

The logo for Digerati features the word "Digerati" in a bold, black, sans-serif font. A thin red horizontal line is positioned above the letters "i", "g", and "e".

Digerati

Unified Communications as a Service

*Investor Presentation
June 2022*

Safe Harbor

This presentation is for discussion purposes only. Certain material is based upon third party information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such. Certain statements in this presentation constitute “forward-looking statements” relating to Digerati Technologies, Inc. (“DTGI,” “Digerati” or the “Company”) made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 that are based on current expectations, estimates, forecasts and assumptions and are subject to risks and uncertainties. Words such as “anticipate,” “assume,” “began,” “believe,” “budget,” “continue,” “could,” “estimate,” “expect,” “forecast,” “goal,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “seek,” “should,” “target,” “would” and variations of such words and similar expressions are intended to identify such forward-looking statements. All forward-looking statements speak only as of the date on which they are made. Such forward-looking statements are subject to certain risks, uncertainties and assumptions relating to factors that could cause actual results to differ materially from those anticipated in such statements, including, without limitation, the following:

- The impact of the recent coronavirus outbreak on our results of operations and our business;
- Our ability to effectively market and generate revenue from our applications;
- Our ability to generate and maintain active subscribers and to effectively monetize our user base;
- The intense competition in the industries in which our business operates and our ability to effectively compete with existing competitors and new market entrants;
- Legal and regulatory requirements related to holding and distributing cryptocurrencies and accepting cryptocurrencies as a method of payment for our services;
- Risks related to our holdings of digital tokens, including risks related to the volatility of the trading price of the digital tokens and our ability to convert digital tokens into fiat currency; our ability to obtain additional capital or financing to execute our business plan, through offerings of debt and equity; our ability to develop, establish and maintain strong brands; the effects of current and future government regulation, including laws and regulations regarding the use of the internet, privacy and protection of user data and blockchain and cryptocurrency technologies; our ability to offset fees associated with distribution platforms that host our applications; our reliance on our executive officers; and our ability to release new applications on schedule or at all, as well as our ability to improve upon existing applications.

For a more detailed discussion of these and other factors that may affect our business, see our filings with the Securities and Exchange Commission, including the discussion under “Risk Factors” set forth in our latest Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. We caution that the foregoing list of factors is not exclusive, and new factors may emerge, or changes to the foregoing factors may occur, that could impact our business. We do not undertake any obligation to update any forward-looking statement, whether written or oral, relating to the matters discussed in this report, except to the extent required by applicable securities laws.

Digerati at a Glance

Steady Customer Base

Average contract
24 Months with a monthly ARPU of \$743, contracting (4) services.

Business size
25-40 Employees with an average of 30 Hosted Seats/Lines

Sales cycle
6 Months with less than 1% turnover

Successful Track Record

Digerati is a multi-year recipient of Deloitte's Fast500 and Fast50 Awards for recognition as one of the fastest growing technology companies in North America.

History of Successful Integrations



Financial Highlights

\$12.4M
Cloud and network services revenue in 2021

45,000
Business users¹

97% YoY
Revenue growth from 2020 to 2021

400+
Channel partners¹

\$32.6M
Annualized consolidated revenue for fiscal year 2022¹

\$46.2M
Enterprise value²

1. Digerati Closes Acquisition of NextLevel Internet | https://www.sec.gov/Archives/edgar/data/0001014052/000121390022006475/ea155302ex99-1_digerati.htm
2. All public market data reflective of the close on: 06/23/2022
Source: All financial data from Capital IQ, Pitchbook and Company Filings

Only in the Cloud™

We provide a full suite of Unified Communications as a Service (“UCaaS”) products focused on serving the ‘high-touch’ small to medium-sized business (SMB) market in various industries.

Primary services sectors:



Real Estate



Professional Services



Banking



Municipalities

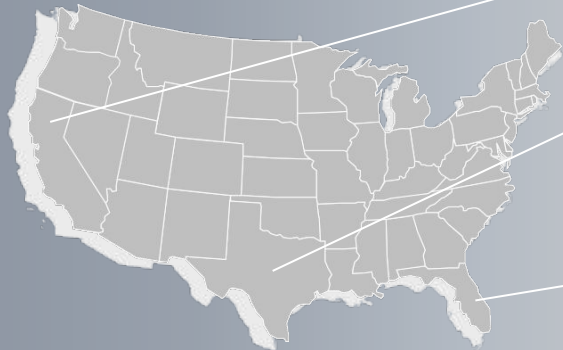


Financial Services



Healthcare

High-touch local footprint:



