



EFXR

CONCRETE SIDING

Business Plan

- Most eco friendly ✓
- Most user friendly ✓
- Most cost efficient ✓

by Peter Kuelker
December 1, 2023

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Executive summary

We have developed a new concrete siding product, which will be offered in three patterns, stone, brick, and contemporary. There is currently a wide range of siding products available to consumers. (see chart on pg. 7). With our products builders and homeowners could be saving a lot of money, time, and stress all the while producing top quality homes and buildings.

The new patented product **EFXR Wall** is a concrete tile, which is 8" x 18" x ¾" (1 sq ft), has an imbedded metal hanger, and is simply screwed onto the exterior wall.

The Calgary building market spends \$100 million on siding products annually. In north America this number is \$30 billion. We plan to capture 10% of the Calgary market in our first three years of operation.

The installed price of the EFXR products will be 10%-50% lower than current prices of top selling siding products, such as vinyl siding, stucco, and Hardy board.

The cost for the production plant, machinery and molds is \$500,000. This plant will produce 2000 sq ft of tiles per day with a staff of 9 people. Setup costs, lease payments, and startup inventory will be an additional \$300,000.

The EFXR products will be produced locally, in low-cost production plants with local raw materials which will save on long distance transportation fuel.

Peter Kuelker, is the impetus of this new company EFXR-Wall Ltd. From 1973 - 1988 Peter was a contractor and builder of estate homes in Calgary. In recent years he was the founder and operator for 34 years of the Stonetile company which produced a unique manufactured stone product, consisting of concrete siding tiles and complementary concrete moldings. Our tiles were patented, and were the first siding product to receive a CCMC approval. More than 10,000 projects were completed with this product in western Canada. www.stonetile.com

All the Research and Development (R & D) is completed. The master molds are built, prototype walls have been installed and taken down again, and many rubber forms plus 8,000 metal hangers are made.

The investor will receive 20% ownership stake in EFXR-Wall Ltd. a Canadian entity, and exclusive rights to own and operate the inaugural production plant in Calgary. The investor will hold the first right of refusal to become a 20% shareholder in a forthcoming EFXR company based in the United States.



Peter Kuelker

Products and Services

The new product is a 8" high x 18" wide x 3/4" thick concrete siding tile. Each tile weighs 7lb and covers 1 sq ft of wall area. The tile features a galvanised, metal, horizontal fastener at the top (a.k.a hanger) with screw holes every 1 1/4" which, when screwed to the wall, provides a 10mm airspace (rainscreen) behind the tiles.



We will produce three different products.

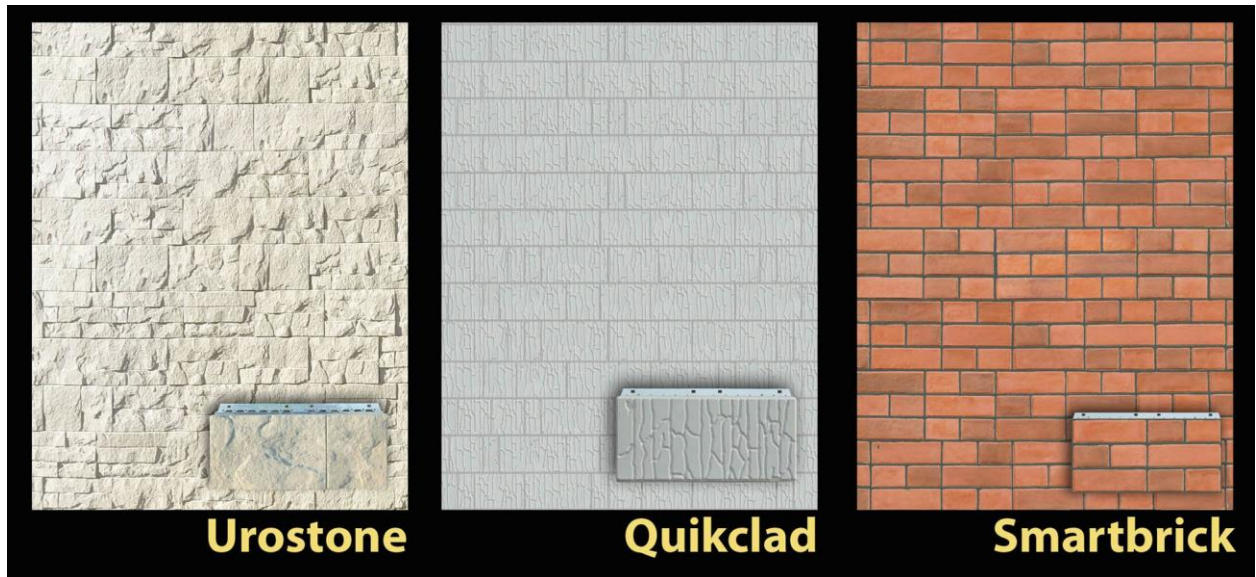
The Urostone, and the Smartbrick, will be available in three colors. The Quikclad, with a contemporary pattern, will be available in three standard as well as custom colors.

