



SYSTEM 3E. Building has never been easier

SYSTEM3E®



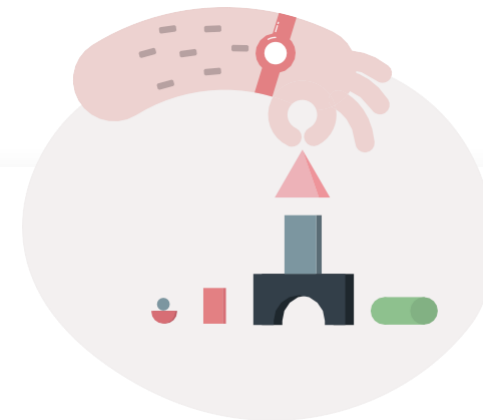
Company purpose

We develop a technology to change the construction industry for good



Sustainable material

- Organic raw material
- Low water footprint
- Less construction site waste
- 100% recyclable
- Materials with 0 impact on the environment



Smarter construction

- Shorter construction time
- Building possible all year round
- Fewer construction errors
- Easy for unskilled workforce



Safe buildings

- Durable
- Energy-efficient
- Resistant to mold, fungus
- Hypoallergenic
- Fireproof

Construction in the 21st century

People's expectations towards green construction are evolving, but the industry does not keep up



Growing demand for more energy-efficient and safe building



Lack of sustainable building materials



Low productivity in the construction sector

A large, bold, red number '46' centered within a light gray, irregularly shaped background that resembles a cloud or a splash.

