

Successful entry in the Brazilian market

Mr. Sérgio Costa - CEO



Strings[®]
Strategy • Investments • Global Business



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SPIRIT
SLOVENIA

May 26, 2022

About Strings®

STRINGS® is a company based in **São Paulo, Brazil**, dedicated to providing **tailor-made solutions** to companies willing to **operate or invest** in Brazil. We help design and implement the business **strategy** and provide **investment facilitation** to help Foreign Direct Investment have a soft landing, and a **safe, legal, fast-track**. We operate as local **business developers, connecting business partners, and investors**, helping companies do business in a global scale while going **international**. STRINGS® can also be your local office in Brazil, **reducing entry risks and costs**.

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Credentials



Sérgio Rodrigues Costa
CEO

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Biography

Expert in investment promotion, Costa led internationally awarded investment promotion agencies such as Apex-Brasil and InvestSP. He led strategy and operations to attract more than USD 21 billion in new investments, promoting the image of Brazil and the State of São Paulo around the world.

Under his leadership, in 2018 InvestSP was awarded as the World's Best Investment Agency by fDi magazine, won the fDi Strategy Awards, while the state was ranked as the #1 State in Latin America for Investments. He is member of the jury of the Americas Cities of the Future ranking of fDi Magazine, Financial Times, which selected the best cities in the Americas for investments.

He is the founder and CEO of STRINGS® – Strategy, Investments, Global Business, a company with global operations and partner of Elit Capital and Wavteq in strategic projects.

Sérgio holds a B.Sc. in Production Engineering from UFMG – Federal University of Minas Gerais and holds a Master's degree in Organizational Leadership from the Azusa Pacific University, USA.