Product Features

The tiles are made of high-density concrete with a factory applied stain / sealer coating., EFXR's many advantages:

- Produced with local raw materials.
- Contains no plastic products.
- Contains no wood products.
- Production energy requirements are significantly lower than for brick.
- Cured properly, resulting in stronger, thinner concrete.
- Lasts for more than 100 years without replacing.
- The EFXR Wall tiles do not burn.

- Produced in small but high-volume plants.
- Tiles can be salvaged and reused.
- Can be installed on buildings without the use of wood sheathing.
- Can be used in non combustible walls.
- Built-in rainscreen technology, which prevents premature structure failure due to mold and rot.
- More environmentally friendly than brick or cultured stone.

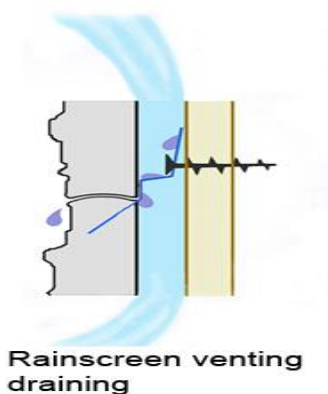


Mechanically Fastened.

Mechanically fastened means that a siding product is fastened with screws and not attached with glue or mortar which assures that it will not fall off.

Rainscreen

Rainscreen refers to a vertical, continuous airspace of a minimum of 10mm behind a cladding product. This space allows any water that comes through the cladding to drain out, and any condensation to dry out. In coastal regions and in the entire province of BC a rainscreen is mandatory. In Alberta, Saskatchewan, and Manitoba building inspectors still approve buildings without a rainscreen. All buildings with a height of 33ft plus must have a rainscreen exterior in all provinces.



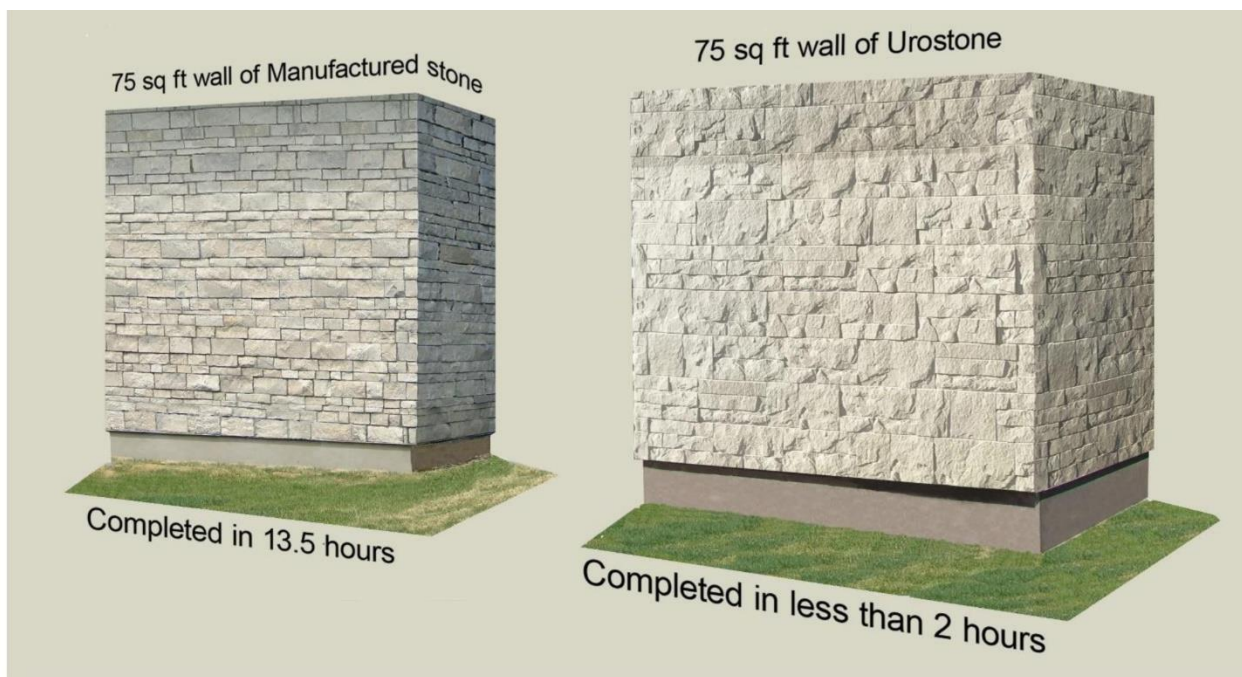
Production cost of a single tile.

