VADPROM

UNICAP

WHITE PAPER

Transnational corporation

VODPROM

«A unique mechanism uniting corporations, states and society»

D. Sadykov

«The price of greatness is responsibility»

W. Churchill

Water is one of the key resources on Earth, used both for everyday life and in industry.

The quality of water directly affects the health, well-being and life expectancy of a person.

Our company's activities ensure the highest level of water quality for millions of people.

Currently, we are scaling and developing our projects, as well as planning to promote other socially significant areas.

The brief essence of the project

We are creating a new unique and universal product-a platform for society, states and corporations, that allows us to make decisions on the development and improvement of key and significant areas of the economy jointly and on equal terms (by using the VOD token as a voting inside the platform).

First phase. VODPROM

Continuing and improving our long-term experience in the field of water treatment, we are creating the VODPROM platform, that is a tool for implementing joint decisions on the further development of VODPROM, providing access to online information about the use of water resources at our and integrated facilities of partner companies. This is possible thanks to blockchain technology and special equipment installed in the water treatment system.

How do we implement the first phase?

We take two steps at the same time:

The first step

We conclude Public-Private Partnership agreements with the governments of the countries, the order of which will be determined by an open general vote on the VODPROM platform. Next, we are creating equipment manufacturing plants in these regions and building industrial facilities for water treatment.

The second step

We adapt the VODPROM platform , create unique water resources monitoring and control equipment for it and integrate it into equipment production plants and operating water treatment facilities.

The second phase

Expansion to other areas of housing and communal services - wastewater treatment, waste recycling.

The third phase

Further development in the field of energy, transport, industry, and healthcare.

The problem

Water is one of the key resources on Earth, that is of crucial importance for the life and health of people. Industrial use of water can also lay serious requirements on its quality in accordance with the technologies used, directly affecting the quality and cost of manufactured products.

Reputable international organizations consider water to be the oil of the XXI century. According to the World Health Organization, about 90% of human diseases are associated with the use of poor-quality water or the use of untreated water in everyday life – for washing dishes, showering, washing, etc.

Disclosure of the problem

The state budgets of countries, including the Eurasian Space, do not have sufficient funds for simple and expanded reproduction in industries that are state-owned and managed by the state. Among them are energy, public utilities, transport, and healthcare. This situation leads to a deterioration in people's lifes, creates significant economical and political risks.

The problem of the branch of socio-political significance

In order for officials, especially local of them, to be able to clearly understand these problems, it is necessary to conduct serious explanatory work. Moreover, over time, people themselves begin to realize the impact of these things on the quality of life and exert pressure from below, that will only increase over time. In a such situation, a logical step would be to carry out privatization. But the enterprises of infrastructure industries (primarily their network, monopoly segments) cannot be privatized because of their strategic, economical and socio-political significance.

The only solution for governments is to transfer the objects of these industries to business for temporary long - and medium-term use, retaining the right to regulate and control their activities.

The solution

To resolve this contradiction, **the concept of public-private partnership** (PPP) is used in practice. This is an alternative to the privatization of vital, strategically important objects of state property.

PPP is a set of forms of medium-and long-term interaction between the state and business to solve socially significant tasks on mutually beneficial terms. On the one hand, the complication of socio-economical life makes it difficult for the state to perform socially significant functions. On the other hand, business is interested in new objects for investment.

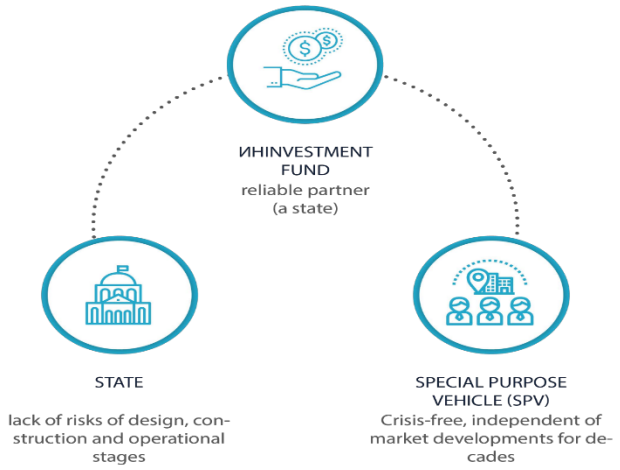
The concept of PPP has been worked out most deeply in the UK, where the concept of **Private Finance Initiative (PFI)** has become a key form of interaction.

Its main purpose is to involve private companies in the creation and operation of industrial and social infrastructure facilities that are directly responsible for the state.

In a PFI project, a partner from the private sector creates a special project company (Special Purpose Vehicle-SPV), which finances, designs, builds, operates and manages the object of the contract. The property rights to the object belong to a private partner or transferred to the state. The initial investment is made at the expense of the share capital, which is provided by the owners of the SPV. The return of the equity occurs at the beginning of the operational stage in accordance with enshrined in a treaty the terms and amounts of payments from the budget of the state authority to that is the object subordinate.

<u>The life span of a PFI project is 25-30 years.</u>

The state is interested in the implementation of PFI projects, as this allows to shift to the private sector almost all the risks of the design, construction and operational stages of the construction of industrial and social infrastructure facilities, to cover the lack of budget funds, promotes the use of innovative technologies..



The PFI concept allows you to move from direct public administration to public management and eliminates the prerequisites for the appearance of corruption. Such contracts are also beneficial for investment funds, because:

- ✓ the partner is the most reliable economic entity in the modern developed economy – the state;
- ✓ projects have sufficient investment intensity and high profitability;
- ✓ they have a guaranteed long-term market.

Also, contracts are beneficial for special project companies because the authorities do not interfere in the current administrative and economical activities of their partner. This allows him to reduce the cost through the use of innovations, know-how, cooperation and other measures, especially at the operational stage, and thereby increase the profitability of the project. PFI guarantees SPV a safe and market-independent development for decades, without crises and shocks. In the post-Soviet countries, this model can become a state program of economical policy for the optimal development of these industries.

UNICAP Basics

UNICAP is a management company that implements large-scale infrastructure projects in the field of healthcare, industry, energy and infrastructure (www.unicapinvest.org).

UNICAP Management Company was established in 2012 to implement large-scale infrastructure projects based on the principles of public-private partnership (PPP) starting from the territory of the EAEU. The company's activities are concentrated in socially significant industries.

