

Проект Эрбий (Erbium) в РФ и странах СНГ: короткое описание магистрального проекта с целью пропуска транзитного трафика (от США до КПГ)

Строго КОНФИДЕНЦИАЛЬНО. Данное проектное описание основано на результатах экспертных исследований и экспертизы многочисленных опытных связистов и ведущих специалистов по телекоммуникационному рынку в РФ и в странах СНГ. Хотя данное проектное описание не является отчетом после проведения проверки операторов (Due Diligence Report), настоящее проектное описание было составлено благодаря информации от многочисленных надежных и профессиональных лидеров телекоммуникационного бизнеса в РФ и в странах СНГ.

Даниэль Хореманс, CEO & Иван Дмитриевич Махов, СТЕ, компания TOO АЮО/ AYO Ltd, Moscow, 27.07.2017

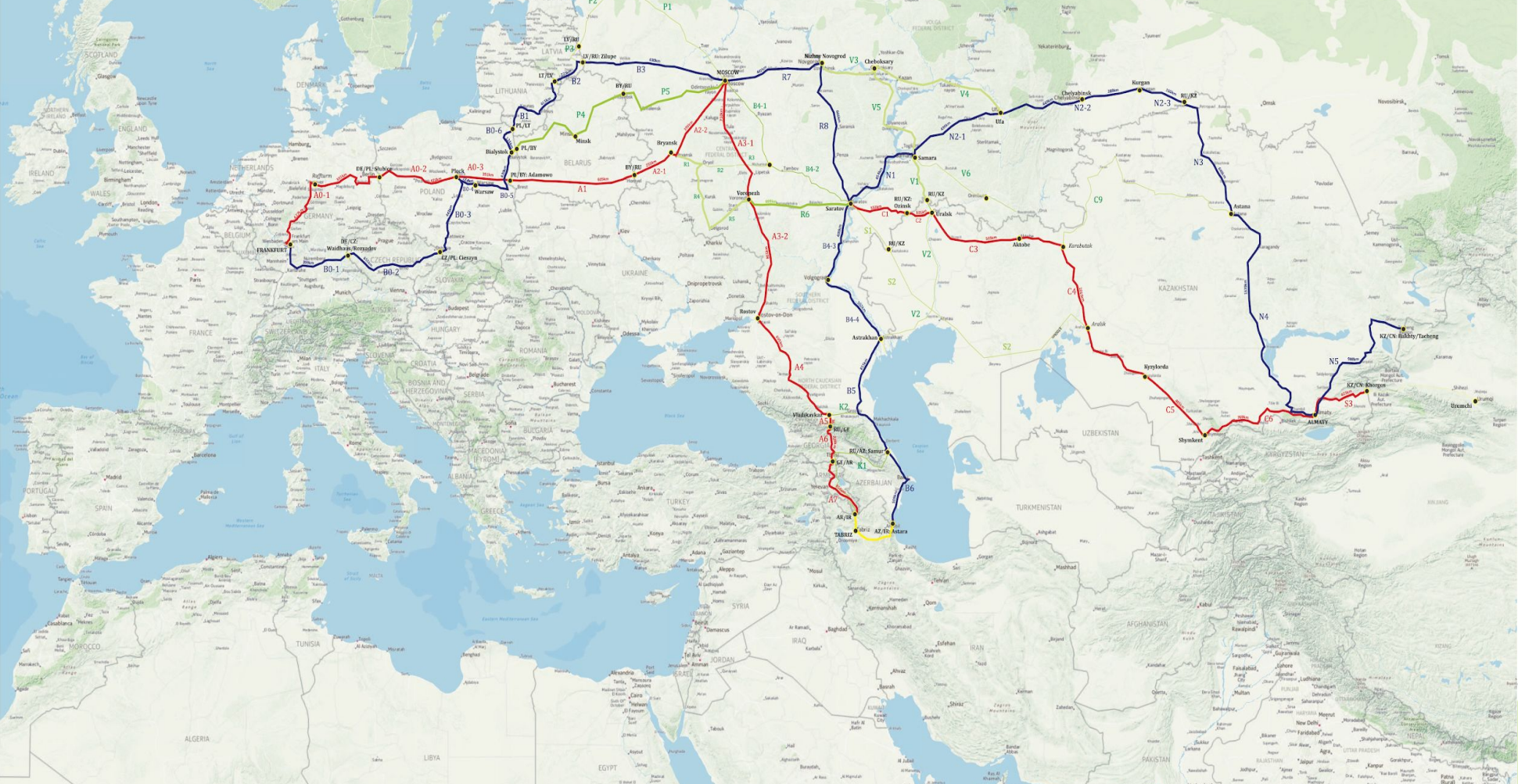
PS: “Эрбий” относится к редкоземельным элементам и используется в лазерных оптических усилителях с целью усиления сигналов в оптических волокнах. I

Проект Эрбий в РФ и в странах СНГ: короткое введение

► Состояние проекта:

