

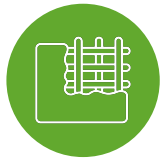
PRECAST CONCRETE INVESTMENT PROJECT IN UKRAINE

Ukraine Reconstruction Project: For Fast
Construction Of Affordable Living In Ukraine



CONSTRUCTION OF PRECAST CONCRETE PLANT IN ZHYTOMYR

(110km From Kyiv)



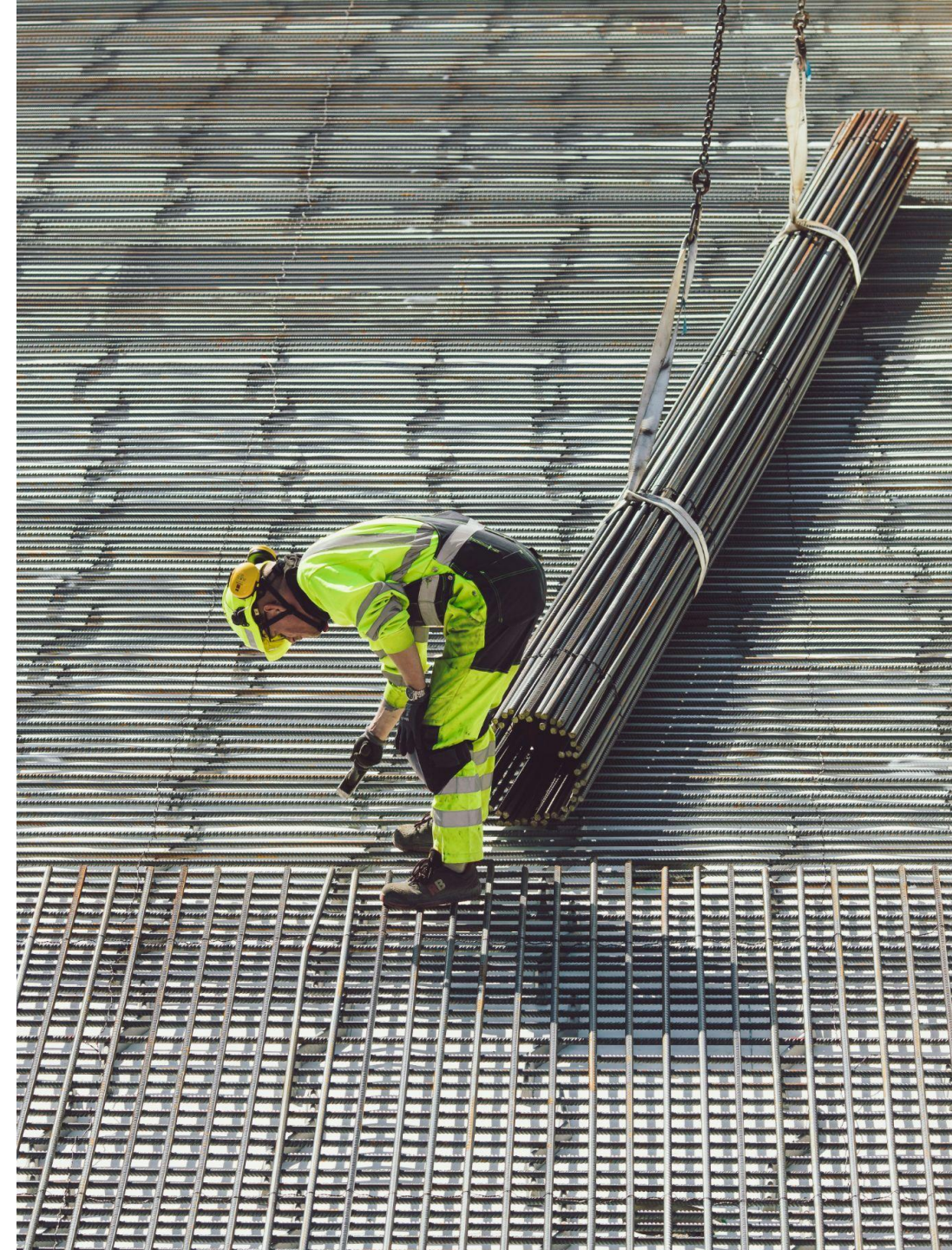
Construction of a precast concrete products factory (housing and infrastructure blocks)



Output: 100,000mn m³ of precast construction elements a year which translates into 150,000 m² of housing per year