The key goal is the effective management of private direct investment funds

UNICAP has a deep knowledge of the market, thus successfully attracting investments and implementing projects based on the principles of Private Finance Initiative (PFI).

UNICAP currently manages a fund of 200 million euros.

UNICAP possess a portfolio of projects – more than 1.7 billion euros.

MVP CULLIGAN

In 2012, the founders of UNICAP received a partnership offer. It was due to the fact that the investment company **Centerbridge Partners** acquired the **Culligan** Corporation from **Clayton, Dubilier &Rice.**

Centerbridge Partners was headed by **Mark Galogli,** at that time an economic adviser to US President Barack Obama.

The buyer was faced with the task of significantly increasing the value of the company for subsequent sale using minimal material and time resources. In this regard, in the future, UNICAP participated in the discussion of the corporation's strategy and making decisions on the development of its transnational business.

This offer was not accidental: since 2003, we have been an official dealer of **Culligan**.

A number of decisions were made to achieve the strategic goal of increasing the value of the business:

- ✓ Launch of new products in North America and Western Europe (acquisition of specialized companies with innovative products);
- ✓ Development of existing products in new markets in Africa (construction of a reagent plant in Qatar) and Eastern Europe (construction of an equipment manufacturing plant in the Republic of Belarus).

UNICAP took over the expansion of **Culligan** in the Eastern European market.

In order to increase the market value of **Culligan**, **UNICAP** attracted the British investment company **United Investment Corporation Ltd**. To launch the **Culligan** assembly plant in the Belarusian city Zaslavl, was created a joint company **Culligan Belarus**.

In 2015, **UNICAP** and **Culligan International** established **Culligan Eurasia** on the principles of a parity partnership (49%/51%).

This company has become an active participant of the **Belarusian-American Business Cooperation Council** and a partner of the **American-Russian Business Council (ARDS)** headed by **Daniel Russell**, formerly Deputy Assistant Secretary of State of the United States.

UNICAP has organized a number of international forums in New York and London in order to conclude a memorandum on the implementation of the Clean Water program with the Republic of Belarus.

UNICAP conducted an in-depth marketing research of the housing and communal services market of the post-Soviet space. Negotiations were also held with the governments of Belarus, Uzbekistan, Kazakhstan and a number of regions of the Russian Federation.

The result of this work was the creation of a financial, economical and business model for the development of **Culligan** in the post-Soviet space. A special technology of water treatment and water treatment was developed, the design, production, supply, installation and maintenance of equipment on the territory of the Eurasian space was carried out.

A pool of projects was also formed for decades.

As a result, by 2017, by implementing a development program in the field of strategic marketing, GR and corporate culture, as well as supervising the financial and economical unit as part of an international team, we managed to maximize the market value of **Culligan**.

By 2017, the company, acquired 4 years before, doubled its value and was sold to **Advent International** for **$1 billion**, and in 2021 it was resold to the investment market giant **BDT Capital** for a record **$6 billion**.

The company's value has grown significantly primarily due to effective strategic marketing and administration.

Having fully implemented the **Culligan** Development and Sale Program, **UNICAP** withdrew from the project.

Currently, **BDT Capital** is successfully developing **Culligan** to bring the company to an IPO.

At the moment, **Culligan** controls about 40 % of the global water treatment market. It has more than 80 years of history, more than three million customers and a dealer network in 100 countries of the world.

Thanks to the **Culligan** Development and Sales Program, **UNICAP** has accumulated significant experience in Russia, Belarus, Uzbekistan and Kazakhstan, having carried out hundreds of successful implementations in such sectors as municipal drinking water treatment, food and beverage production, energy, medicine and agriculture, construction and operation of sports facilities.

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Culligan

Culligan Corporation (USA)
- world leader in water treatment
- founded in 1936
- 3 million customers
- 800+ branches
- 100 countries

Advent International (USA)
Global Private Investment Company under the management of $30+ billion
Offices in 12 countries
340+ investments in 41 countries

Advent International
GLOBAL PRIVATE EQUITY

Clayton, Dubilier & Rice (USA)
is the oldest investment company. It was founded in 1978
manages investments of $17+ billion
there are more than 50+ enterprises in the possession

CLAYTON DUBILIER & RICE

Centerbridge Partners (USA)
a Multi-Profile investment company
manages assets of $25+ billion
there are more than 20+ enterprises in the possession

Centerbridge

UNICAP
Diversified Private Investment Company

UNICAP United Innovation Capital

Culligan

Culligan

First phase. VODPROM

VODPROM, a specialized project company, is part of the **UNICAP** ecosystem and a key **UNICAP** project until 2035.

At the same time, **VODPROM**'s activities are focused on effective water resources management (www.vodprom.org)

At the moment, special attention is paid to the housing sector in the EURASIAN space. This made it possible to provide millions of people with world-class water.

VODPROM, as part of the **UNICAP** ecosystem, is an active conductor of the British idea of the "Private Finance Initiative".

This concept was developed for the participation of investors in sectors that are under the responsibility of the state. At the moment, there is no serious competition among private companies in these sectors, but no one except us has the necessary experience to implement projects within the framework of PFI.

When the projects reach the declared volume indicators, and the business becomes stable, they will be sold to investment companies. This will allow us to obtain financial resources for the creation of new "blue oceans".

Employees of the European Institute of Business Management (INSEAD) described the strategy of the "blue ocean" and convincingly showed that companies that are able to generate productive business ideas provide rapid growth and a high level of profit.

These ideas are embodied in the formation of a previously non-existent demand in a new market where there are practically no competitors. Examples of such companies are **Google**, **Apple**, **Uber** or **Ford** at the stage of their emergence.

We generate a new environment and use our own example to show the effectiveness of this model.

Currently, the stage of product implementation and scaling is underway through transformation into a multinational corporation and replication of an effective business model in the real sector.

Simultaneous work on the territory of several states, in different regions allows you to minimize risks due to territorial diversification.

The PPP agreement will be concluded immediately for the entire program to reduce the impact of regional peculiarities and minimize problems with corruption.

A plant for the production of modern water treatment equipment will be built in each region.

This agreement should become the final point of the first stage and significantly raise the value of assets.

VODPROM is present in 20 regions of EURASIA and plans to expand its presence on other continents.