California¹

1st in nominal GDP
(\$3.5 Trillion in 2021)

Texas¹

2nd in nominal GDP
(\$2.1 Trillion in 2021)

Florida¹

4th in nominal GDP
(\$1.2 Trillion in 2021)

Well-defined Investment Thesis



Highly experienced management team

Over 125 years of combined experience in the telecommunication and cloud communication services industry



Organic & acquisitive growth strategy

Rapid advancements in communications technology and business migration towards Internet-based communications systems are driving exponential market growth



Market insights

Knowledge and access to high growth potential markets provides unique opportunity to rapidly expand each business line



Recurring revenue streams

High-margin recurring revenue from multi-year contracts with business customers

Diverse Client Base



Multifaceted Growth Initiative



Secure Adequate Growth Capital

- Continued balance sheet clean up and improve access to equity markets.
- Well-position the Company to act on strategic and accretive acquisition opportunities.



Acquire Synergistic Business

- Identify and acquire local and/or regional UCaaS/cloud telephony providers with high gross margins and predictable revenue streams.
- Provides greater access to similar customers in banking/insurance, financial services, legal, municipalities, food service, etc.



Drive Revenue Growth

- Focus on integration of recently acquired businesses.
- Targeting a range of YoY organic revenue growth between 5% and 10%.
- Continued enhancements to its broadband product portfolio, improving the Company's UCaaS solutions, and implementing a total support model.



Future Growth and National Listing

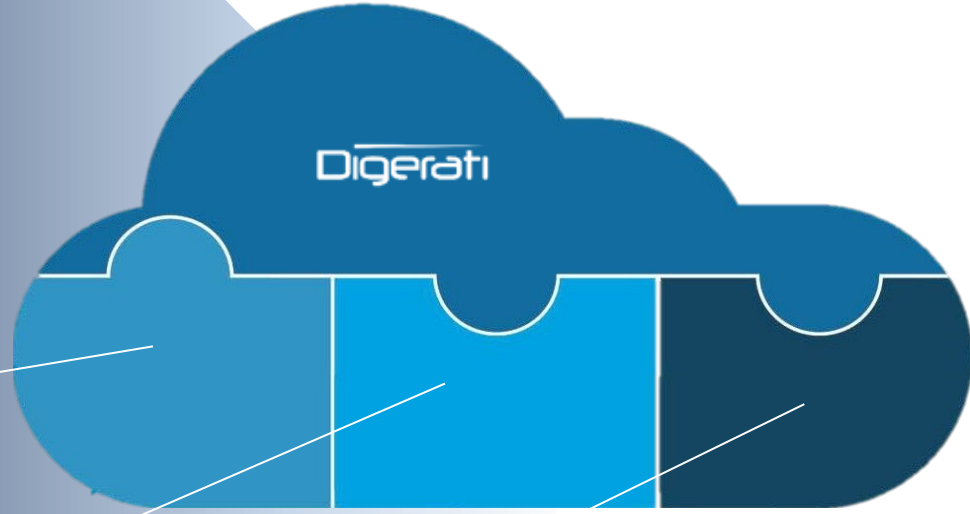
- Continue to evaluate opportunistic and accretive acquisitions.
- Drive operational efficiencies to increase EBITDA.
- Work with Investment Banking partner to achieve a listing onto a national U.S. exchange.

M&A Strategy: Disciplined Approach in a Fragmented UCaaS Industry

- Opportunities exist to acquire UCaaS providers:**
- Enhancing solution portfolio
 - Increase client base for cross-selling
 - Increase distribution channels
 - Expand management and technical expertise

- Greater than 50% of UCaaS industry is made up of local/regional providers**
- Identify and implement best practices of acquisition targets
 - Potential to use public company stock currency in the future

- Complementary to organic growth**
- Acquire synergistic and cash flow positive companies
 - Support by strong financial partner Post Road Group
 - Ability to replicate acquisition success of integration and re-energizing sales efforts



A History of Successful Accretive Acquisitions

\$700K

Annualized revenue

● **2017**
December 5th
Digerati announces completion of Synergy Telecom, Inc. acquisition

\$6.0M

Annualized revenue

● **2018**
May 2nd
Announces Completion of T3 Communications, Inc. ("T3") Acquisition

\$14.0M

Annualized revenue

● **2020**
November 18th
Closes Nexogy, Inc. & ActivePBX Acquisitions, more than Doubling Annual Revenue to Greater than \$14 Million