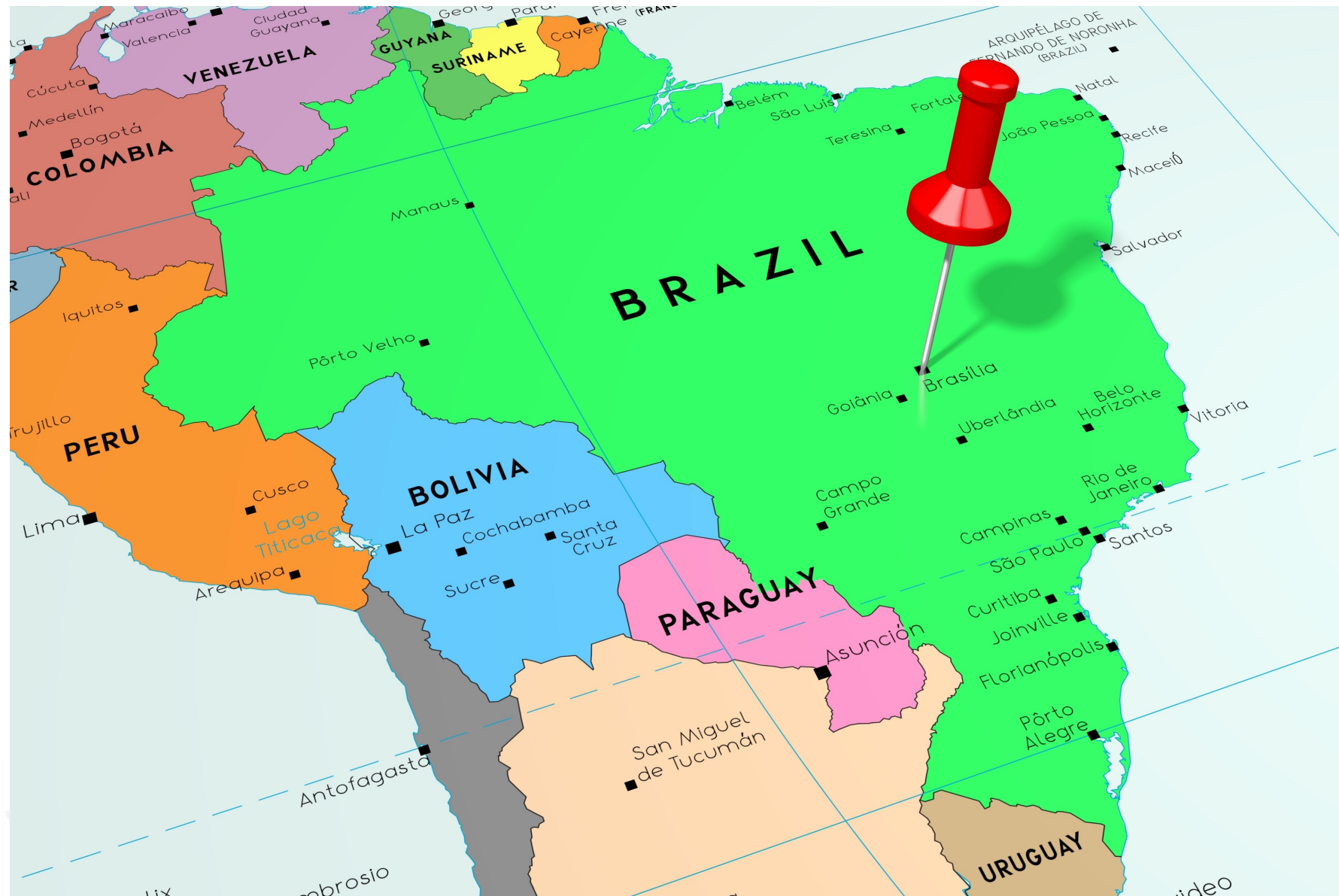
Industries and main projects

- Automotive
- Agribusiness
- Life sciences
- Pharmaceutical
- IT, Data Centers
- Aerospace and defense
- Food and beverages
- Renewable energy
- R&D
- infrastructure
- Education
- Cosmetics and personal hygiene
- Machines & equipment
- Textile
- Investment promotion*



*Dominica, Ucrânia e COMESA RIA na África, em parceria com a Wavteq.

Brazil: one country, many opportunities



Key topics to keep in mind



HUGE DOMESTIC MARKET:
212.6 MILLION PEOPLE

A COUNTRY WITH CONTINENTAL DIMENSIONS AND ONE LANGUAGE

EXCHANGE RATE IN FAVOR OF FOREIGN DIRECT INVESTMENTS
11th Largest destination in 2021: US\$25 Billion*

DIFFERENT BACKGROUNDS COEXIST PEACEFULLY

IMPORTANT ECONOMY IN LATIN AMERICA

IT IS A DEMOCRACY

DEMAND FOR GOODS AND SERVICES

TECHNOLOGY EARLY ADOPTERS

150 MILLION INTERNET USERS

111 MILLION SOCIAL MEDIA USERS. 95% VIA MOBILE

NEW LABOR LAW & PENSION REFORM

STRONG PRESENCE OF INTERNATIONAL CORPORATIONS

*UNCTAD: World Investment Report 2021

Key topics to keep in mind



DISCUSSIONS ON TAX
REFORMS

INFRASTRUCTURE VARIES
BUT PPP AND
CONCESSIONS ARE
BRINGING MUCH NEEDED
UPGRADES

OECD REQUIREMENTS TO
BOOST NECESSARY
CHANGES

YOUR COMPETITORS MAY
ALREADY BE HERE

TRACK RECOVERY IN
DOMESTIC
CONSUMPTION POST
COVID-19

Elections

Where in Brazil?