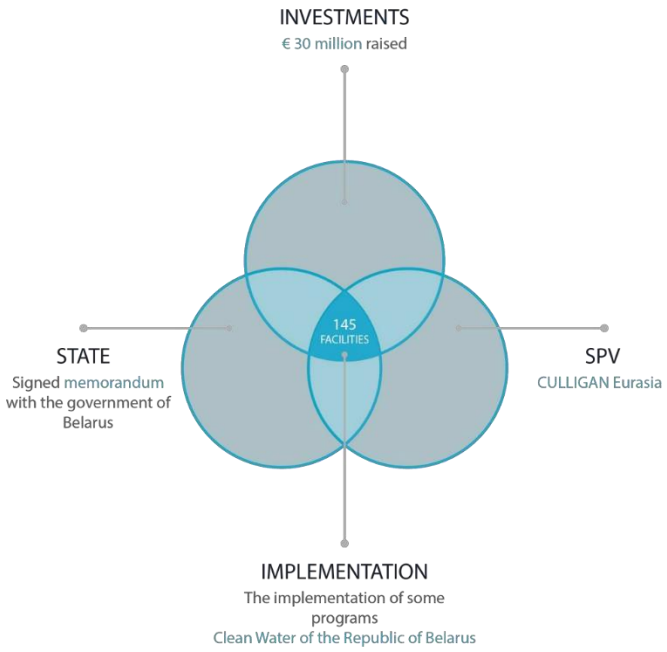
In particular, according to the development strategy, **VODPROM** will occupy more than 20% of the water treatment market in the housing and communal services segment of the EAEU. Its annual turnover should exceed 1 billion euros, and its staff-10,000 people.

The effectiveness of our projects is guaranteed not only due to the unique experience, but also due to the fact that we are ahead of other companies that will be able to work according to similar principles and schemes only in 5-7 years.

Our experience shows that **VODPROM** will be able to become the first player in the market. This gives us the opportunity to compare and choose alternatives in different states and regions, determine the necessary rate of our own income and effectively defend the interests of our partners

The first step.

VODPROM has already been launched in the Republic of Belarus as a pilot project, relations with the state have been established and there are all the necessary legal and socio-economical conditions. The next territory should be the Republic of Uzbekistan, then we plan to start implementing PPPs in Russia, Kazakhstan and Tajikistan. The choice of Belarus is not accidental.



At the stage of creating a prototype of PFI, the founders of VODPROM carried out a large-scale work:

- ✓ an innovative idea has been formalized;
- ✓ the requirements for the technological and scientific potential necessary for the development of the idea in the real sector of production are collected;
- ✓ technological and marketing expertise of the project was carried out;
- ✓ market research is organized and sales volume forecasts are made;
- ✓ a business plan has been developed;
- ✓ the necessary financing has been attracted (loans from European banks);
- ✓ a strategic alliance has been formed with Culligan Corporation;
- ✓ the infrastructure and the project team have been created;
- ✓ the corporate management system has been implemented;
- ✓ the management and production processes have been established;
- ✓ fundamental and applied research, necessary technological surveys, as well as applied experimental design developments have been carried out;
- ✓ licensing and certification have been carried out;
- ✓ a full-scale production has been created;
- ✓ service, sales, engineering and other services have been formed.

The product was put on the market

- ✓ marketing and sales policies have been developed and implemented;
- ✓ distribution channels have been formed;
- ✓ a series of international investment conferences was held in New York, London, Minsk, as well as training seminars in Milan, Warsaw, Barcelona, Paris and Munich;
- ✓ a number of major projects have been implemented in the Russian Federation, Kazakhstan and Uzbekistan;
- ✓ a program has been implemented in the Republic of Belarus to transfer Minsk to artesian water supply – the largest water intakes of the capital have been reconstructed: Petrovshchyna, Felitsianovo, Vitkovshchyna;
- ✓ the water supply of the cities Baranovichi, Slonim, Lida, Molodechno, Luninets, Grodno, Kobrin, etc has been reconstructed;
- ✓ the water supply system of the dairy industry of the Republic of Belarus has been modernized;
- ✓ a number of sports infrastructure facilities have been implemented.

Why was the Republic of Belarus chosen to implement the prototype?

This choice was due to the proximity to Europe, the significant role of the state in the economy and the availability of qualified engineering staff. We held talks with the leadership of all regions and saw high interest everywhere.

By the time the prototype was implemented, favorable legal and administrative conditions for the implementation of PPP projects were created in the Republic of Belarus:

- ✓ the mechanisms of self-regulation and mitigation of state control have been strengthened;
- ✓ the possibility of transferring the social function to private hands has been created;
- ✓ there have been fundamental changes in the mechanisms of interaction between government agencies and business;
- ✓ the possibility of interference of officials in the work of economic entities is minimized;

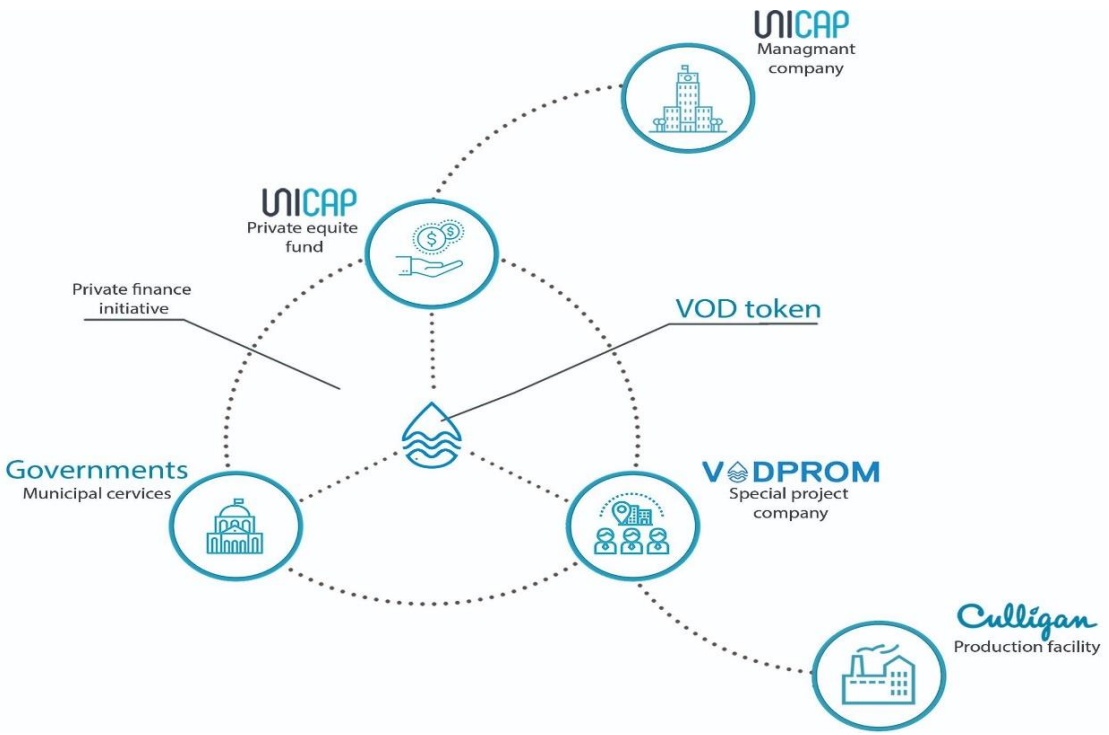
- ✓ the mechanisms of self-regulation of business and its responsibility to society have been strengthened;
- ✓ the completeness and updating of the legal regulation of relations in the field of collective investment has been ensured, the corresponding gaps in the legislation have been eliminated;
- ✓ new specialists with real knowledge of market mechanisms have come to the government;
- ✓ the system of interaction through close associates is becoming a thing of the past;
- ✓ the highest government circles have been democratized;
- ✓ the possibility of attracting investment in the economy on the basis of legal conditions governing public relations, which are formed in the process of concluding, executing and terminating PPP agreements;
- ✓ good conditions have been created for the development of the IT industry, which gives serious competitive advantages in creating a digital economy.