- Акционеры/инвесторы: группа ведущих инвесторов из арабских стран
- Инвестиционный фонд: ок. 800 миллионов \$ (первый транш)
- Миссия и цели: создать конкурентоспособную международную магистральную сеть связи на основе существующих ВОЛСов с минимальной задержкой сигнала и с полным резервированием с целью пропуска трафика из США, ЕЭС, стран Прибалтики, Р. Беларусь, РФ, Р7 Казахстан, Р. Азербайджан, Грузии и Армении, некоторых арабских стран до КНР.
- Метод реализации проекта: (i) покупка (слияние и поглощение) (M&A) существующих сетей на основе ВОЛС лицензированных операторов связи, имеющих полное право собственности ресурсов; (ii) при необходимости, оформление «долгосрочное аренды» ВОЛСов (IRU) существующих волоконно-оптических.
- Предварительные договоренности с партнерами: есть уже ряд предварительных договоренностей с ведущими операторами связи и партнерами на всех уровнях профессионального телекоммуникационного бизнеса в РФ и в странах;
- Конкуренция: до сих пор не определена «срочная» или «опасная» конкуренция, хотя регулярно возобновляется информация о «подобных» проектах таких как: : (1) project “Silk Way”, (2) Asian Infrastructure Investment Bank, (3) Chinese (Huawei), (4) Kazakh Investment Funds (Alma Group) in Russia.

Project Erbium: Network Map



Project Erbium: Техническая стратегия.

- ▶ Техническая подготовка:
- ❖ Дизайн сети и DD (legal, technical, operational): Giprosvyaz Moscow as general contractor with Giprosvyaz St. Petersburg, MSS ICT St Petersburg and Constanta Advisory Moscow as subcontractors: Giprosvyaz is a governmental organization with highest level of competence & authority specializing in international and backbone networks.
- ❖ Дизайн сети & DD (legal, technical, operational): MSS ICT, St. Petersburg (subcontractor), private company: very high level of experience, expertise and competence.
- ❖ Дизайн сети & DD (legal, technical, operational): Constanta Advisory, Telepolis, TeleCompass specialized in top-level turnkey DD (legal, technical, commercial, operational, HR, etc.) with impressive track record including all fixed line operators.
- ❖ Подача заявлений на получение лицензий: Constanta Advisory, Telepolis, TeleCompass never had any refusal. Highly professional approach to Ministry of Telecommunications RF. One-stop shopping for licenses, technical policy, purchase of FOC and assets, in-depth Due Diligence (legal, technical, commercial, etc.)
- ❖ Изучение и исследования рынка: Jason & Partners, Moscow; leading company for market reports and forecasts; feedback from market players; “selective” news dropping by using its own professional TV channel for telecoms/IT. Comparative analysis of value of operators.

Project Erbium: лучшие и самые быстрые маршруты в результате покупки существующих операторов связи

- ▶ Существующие договоренности со следующими операторами связи, имеющими все лицензии и сетевые ресурсы.
- ▶ Цены индикативные до проведения Due Diligence (DD) и переговоров

Nr.	Description of target company	Approximate price, \$
1.	Nr. 2 operator for long-distance, international and transit traffic (Moscow based), acknowledged by AT&T	172 million
2.	Operator with 13.000 km of own fiber-optic cables, full redundancy, 23 border crossings fully prepared, stable customer base, 50% EBITDA (details: see slide 7&8)	60 million
3.	Same operator as Nr. 2, advanced cloud services, leading customer base	16 million

Project Erbium: (лучшие и самые быстрые маршруты в результате покупки существующих операторов(часть 2)

Nr.	Description of target company	Approximate price, \$
4.	Local, fully licensed operator, specializing in long-distance, international and transit traffic, with existing cross-border node Russia-Kazakhstan, own FOC network.	5 million
5.	Local, fully licensed operator, 2000 km of proper fiber-optic cable, maintenance and customer service	5 million
6.	Local, fully licensed operator with existing border crossings RUS-PRC, connection with 4 major Chinese operators; fastest route Frankfurt-Hong Kong; own FOC network.	100 million
	Итоговая инвестиция (до проведения DD и переговоров, до оптимизации).	358 million

STRICTLY PERSONAL AND HIGHLY CONFIDENTIAL

Russia: M&A opportunity #2 (detail of operator # 2 on slide # 5)

Fully legal, fully licensed, operational telecom operator specializing in operator and transit traffic, B2B traffic, with national and international presence, having its own fiber-optic network of 13.000+ km with full redundancy (latency), border crossings, data centers.

COMPANY IN FIGURES

- Fully legal, fully licensed, operational telecom operator specializing in operator and transit traffic, B2B traffic, with national and international presence, having its own fiber-optic network of 13.000+ km with full redundancy (latency), border crossings, data centers.
- Current revenues: 0,748 billion RUR = ca. 13,78 million \$ (at today's exchange rate of 1 \$ = 56,88 RUR) ; 50% EBITDA margin (2016)
- 15+ years on the market
- 20+ Tbits leased-line capacity sold
- 28+ international installations of invGUARD cyber attack prevention systems
- 3+ installations of InoSphere Cloud Services management platforms
- 250% average Y2Y revenue growth (2011- 2014)
- 50% EBITDA margin (2015)
- 90+ connected telecom carriers

Russia: M&A opportunity #2: (continued)

