and this “teaser” readers should not base their expectations solely on the information presented herein. No warranty, promise or representation is made to the effect that such representations or predictions will be achieved. Actual results are likely to vary from these forecasts or projections, and such variations could be significant. There are many factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements, such as, but not limited to the ability to achieve cost savings, exchange rate exposure, inflation, adverse economic conditions, regulatory changes, new markets opening and technological changes.

continued>>>



PROGRAMA
MINEIRO DE
DESESTATIZAÇÃO

DESENVOLVIMENTO
ECONÔMICO



MINAS
GERAIS

GOVERNO
DIFERENTE.
ESTADO
EFICIENTE.

DISCLAIMER

Nothing contained in this document should be relied upon as a promise, representation or warranty as to the future. Except where otherwise expressly indicated, this document speaks as of the date hereof. Neither the delivery of this document or any purchase of any of these securities, assets, businesses or undertakings of CODEMGE or any related entity shall, under any circumstances, be construed to indicate or imply that there has been no change in the affairs of CODEMGE since the date hereof. In addition, no responsibility or liability or duty of care is or will be accepted by CODEMGE nor BDMG, or their respective counsellors, advisers, directors or employees for updating this document, or any additional information, correcting any inaccuracies in it which may become apparent or providing any additional information to any recipient/participant. The information contained in this document is necessarily based on economic, market and other conditions as in effect on, the information made available as of, the date hereof or as stated therein. It should be understood that subsequent developments may affect such information and that CODEMGE nor BDMG have no obligation to update or revise such information. This document does not constitute a prospectus or an offer for the sale or purchase of any shares or other securities, or any underlying assets of any member of CODEMGE or otherwise, enter into the Potential Transaction and does not constitute any form of commitment on the part of any member of CODEMGE, its affiliate or any other person to enter into any transaction or otherwise. Neither this document, nor any other written or oral information made available to any recipient/participant, or its advisers will form the basis of any contract or commitment whatsoever. Any proposal regarding a possible transaction between any member of CODEMGE and the recipient/participant will only give to any contractual obligations on the part of such member of CODEMGE IF and WHEN a definitive agreement has been executed. CODEMGE reserves the right without liability, to change, to amend or replace this “teaser” and the furnished information at any time and to amend, modify, delay, accelerate or terminate the Process, negotiations and discussions at any time and in any respect, regarding the Potential Transaction or to terminate negotiations with any prospective assignee/recipient/participant of this document, provided such is equally informed to all participants and always observing the impartiality and equal treatment. CODEMGE undertakes no obligation to provide any additional information to the recipient/participant, that acknowledges that it will be solely responsible for its own assessment of the market and the market position of CODEMGE or any of its securities, assets or liabilities or any part thereof and that it will conduct its own analysis and be solely responsible for forming its own view of the value and potential future performance of the same (Potential Transaction). Nothing contained within this “teaser” is, or should be, interpreted as or relied upon as a promise or representation as to future events or undertakings. Recipients/Participants shall keep their relationship with CODEMGE confidential regarding the Potential Transaction and shall not disclose to any third party that they have received this document or that they are assessing their interest in the Potential Transaction, unless authorized in writing by CODEMGE or pursuant to a determination by a competent authority.

In no circumstances will any member of CODEMGE and its Shareholdings or any of its advisors, including BDMG, be responsible for any costs or expenses incurred in connection with any appraisal or investigation of any member part of CODEMGE and its Shareholdings or any other costs and expenses incurred by a recipient/participant in evaluating this document and / or the “Potential Transaction”.

This document does not constitute legal, tax or financial advice and should not be considered as a recommendation by any member of CODEMGE and its Shareholdings or any of their respective representatives, directors, officers, employees, advisers or agents or any other person to enter into any transaction. Recipients/participants are recommended to seek their own financial and other advice and are expected to adopt their own decisions without relying exclusively on this document. As indicated therein, this document is solely for your information and should not be relied upon and shall not confer rights or remedies upon the recipient/participant or any other person. This document shall not exclude any liability for, or remedy in respect of, fraudulent misrepresentation. By accepting this document, the recipient/participant agrees to be bound by the foregoing limitations.



PROGRAMA
MINEIRO DE
DESESTATIZAÇÃO

DESENVOLVIMENTO
ECONÔMICO



MINAS
GERAIS

GOVERNO
DIFERENTE.
ESTADO
EFICIENTE.

CONTACT INFORMATION

Alexandre Aronne

Coordenador Econômico-Financeiro

+55 31 3219-8184

alexandrearonne@bdmg.mg.gov.br

Matheus Tângari

Assessor Econômico-Financeiro

+55 31 3219-8183

matheusc@bdmg.mg.gov.br

Webbert Caldeira

Analista Financeiro

+55 31 3219-8343

wcaldeira@bdmg.mg.gov.br

Lucas Menezes

Gerente de Desestatização

+55 31 3219-8755

lucasm@bdmg.mg.gov.br



PROGRAMA
MINEIRO DE
DESESTATIZAÇÃO

DESENVOLVIMENTO
ECONÔMICO



MINAS
GERAIS

GOVERNO
DIFERENTE.
ESTADO
EFICIENTE.

www.codemge.com.br

