

# LABORATORY & PRODUCTION COMPLEX FOR THE NEW POLYMER MATERIAL

**CBNPlast**



# MATERIAL

The production material is called "CBNplast"

The basis for "CBNplast" is a modified by-product of the coke production

It is a low cost raw materials compared to the cost of raw materials of coal coke polymers (PVC, PE, PP) and steel

Provides high chemical resistance; high thermal stability

## Special material properties :

**1,5-2** increase in the coefficient of elasticity

**4-6** increase in strength indicators compared to PVC, PE, PP

**5.3\*10<sup>5</sup> ohm\*m** low electrical resistance





# A PRODUCT FOR THOUSANDS OF USERS

- The properties of CBNplast™ suggest a wide range of application:

**#1** mining, oil & gas sector, agriculture, housing & municipal service  
where pipes & construction material are exposed to high corrosion activity

**#2** coke plants and chemical industries that use or produce  
concentrated acids, alkalis, solvents and other corrosive substances

**#3** construction industry and others



# THERE IS SOMETHING TO THINK ABOUT



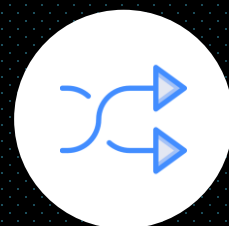
Better WLC indicator  
(product lifecycle cost)



Superb in 'Price/Quality'  
balance



Up to €1 cost of 1 kg  
of raw material



Excellent substitution  
of imported HPA pipes



High export potential



NO comparable in weight, strength,  
durability, water resistance,  
flammability index, tolerance for  
underground use

# COMPETITORS

The closest material in terms of technical characteristics is fiberglass and CPVC (for example by Corzan® etc.)

Fiberglass pipes are made by applying layers of various materials

With comparable characteristics our pipes are 4-5 times cheaper than fiberglass analogues, and production line characteristics are 1.5-1.7 times higher

“CBNplast” connection solution – the docking can be done by coupling, threaded connections and /or welding with higher tightness

## Strengths

- Experienced & highly qualified technical personnel available
- A well-developed business plan
- Unique high quality product
- Development of the social & economic potential of the region;
- Application of modern technologies at all stages of the production cycle

## Opportunities

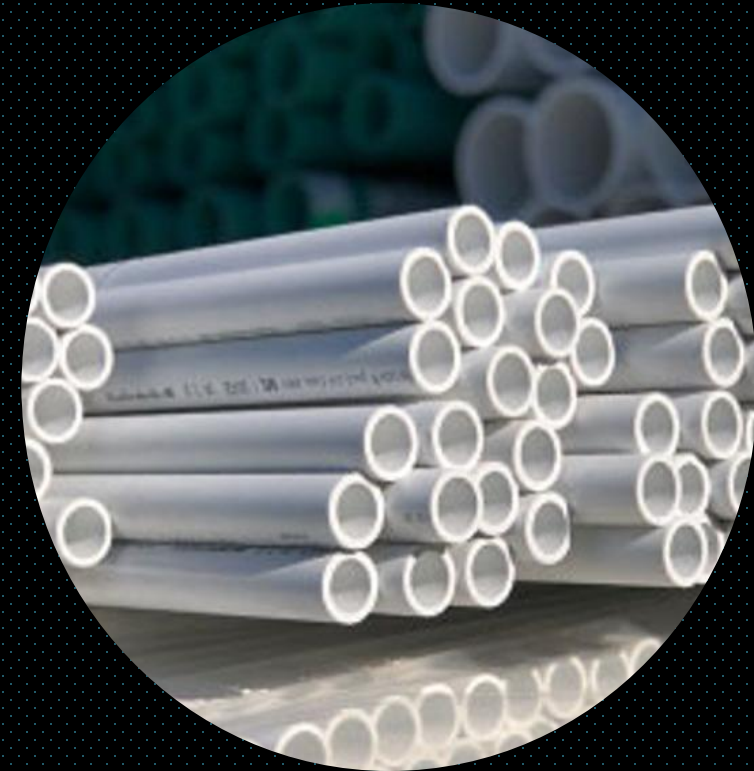
- Domestic & export sale of products
- Application & upscale of new technologies
- Product diversification
- State support

## Weaknesses

- Insufficient “CBNplast” product recognition on the market
- Availability of other solutions known to the market
- Complex and time-consuming market entry processes

## Threats

- Slowdown of the world economy
- Geopolitical risks
- implementation of alternative & cheaper solutions



# OUR OWN TECH-BASED SOLUTIONS

- The developers have been creating the "CBNplast" material for more than 15 years on the basis of a large coke chemical production
- Multiple tests were performed, a huge number of samples of material with various technical characteristics were obtained, complex testing were done of more than 10 types of equipment necessary for the production process
- The "CBNplast" material and pipes undergone pilot testing in Italy back in 2012 on the basis of the Bausano Figli s.p.a. enterprise. High engineering and technical conclusions were received from the equipment manufacturer in Italy and the largest specialized institutes in Germany and Belarus
- Since 2012, about 2 km of pipes have been laid at mines at depths of over 500 meters and they have been functioning properly until now without replacement
- By now, all the production equipment items were clearly selected and tested. Performance guarantees were received from the equipment manufacturers from Italy and Germany
- A positive expert opinion on product obtained from various research Institutes.
- Lol's from companies are available confirming their interest in purchasing the products





# PRODUCT SIGNIFICANCE FOR THE REGION

41 workplaces at the plant

20% of employees are tech-based positions

Additional tax revenues to the regional budget

The product reduces costs in various sectors of the region's economy

The housing & utilities sector obtain Price \ Quality balance with the new product

The product is suitable for the needs of the nuclear industry and others

Good product demand abroad —> export potential

PVC waste, agricultural crops, woodworking industry, furniture production can be used for production.

Zero pollution. Clean environment. The product is fully carbon neutral





# FINANCIAL INDICATORS

## #1 Small-scale project (1 year period)

(lower tier equipment, minimal product range,  
minimal construction, logistics outsource)

**CAPEX – \$ 1 340 000\***

Revenue \$ 2.7 mln at the end of the baseline period

20 employees

DPBP – 1.9 years

IRR = 49.2 %

Net income \$ 0,52 mln

NPV with terminal value € 1,5 mln

\*costs include OPEX for 6 month

## #2 Big-scale project (5 year period)

**CAPEX – \$ 21 million**

Revenue \$ 98,7 mln at the end of the baseline period

61 employees

DPBP – 4.4 years

IRR = 32.5 %

Net income \$ 45,8 mln

NPV with terminal value € 22 mln

Both projects deliver products from a qualitatively new material to the most important industries of the targeted country

# EXTRA

The use of the material is extensive, and its technical characteristics, including compliance with the requirements of "Fire and explosion hazard of substances and materials" allow the products to be used in a wide variety of, sometimes "unexpected" industries.

The production process of products is also different and can be performed by extrusion (for pipes), casting into molds under pressure on thermoplastics machines.

The development team has the ability to change the properties of the material to meet the specific (pre-set) requirements. This is achieved due to application of various binding materials, production methods as well as the use of reinforcement to multiply the strength characteristics of the "CBNplast" pipes.

Waste from various enterprises working, for example, with PVC materials (window production, PVC pipe production and others) can be applicable as raw material for even more serious reduction in the product cost (up to 50%).



**CBNPlast**

THANK  
YOU!

BY DENNIS SAYUROV

CEO CBNPLAST

MOB: +7/916/868/64/86

EMAIL: [d.sayurov@cbnplast.com](mailto:d.sayurov@cbnplast.com)