



# CONVERSION OF ENTERPRISE “0”

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# IMPLEMENTATION METHOD

## MAIN IDEA

Justification of the viability of the technology in the way:

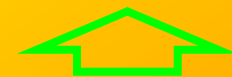
- confirmation of the real existence of technological redistribution of the main part of the technology in the existing industry; demonstration of a pilot plant of a new technological redistribution, which closes the entire technology into a non-waste ring.

## SEQUENCING:

- purchase of the Object at Vinnitsakhimprom \* (platform 1) for € 0.5 million;
- collection and development of initial data for design;
- Negotiations with the owners of existing technological processes;
- Introduction of technological redistribution of commercial CaCl<sub>2</sub> production;
- An international conference demonstrating and certifying technology;
- revaluation of phosphogypsum on the balance sheet of the COMPANY "0";
- lending for a new tangible asset - raw materials - phosphogypsum in the amount of \$ 100 million, or € 81 million;
- patenting technology in countries producing phosphogypsum;
- purchase of new deposits;
- introduction of technology at an industrial level.

**\* VINNITSAKHIMPROM OBJECT IS EXCLUSIVELY EXCLUSIVELY AS AN EXAMPLE CONVENIENT FOR THE PROCESSING OF TECHNICAL SOLUTIONS, DEMONSTRATION AND CERTIFICATION OF TECHNOLOGY AND MAY BE OPERATEDLY REPLACED !!!**

# TECHNOLOGICAL REDISTRIBUTION



Any technology existing in the World is just a new superposition of existing technological conversions (parts). New technology - a set of new redistributions, united by new communication protocols. That is why: in order to prove the viability of a new technology, it is enough to confirm the viability of each of its repartitions and the feasibility of their new connections.

For our new technology, the technological changes are as follows.

1st — raw material preparation and supply for processing;

2nd — ammonization and carbonization of raw materials;

3rd — potassium sulfate production;

4th — production of calcium chloride;

5th - allocation of REE concentrate.

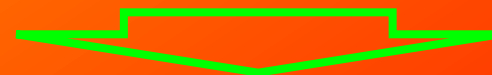
1, 2, 3, 5 - used by industry for a long historical period of time, millions of tons of products are produced and consumed by them.

The 4th technological redistribution is justified and carried out in laboratory conditions by us and third parties in great detail. Based on this redistribution, we have patented a number of technologies. The passage of reactions for industrial production is fully justified and is beyond doubt. It is necessary at stage "0" to either select an existing reactor, or create your own reactor and conduct demonstrative field tests, as a pilot industrial complex (OPUK).

The demonstration of the OPUK will be held in the presence of an impressive authoritative commission, drawn up by the relevant act and widely publicized in the media.

The implementation of these tasks is assigned to the COMPANY "0".

To launch ENTERPRISE "0", and then ENTERPRISE 1 and ENTERPRISE 2, ICO is held.



# 4-TH REDISTRIBUTION DESIGN COSTS

Stage of work	Percentage of the amount, %	Technology costs, € million	1/5 - the cost for one redistribution, million. €	Period of execution
Stage "0"	10	0,5	0,10	3-6
Stage "1". Feasibility study of investments (feasibility study)	12	0,6	0,12	3-6
Stage "2". Project	30	1,5	0,3	3-6
Stage "3". Working documentation (RD)	48	2,4	0,48	3-6
Reserve			0,08	
<b>TOTAL Design Cost</b>	<b>100</b>	<b>5,0</b>	<b>1,20</b>	<b>24</b>

# PROJECT MANAGEMENT COSTS

№	Name of costs	Cost, thousand €
<b>1</b>	<b>Salary of key specialists</b>	
1.1	Project Manager	2,00
1.2	Chief Accountant	1,00
1.3	Chief Technologist	1,00
1.4	Chief chemist	1,00
1.5	Chief Designer	1,00
1.6	Technical translator	1,00
	<b>TOTAL monthly payroll:</b>	<b>7,00</b>
1.7	* Taxes per month, about 18%	1,26
	<b>TOTAL salary per month:</b>	<b>8,26</b>
	<b>TOTAL, for the year:</b>	<b>99,12</b>

\* Management costs may be partially paid with deferred payment of the difference during the development of the full production cycle

<b>2.</b>	<b>Current expenses</b>	
2.1	Consulting work	1,00
2.2	Representative	0,50
2.3	Travel	2,50
2.4	Communication	1,00
2.5	Transport costs	2,00
2.6	Rent	5,00
2.7	Overhead	1,00
	<b>TOTAL, per month:</b>	<b>13,00</b>
	<b>TOTAL for the year:</b>	<b>156,00</b>
<b>3</b>	<b>One-time organizational costs</b>	
	<b>TOTAL, for the year:</b>	<b>30,00</b>
<b>4</b>	<b>Reserve Fund for the year</b>	
	<b>TOTAL, for the year:</b>	<b>14,88</b>
	<b>BUDGET FOR THE YEAR</b>	<b>300,00</b>
	<b>BUDGET 2 years</b>	<b>600,00</b>