**billion EUR - external & load-bearing
walls market in Europe (2018)**



It's time we stopped using construction materials from the 19th century

Our solution

SYSTEM 3E - perlite-based smart construction materials



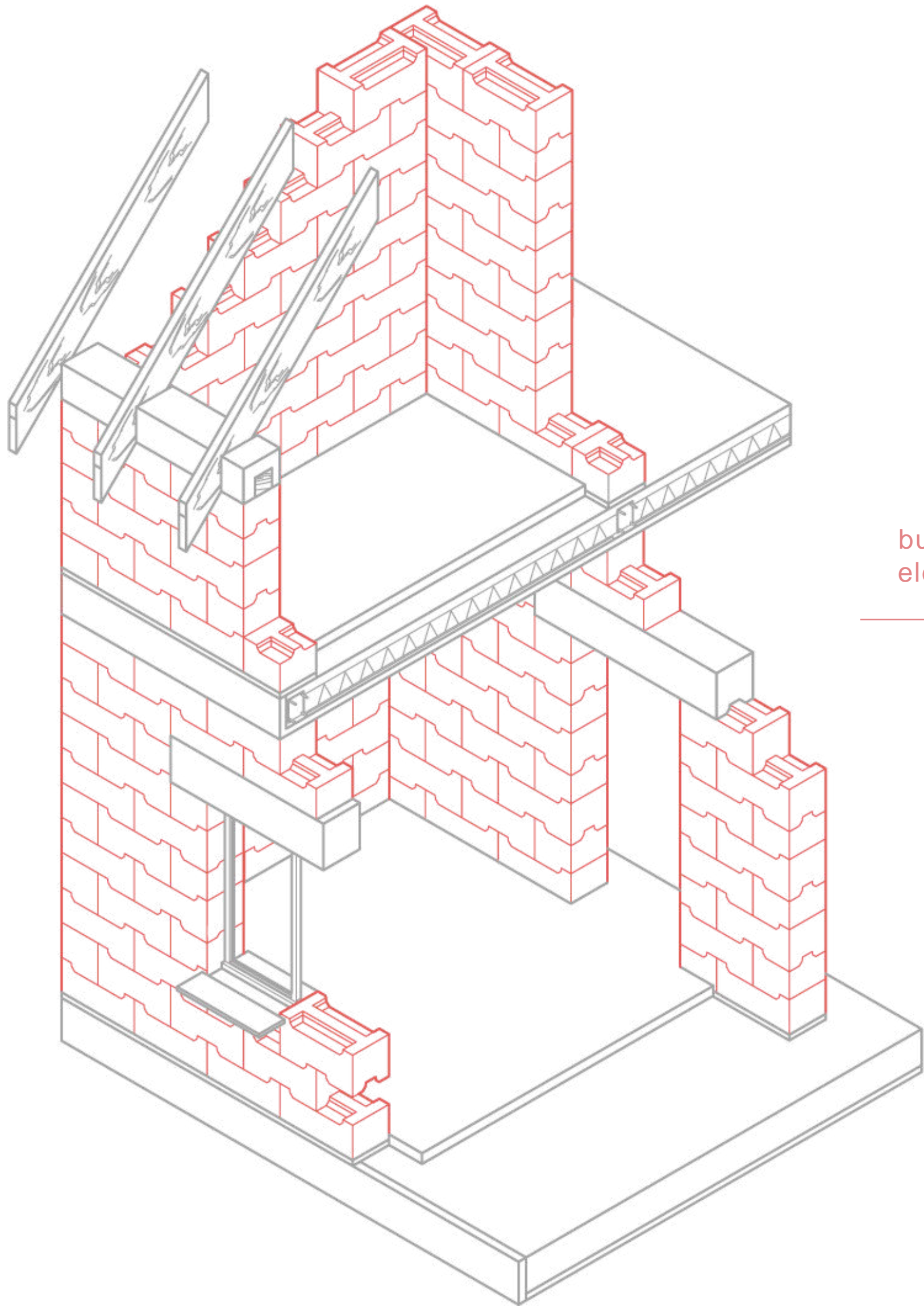
PERLITE-BASED SOLUTION

- Organic, fire-resistant, light and hypoallergenic
- Neutral pH
- Outstanding thermal insulation
- Recycling-friendly
- Minimal water footprint



DRY STACK CONSTRUCTION

- Self-sufficient, self-locking single-layer wall
- Without mortar, clays and water
- Standard house shell in a day
- Unskilled workforce-ready
- Reducing construction site waste



Our solution

We aim to create a complete building system

3E building element	3E load-bearing wall	3E partition wall	3E lintel	3E precast ceiling panel	3E roof construction	3E foundation system
✓	planned	planned	planned	planned	planned	planned



Value proposition

Our technology benefits all the parties – from construction companies to the endusers

STAKEHOLDERS	SOURCE OF VALUE	VALUE PROPOSITION	THESE LEADERS EXPRESSED INTEREST
Construction companies	ECONOMY	<ul style="list-style-type: none">No skilled workforce neededEasy resource managementFaster time for moving house by its ownersLower energy bills	<div>Henkel</div> <div>LAFARGE</div> <div>HomeKONCEPT® PROJEKTY DOMÓW NOWOCZESNYCH</div>
Building owners	ECOLOGY	<ul style="list-style-type: none">Organic material-based walls (yet no fungus, allergies, mould)100% recyclable during house demolitionLow water footprint	
Architects	ENERGY-SAVING	<ul style="list-style-type: none">Excellent thermal insulationWell insulated house all year round (from both cold and warm temperatures)	