To date, **VODPROM** has a developed portfolio of projects totaling more than 1.5 billion euros. They are based on state programs, geographically segmented and independent from each other, divided into industrial and operational-engineering parts. The projects are decomposed and should be launched in parallel, that will ensure sustainable exponential growth.

VODPROM Platform

Continuing and improving our long-term experience in the field of water treatment and water treatment, we are creating the VODPROM platform, which is a tool for implementing joint decisions on the further development of VODPROM, providing access to online information about the use of water resources at our and integrated facilities of partner companies. This is possible thanks to blockchain technology and special equipment installed in the water treatment system.

We are creating a new unique and universal product - a platform for society, states and corporations, which allows us to make decisions on the development and improvement of key and significant areas of the economy jointly and on equal terms (by using the VOD token as a voting inside the platform).



The VODPROM platform is a single independent and objective system for monitoring and controlling the use of water resources thanks to DeFi technology, integrated directly into the equipment for water treatment and supply.

The VODPROM platform and the token allow:

- ✓ To influence the level of global ecology and responsibility for the consumption of natural resources through the creation of environmentally sustainable projects in the field of housing, healthcare, energy, industry and transport;

- ✓ Make payments inside the VODPROM system, as well as inside integrated partner systems-quickly and safely with the help of unique tokens of each individual enterprise, with a commission for their improvement and payment for services;

- ✓ The VOD token gives the right to vote when choosing the next region of connection to the system and the possibility of influencing the company's policy through periodic voting, available to all token holders;

- ✓ To resist corruption, data falsification and inefficient spending of payers ' funds-thanks to blockchain technology and the VOD token, which gives its owners the right to participate in voting;

- ✓ Universal monitoring and control of the environmental situation on the planet Earth in general and in each region, up to individual enterprises, in particular, by openly providing information on the use of water resources by enterprises and regions in an automatic online mode.

Also, the platform will have its own exchange, which will host the VODPROM objects themselves or integrated (objects of partner companies) with the issue of their own subtoken for each of them.

What for?

For each object, will be created its own information page , that will display the quality and wear of equipment, performance, problems, development paths, and so on.

The purchase of a podtoken will be possible with the help of a VOD token, in which the object itself will receive a significant part of the funds for the implementation of reconstruction and modernization plans.

How it works.

Operating enterprises in the field of housing and communal services, healthcare, energy, industry and transport and related service providers, including those selected by voting, included in the ecosystem, are connected via a closed API and use the VOD service token.

The system runs on React.js, that gives a deterministic rendering of visual representations of components, that is based on unidirectional data binding and the immutable state of components.

Synthetic events smooth out cross-platform differences in event processing systems and facilitate memory management.

React hooks allow you to connect to the methods of the component lifecycle without using class-based syntax. The use of hooks also makes it easier to share the same code in different components.

Container components and presentation components allow you to separate the tasks of forming a visual representation of interfaces from the tasks of managing the application state and from side effects. This improves the ability to reuse and test the components and business logic of the application.

The developed system analyzes, for example, the volume of filtered water from special **Culligan** equipment, tokenizes the obtained volumes and transmits information to the blockchain.

The technology of implementing the idea.

To implement the VODPROM platform, a model of creating a decentralized autonomous blockchain ecosystem for consumers and service providers with a VOD service token based on ERC — 20 was applied

Despite the fact that ERC-20 tokens function within the framework established by Ethereum, this framework is quite wide and provides the VODPROM team with great flexibility when creating them.

VOD tokens themselves are blockchain assets that have their own value, and can also be sent and received like any other cryptocurrency.

Why did we choose ERC-20?

The difference between ERC-20 tokens and other well-known cryptocurrencies, for example, Bitcoin or Litecoin, is that they are tied to the Ethereum network, use the address format accepted within this network and are sent using Ethereum transactions.

Accordingly, transactions involving ERC-20 tokens can be easily traced in the block browser, which is an additional guarantee of transparency of systems based on them and increases the level of trust in both platforms and such tokens.

The growth of the token price is guaranteed by several factors, including the main ones:

- ✓ The limited release and the need to use the VOD token within the **VODPROM** ecosystem will provide an additional speculative increase in its value in the crypto market.