# AUTHOR'S ACCOMPANIMENT

No	Description of costs	Per year, mln. €	For 2 years, mln. €	€ Pay for 2 years, mln. €	Loan before the start of production, mln. €
1	2	3	4	5	6
1	Depreciation of intangible assets for the production of 10 thousand tons / year	0,250	0,500	0,240	0,260
2	First payment upon transfer of documentation	0,050	0,050	0,050	0,000
3	0.05 million / year	0,050	0,100	0,050	0,050
4	Authoring overhead	0,017	0,034	0,012	0,022
	<b>TOTAL:</b>	<b>0,367</b>	<b>0,684</b>	<b>0,352</b>	<b>0,332</b>

\* The cost of author support may be paid partially with deferred payment of the difference (column 6) during the development of the full production cycle

# THE TOTAL COST OF THE COMPANY "0"

№	Name of expenses	Planned value, € million	Deferred payments, € million	Mandatory payments, € million
1	2	3	4	5
1	Property Purchase	0,500	0,200	0,300
2	Project organization and management costs: (at \$ 0.15 million / year)	0,600	0,300	0,300
3	Design	1,200	0,400	0,800
4	Licensing obligations	0,684	0,434	0,250
5	Technological equipment (manufacturing, commissioning, testing of gas treatment plants), € 10.5 / 5 mln.	2,100	1,600	0,500
6	General construction works (buildings and structures, ways and communications), € 4/5 = 0.8 million	0,500	0,300	0,200
7	Pre-commissioning robots, € 0.6 / 5 = 0.12 million	0,120	0,040	0,080
8	Reserve	0,296	0,226	0,070
	<b>TOTAL:</b>	<b>6,000</b>	<b>3,500</b>	<b>2,500</b>

Graphs: 3 - planned costs; 4 - possibly deferred costs; 5 - the necessary costs.

€ 2.5 million - necessary expenses;

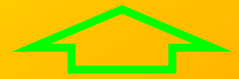
€ 3.5 million - possibly deferred conversion costs

# BUYING PHOSPHOGYPSUM MARKET

Stages	Year	Purchasing, million tons at 1 € / t with storageхранения	Division on the balance sheet of the COMPANY "0" in the proportion of 0.19: 0.81, million €		The conversion of waste into raw materials and capitalization of 200 times, € million	12% loan for the purchase of a new batch of waste, € million	ROI conversion - the ratio of income (gr. 6 - € 50 million) to € 50 million
			Fixed assets 0.19	Conversion waste, 0.81			
1	2	3	4	5	6	7	8
1	1, 2	0,5	0,09	0,41	81	9,72	0,62
2	3	9,72	1,85	7,87	1 574,64	188,96	30,49
3	4	188,96	35,90	153,06	30 611,52	3673,38	611,23
4	5	3 673,38	697,94	2 975,44	595 087,95	71410,55	11 900,76
<b>ИТОГО:</b>		<b>3 872,56</b>	<b>735,78</b>	<b>3 136,78</b>	<b>627 355,11</b>	<b>75 282,61</b>	<b>12 546,10</b>
5	6	3 627,62*	689,22	2 938,22	587 644,89	70 517,39	11 571,90
<b>ВСЕГО:</b>		<b>7 500,00</b>	<b>1 425,00</b>	<b>6 075,00</b>	<b>1 215 000,00</b>	<b>145 800,00</b>	<b>24 299,00</b>



# MARKET BUYING TACTICS



The project has 2 sources of revenue:

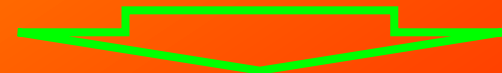
- 1) the capitalization of a tangible asset (MA) on the balance sheet of the COMPANY "0", which can be used as collateral for lending - "short money";
- 2) sales of products by ENTERPRISES 1, 2 and others - "long money".

The presence of certified technology allows the ENTERPRISE "0" to refine the waste and convert it into raw materials, which can be transferred to other enterprises for processing. The economy of ENTERPRISE "0" and other enterprises is balanced in such a way that allows processing enterprises not only to accept raw materials at a rather high cost, but also to form a rather impressive revenue.

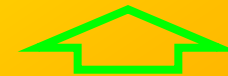
A rigid contractual corporate system of relations between the balance holder of MA Enterprise "0" and other enterprises closed exclusively for the supply of raw materials from ENTERPRISE "0":

- 1) allows you to have no doubt in the guaranteed sale of raw materials at a guaranteed cost in guaranteed volumes;
- 2) the price of raw materials does not depend on external factors and remains stable in any conditions.