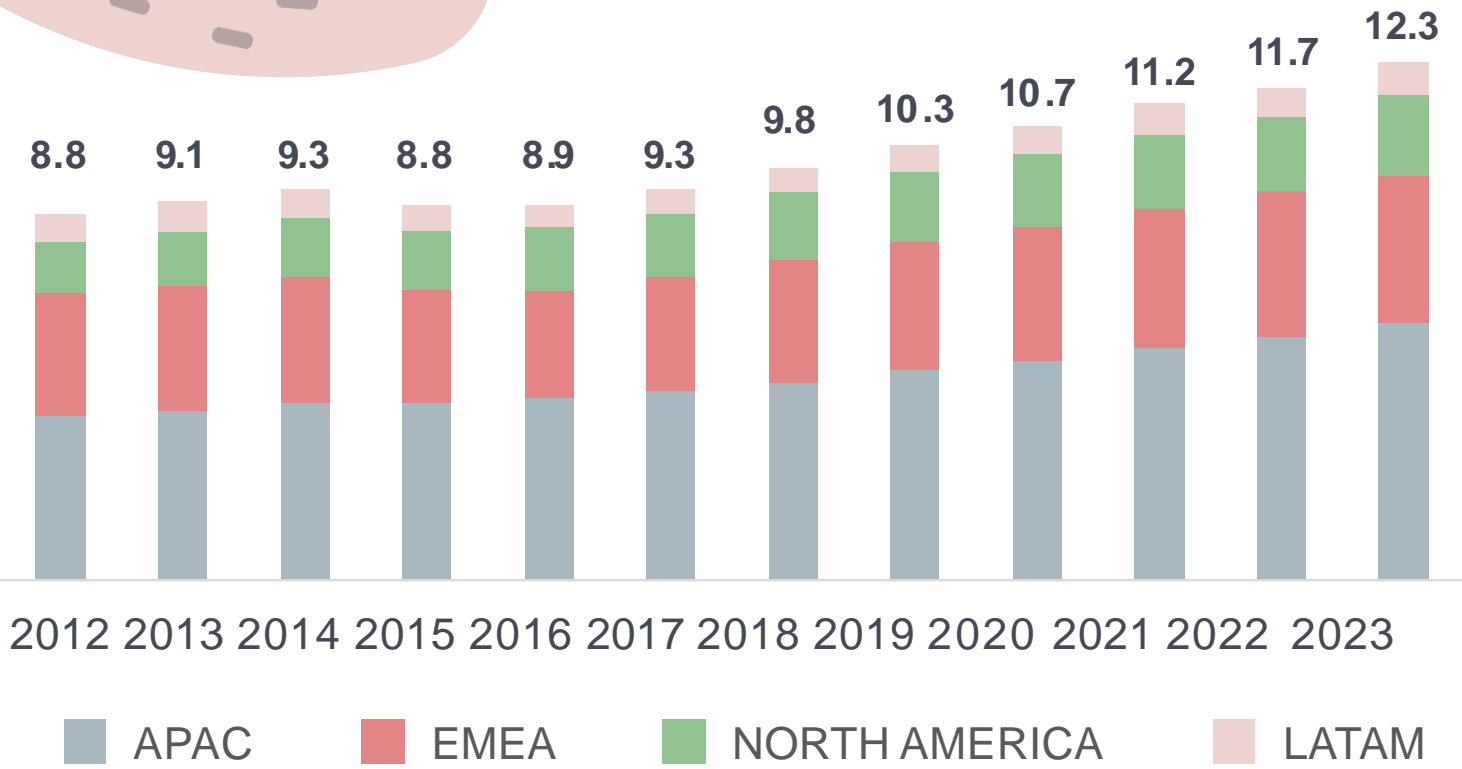
Market opportunity

Favorable market environment and consumer megatrends are going to fuel demand for green construction materials

Megatrends and consumer preferences

- Construction
- Increasing demand in residential construction
 - Labour shortage and sky-rocketing cost
 - Rising prices of building materials
- Environment
- Energy-efficient buildings within climate policies
 - Climate changes and natural hazards damaging existing buildings
- Lifestyle
- Increasing demand for eco-friendly solutions
 - Soaring health and health care awareness
 - Growing need for wellbeing and a balanced life

Construction market by geographic region
2012-2017 and 2018-2023 forecast [EUR billion]



CAGR 2012-17	2,8%	-1,3%	4,5%	-5,3%
CAGR 2017-23	5,5%	4,3%	3,4%	6,2%

Source: Oxford Economics, Euromonitor, Frost & Sullivan, Roland Berger, Allied Market Research

Market opportunity (2)

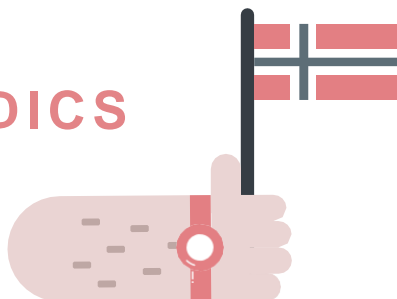
Each of the selected markets provides great opportunities