82% of the output will be used internally for UTC construction projects





PLANT COMMISSIONING: FROM GROUNDBREAKING TO PLANT START-UP

(16-18 Months)



Plant will employ 150-170 highly skilled workers (including the war veterans)



Payback period: 6 years



Use of renewable "green energy" resources to power the production facility

LOCATION



- The precast panels can be delivered as far as **300 km**.
- According to our research, the Precast Concrete factory in Zhytomyr will provide affordable housing in the region where 7 million Ukrainians live: the Zhytomyr, Kyiv, Vinnytsia, Rivne, and Khmelnytskyi regions, including the Capital of Ukraine, with a population of 4 million people. The plant will be built next to the railroad track with an opportunity to export precast walls.

PROJECT RATIONALE

01

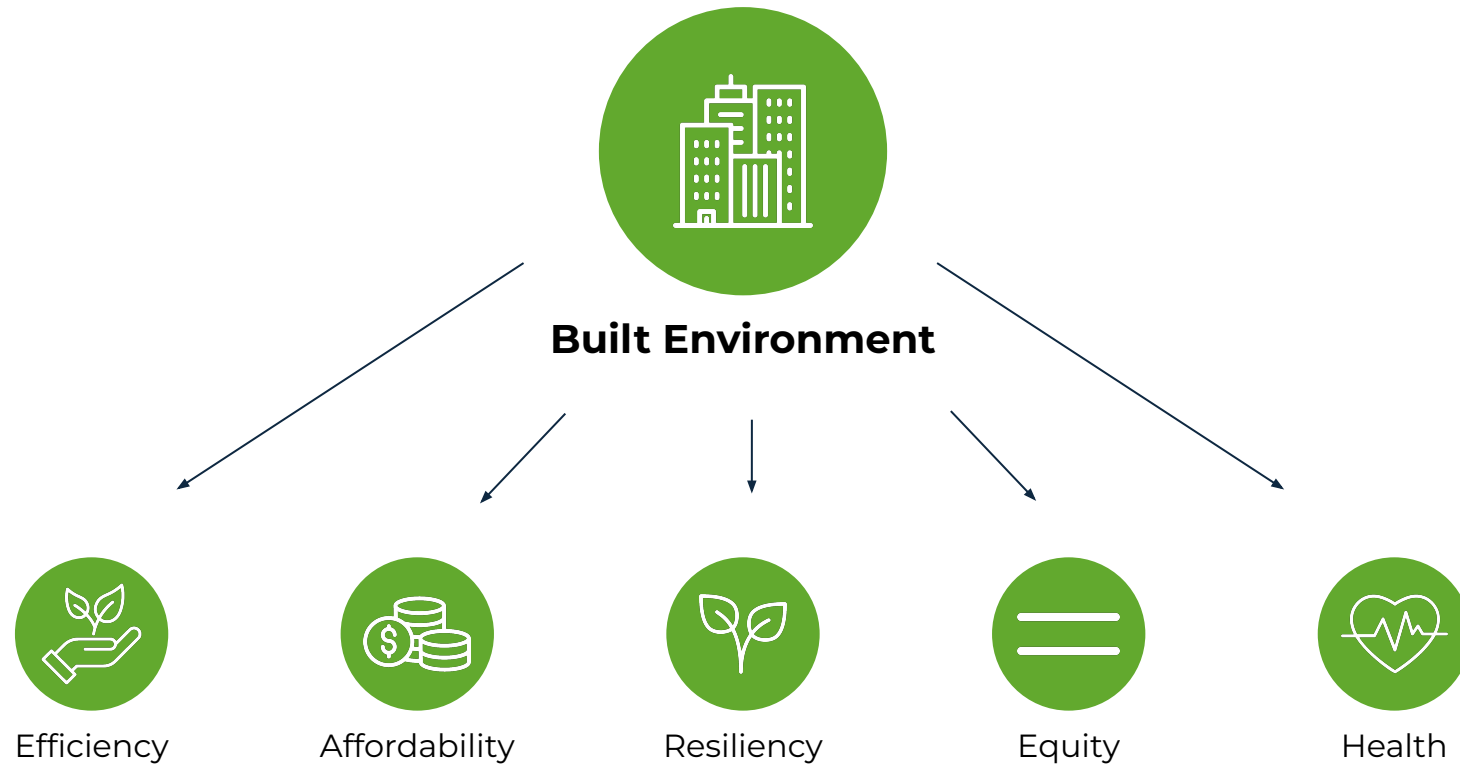
Ukraine needs quick and cost effective large scale construction programmes. The hundreds of thousands of internally displaced people require affordable housing. (the damage of housing is over \$60B)

02

Pre-cast concrete construction is the most suitable method to fulfill this need. It foresees construction of a prefabricated production plant to produce reinforced concrete products, which are then transported by road to construction sites within a distance up to 300 km.