Each EFXR tile costs between \$2.50 and \$3.58 to produce depending on single or dual shifts. The production technology is identical for all three products, however the selling prices will vary.

In addition, EXFR tiles are very user friendly, environmentally friendly, as well as cost effective. (See chart on page 7)

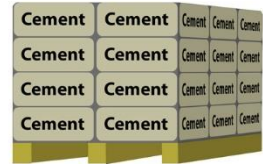
EFXR concrete siding products will compete with ten exterior cladding products that are currently in use: Vinyl siding, stucco, Hardy board, acrylic stucco, Stonetile, manufactured stone, mechanically fastened manufactured stone, thin brick, and brick. The problems with these products are outlined below:

- Higher prices
- Not environmentally friendly, a lot of shipping fuel is consumed.
- Much more cement is used for manufactured stone and stucco.
- Not user friendly as installation is difficult and even dangerous.
- Vinyl siding is neither hail nor fireproof.
- Masonry installation requires years of training.
- Manufactured stone is not mechanically fastened and may fall off the walls.
- No rainscreen means that moisture may enter exterior walls causing mold or rot.



Compare the labor requirements to install Manufactured Stone vs. EFXR

EFXR may well be the wisest choice with the fewest problems.



EFXR will save on garbage it will save on transportation fuel and cement

Comparison chart of competing siding (cladding) products.

	Vinyl siding	Stucco	Hardy Board	Acrylic stucco	Stonetile	Manufactured stone	Mechanically fastened manufactured stone	Thin brick	Brick	Stone	EFXR concrete siding
Hail resistant	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Fire resistant	✗	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓
Rainscreen	✗	✗	✗	✗	✓	✗	✓	✗	✓	✗	✓
Easy to install	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗	✓
Easy to repair	✗	✗	✗	✓	✓	✗	✓	✓	✗	✓	✓
Install during rain	✓	✗	✓	✗	✓	✗	✓	✗	✗	✗	✓
Install during frost	✓	✗	✓	✗	✓	✗	✓	✗	✗	✗	✓
No scratch coat required	✓	✗	✓	✓	✓	✗	✓	✗	✓	✓	✓
No extra transportation fuel	✗	✓	✗	✓	✓	✗	✗	✗	✗	✗	✓
Cracks resistant	✓	✗	✓	✓	✓	✓	✗	✓	✓	✓	✓
No water absorption	✓	✗	✓	✓	✓	✗	✗	✓	✓	✓	✓
Woodpecker proof	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓
No extra jobsite visits	✓	✗	✓	✗	✓	✓	✓	✗	✓	✓	✓
No joint filler required	✓	✓	✓	✓	✗	✗	✓	✗	✗	✗	✓
No scaffold delays	✓	✗	✓	✗	✓	✓	✓	✗	✓	✓	✓
No extra cement required	✓	✗	✓	✓	✓	✗	✓	✗	✗	✗	✓
No maintenance required	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
No fading	✗	✓	✗	✗	✓	✓	✓	✓	✓	✓	✗

Market Analysis



The average Calgary house costs \$300,000 (lots not included) with a total of approximately \$3 billion spent on housing annually. If 3% is spent on siding that would be \$100 million. Approximately 50% of homes feature stucco or Hardy Board, 40% feature vinyl siding and 10% cultured stone, brick and other materials. If Quikclad captures 5% of this siding market it will be \$5 million. Manufactured stone and brick numbers are estimated at \$5 million. Assuming that that Urostone and Smartbrick captures 2.5%, that would be an additional \$250,000.