POLAND



85 000 +

NORDICS



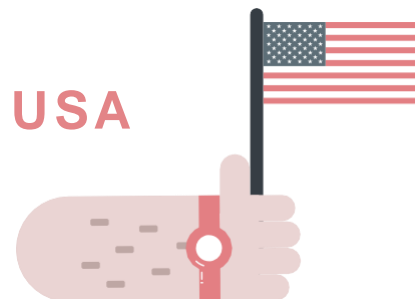
30 000 +

GERMANY

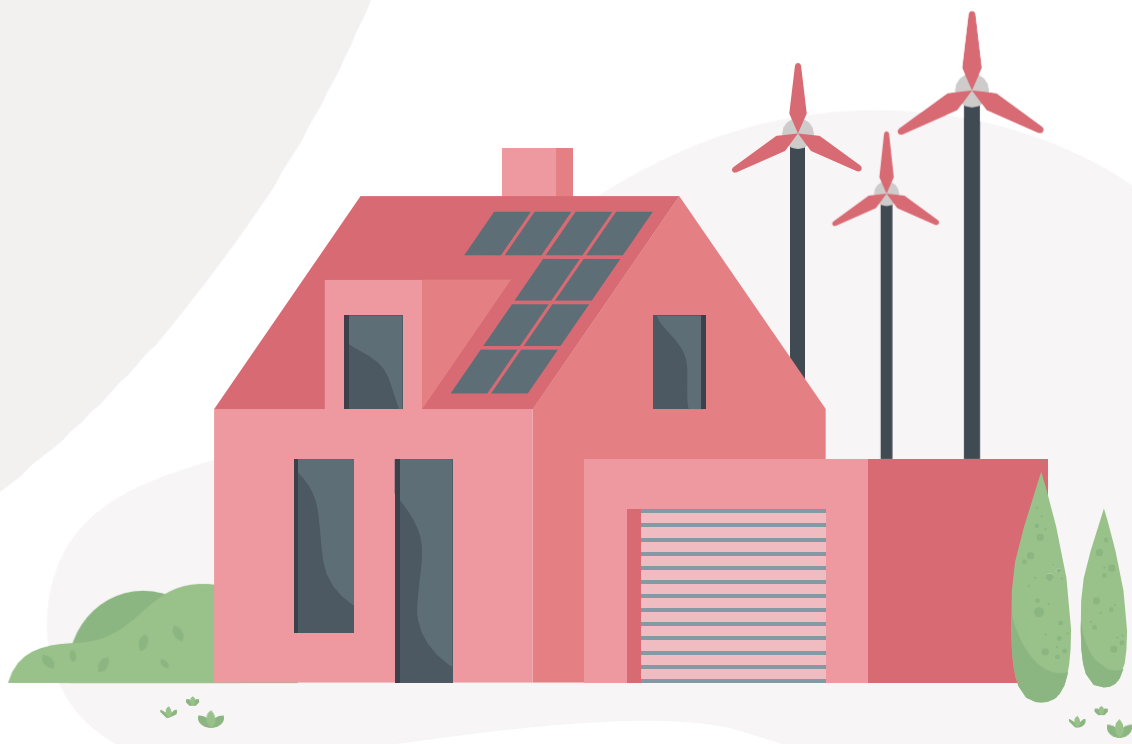


100 000 +

USA



900 000 +



Housing units built annually

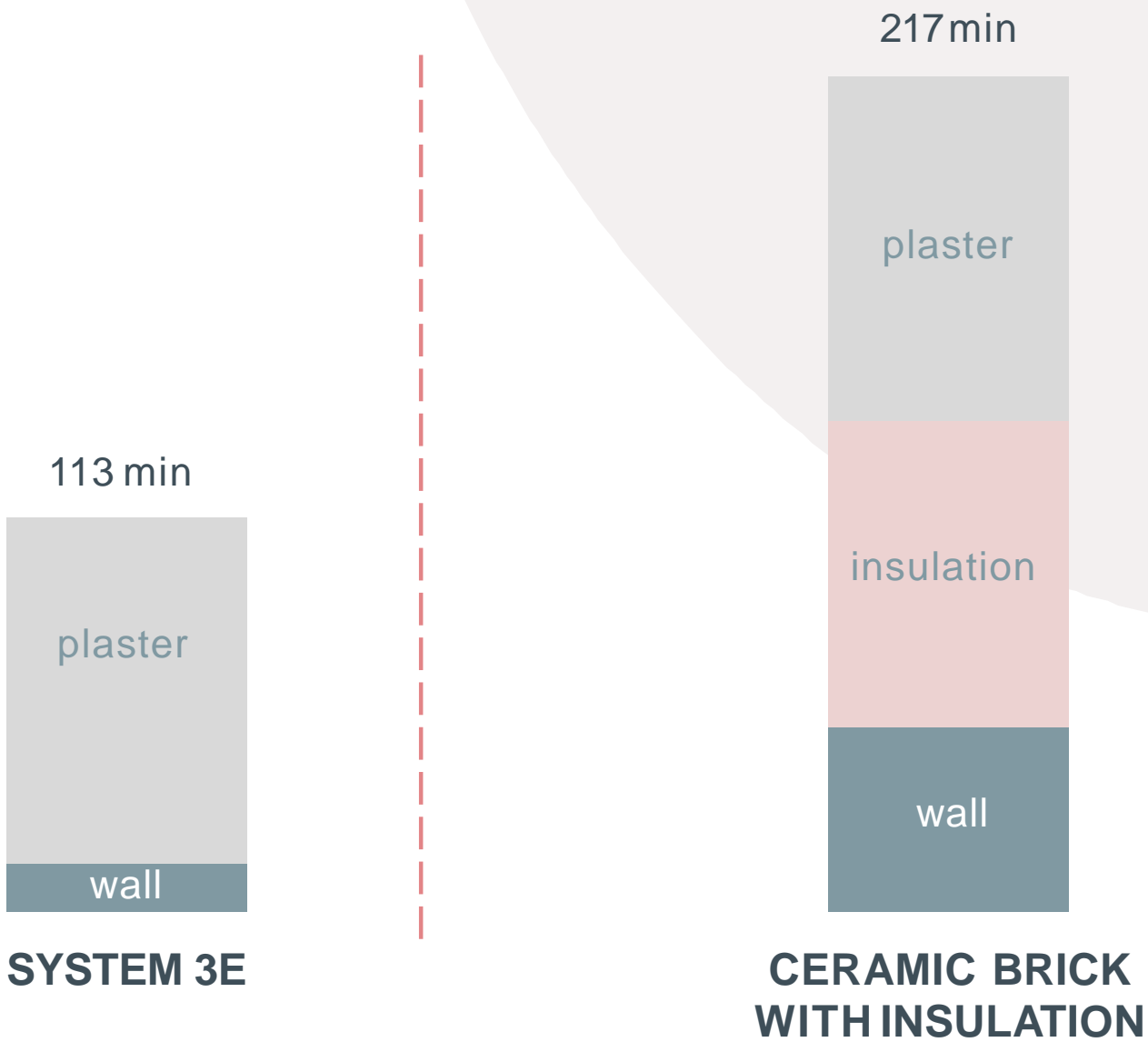
In single- and two-family houses and townhouses

Source: Turner&Townsend: International construction market survey 2018; Building Radar: Europe Construction Market Forecast from 2015 to 2020; Deloitte: CHS – consumer survey; European Commission: Startegy 2050

Competition

Thanks to perlite properties and our R&D process, **SYSTEM 3E** outperforms the competition in construction efficiency and physical resistance

1 m² wall construction time comparison:





















Source: SYSTEM 3E team research, competitors corporate websites

