

FREQUENTLY ASKED QUESTIONS



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 - a) an authorised person;
 - b) an exempt person where the communication relates to a controlled activity

which is a regulated activity in relation to which the person is exempt;

- c) any other person:
 - i. whose ordinary activities involve him in carrying on the controlled activity to which the communication relates for the purpose of a business carried on by him; or
 - ii. who it is reasonable to expect will carry on such activity for the purposes of a business carried on by him;
- d) a government, local authority (whether in the United Kingdom or elsewhere) or an international organisation;
- e) a person (“A”) who is a director, officer or employee of a person (“B”) falling within any of sub-paragraphs (a) to (d) where the communication is made to A in that capacity and where A’s responsibilities when acting in that capacity involve him in the carrying on by B of controlled activities.

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2. 'High net worth individuals' within the meaning of Article 48 FPO, namely an individual who has completed and signed, within the period of twelve months ending with the day on which this communication is made, a statement of high net worth. The statement must confirm that one of the following statements applies to the individual:
 - a) They had, during the financial year immediately preceding the date on which the statement is signed, an annual income to the value of £170,000 or more.
 - b) They held, throughout the financial year immediately preceding the date on which the statement is signed, net assets to the value of £430,000 or more.
3. A person or entity believed on reasonable grounds to be a High Net Worth Company or a High Value Trust within the meaning of Article 49 FPO, namely:
 - a) A body corporate which has, or a member of the same group as an undertaking which has, a called-up share capital or net assets of not less than:
 - i. £500,000 (subject to the body corporate having more than 20 members or is a subsidiary undertaking of an undertaking with more than 20 members); or
 - ii. otherwise, £5million;
 - b) Any unincorporated association or partnership which has net assets of not less than £5 million;
 - c) A trust where the aggregate value of the cash and investments which form part of the trust's assets (before deducting the amount of its liabilities);
 - i. i. is £10 million or more; or
 - ii. ii. has been £10 million or more at anytime during the year immediately preceding the date on which the communication in question was first made or directed;
 - d) Any person ("A") whilst acting in the capacity of director, officer or employee of a person ("B") falling within any of paragraphs (a) to (c) where A's responsibilities, when acting in that capacity, involve him in B's engaging in investment activity.
4. Persons who are 'certified sophisticated investors' within the meaning of Article 50 FPO, namely a person:

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- a) who has a current certificate in writing or other legible form signed by an authorised person to the effect that he is sufficiently knowledgeable to understand the risks associated with that description of investment; such a certificate is current if it is signed and dated not more than 3 years from the date of this IM; and
- b) who has signed, within the period of twelve months ending with the day on which the communication is made, a statement in the following terms.

“I make this statement so that I am able to receive promotions which are exempt from the restrictions on financial promotion in the Financial Services and Markets Act 2000. The exemption relates to certified sophisticated investors and I declare that I qualify as such in relation to investments of the following kind: equity shares in private unquoted companies. I accept that the contents of promotions and other material that I receive may not have been approved by an authorised person and that their content may not therefore be subject to controls which would apply if the promotion were made or approved by an authorised person. I am aware that it is open to me to seek advice from someone who specialises in advising on this kind of investment.”.

- 5. Persons who are ‘self-certified sophisticated investors’ within the meaning of Article 50A FPO, namely an individual who has signed within the period of twelve months ending with the day on which the communication is made, a statement in the terms required by Article 50A of the FPO which confirms that

one of the following statements applies to the individual:

- a) They are a member of a network or syndicate of business angels and have been for at least six months prior to the date of the statement.
- b) They work or have worked in the two years prior to the date of the statement in a professional capacity in the private equity sector, or in the provision of finance for small and medium enterprises.
- c) They currently or have been in the two years prior to the date of the statement, a director of a company with a turnover of at least £1.6 million.

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Steps to commercial success

Vision

The vision is to position EnviraBoard as the globally leading sustainable, carbon negative building board, based on providing the market with a superior, competitive board, made from secondary waste from recycled paper production, contributing to reducing waste impact and carbon footprint. This will be achieved through creating joint venture production facilities globally, and having a continuous focus on innovation in the production process and diversification of usable sources of waste.