Stonetile's sales in Calgary in the early 2000's was approximately \$6 million annually including installation, therefore, we should be able to sell what we produce.

Eldorado manufactured stone had annual north American sales of \$360M in 2022. Coronado Stone sales are \$67M and Versetta mechanically fastened Stone had only \$5.4M in sales. These three products retail for \$16.00 to \$20.00 per sq ft. EFXR could be retailed at almost half of that and be highly profitable since its production costs are between \$2.50 to \$3.58 per sq ft.

In Canada new construction is \$100 billion annually. The US market, where EFXR products should do extremely well, is 10 times larger than the Canadian market.

Our **Target market and distribution** will encompass the entire housing and commercial market in *Calgary, Edmonton and Vancouver*. In the initial year the EFXR-Wall company will supply the printed marketing material, the website and social media, and we will allow the Stonetile distributors, who already have the right customer base, to promote and sell our Urostone and SmartBrick products. They will introduce these two new products to their customers, stucco and siding contractors, smaller builders, and DIY customers via conferencing as well as Home Shows.

One EFXR employed salesperson will market to the 350 Hutterite communities in the prairie provinces, and find building supply dealers in rural Alberta communities. He/she will inform stucco and siding contractors that they can purchase our Quikclad product factory direct.

After the first year the EFXR-Wall company will become far more aggressive with marketing. The EFXR-Wall company will hire a fulltime marketing professional who will be in charge of producing effective printed and digital materials. He/she will also be in charge of soliciting new distributors and making sure that our products are included in Architectural Controls for new subdivisions.

We will ensure that we become members of the relevant organizations such as BUILT, the Masonry Society of Alberta, the Portland Cement Ass., and the National Concrete Masonry Ass. Of America. These associations may, in turn, be able to provide very useful input.

The EFXR-Wall company will add new distributors as our production capacity increases.

There may be a huge market for the EFXR products in **small towns or rural areas**. We will make small portable displays and ask the local building material dealer to carry our products for their mostly DIY customers, who would appreciate our user friendly, cost efficient, quality EFXR products.

Marketing tools

- Business cards and flyers with 3 key messages.
 - Most eco friendly
 - Most user friendly
 - Most cost efficient
- Pallet signs.
- Jobsite signs with a flyer box.
- Promotional video.
- A website that includes training video.
- Social media presence.
- Membership in the masonry society.
- Home show booth.
- We have power point presentation.
- Vehicle signage.
- Computer tablets which show the promo and training video.

Marketing and sales strategies

- Participate at the next home show fill out lead cards and follow up.
- Provide builders with samples for their sample rooms.
- Get developers to include EFXR into their architectural controls.
- Install jobsite signs that will incorporate a small flyer box for every completed jobsite.
- Hire one salesperson.
- Create a sales manual that reflect our promise to the customer.
- Follow up with home show leads.
- Contact stucco contractors and make jobsite appointments with them.
- Contact siding contractors via phone or jobsites meet-ups.
- Initiate lunch and learn sessions for architects.



Suggested standart colors
(custom colors are also available)

S.W.O.T.

Our Strengths

- A very knowledgeable, skilled, and experienced C.E.O, Peter Kuelker.
- The new products have many new unique features.
- Low production costs resulting in unbeatable low sale prices.
- The two patents, a US patent was issued in 2016 and a Canadian patent that will be issued shortly. An additional patent has been applied for and is pending.
- EFXR product installation requires only two sets of pumpjacks for scaffolding, a regular sized van, and a minimal set of tools.

Our Weakness:

- Shortage of capital
- Shortage of trained support personnel

Opportunities

We have the 3 Stonetile distributors who can purchase the products and sell them immediately to the public including to our loyal Hutterite customer base. We could gain a substantial portion of the manufactured stone market.

- We could gain even a much bigger share of the siding market.
- Because of it's ease of installation the Smartbrick may become very popular.
- We could sell licences to individuals who want to produce in other regions.
- We could build dozens of plants throughout North America

Threats

- The manufactured stone industry could start a price war against our products.
- There could be a raw material shortage. (Covid)
- Architectural design trends may change.

Pricing

Urostone and Smartbrick will be sold to its distributors for **\$7.00 per sq ft**. The suggested retail price will be \$12.00. The Urostone corner tiles will be \$18.00 per sq ft retail.