* Estimated for a house with 150 m² wall area

	FEATURES	SYSTEM 3E	BRICK-AND-MORTAR	TIMBER-FRAMED
MARKET-CHALLENGES DRIVEN	No need for skilled labor	✓		
	Short time of investment	✓		✓
	Savings while building	✓		
	Energy efficiency	✓	✓	
	Solid solution	✓	✓	
ADDED VALUE	Fire-resistance	✓	✓	
	Shock-resistance	✓		
	Mold/fungus-resistance	✓		
	Acoustical insulation	✓	✓	
CASE STUDY*	Time to build walls	1 day	14 days	7 days
	Cost of insulation	EUR 0	EUR 9,000	EUR 2,600
	Generated waste	0.04 m ³ /m ²	0.16 m ³ /m ²	0.10 m ³ /m ²

Competition

Construction industry is comprised of traditional local players with a limited global presence, creating an attractive niche for new solutions

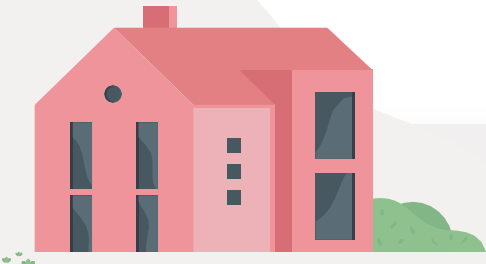
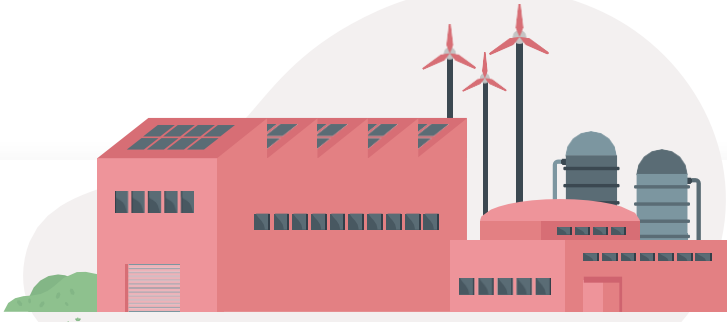