+\$20M

Growth Capital

● **2020**
November 24th
Digerati Technologies Closes \$20 Million Credit Facility with Post Road Group

\$18.5M

Annualized revenue

● **2022**
January 5th
Digerati Closes Acquisition of SkyNet Telecom – Adds \$3.4 Million in Annual Revenue

\$32.6M

Annualized revenue

● **2022**
February 8th
Digerati Closes Acquisition of NextLevel Internet – Adds \$13.0 Million in Annual Revenue

June 21st
Reports Q3 FY2022 Results

Recent Acquisitions



- Texas-based provider of cloud communication and broadband solutions
- Expands service and support capabilities in the large and growing Texas market
- Executing go-to-market strategy in secondary and tertiary high-growth markets
- Adds 500 business customers and 5,000 total users



- California based provider of cloud-based Unified Communications and Collaboration (“UC&C”), Contact Center, and Managed Connectivity services
- Expands reach of Digerati’s cloud communications and broadband solutions to include strong west coast presence
- Expected to be accretive to earnings and add over \$13 Million in annual revenue, increasing Digerati’s consolidated annualized revenue to \$31.5 Million
- Adds 1,000 business customers and 12,000 total users

Transaction Rationale

- Acquisitions provide an increase in revenue and EBITDA contribution via a contracted customer base with recurring revenue stream.
- Provides access to greater pool of small and medium-sized business customers in various industries.
- Combined with T3 Communications, resulted in over 400 channel partners as conduit for sales growth.

Accretive M&A Outcomes / Improvements

\$32.6 Million
Annual consolidated revenue¹

4,000
Total Business Customers¹

45,000
Total Users¹

Products and Services – UCaaS Services

Well thought-out growth initiatives and accretive acquisitions have transformed Digerati into a full-service UCaaS platform, positioning the company for swifter market penetration at every angle.



Taking a full-service approach to its product portfolio:

UCaaS

- Voice, visual and mobile communications
- SMS and messaging
- Videoconferencing
- Audioconferencing
- Voicemail to email/text
- Mobility
- Call recording

Integration

- Microsoft Teams
- CRM
- NetSuite

Digital Oxygen

- Fiber/Wireless services
- 4G/5G connectivity
- SD WAN

CCaaS Services

- Robust UCaaS application that supports complete cloud communication capabilities and cloud telephony applications
 - MS Teams integration
 - CRM integration
 - Contact Center platform and application (CCaaS)
 - Complete mobility via mobile/web platform and softclient
- Industry verticals include:**
- Healthcare
 - Restaurants/Hospitality
 - Retail

U.S. and Global UCaaS Market: Facts and Figures

Market Stats¹

\$38.74 billion market in 2020.

– Significant segment of the market has not yet migrated to the cloud

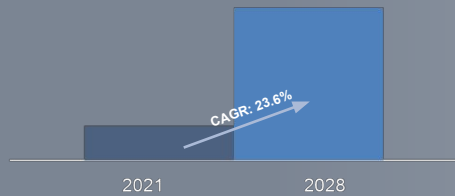
Highly-fragmented market littered with cloud com providers

– National providers lack local touch and cause high customer churn while Incumbents provide inadequate support to SMB market.

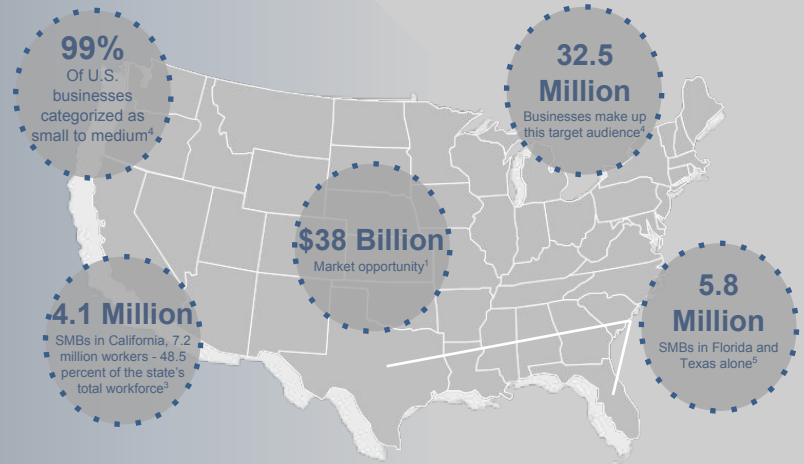
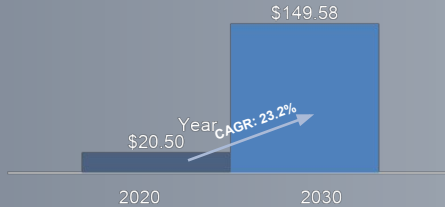
Bandwidth costs continue to drop for SMBs