- ✓ With the growth of **VODPROM**'s share in the world markets and the number of participants-partners of the platform, the growth rate of the token price will also increase, and its value will increase many times

The main trends in the development of the water supply and sanitation industry

The state reform policy and the economical situation determine the key factors that will affect the industry, for example, in the EAEU countries in the near future:

- ✓ Preservation of state regulation of tariffs for water supply and sanitation
- ✓ Transition from payment for services "according to the standard" to payment "after the fact" based on the readings of metering devices
- ✓ Introduction of two-rate water tariffs for capacity and volume, transition to long-term tariffs (for 3-5 years)
- ✓ Introduction of tariffs calculated according to the method of return on invested capital, that guarantee that the investor receives a profit
- ✓ Reduction of budget financing along with increased investment by private operators in long-term projects of infrastructure construction and modernization
- ✓ Introduction of requirements for energy conservation and improvement of energy and environmental efficiency in the industry

Based on these factors, it can be assumed that the water supply and drainage market will have a stable positive dynamic in the medium term (up to 5 years)

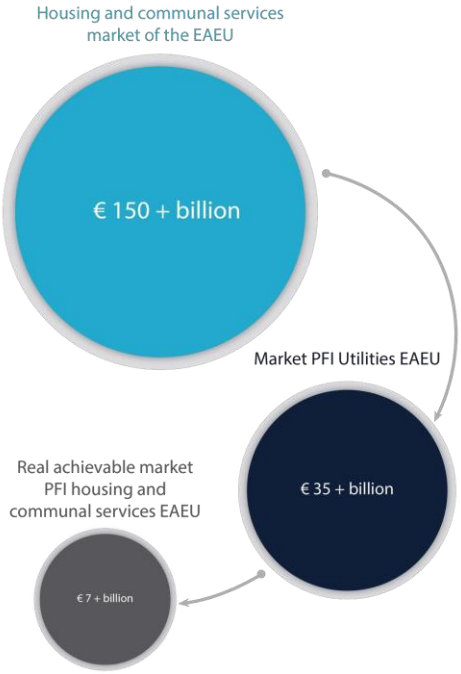
The development of the market will ensure the growth of tariffs for housing and communal services and the attraction of private operators and investments in the industry

The potential investment attractiveness of the market is based on the practically guaranteed sale of services and the possibility of significant cost reduction due to the modernization of existing capacities and the commissioning of new stations and systems with better indicators.

Housing and communal services market.

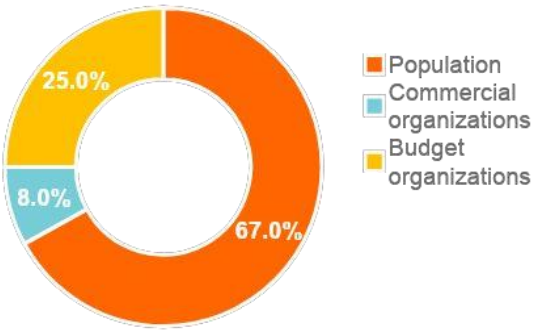
Housing and communal services is a promising market, one of the largest sectors of the economy, the turnover of which is comparable to defense spending. The introduction of modern technologies and methods of doing business in this area leads to an improvement in the life of the population and the strategic position of the country as a whole. Currently, the vast majority of equipment at housing and communal services facilities in the Eurasian space is Soviet-made and is in a deplorable state.

Unlike the oil market, housing and communal services are cyclical, that is, they are an eternal business. According to our preliminary estimates, the housing and communal services market in the states on the territory of the former USSR, that allows the effective use of the PFI concept, is more than 35 billion euros. Over time, the size of this market will increase. In developed countries, public spending on housing and communal services is showing the dynamics of reduction, while the costs of private companies operating in the PPP format are growing rapidly. We are sure that this trend will spread to the territory of the former USSR. Since this direction is practically not mastered now, we expect to become a key player in the market, taking a share of about 20% (7 billion euros of annual turnover) within 5 years.



Consumers of services

The main consumer of water supply and sanitation services is the population, that accounts for 65-80% of the production volume (depending on the region and the operator).



Segmentation of consumers of water supply and drainage services

Water supply to the population is decreasing during 2015-2020 due to the expansion of instrument metering and the tendency to save resources by users due to the constant increase in the cost of water supply and drainage services, as well as due to an increase in the number of individual water supply sources.

Despite the increase in the cost of services, due to the transfer of payment collection functions to specialized agents – cash settlement centers.

The collection of payments from the population is constantly growing and in 2020 amounted to 89%.

The collection of payments from commercial and budget organizations in 2020 reached almost 90%.

Thus, consumers of water supply and sanitation services are financially highly disciplined, and at the same time are increasingly aware of their options for choosing a supplier in terms of price – quality – reliability.

Competition in the market

VODPROM's starting areas of activity are the construction of plants for the production of water treatment equipment, the construction of water treatment plants as a service, as well as the construction of similar facilities for its own needs - for the provision of water supply operator services.

Both start-up areas are growing dynamically and demonstrate good market prospects, both in the World and in the countries of EURASIA.

Equipment for water treatment and construction of stations. In the period from 2013 to 2020, the global market for water treatment equipment grew from 11.3 to 18.8 billion dollars. In the future, it expects stable annual growth at the level of 8%-10%.

The market of water treatment equipment of the EAEU countries, according to VODPROM, is at least $ 2.5 billion. Its prospective CAGR until 2030 is from 3.5% to 15.5% per year.

At the same time, imported equipment is largely used in the design and construction of water treatment plants and structures in the EAEU countries. And the deficit in the market, relative to its capacity, is at least 45%

VODPROM plans not only to build and equip water treatment plants, but also to put into operation its own plants for the production of water treatment equipment.

Competitive advantages of **VODPROM** equipment:

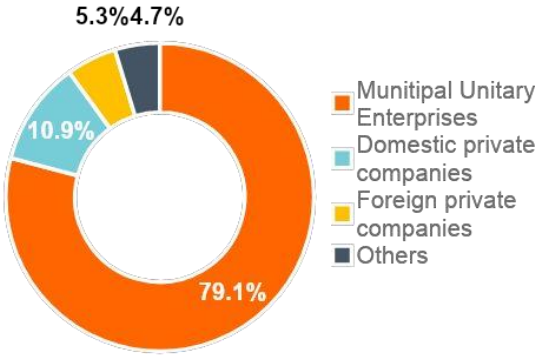
- ✓ High quality guaranteed by many years of experience in cooperation with the world's leading equipment manufacturers;
- ✓ Competitive price due to VODPROM's business capabilities and optimized production technology;
- ✓ Support of VODPROM within the framework of state programs.

Water supply and sanitation services.

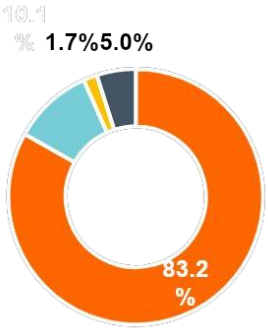
About 15,000 service operators currently work in the markets of water supply and sanitation, for example, in the EAEU countries. Only 10% of them are major network players.