									
MAIN PRODUCT	Ceramic brick	Aerated concrete blocks	Aerated concrete blocks	Concrete, fly ash	Bricks, blocks	Clay bricks	Cement	Autoclaved aerated concrete	Cement
DATE OF ESTABLISHMENT	1819	1929	1909	1946	1964	1899	1906	1951	1833
REVENUE	USD 3.6B	USD 1.6B	USD 2.8B	USD 7.7B	USD 435m	USD 480M	USD 18B	N/A	USD 26.8B
HQ									
MARKETS	Europe, India, North America	Europe, US, China	Europe	Australia, New Zealand, Asia, North America	UK	UK	Europe, US, Asia (50+ countries)	Europe	EMEA, LATAM, NA, Asia Pacific

Global construction industry is a highly fragmented sector with the leading company representing less than 1% of the total market.

Source: Corporate websites of competitors, annual reports

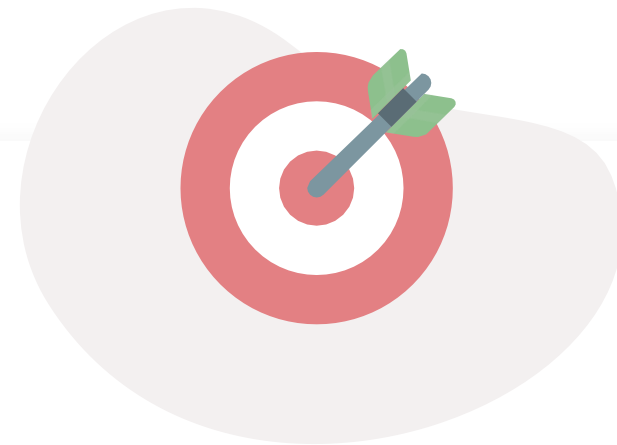
Business model overview

SYSTEM 3E can operate as an R&D company, construction materials producer or cubature service provider depending on the market characteristics and profile of potential clients

			
STREAM NAME	Cubature construction services	Construction materials production	Construction innovation licensor
CORE BUSINESS	<ul style="list-style-type: none">House building services, supported with IT solutions	<ul style="list-style-type: none">Production and sales of proprietary construction solutions	<ul style="list-style-type: none">R&D and commercialisation of innovative construction solutions
REVENUE STREAM	<ul style="list-style-type: none">Sales of construction services	<ul style="list-style-type: none">Sales of construction materials	<ul style="list-style-type: none">Sales of licences & fixed fee per element sold
COST STREAMS	<ul style="list-style-type: none">Own construction teamDistribution channels buildingMarketing & client acquisition	<ul style="list-style-type: none">Manufacturing processDistribution channels buildingMarketing & client acquisition	<ul style="list-style-type: none">R&DIP securityMarketing & client acquisition
STAGE	<ul style="list-style-type: none">In operation	<ul style="list-style-type: none">In development	<ul style="list-style-type: none">Planned

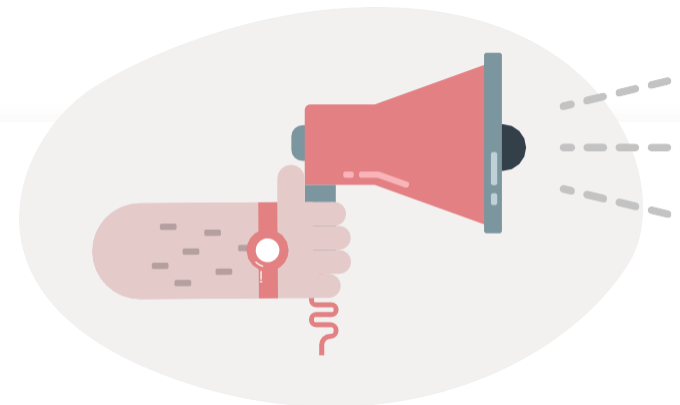
Commercialisation & marketing strategy - International expansion (1)

Our scoring model results showed an opportunity for expanding further into European market and opening business operations in the US