– More bandwidth=improved cloud performance and provides additional ROI

Global UCaaS Market Growth (2021-2028)¹



Global CCaaS Market Growth (2020-2030)²



1. Unified Communication As A Service Market Report Scope <https://www.grandviewresearch.com/industry-analysis/unified-communications-as-a-service-market>
 2. Grand View Research, inc. <https://www.grandviewresearch.com/press-release/global-contact-center-software-market>
 3. Small Business Fact Sheet | chrome-extension://efaidnbmnmlbpcapcplgefedmkaj/viewer.html?pdfurl=https%3A%2F%2Fwww.gov.ca.gov%2Fwp-content%2Fuploads%2F2020%2F09%2FSmall-Business-Fact-Sheet-9.9.20.pdf&clen=130226&chunk=true
 4. 2021 U.S. Small Business Administration Office of Advocacy: <https://www.sba.gov/content/2021-small-business-economic-profile-us>
 5. chrome-extension://efaidnbmnmlbpcapcplgefedmkaj/viewer.html?pdfurl=https%3A%2F%2Fcdn.advocacy.sba.gov%2Fwp-content%2Fuploads%2F2021%2F08%2F30143723%2FSmall-Business-Economic-Profile-US.pdf&clen=2431253&chunk=true
 OBERLO-No. of Small Businesses in the U.S. (2017-2021): <https://www.oberlo.com/statistics/number-of-small-business-in-the-us>

Favorable Trends in a Changing Landscape

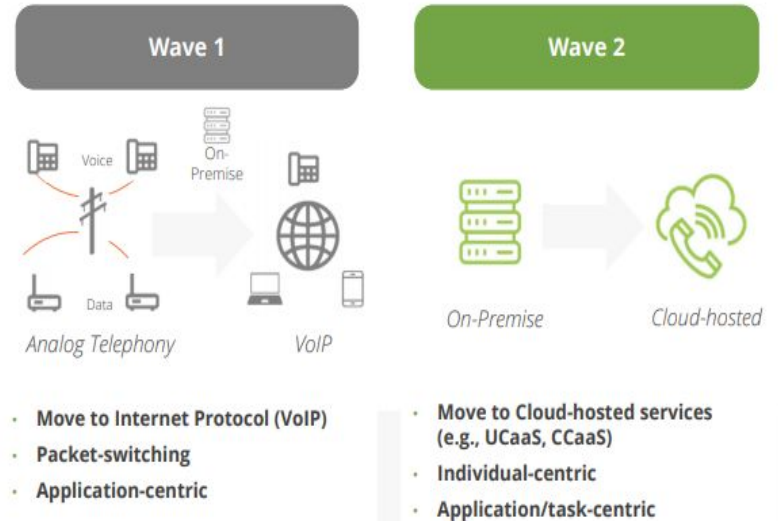
Market is entering third wave of Unified Communications and Collaboration transformation driving demand for cloud native integrated and collaborative capabilities with low-code/no-code integrations to many popular cloud applications

Businesses continue to migrate from legacy systems to cloud-based communication services

Growth fueled primarily by business adoption stemming from both the cost effectiveness and innovation of cloud infrastructure vs. legacy systems

SMBs prefer single source providers for their IT and communications needs and are redefining solution expectations within the cloud framework

DTGI is positioned for third wave by focusing on integration with CRM and other collaboration software



Competitive Landscape

Company	Description	LTM Revenue	Enterprise Value	E/V Mult.
VONAGE	Provider of cloud communication services.	\$ 1.3B	\$ 5.6B	4.2x
RingCentral	Provider of SaaS-based cloud unified communications and collaboration technology.	\$ 1.4B	\$ 11.9B	8.1x
8x8 Global Cloud Communications	Provider of cloud-based enterprise-class telecom services created to enable mobility and global connectivity.	\$ 601M	\$ 1.8B	2.8x
ooma	Provider of cloud-based smart platform intended to transform the landscape of home phone services.	\$ 192M	\$ 333M	1.7x
nextiva	Developer of a communication platform designed to provide small scale companies with big-business phone features.	FY2021 Revenues: \$ 250M		