COMPANY IN FIGURES (continued 2 - technical):

- ▶ 60%+ territory of Russia covered by Inoventica network
- ▶ 110+ DWDM nodes
- ▶ 13+ PFLOPS aggregate computing power
- ▶ 112+ PB aggregate data storage
- ▶ 0% DRTD
- ▶ 0% of network packet drops
- ▶ 6 Data Centers
- ▶ 15.000+ km of fiber-optic cable (recently installed)
- ▶ <10 ms RTD from customer to DC (Data Center) (compared: Rostelecom: 80-120 ms !!)
- ▶ The entire company has a wide network coverage and a great potential because only 10-15% is currently used

Russia: M&A opportunity #2: (continued)

Some advantages of M&A:

- ▶ Prior to DD: fully legal, fully licensed, fully operational telecom company
- ▶ 8 rings of high-quality fiber-optic cables, with full redundancy (latency)
- ▶ Existing and sustainable business revenues of 13,78 million \$/year with 50% EBITDA margin and 250% average Y2Y revenue growth
- ▶ Constructed technical network of 13.000+ km fiber-optic cable (title of property !) and 110+ DWDM nodes
- ▶ National and international presence with great potential (used for 15% now)
- ▶ Diversified and growing customer base: B2B, 90+ connected telecom carriers, cloud providers, content providers, telecom carriers, software developers.
- ▶ The owner, a former Department Director of the Ministry of Telecommunications, is ready to buy back capacity for his IT business and to formalize co-operation and partnership by offering his wide network of contacts.

Project Erbium: Partners in CIS: Kazakhstan

- ▶ BellCom Almaty (holding)
- ▶ LLC “CityTel” (brand “Freenet”)
 - ▶ Russia: Moscow, N. Novgorod, Kazan, Ekaterinburg, Novosibirsk, Krasnoyarsk, Irkutsk, Khabarovsk
 - ▶ CIS: Kazakhstan (Petropavlovsk, Astana, Chimkent, Almaty, Urumchi, (PCR) potentially further to Hong-Kong), Kirgizstan, Tajikistan, Georgia, Armenia, Ukraine

Project Erbium: Partners in CIS: Azerbaijan

- ▶ Pre-agreement with leading business partner having his own companies in Russia, Iran, Turkey and working with Arab countries.
- ❖ High-level position and all contacts with administration and all leading telecom operators (strategic asset) of Azerbaijan;
- ❖ Joint high-level contacts with operators Delta Telecom and AZ Telecom;
- ❖ High-level contacts with operators in Pakistan, Iran, Turkey;
- ❖ Knows Azeri (Turkish), Russian, English and Arab language;
- ❖ Is willing to coach for local office, verified HR resources, security, business support;
- ❖ Highly-respected business man.

Project Erbium: Partners in CIS: Georgia

- ◆ Pre-agreement with leading business partner having his own companies in Russia, Iran, Turkey and working with Arab countries.
- ❖ All contacts with administration and all leading telecom operators (strategic asset) of Georgia;
- ❖ Joint high-level contacts with telecom operators of Georgia;
- ❖ Will coach for local office, verified HR resources, security, business support;
- ❖ Highly-respected business man.

Project Erbium: Partners in CIS: Armenia

- ▶ Nara Kirakosyan, HD Worldwide
- ▶ Mane Ghulijanyan, HD Worldwide
 - ❖ HD Worldwide has HErbium in Tel Aviv, Israel
 - ❖ HD Worldwide promotes bilateral connections and partnerships with 150+ global telecom operators and all major Tier-1 and Tier-2 carriers.

Project Erbium: Юридическая поддержка

Recommended:

- ▶ Chadbourne & Partners, Moscow, international law company, specialized in telecom deals (Golden Telecom, Beeline):
 - ▶ business-oriented lawyers with many years of experience and excellent knowledge of Russian, CIS and international legislation and deal structuring;
 - ▶ highly professional expertise for legal DD (for example, in co-operation with Constanta Advisory);
 - ▶ valuable experience for deals governed by Russian, English or US law;
 - ▶ valuable experience for major cross-border mergers & acquisitions and complex financings;
 - ▶ presence in Middle East/Europe/USA/Asia/Africa/RF

Контактные данные компании Company AYO Ltd (“Are You Online”), владельца проекта, Москва

- ▶ For further information on this professionally prepared, attractive international project for transit traffic from USA/Europe through the Russian Federation to PRC (with alternative routing through Kazakhstan/Azerbaijan/Georgia and Armenia) you are requested to contact:
 - ▶ **Mr. Daniel Horemans**, CEO, company AYO Ltd (“Are You Online”), Moscow, Russian Federation:
 - ▶ Mobile telephone: +7.963.926.40.65
 - ▶ Email: D.Horemans@yahoo.com
 - ▶ **Mr. Ivan D. Makhov**, CTO, company AYO Ltd (“Are You Online”), Moscow, Russian Federation:
 - ▶ Mobile telephone: +7.985.277.26.52
 - ▶ Email: mahovid@gmail.com

Project Erbium : Thank You

"Opportunities don't happen. You create them."

Chris Grosser

THANK YOU for your time and attention !