A significant share (about 83%) of operators are municipal management companies or their analogues, fully funded by budgets and funds of different levels.

Market segmentation by player types in 2020



2020



Forecast to 2025

Forecast by 2025: About 80% of the number of players are municipal companies financed from budgets of different levels, that critically lose to private players:

Low quality services. Despite the increase in gross revenues, the accumulated budget underfunding of the industry has led to the obsolescence and accident rate of water supply and drainage facilities and systems. As a result, the quality of services provided by municipal water utilities has deteriorated.

Limited opportunities for the development of competitors. Against the background of a rapid increase in prices for energy carriers and equipment, the own funds of such players do not cover the growing investment needs, which systematically reduces their competitiveness.

The main advantage of **VODPROM** is the ability to complete facilities with its own equipment, with the support of states within the framework of Public Private Partnership (PPP)

Potential of the water supply and sanitation market

The reliability of the **VODPROM** platform as a project and the VOD token is provided by the company's potential in the water supply and sanitation market and the ability to integrate related services from partners also working in real areas of the consumer market.

The water supply and sanitation market is directly dependent on the growth of the population, the level of its well-being and availability of high-quality resources and services, as well as the pace of industrialization of economies

According to the UN, there will be 8.6 billion people in the world in 2030, 9.8 billion in 2050, and 11.2 billion in 2100.

According to the UNDP, the annual growth of the Human Wellbeing Index until 2030 will be from 0.3 to 0.7% per year

This means that more and more people on the planet will have access to high-quality water and services for its delivery and disposal. Accordingly, the market for water supply and wastewater disposal is guaranteed to grow.

Dynamics of the water supply and sanitation market, billion$

According to a number of authoritative sources, the average annual CAGR of the world water market will be from 3.6% to 8%, and the market of the EURASIA segment-up to 19%.

Growth opportunities

The **VODPROM** project has wide opportunities for continuing the growth.

First of all, due to the favorable position in the niche of water supply and sanitation in the housing, healthcare, energy, industry and transport sectors.

Consumers are increasingly giving preference to better water and services that current competitors and substitutes are able to provide with great difficulty. An additional driver of growth will be an increase in the number of supporters of a healthy lifestyle.

The expansion of opportunities and levers for end consumers to choose a service provider provides good conditions for new players to enter the market – the one who will provide the best service faster at a lower price will win the competition.

State support measures create positive conditions for the development of projects based on the principles of sustainable development for all mankind – for investors, participation in such projects is beneficial not only financially, but also reputationally.

There is less available clean water in the world, and it is becoming more difficult to extract it for the population.

Also, the export supplies of bottled drinking water contain a significant growth potential of **VODPROM**.

One of the major consumers of drinking water from Eastern Europe is China. The potential for exporting water from **VODPROM** companies to this country alone is at least 500 million tons per year.

VODPROM in all sectors of the economy.

The future belongs to eco-friendly projects and technologies in the fields of housing and communal services, healthcare, energy, industry and transport, in addition to the water supply and sanitation sector. Therefore, another promising vector of **VODPROM**'s development is the construction of waste processing plants and the operator's activities for the removal and disposal of industrial and household waste.

The reserves of natural resources are not infinite. However, according to statistics from Eastern European countries, today only 4% of all waste is further processed.

More and more companies are showing interest in recycling. Many world-famous companies already manufacture their products to a large extent or completely from recycled re-assembled raw materials.

Therefore, according to experts ' forecasts, by 2024 the share of processed garbage in the EAEU countries will increase from 12% to 60%, and processed garbage — from 7% to 36%.

A challenge for everyone.

The environmental situation in the world requires the adoption of systematic measures in the field of waste management. Thus, by the beginning of 2019, 40 billion tons of industrial and household waste were accumulated in Russia alone. In 2020 An additional 7.3 billion tons of waste was generated on the territory of the Russian Federation, which is 16.8% higher than the level of 2019.

The amount of investments required to restart the waste recycling system in the EAEU countries is estimated at $ 7 to $ 9 billion.

At the same time, the market potential of the sector is estimated at 5% to 15% of the annual CAGR, and the return on investment, according to VODPROM, is at the level of 150% to 250% over 10 years.

Why didn't this happen before us?
Why are we so many years ahead of all similar companies?

During the Soviet era, housing and communal services issues, including water quality, were never among the key priorities of the state. The use of private initiative, improving the efficiency of management, the introduction of modern technologies has become an important part of the economic life of the countries that have emerged on its territory, but it has hardly touched this area.

Currently, investment companies do not have the necessary experience in working with the industry and technologies, and engineering multinational corporations do not know our market and do not have sufficient own funds.

The state does not have free budget funds, competent management, technologies and engineering personnel.

During the implementation of the project with **Culligan**, we conducted in-depth interviews at the level of the governments of the post-Soviet republics.

A number of investment events were also organized for them in the world financial centers in New York and London, which were attended by representatives of federal executive authorities under the US government.

In the process of implementing projects in the Republic of Belarus, we have already passed the path of integrating engineering and working with the state at the expense of private investors. Those who come to this market for us will have to repeat this path, solve a significant number of problems and learn efficiency.

One of our most important tasks is the real growth of people's well-being.

Playing a key role in the formation of the housing and communal services market at the initial stage, offering legislative initiatives, participating in the development of state programs, training officials and specialists, we help to lay the foundation of the PPP market in the PFI format.

We are well aware that in this way we facilitate opportunities for those who will come after us and become our competitors. But we also understand very well what path they still have to go. It is impossible to do this in one or two years, just as it is impossible to quickly reach the level we have achieved.

It is also worth considering that in the process of implementing projects, we increase our own competencies and efficiency. Our experience will provide the company with a key competitive advantage for many years to come, and a good level of profitability for investors with relatively low risks.

Partner companies

On the photo: from left to right –head of the representative office Wuhuan Engineering Mr Du Wei, the president Mandressi Mr Giovanni Daverio, managing partner of the UNICAP Mr Dmitry Sadykov

Global engineering companies

Culligan (USA). The world leader in the field of water treatment, controls about 40 % of the market. The company was founded in 1936 and has 3 million customers in more than 90 countries.

Pollet Water Group (EU). A leading distributor and manufacturer of equipment and technologies in the field of water treatment, offering solutions for water treatment worldwide. It is part of the Pollet Group

Mandressi GmbH. The European Project Group, founded in 1951, implements projects in the oil and energy industries. Mandressi operates in emerging markets, including Iraq, Iran, Oman, Nigeria, Libya, Belarus and others.