Ericsson to Acquire Vonage

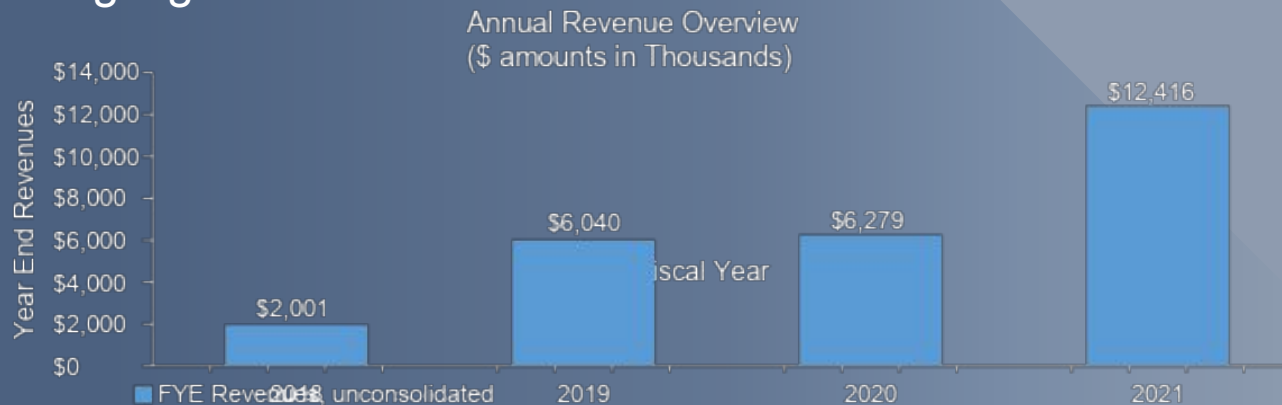
(announced 11/22/21)

Offer Amount:	\$21 per share (Total: Approx. \$6.2 Billion Cash Offer)
Vonage LTM Sales: <small>(as of 9/30/21)</small>	\$1.4 Billion
Revenue/Trading Multiples:	4.4x sales / 1.2x share price premium to prior close on 11/19/2021 (\$16.37)

Ericsson's acquisition marks Vonage's ascension to enterprise, forming a void in an already fragmented SMB market in need of a full-service cloud solution; provides a perfect opening for Digerati to expand and penetrate previously inaccessible markets

Notes:
 *All public market data reflective of the close on: 04/10/2022
 *LTM and Estimates from Capital IQ and Pitchbook a/o 04/10/2022
 Source: All financial data from Capital IQ, Pitchbook and Company Filings

Financial Highlights



(\$ amounts in 000s)

	9 months Ended		Fiscal Year Ended	
	30-Apr-21	30-Apr-22	31-Jul-20	31-Jul-21
Revenue	\$ 8,629	\$ 15,959	\$ 6,279	\$ 12,416
Net income (loss)	\$ (15,484)	\$ (4,726)	\$ (3,377)	\$ (16,683)
Cash/Cash Equivalents	\$ 2,125	\$ 2,384	\$ 685	\$ 1,489

Q3 FY2022 Highlights¹

- 118% increase in revenue to \$8.163 million
- \$5.002 gross profit
- \$557K Adjusted EBITDA

- \$0.969 million in OPCO EBITDA

Source: All financial data from Capital IQ, Company Filings and press releases

1. Digerati Technologies Reports 21% Revenue Growth to \$4.019 Million for Second Quarter FY2022 <https://www.globenewswire.com/news-release/2022/03/18/2406037/0/en/Digerati-Technologies-Reports-21-Revenue-Growth-to-4-019-Million-for-Second-Quarter-FY2022.html>



Craig K. Clement
Executive Chairman

25+ Years

Telecom, technology industry, and public company experience

Former COO,
XPEL Technologies Corp.
(Nasdaq:XPEL)



Sr. VP Corp. Dev.,
ATSI Communications, Inc.
(AMEX: AI)



Founding CEO,
Globalscape, Inc.
(NYSE: GSB)



Arthur L. Smith
Chief Executive Officer

31+ Years

Telecom, technology industry, and public company experience

14 Acquisitions

Completed in the telecom industry

Founder,
Globalscape, Inc.
(NYSE: GSB)



Founded and launched DTGI (formerly ATSI Communications, Inc.) as international telecom business that reached a \$615 million market value on AMEX (AMEX: AI)



Antonio Estrada
Chief Financial Officer

23+ Years

Telecom, technology industry, financial/accounting experience

7 Acquisitions

Completed in the telecom industry

17+ Years

Public company experience as CFO



Unified Communications as a Service

Thank you

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