REGION	POPULATION DISTRIBUTION (%)
SOUTHEAST	42,13%
NORTHEAST	27,82%
SOUTH	16,36%
NORTH	8,32%
MIDWEST	7,37%

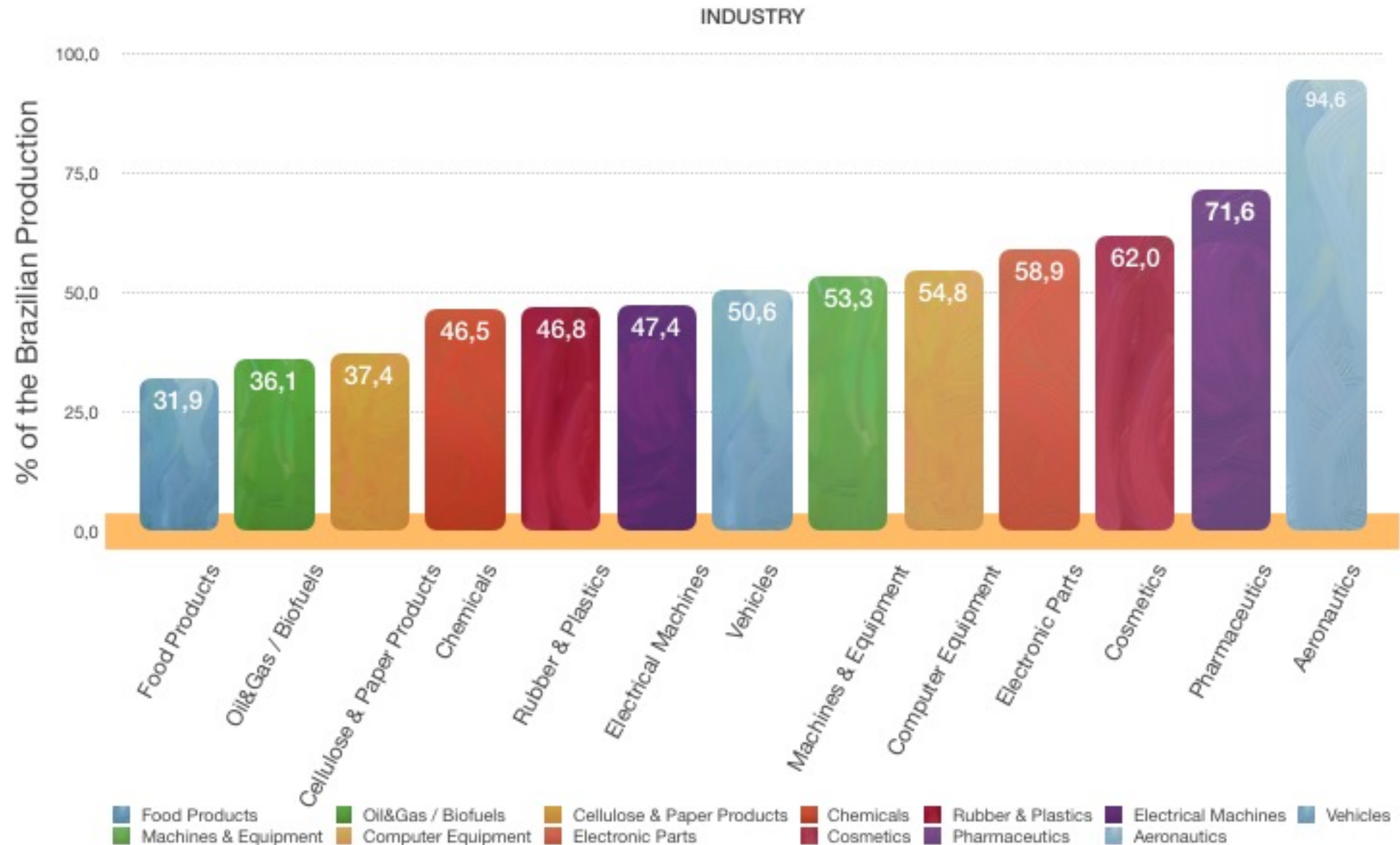
Source: IBGE

It will depend on:

- Your business strategy
- What your business offers
- What your business needs
- Where your market is
- How digital your business is

Industries still concentrated in the SE region...

Sources: IBGE and the Central Bank of Brazil



Why target Brazil for investments?

- More of the **world's largest 2,000 companies in Brazil than rest of LATAM combined**
- Over **1 million agribusiness companies** (3rd highest in world. More than rest of LATAM combined)
- **250,000 software & IT companies** in Brazil (5th highest in world)
- **13.000 startups, 21 Unicorns valued at over US\$ 1 Billion** each
- Nearly **¼ million metals manufacturing companies** (2nd highest in world)
- Nearly **0.5 million financial services companies** in Brazil (6th highest in world)
- Nearly **25,000 chemicals firms** (5th highest in world)
- Nearly **25,000 industrial machinery firms** (10th highest in world)
- Over **10,000 medical devices manufacturers** (6th highest in world)
- **Third highest renewable energy capacity in the world** (more than rest LATAM combined)

Source: Wavteq; Strings;

What opportunities wait for you in Brazil? (1/2)

- Healthcare and pharma + Telemedicine + Cosmetics
- Metallurgy, machinery and equipment
- Food and beverages
- “AnyTech” (Agritech, Aerospace, Fintech, Edtech)
- Clean tech and renewable energy
- Media and digital services
- IT infrastructure (DC) and IT related services (Cloud)
- Hospitality
- Startups

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What opportunities wait for you in Brazil? (2/2)

- Electric Vehicles (batteries and components)
- Agriculture
- Forestry + Carbon Credits + Sustainability
- Mining
- Defense
- Financial Services (Insurance and Banking)
- Infrastructure (Public Private Partnerships, Concessions)
- Logistics + Mobility + Smart Cities
- M&As (Favorable exchange rate /market entry strategy)

Suggestions when considering Brazil:

- Plan. Plan a lot. Carefully design your strategy
- Learn about the country, before you decide – culture, business environment, standards, regulations, and taxes.
- Find a local partner who can validate your assumptions and your plan
- Get local support – from SLOBRAZ, Slovenian Embassy in Brasilia, STRINGS[®], Allegroz, and LGPD.
- Networking!
- Take a close look at standards and Intellectual Property
- Don't take previous success in other markets for granted.

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Conclusions



*Source: Brazil Central Bank – May 24th, 2022



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