Quikclad will be sold to stucco and siding contractors, factory direct at **\$5.00 per sq ft**. enabling them to earn higher profits than if they install stucco, acrylic stucco or Hardy board.

The three distributors may purchase the product factory direct for \$4.22 and sell it to their customers for \$5.00 per sq ft. This gives them a small profit of 18% and EFXR would also profit 18%.

In order to get initial sales traction, huge volume discount can be given on the Urostone and the Smartbrick products.

The three products will initially be produced in Calgary only. Once sale volumes rise above production capabilities, plants will be opened in strategic locations or licences will be sold to individuals who want to produce the EFXR products.

Approximate exterior product prices (product and installation labor included) based on current builder’s and contractor’s prices in the Calgary region:

Installed siding prices in Calgary.

	Without	and	with rainscreen
• Vinyl siding	\$ 5.50	to	\$ 8.50 per sq ft
• Stucco	\$ 9.00	to	\$12.00 per sq ft
• Hardy Board	\$ 9.50	to	\$12.50 per sq ft
• Acrylic stucco	\$11.00	to	\$14.00 per sq ft
• Stonetile (SLT)	\$13.00	to	\$18.00 per sq ft
• Manufactured stone	\$20.00	to	\$23.00 per sq ft
• Brick	\$30.00	to	\$40.00 per sq ft
• Real stone	\$30.00	to	\$50.00 per sq ft
• EFXR (Quikclad)			\$ 8.40 per sq ft

Re-educating the stucco, siding contractors cultured stone installers and bricklayers.

A marketing challenge will be to convert contractors who are typically resistant to change even if that change means bigger profits. We will plan to have open houses in the evening with hors d'oeuvres and drinks. We will show short install videos and provide hands-on installation demonstrations.

On pages 13, 14, and 15 you will see pictures showing quality issues with competing products. Also see the chart on page 7 which points out further limitations of these products.

Government approval.

Our team will make application immediately, upon receipt of an \$800,000 investment to obtain a CCMC approval. The cost of which will be approximately \$30,000 to \$50,000.



Hardy Board and vinyl installations are difficult (dangerous?)



EFXR is user friendly

Issues of other siding (cladding) products.



The vinyl siding exterior on this home was destroyed in a hailstorm.



Vinyl siding will melt if your hot BBQ is too close. No protection from forest fires.



Vinyl siding will attract dirt from the constant expansion and shrinkage. (Static electricity)



Expansion of the vinyl siding can cause buckling and even popping out.



Stucco will crack uncontrollably. These cracks will allow water to get in behind the stucco.



Quality control is difficult with stucco. Poor curing conditions on hot days.



Hardy board panels are often joint together without sealing these joints.



Acrylic stucco was used on this wall which resulted in some unsightly fading.



This acrylic stucco was applied without rainscreen to a surface that was not stable.



The acrylic stucco failed due to a faulty wall detail, no such failures with rainscreen.



This acrylic stucco was applied over dense insulation and subject to severe vandalism.



This manufactured stone developed efflorescence. Removal is not possible.



The manufactured stone fell off. Permanent adhesion cannot be guaranteed.



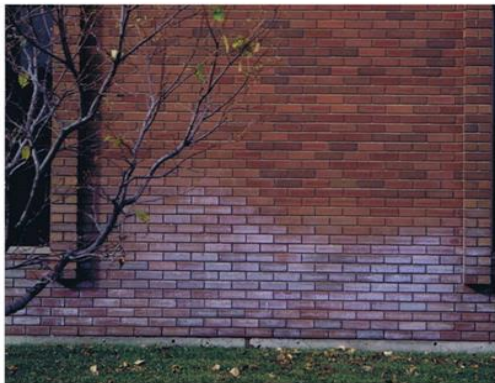
On this home the manufactured stone fell off before the installation was even completed.



On this home Granite stone panels fell off again, resulting in a dangerous situation.



The lightweight aggregate in manufactured stone absorbs water and causes it to fail.



Brick will often develop unsightly calcium efflorescence. Remove with hydrochloric acid.



Real limestone panels were mortared onto this wall without drainage. It lasted only 5 years.