1

Build Mini Plant

To produce boards for bringing customers onboard, and to engage in sale of Joint Venture Production Plants.

2

Establish first Joint Venture Production in the UK

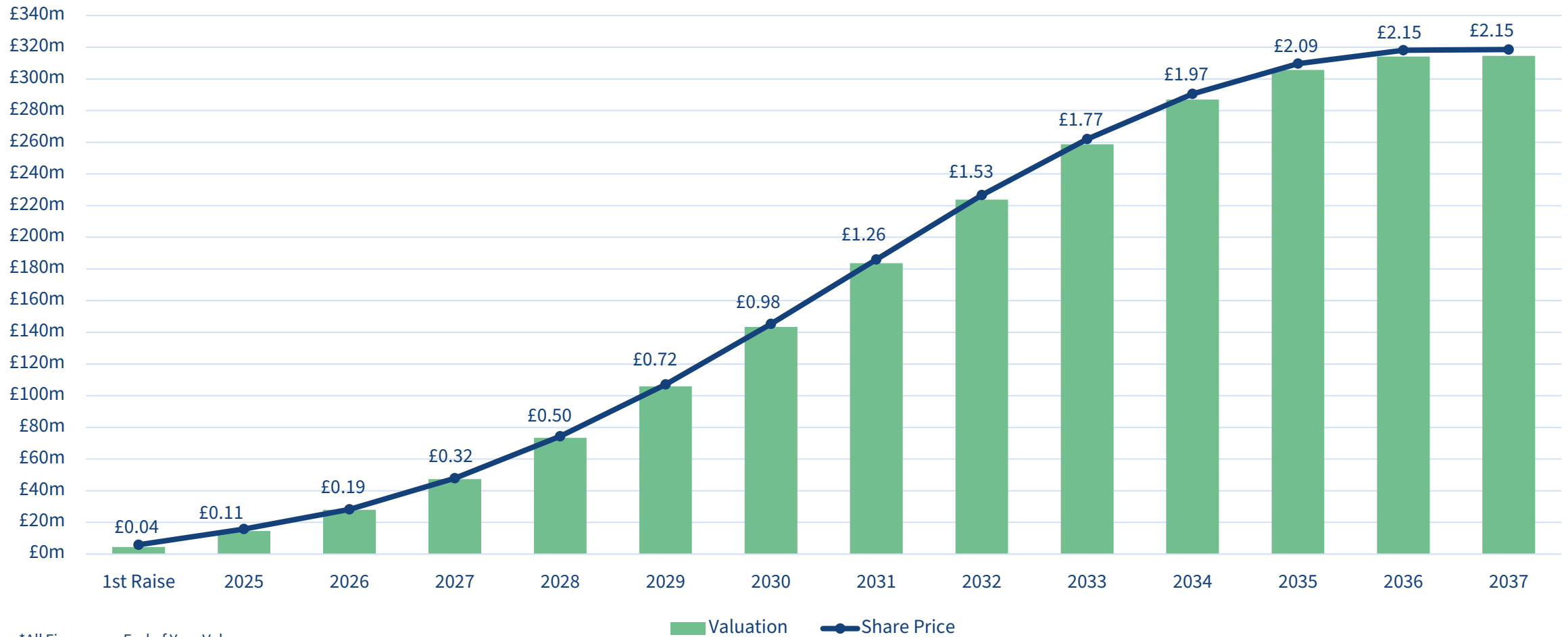
Factory set-up in King's Lynn in collaboration with Palm Paper, serving the UK market and customers in Scandinavia.

3

Establishing Joint Venture Productions globally

Exploiting the global market opportunity for sustainable construction, aiming to establish 27 Joint Venture Productions

Valuation and share price



*All Figures are End of Year Values

FREQUENTLY ASKED QUESTIONS

Q. It is not clear what your business model is. Are you selling production plants, is it boards, or IP licensing?

Once the UK manufacturing plant in Kings Lynn is established, we will sell EnviraBoards to the UK market initially, and provide some customers in continental Europe before we set up a manufacturing plant in Germany to service demand in the EU.