03

We propose building a precast production facility in Zhytomyr (Central Ukraine), 110km from Kyiv. There is an intention to scale up this business and build similar plants in almost all of 24 oblasts of Ukraine at the later stages. In the meantime, the precast goods can be transported by railroad to over 300 km locations. .



EU STANDARDS: GREEN BUILDINGS

(Edge Certified)

The residential complex will be designed and built in compliance with the requirements of the EDGE international green building certification system. It will feature at least a 20% reduction in energy use, water use, and embodied carbon in materials compared to standard local building practices.

This will be achieved through a combination of various sustainable strategies, such as carefully designed window-to-wall ratio, roof solar collectors, HVAC equipment with high coefficient of performance, LED lighting in common areas with presence sensors, efficient exterior lighting with automatic daylight controls, pre-installed water-efficient plumbing fixtures in residential units, and planned for native vegetation that will not require permanent irrigation in landscaped areas.

The reduction of embodied energy and carbon emissions in materials will be achieved through the use of precast concrete wall panels, which will be manufactured by our production facility, and hollow-core precast floor slabs. Going beyond the requirements of EDGE certification, the project will adopt additional sustainable strategies, which will help ensure the health and well-being of the complex's residents.

For example, only low-VOC paints, primers, and adhesives will be used during interior space fit-out to ensure excellent indoor air quality for building users. A network of bicycle lanes and walking and running trails will be provided in and around the complex to allow ample opportunities for physical activity and encourage an EV lifestyle. Many EV chargers will be installed in the parking areas, among many others.

KEY SUCCESS FACTORS

01

Significant demand for high-quality construction products in the long term according to the EU standards.

02

A strategically important industry for the economy of Ukraine, which will be supported by the government in one way or another.

03

Internal pricing will allow for savings in the final housing cost, making it highly competitive on the market and eligible for social housing programmes

04

Availability of raw material base at the location of the precast construction plant.

05

Competitive quality of finished reinforced concrete structures and absence of any modern precast factories built after 1990s. The precast factory will be the first plant equipped with the latest equipment on the RE market of Ukraine.

06

Possibility of attracting a wide range of financial instruments and expanding production to meet market needs.

QUICK & EFFICIENT HOUSING CONSTRUCTION

Benefits Of Precast Concrete Project:

- The speed of construction is 2 times faster than the traditional method
- 30% cheaper than the traditional construction method, using 50% less labour, 30% less steel, and 20% less concrete
- No competition from similar factories. Ukraine has 3 small plants build during soviet times with totally worn out equipment and poor quality materials.
- UTC will not only build the precast factory and sell goods to developers but also be a developer of commercial and residential objects. UTC's strategy is to produce most of the concrete panels for our own construction.
- UTC will accumulate 20% profit from the factory and 30% from constructing its own Real Estate projects, allowing it to remain price-competitive while maintaining high-quality work.

PRECAST CONCRETE INVESTMENT PROJECT STRATEGY

The UTC strategy is not only to build precast factory but also build our first Residential Development to provide immediate sales for the next 3 years while we grow B2B sales. The Residential complex will pay off the cost of the factory within 4 years:

- Build a precast factory within 18 months.
- As soon as the factory is launched, we will start building the Zhitich Town Residential Complex.
- While the sales team promotes our construction method to other developers and grows the business, we will construct our first residential building, creating a success story for further business development and sales and building more real estate on our own.
- The construction of Zhitich Town will allow for a decrease in payback terms from 6 years to 4.
- The large territory of the factory will allow to add an additional production hall, increasing production volumes from 100,000 to 150,000 sq. m. per year.
- UTC team has a strong relationship with state officials and will apply for state projects for the reconstruction of Ukraine financed by Ukraine, EU, the US and others. The low cost construction gives UTC high chances to win such contracts.
- After the precast factory is paid off, UTC plans to scale up and build other factories in Lviv, Dnepropetrovsk, and other regions of Ukraine.