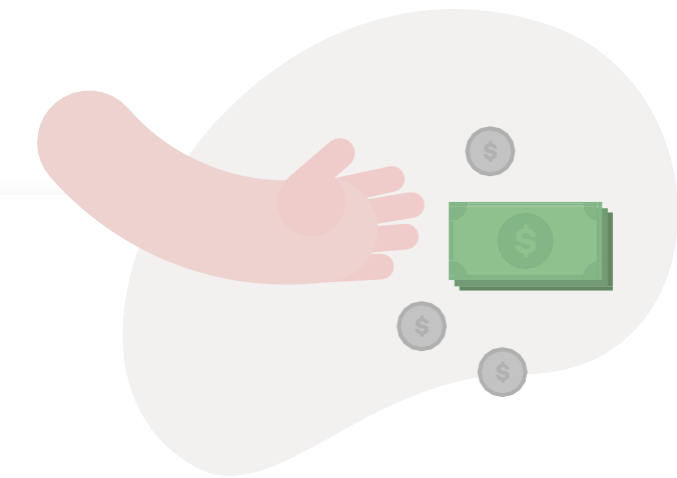
Objective

- Market entry to the first priority markets: US, Germany and Sweden
- Further expansion in North America, DACH and Nordics regions
- Opportunistic entry to the markets with a positive scoring model result



Key actions

- Licensee acquisition:
 - mapping
 - contact
 - negotiations
 - contract

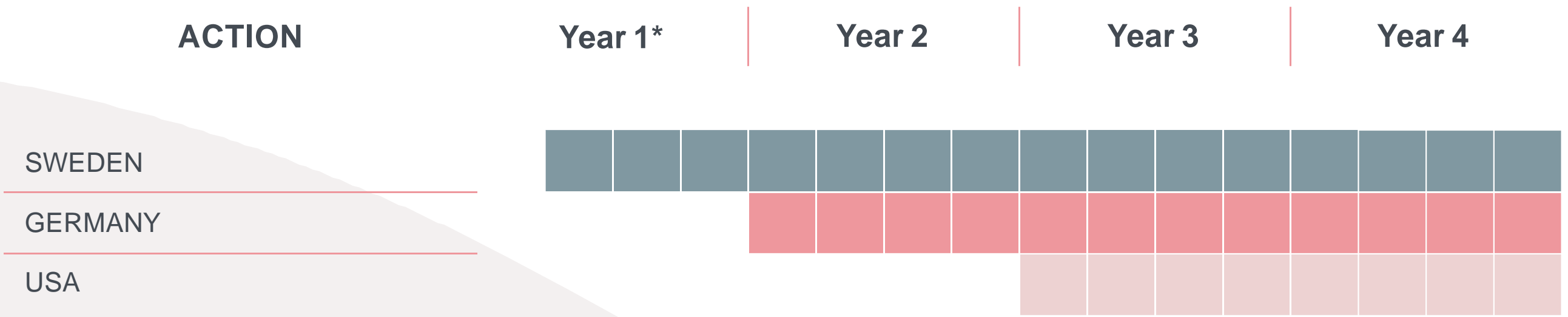


Key resources

- Licensee acquisition (events, marketing materials, travel, legal services)
- Fund raising for the US expansion (marketing, travel, sample house, building codes, legal services)

Commercialisation & marketing strategy - International expansion (2)

Due to the geographical proximity and economic characteristics, Sweden is the first priority country. Execution of the market entrance strategy is planned to begin in a quarter from the investment



* Stands for the year of receiving funding



Our team

Business and technical expertise makes success



DARIUSZ LEWANDOWSKI
CO-CEO, Project Manager, Risk
Manager



KATARZYNA KOLMUS
CO-CEO, Operations Manager



PIOTR BUDNIK
VP, Sales & Investor Relations Manager



PATRYK BOLIMOWSKI, Phd
R&D Director



KATARZYNA KACZANOWSKA
Finance Director



SZYMON SPODZIEJA
Design Engineer



MAGDALENA MITAS
Lead Architect



MIROSŁAW KAUSA
Technical Inspector



ANNA WACŁAWEK
Compliance & IP Director

Together we develop and commercialise the 3E technology. We have already participated in one of the most important industry events, won innovation awards, established collaboration with one of the best Polish footballers, reached out the biggest industry players and built several pilot houses.

Contact

You can find us in the very heart of Warsaw

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