Operations

The heart of the operation is an expensive rubber form which is 15 times more costly than vacuum formed plastic. A one sq ft \$25.00 rubber form will last several years, they do not crack, they have impeccable detail, they are flexible, and even undercuts can be produced. Rubber forms have two small tabs that hold the metal hanger in place, and once filled with concrete it is placed on the vibration table to remove all air pockets.



The entire production **plant set up** will take 4 employees two or three months. They will produce the 6000 rubber forms (2000 Urostone, 2000 Quikclad, 2000 Smart brick). They will also setup all racking, building sand enclosure, insulating the heating enclosure etc. (see pg. 25)

One hundred **master molds** have been built already. The master molds receive a coat of releasing agent and a two-component liquid rubber is then poured into them with a curing time of 24 hours.

The **concrete formula** will consist of 5mm Burnco concrete sand, Portland cement, water and a super-plasticizer.

Production Procedure

The sand and cement is loaded into the mixers using a small bobcat. 10 rubber forms are placed on the $\frac{3}{4}$ " x 42" x 42" stackable plywood back up boards and placed on the vibration table. These forms are manually filled with custom sized scoops. They are vibrated and stacked. With the forklift the stacks are placed into the 50C degree heating chamber for 20 hours. The next morning the tiles are ready to be demolded and placed on a long roller conveyor and stained. The tiles are then inserted 8 tiles per box and placed on pallets capable of holding 36 boxes totalling 288 tiles. There will be a wash station to clean the concrete mixers every 4 hours. Sand and cement will be stored indoor.

Our Staff will consist of nine full time production workers one of which will be the production manager. He/she will greet customers, load pallets for shipping, look after timecards and hand them over to an independent accountant. One salesperson is also needed.

We will aim to have **a Production Capacity** of 2000 sq ft of tiles daily.

The annual production of a 5000 sq ft plant with 9 employees will be 528,000 sq ft. (22 days x 2000 sq ft = 44,000 sq ft x 12 = 528,000 sq ft)



8 Tiles in box



Pallet with 288 (sq ft) EFXR Tiles

Scenario One: (Quikclad only)

We will have the capability to produce 528,000 sq ft in 12 months and sell half of them directly to stucco trades people at \$5.00 per sq ft. $264,000 \text{ tiles} \times \$5.00 = \$1,320,000$. This will result in a \$374,880 profit. $(\$5.00 - \$3.58 \text{ (production cost)}) = \$1.42 \times 264,000 = \$374,880$.

The other half 264,000 sq ft can be sold at a mark up of 18% to our distributors or \$4.22 who will mark them up by another 18% and sell the tiles to stucco trades people for \$5.00 at a small profit. The stucco tradesman will mark up the tiles by 20% (\$1.00) and will pay \$2.00 per sq ft for the installation. The stucco contractor can mark up the install price by 20% For a total of \$8.40 which is still under the price of acrylic stucco or Hardy Board. This half that is sold through stucco or siding contractors will result in an additional \$168,960 in profit for a total profit of \$543,840 annual.

Scenario Two

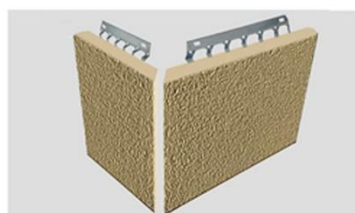
We produce 528,000 sq ft, and sell half of them to stucco trades people at \$5.00 per sq ft. $264,000 \text{ tiles} \times \$5.00 = \$1,320,000$. The profit is \$374,880. Then we produce 132,000 sq ft of Urostone and sell them at \$7.00 each for a total of \$924,000. Then we produce 132,000 sq ft of Smartbrick and sell them at \$7.00 each for a total of \$924,000. for a profit of $\$902,880 + \$374,880 = \$1,277,760$.

The bigger picture

Indications are that a small \$500,000 plant could service an area with a population of 1 million people. North America has more than 300 million people and would therefore require 300 plants. If all these plants generate the expected profits, then there is a high potential for the EFXR company growing big. All plants should be located where transportation costs are at a minimum. A second shift could be implemented thus doubling daily production.



90 Degree corner tile



Bevelled corner tile

Two corners will be offered. The 90 degree corners require two days of production and will be more expensive.

Company Overview

Name of company: EFXR-Wall Ltd.

Owner: Peter Kuelker

Address: 610 Memorial Dr. N.W. Calgary Ab. T2N 3C6

Email address: pk@efxrwall.com

Phone number: 403-973-8023

Mission statement: We are committed to bring to market the most cost-effective, as well as the most environmentally and user-friendly siding product while providing first class esthetics.