PRECAST CONCRETE INVESTMENT PROJECT CONSIST OF 2 PHASES

PHASE 1

Construction Of Precast Concrete Plant In Zhytomyr

- Investment \$33.3M (Equity 40% and Debt 60%)
- 18 months to build and put the plant into operation
- 20% profit on goods produced

PHASE 2

Construction Of 150,000 Square Meter Residential Complex

With concrete panels produced at our plant (Phase 2 will provide larger cash flow and speed up return of funds to investors and provides greater return)

- Investment \$25M (equity)+ 15M (debt)+ the rest of money will be raised from presales
- Cost to build the project \$63M
- Net Profit \$65M
- 4 year long project



PHASE 1

Construction Of Precast
Concrete Plant

MAIN FINANCIAL INDICATORS

Investment \$33.3M

Project Cost, Including:	\$33.3M
Equity	\$15M
Debt	\$18.3M
Capex	\$28M
Opex	\$5.3M
NET Profit	\$58M
Forecast Period	10 years
IRR	21.4%
Return on Sales (ROS)	17.5%
Net Present Value (NPV)	\$14.5M



INDUSTRIAL PRECAST CONSTRUCTION IN PROGRESS

→ Watch the video of the designed Precasts concrete plant in Zhytomyr Region on a 15-hectare land plot.



[Precast Concrete Plant in Zhytomyr](#)



→ Watch the video of the construction speed using the precast construction method



[Industrial precast construction in progress](#)



PHASE 2

Construction Of 150,000 Square
Meter Residential Complex

MAIN FINANCIAL INDICATORS

Investment \$35M
(\$25M Equity+10M Debt+Sales)

Gross Income	\$122M
CAPEX	\$57M
Investment (Equity)	\$25M
Investment (Debt)	\$15M
Pre-Sales+Sales	\$24M
Net Profit	\$65M
Forecast period	4 years
IRR	128 %
Return on sales (ROS)	55 %
Net present value (NPV)	\$41.5M

WATCH THE VIDEO: THE FIRST PRECAST CONCRETE DEVELOPMENT IN ZHYTOMYR

- Zhitich Town is a residential development of 150,000 square meters in Zhytomyr.
- The project seeking additional \$25M of Equity
- Construction on the Zhitich Town project will start as soon as the Precast Concrete plant becomes operational. The project will take 4 years to complete.
- The cost of 1 sq.m. of salable area is \$522.. The net profit from 1 sq.m. built is \$250.
- The average sale price of fully developed project is \$750 per square meter compared to \$850 on the market



[Zhitich Town Development in Zhytomyr](#)



INVESTMENT SCHEME

(\$40m Equity For 40% Of The Project)

UTC Precast Concrete Investment Project (\$100m)

Precast Factory \$33.3m + Zhitich Town \$64.8m

- Construction of Precast Plant only. Investment \$35M. (40% equity (\$15M) +Debt 60%)
- Construction of Zhitich Town \$64M where \$25M (equity) + \$10M (Debt)+ sales

UTC Is Looking For An Investor In Precast Project

- \$40M Equity for 40% of the project ownership (Precast Plant + Zhitich Town Residential complex)
- ROI in 6 years 105%
- Each \$1M (1% of equity) of investment will bring \$1M profit in 6 years
- Net Profit on \$100M investment will bring \$105M in 6 years
- UTC will raise debt with IFC and EBRD (negotiations are in place)

OUR TEAM



Andrew Pryma

Founder and CEO of Ukrtrade Capital

Holds an MBA from CWRU and has 15 years of experience in Real Estate Development in the US and Ukraine. Formerly an investment banker at Goldman Sachs and a project manager at Tishman Speyer, both in NYC.



Alina Kudina-Lundstrom

Chief Business Development Officer

Holds a PhD from the University of Oxford and has taught at leading UK business schools. Now dedicated to charitable projects and Ukraine's reconstruction with the Ukrtrade Capital team.



Pavlo Pekar

Architect

Experienced in designing and managing infrastructure projects in Iraq, including housing, administrative, sports, and technical buildings, with budgets exceeding \$100 million



Vitaliy Borul

Founder and CEO of Credo Development

General contractor since 2011, with 750,000 square meters of completed projects including 87 residential buildings and a shopping center. Established Credo Development as a leading in Ukrainian real estate.



Arkadiy Pekar

Architect

Co-author of the PreCast Program for industrial construction methods, with 40 years in Architecture and Construction. Member of the National Union of Architects of Ukraine

LET'S TALK BUSINESS

Contact Details:



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