When we start opening up other markets such as the USA, India, Australia and the Far East we will be working in partnership with local manufacturers who will produce and market EnviraBoards under license using our IP and following our marketing guidance.

Q. What is the exit strategy?

We would look to offer initial investors partial exit opportunities as we attract institutional investors along our growth journey. This allows early investors to top slice their investment, and still retain an interest in EnviraBoard as the business accelerates, and institutional investors come in.

The founders' time frame for exit is four to five years and this could be via a trade sale, a VC or a public listing.

Q. Is the sludge "shipped" to the plant in tankers / by road?

Our strategy is to set up our manufacturing plants as close as possible to the paper mills that will be providing the sludge used in the production of EnviraBoards. This is the most efficient, cost effective and carbon friendly solution

For our first UK site in Kings Lynn, we are looking now for suitable locations as close as possible to our partner Palm Paper's manufacturing facility.

We will probably use lorries to transport the sludge.

In some instances, it may be that the paper plants have excess space on their existing sites which we could use.





Q. What product/technology protections (eg patents) do you have?

The product technology patents are being processed currently with Harry Hutchinson, who is a very experienced IP specialist. He has successfully handled the IP for Organic Heat Exchangers, one of our other clients, who are planning a global expansion.

Q. How active Thomas Kahler in the business?

He's very interested in the business. He's part of the core team and sits on our advisory board.

Q. What if paper plants move to other materials and they stop using old magazines?

There is a lot of other paper and cardboard waste available and using these other feeder sources would allow us to expand our product portfolio of what you can make.

Preliminary tests we have conducted show that we can produce a quality EnviraBoard from brown waste, which is mainly cardboard. And of course, the online retail industry is growing dramatically and most of the packaging they use is cardboard. This is creating a growing waste issue globally so we can use and recycle that waste.

Q. Is the board the same weight as traditional plasterboard/drywall

It is same weight as the nearest competitor and slightly heavier than gypsum. But you only require single boards as EnviraBoard is so much stronger than traditional plasterboard/drywall products. For our standard 12 and 12.5 mm board, it's 14.4 and 15 kg per square metre.

Normal gypsum board is approximately 9kg per sq.

Q. Why is the only size of EnviraBoard 600mm wide versus 1200mm x 2400mm for plasterboard?

It is not the only size. EnviraBoards are pre-cut in various measures at our factory which minimises waste and reduces installation time on the construction site.

Q. Is the board waterproof?

It is approved to be used in wet room but not suitable for outside cladding unless it has a protective seal. As other wet room boards it needs Tanking before applying the board with a waterproof coating.

Q. What are the acoustic properties of the board?

With one EnviraBoard on each side of a wall you will achieve about 39 Rw' decibel protection and with more insulation you can achieve much higher protection.

Q. Are you looking to expand in the North American market?

Yes, once we have established our UK plant, we will be looking at how we move into overseas markets.

Q. Why use EnviraBoard instead of gypsum boards in new housing developments?

An EnviraBoard is a much higher quality product than gypsum board and is easier for construction workers to use as follows:

- a) It is easier to cut
- b) You can hang up to 30KG with screws on an EnviraBoard
- c) It offers better fire resistance
- d) It also offers better sound insulation.
- e) It offers 60 minutes fire protection with one layer on each side of a wall
- f) Furthermore, it meets the growing requirements for house builders to provide sustainable and carbon free homes. Also, the board is completely recyclable so during construction this reduces harmful waste, and if the house needs refurbishment or a complete rebuild, then EnviraBoard provides a carbon negative solution.

Q. What do you expect your profit margins to be on a board?

We will be making those calculations as we get closer to UK production. However, we expect to run the whole business with an EBITDA in excess of 25%.

Q. Are you competitive with gypsum plasterboard?

A wall solution with EnviraBoard installed is competitive compared to equivalent walls made with gypsum on a square metre basis. Prices of basic boards are different, but handling and installation is much easier with less time required when using EnviraBoard compared with gypsum plasterboard.