Bilfinger (EU). A leading international provider of industrial services in the fields of energy, technology and operation. The technological industry includes chemicals and petrochemicals, energy, oil and gas, pharmaceuticals and biopharmacology, metallurgy and cement production. With more than 35,000 employees, the company generates revenue of over 4 billion euros per year.

Global energy operators

WTE Group. The company offers a full range of services for municipal and industrial water supply and sanitation for industry and housing and communal services. It is a subsidiary of the EVN Group (the Austrian energy group EVN AG), a leading international energy company.

Veolia Environnement SA. A French multinational company specializing in areas that are traditionally controlled by the state: water resources and waste management, transport and energy services. The company employs 320 thousand employees in 48 countries, with revenue of more than 30 billion euros per year.

Wuhuan EngineeringCo., Ltd. An international engineering company with 1,100 engineering employees. It is a subsidiary of China National Chemical Engineering Group Corporation, which is under state administration and is a key scientific and technical enterprise in the chemical industry of China.

Engie (former name: GDF Suez) is a large French energy and gas company. The international energy group ENGINE, structures its activities around the following industries: electric power, natural gas and energy services. Engie is a pioneer in the nuclear power industry, with an asset value of 30 billion euros.

Investment Agents

The Belarusian-American Business Cooperation Council. Specializes in the development of two-sides trade and economic relations between the Republic of Belarus and the United States.

American-Russian Business Council (ARBC). A leading trade association with its main office in Washington and a representative office in Moscow, representing the trade and investment interests of the largest Russian and American companies – members of the council in the field of bilateral US-Russian commercial relations. ARDS includes the largest international companies from the Fortune Global 500 list.

The financial model of the token

The issue of the VOD token is 200 000 000

The VOD token was created on the basis of ETH-**ERC-20**

The VOD token is not reissued

All remaining VOD tokens that were not used during the sale or for the operation of the platform will be **burned (deleted)**.

The reason is the value of the token. Each VOD token has weight and is a tool for managing the company's strategy and policy, and changing the surrounding quality of life of a person.

The purpose of the fees: **$ 420 000 000**

Token Distribution:

4 % Marketing

6 % Reserve Fund

2 % Reward

8 % Operating expenses

80 % Technical implementation of the project:

- **5 %** Platform
- **75 %** Factories

Stage	Soft	Hard	Price for 1 VOD	Bonus
Private Sale	2 100 000 $	21 000 000 $	0.8 $	5 %
Pre-Sale 1	10 500 000 $	42 000 000 $	1 $	3 %
Pre-Sale 2	31 500 000 $	63 000 000 $	2 $	2 %
Pre-Sale 3	31 500 000 $	84 000 000 $	3 $	1 %
Pre-Sale 4	31 500 000 $	84 000 000 $	4 $	
Public Sale	31 500 000 $	126 000 000 $	5 $	

This amount is due to the fact that the simultaneous and large-scale integration of such a structure is real when creating about 120 water treatment and water treatment facilities (based on our experience).

The average cost of one object is 3-5 million euros.

Jurisdiction and taxes

The ICO and the issue of VOD tokens are held in Estonia.

Obtaining a crypto license in Estonia or obtaining an ICO license in this jurisdiction has significant advantages:

Estonia is open to cryptocurrencies, and the local rules are considered one of the most loyal and innovative in the world, especially compared to other EU member states.

And although cryptocurrencies are not legal tender, the Estonian government regards them as "value represented in digital form".

Cryptocurrency is referred to as alternative means of payment, their sale and exchange for fiat money are allowed, the maintenance of crypto wallets by specialized companies is allowed, and so on.

In the context of taxation, the Estonian government classifies cryptocurrencies as digital assets, but does not subject them to VAT. The tax rate on profits from the turnover of cryptocurrencies in this jurisdiction is set at 0% , and this makes Estonia the only jurisdiction with such a rate that is not offshore at the same time. This means that only the tax on distributed profits, as well as on the received profits that were distributed outside the state, is applied throughout the territory of the state. **As long as the profit is reinvested in the business, it is not actually subject to corporate tax**.

Estonia ranks first in the International Tax Competitiveness Index Rankings, second in the Index of Economic Freedom in Europe. The country has concluded investment protection agreements with 31 countries, including the United States, Germany, France, Finland, Sweden, Norway and Switzerland, as well as double taxation agreements with 53 countries.

All foreign investors can create companies and conduct business in Estonia on the same terms as local investors.

Registration.

A company will be registered in Estonia to implement ICO. At the same time, all the requirements for registering a company and conducting an ICO will be met

- ✓ The authorized capital of the company is 12,000 EUR, paid in full in cash;
- ✓ Fixed office in Estonia;
- ✓ Absence of criminal convictions for all owners, members of the management board, final beneficiaries, as well as employees responsible for combating the laundering of illegal funds (AML officer);
- ✓ The presence of residents of Estonia in the management Board.

It is this company that will provide the necessary package of documents to the Estonian Financial Intelligence Unit (FIU), will become the initiator of the ICO and the responsible manager of all fees.

Road map

October 2021

- Private Sale

November 2021

- Company registration in Estonia
- Registration of a management company

December 2021

- Pre-Sale 1
- Release of the MVP platform

January 2022

- Pre-Sale 1
- Registration of the fund
- Alpha test of the platform
- Start of the hardware assembly for the platform
- Conclusion of agreements on conducting negotiations

February 2022

- Beta software platforms
- The world's first voting on the platform
- Conducting preliminary negotiations on PPP

March 2022

- Pre-Sale 2
- Platform Release
- Conducting the main PPP negotiations

April 2022

- Pre-Sale 2
- Conclusion of the PPP Memorandum

May 2022

- Coordination of working groups on the formation of a PPP agreement

June 2022

- Pre-Sale 3
- Preparation of the main draft of the PPP agreement

July 2022

- Pre-Sale 3
- Approval of the PPP project

August 2022

- Pre-Sale 3
- Conclusion of a PPP contract

September 2022

- Start of work on the plant

October 2022

- Pre-Sale 4
- Coordination of regulatory documents

November 2022

- Pre-Sale 4
- Approval of project documentation

December 2022

- Pre-Sale 4
- Start of the main construction of the plant

January 2023

- Integration of the platform's hardware into objects

March 2023

- Public Sale
- Conclusion with third-party partners on connecting to the VODPROM platform