These 2 factors provide the basis for reliable, reliable long-term lending.



# MARKET BUYING TACTICS



**7.5 billion tons** - the accepted limitation of the 20-year-old market of phosphogypsum.

**3 627.62** (column 3 of the table “Purchase of phosphogypsum market” - the difference between the planned market volume of 7.5 billion tons and the purchased volume in the 4th turnover.

Waste is purchased at € 1, per ton of waste (column 3), separated from fixed assets, put on a balance sheet at € 0.81 (column 5) and revalued to raw materials with a 200-fold increase in value (column 6).

**Raw materials** for processing are sold at a price of € 162 per ton.

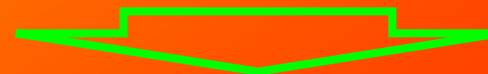
For further market development as a result of the conversion of waste into raw materials and its capitalization on the balance sheet of the enterprise, credit funds are used in the amount of 25% of their book value, which is provided by contacts for the purchase of raw materials of enterprises.

This is an internal issue of the Company - owners of enterprises and has no external influence.

## **Credit funds are distributed:**

12% - for the purchase of the next batch of waste;

13% - for the development of production using new technology.



# MARKET RISKS

The reaction of the Market to the purchase of industrial waste will be reflected in an increase in its cost, but the availability of our patents for its processing will deter sellers from raising the price, **given the understanding that it is impossible to use our own waste and the stable unjustified costs of its maintenance that fall on the cost of production.**

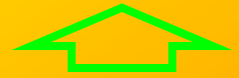
The total market income will consist of 2 components:

1. Conversion of industrial waste 7.5 billion tons at € 162, tons into secondary raw materials - € 1,215 billion.
2. The production of marketable products of 7.5 billion at a price of € 400 / ton € 3,000 billion.

When the Market is saturated with our product, its unit cost will certainly decrease, but with absolute knowledge of the direction of the rates moving in the Market, the losses in the reduction in the cost of the product can not only be compensated, but also multiplied.

The availability of own production facilities and the possibility of lending in the amount of at least **€ 145,800 million will allow not only to expand the processing of purchased phosphogypsum everywhere, but also to start our own production of potassium chloride, securing supplies for the main production.**

# MARKET RISKS



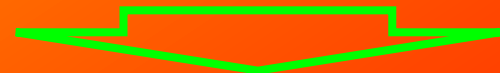
Since liabilities to crowd investors are limited to  $ROI5 = 4000$ , which occurs in the middle of the 5th year (4th turn), the investor has the right to withdraw his share in the proportion of  $1 * 4000$  and leave the company. The phase of mastering the global production volume of phosphogypsum processing - the "long money" phase of the Company's 7-20 years of operation, remains outside the risk zone of crowdinvestors.

By the middle of the 5th year of operation, after confirmation of  $ROI5 = 4000$ , investors will also be able to make a choice: to stay in business or to leave on the eve of the most interesting thing - cooperation of phosphogypsum processing with other industries.

There is no doubt that at a certain stage of the purchase of the raw material market, the question of the Company's monopoly position and a ban on the further purchase of raw materials will arise. We have a large list of new technologies that can compete with the technology of phosphogypsum processing, both in terms of the ecology of the planet and the potential for incomes of strategic importance.

Therefore, we will gladly and without loss provide licenses for the processing of phosphogypsum to those companies that, in exchange, will provide technical documentation for technological conversions to our new technologies.

Thus, we will create a market for phosphogypsum processing and diversify our company to develop new markets for processing other industrial waste, such as: brines; "Red mud"; natural and technogenic deposits are depleted of manganese; sulfuric acid industrial waste; Further ...



# TOTAL PROFITABILITY OF THE COMPANY

€ 1 215 billion - profitability of the conversion production € 3,000 billion - profitability of the production itself with a specific yield of € 400 per ton of waste material

**€ 4,125 billion - TOTAL REVENUE**

Purchase of the global waste market by a forward for a 20-year licensing period of 7.5 billion tons can be made in less than 6 years into a 5-fold conversion turnover.

For a 5 year waste conversion in raw materials,  $ROI_5 = 24,300$ ,

**For crowdfunding investors,  $ROI_5$  is limited to 4000 with a minimum deposit of € 1.**

The 20-year production income for processing 7.5 billion tons with a yield of € 400 per ton will be € 3,000 billion for production  $ROI_{20} = 60,000$ .

The total ratio of income to invested capital will be  $ROI_{\Sigma} = 84,300$ .

**For a strategic partner - investor - buyer, from € 25 million or more shares of the Project, there are no restrictions on ROI.**