If you look at the whole life cost of EnviraBoard compared to gypsum board it compares very favourably. Because it's easier to install and cut there is a labour-saving benefit. The key issue here is the less the construction worker has to do the better as this reduces cost and improves the quality of the finished wall because EnviraBoard is easier to work with. When you take into account these savings we are cheaper per square metre than traditional plasterboards

House builders and contractors are under increasing pressure to reduce their costs and they will be looking at the completed cost of the property.

Q. Have you examined the installation process from a Health & Safety perspective given the extra weight of the material? There is a maximum of 20kg weight per person for installation...your smaller boards might be more effort to install and contractors might push back on the cost.

There are two factors to consider here. The weight of our boards and the ease of installation.

Let's look at the weight of other boards.

- Fermacell: 14.3 kg/m² 12.5 mm
- Plasterboards: 8.5 – 9.5 kg/m² 12.5 mm
- EnviraBoard: 15 kg/m² 12.5 mm
12 kg/m² 10 mm

Products will be delivered in various sizes:

- Standard board 10 mm: 10x2400x600 mm 17.3 kg
- Strong board, 12 mm: 12x2400x600 mm 20.7 kg
(European standard is less than 25 kg)
- Handy board: 12x900x1200 mm 15.6 kg

Meaning an EnviraBoard 10x2400x600 will be below 20kg and a board 12 x 2400 x 600 x 12 will be 20.7kg (European standard is 25kg).

On ease of installation we have designed a very fine and special edge to EnviraBoards. This makes it easy to apply the filler between the boards you are connecting.

For DIY customers the size of our boards makes them really easy to transport in cars and small vans. You can also paint directly onto the board as it is paper lined, saving on plasterer and decorating costs for wallpapering.

Q. Are you sure you are cheaper than Fermacell? Builders will look at the costs and the changes so closely...builders are slow to change to new products.

Yes, Fermacell is operating in the quality sector of the building boards' market and we have looked at their costs and ours and we are cheaper with a better product. We will also be discounting our product when we launch so that we encourage sampling and usage in a wide range of applications.

Q. Fermacell does not have any of the big distributors as stocklists. After 10 years how do you feel that they have done in the UK?

Fermacell's distribution strategy is slightly different. They use very large specifiers and installers. EnviraBoard will adopt a full market approach and sell into large wholesalers and builders' merchants. We will also target architects and specifiers who are looking for high quality products that are also carbon

negative and match the growing demand for more eco- friendly buildings.

Q. How big is the plasterboard market in the UK?

300 million square metres per year

The value of the global market approx. USD55 billion

Q. Can you use your technology to make studs or other construction components?

Our material cannot take the direct construction weight for components, but they are really good as part of building components.

Our boards would be fantastic around steel columns because they need fire protection and you can easily install EnviraBoard around the steel to create a fire protected steel column.

We can add stability to timber framed houses and also add a top improve fire protection for these structures.





Q. What level of financial detail is available for review with this offering

There is a comprehensive financial forecast document available on the website when you register or you can drop us an email and we will send the document to you.

Q. How do you support your claim of EnviraBoards being carbon negative?

We are carbon negative because the recycling process sequesters emissions that would normally be released through incineration or dumping to landfill and letting it rot over time, creating poisonous emissions. The CO2 emissions from landfill and incineration are very significant. It amounts to 40% less emissions than the incumbent plasterboard.

We will be recycling 100,000 tonnes of sludge waste as a starting point compared to the typical waste disposal process of incineration and landfill. When we produce the EnviraBoard, we will have a small carbon footprint, but the net result of our production is a saving of 30,000 to 44,000 tonnes carbon a year.

Q. Does it take a great deal of heat to dry out the sludge?

Yes, we will be using renewable energy and examining how we can operate our manufacturing plants as self-sustaining properties in their own right.

We use water in the process, but almost all the water is recirculated meaning virtually no water use as part of the whole process.

Q. How long does the drying process take?

Between 3-5 hrs

Q. Does the production line need to be long?

It will be around 100 meters long.

Q. Then does the board need to cure?

Yes, we will be factoring all of these phases into our production process to make it as efficient as possible.

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Subscription documents are available on request. Minimum subscription £10,000.



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EnviraBoard's launch is being supported by the specialist environmental incubator and accelerator 350 PPM.