April 2023

- Public Sale
- Conclusion of a memorandum with the following country based on voting on the VODPROM platform

June 2023

- Final of the main construction of the plant

July 2023

- VOD Token Listing
- Commissioning works

August 2023

- Commissioning

September 2023

- Staff training

2025

20% of the market share of water treatment and treatment of housing and communal services in Eurasia

2027

Creation and development of the structure of the next housing and communal services industry (according to a preliminary voting decision on the VODPROM platform)

2030

Scaling of the structure to the markets of Europe, Asia, Latin America, Australia (subject to general voting and approval (society, states, corporations) on the VODPROM platform)

2035

Scaling of the structure to the North American market (subject to general voting and approval (society, states, corporations) on the VODPROM platform)

The risks of the Project

ICO, as a mechanism for attracting investments, has certain risk. Let's consider the main ones:

1. **Risks arising from the nature of the token.** From a technical point of view, a token is an entry in a registry that is part of a decentralized database – a blockchain. This entry, depending on the programming method and the functionality provided by the issuer, allows to use the token to implement the rights provided by the terms of its issue, that theoretically can also be used by cyber-fraudsters.

2. **Risks arising from the status of an investor.** One of the most significant risks is the extraterritorial application of the legislation on securities and financial transactions to the legal status of the investor. As a result, the complexity of administrative or judicial protection of the rights of token holders in case of their violations.

3. **Risks associated with the quality of the ICO and with subjective factors.** Theoretically, investors can also suffer from situational risks. For example, from the risk of a long development of the platform at the preliminary stage; the risk of a delayed launch; the risk of violations of licensing legislation, and even the risk of losing investments and reputation in the event of fraud by issuers and related persons.

4. **Risks associated with the complexity of legal regulation.** The legal regime of ICO depends on the structure of the process, the underlying asset / idea, the amount of rights granted by tokens, etc. And at the same time it can always undergo changes.

5. **Risks associated with general geopolitical factors and the logic of financial market development.** This category of risks includes the weakening of the "hype" wave and the complication of the ICO procedure; a potential drop in the quotations of bitcoin and other cryptocurrencies, as well as possible problems in the blockchain technology.

The risks of **VODPROM ICO** were assessed from these sides, indexed and taken into account in all financial calculations.

Calculation of the Risk Correction indicator	The value of the indicator
Country risk	10%
Technical risks	25%
Risk of unreliability of project participants	10%
The risk of not receiving the revenues and fees provided for by the project	35%
The final level of risk applied in the calculations	**20%**

These risks are also considered in the **VODPROM** development strategy until 2030 and are offset by a fairly low break-even point of the project (65%) and its powerful financial operating lever (45.9%)These risks are also taken into account when determining the Soft and Hard Cap.

Thus, the project is fully implemented even with the collection of a minimum amount of investment, and in the case of all risks at once (the probability is not higher than 45.9%) - even with a minimum level of fees with a delay of no more than 20%.

The founder of the project

Dmitry Sadykov-Kadyrov

Investor, entrepreneur, public figure, chairman of the general meeting of shareholders, *managing partner of UNICAP*.

He was born in 1970 in Tashkent, in an academic family of Soviet scientific and economic figures.

Dmitry Sadykov-Kadyrov entered in 1988, and in 1994 graduated from the **Kiev Institute of Civil Aviation Engineers** (now the National Aviation University) specialty "operation of aircraft and engines"

Since 1991, began his entrepreneurial activity, engaged in the promotion of energy credits, industrial equipment, airfield, special and career equipment **BELAZ, MAZ, MTZ** to the markets of the post-Soviet space.

Among the most significant achievements of that period, it is worth noting the creation of **«VestInvest»** – one of the first investment companies in the CIS, participation in the construction of the **Rostov Nuclear Power Plant** within the framework of cooperation with the **Rosenergoatom** concern. He served as an

official representative of **Penzcompressormash** – the world's oldest manufacturer of equipment for nuclear energy. In addition, have been living in the Czech Republic for a long time, Dmitry invested in industry, acquiring the production enterprise of Teflon materials **Flontex** for energy and aviation for technologies of **DuPont and Gore—Tex** companies and supplying manufactured products to the **CIS** markets.

Also, since 2003, he has been engaged in the implementation of engineering projects in the field of ecology, energy and resource conservation, developed entrepreneurial activities in the field of investment in infrastructure projects based on energy-efficient contracts in partnership with a number of multinational corporations in the **CIS** (including **Bilfinger, Culligan, Dow Chemical and Degremont**), becoming the founder of the **Eurasian Environmental Center**. He has trained a significant number of highly qualified specialists.
Since 2005, he has been the official representative of the world's oldest engineering operator, **Aqseptence Group**.

Since 2012, having created **UNICAP**-an investment fund and a management company for the implementation of initiatives using **PPP** mechanisms, he has developed and implemented a series of innovative projects, including the project of a joint industrial enterprise with the American TNC **Culligan**

He was a member of the Supervisory Board of the **Eurasia** division of **Culligan** Corporation. He was vice-president of the Eurasia division of **Culligan** Corporation.

To 2017, thanks to the efforts of Dmitry as part of an international team, the Culligan company was successfully sold to Advent International, one of the world's largest investment corporations for **$1 billion**, and in 2021 it was resold to the giant of the investment market company **BDT Capital** for a record **$6 billion**.

Dmitry's key characteristic is responsibility in finding the optimal way to develop partner projects. The main ability is the exercise creative initiative in the implementation of partner projects.

Dmitry Sadykov is a partner of the **U.S.-Russian** and a member of the **U.S. - Belarusian Business Councils**.

Dmitry is a follower of progressive approaches in business based on the system analysis of the **Adizes Institute** (USA).

He is an adherent of the strategy of creating new industries of the European Institute of Business Management (INSEAD) (France) in the field of macroeconomics.

He is a member of the Board of Trustees of the **Orthodox Charitable Foundation named after St. Andrew the First-Called**.

He is the president of the **International Association of Graduates of Aviation and Aerospace Universities**.

He is fond of piloting aircraft.

He is married and has two adult sons.

Conclusion

Human civilization is inevitably moving towards a new format of interaction between states, corporations and society, in which everyone will have the opportunity to participate in decision-making on an equal basis with the heads of governments and corporations.

Our actions are aimed at ensuring that every person gets this opportunity in the most comfortable form for him. We generate a new environment and use our own example to show the effectiveness of the mechanism of new relationships.