Research and Development (R&D)

Many attempts have been made in the past 12 years to develop the perfect exterior product that could be produced in a casting process. Several designs were taken to prototype stage and then rejected. Eventually, a simple metal hanger emerged that did not warp during production. It offered breakage resistance to the 18" long tile which allowed us to make it even thinner. The hanger creates a 10mm rainscreen airspace. It is inserted during production horizontally at the top of the concrete tile. 10,000 hangers were ordered from Vietnam allowing us to move forward with the next phase of development.

In our R&D work we accidentally discovered a process which allowed us to produce a stone profile that saved approximately 90% of the time and allowed us to control the thickness of the tiles. Twenty four - 8" x 18" master molds were made, each of which had a distinct pattern eliminating pattern repeat issues.

All the R&D work is complete.

- The three master molds are developed and made. (Urostone, Quikclad and Smartbrick)
- The rubber form is developed using minimal rubber.
- The installation has been tested.
- Prototype walls have been installed and taken down again.
- The concave and convex tile perimeter has been tested.
- The production of the rubber forms has been streamlined.
- The metal hanger is fully developed and tested.
- The vibration requirements are developed.
- The formfilling has been tested.
- A system of a 90-degree corner tile has been developed.
- A beveled corner tile has been developed.
- Hanger retention during vibration is functioning.
- Rubber for an additional 400 rubber forms has been purchased.
- 8000 galvanized metal hangers are on hand. (enough for 4 average sized homes)
- Boxing, palletizing has been worked out.

Expenditures during R&D of a new wall products:

Purchase of used tile extruder needed for testing	\$ 10,000
Shop rental during development of extruded tiles	\$ 10,000
Purchase of extrusion tool for backup plates	\$ 40,000
Purchase parts for extrusion machine paid by Unicrete in 2011	\$ 20,000
Purchase of 2000 aluminum backup plates paid by Unicrete in 2011	\$ 20,000
Producing stock of 8000 sq ft paid by Unicrete in 2011	\$ 8,000
3 days of production set ups paid by Unicrete in 2011	\$ 15,000
Produce marketing material	\$ 2,000
Produce installation Video	\$ 10,000
Peter Kuelker R&D for the extruded Xtile includes Europe trip	\$150,000
R&D for the cast EFXR products included Peters time	\$120,000
Purchase of form rubber	\$ 21,000
Build vibration device	\$ 20,000
legal expenses for patent and trademark	<u>\$ 84,000</u>
Total Cost of R&D:	<u>\$530,000</u>

Financial requirements for a production plant

	New & used Equipment	New Equipment
1. Rubber for 6000 forms	\$ 150,000	
2. Wooden backup boards 200	\$ 60,000	
3. 200 master molds	\$ 4,000	
4. 2 Concrete mixers	\$ 10,000	
5. Vibrating table	\$ 7,000	
6. Heated curing enclosure	\$ 20,000	
7. Steel racks	\$ 5,000	
8. Paint spray equipment	\$ 5,000	
9. Boxes for 10,000 tiles 10 per box \$2.50 each	\$ 2,500	
10. Palletiser	\$ 4,000	
11. Tool for making hangers	\$ 30,000	
12. Compressor	\$ 4,000	
13. Racking outside	\$ 5,000	
14. Motorized pallet jack	\$ 4,000	
15. Used forklift	\$ 25,000	+ \$60,000
16. Used bobcat	\$ 35,000	+ \$60,000
17. Printed brochures	\$ 3,000	
18. Contingency	<u>\$ 100,000</u>	
Total funding required for initial launch	<u>\$ 474,000</u>	<u>\$594,000</u>

Annual cost of production

10 employees	\$ 600,000	\$1.14
Aggregate	\$ 88,000	\$0.17
Cement	\$ 265,000	\$0.50
Metal hangers	\$ 265,000	\$0.50
Additives	\$ 96,000	\$0.18
Stain	\$ 50,000	\$0.09
Boxes	\$ 132,000	\$0.28
Shipping	\$ 30,000	\$0.06
Sales person / marketing	\$ 120,000	\$0.22
Fixed expenses	\$ 244,000	\$0.46
Total	\$1,890,000	\$3.58

\$1,890,000 divided by 528,000 (annual production = \$3.58)

EFXR-Wall Ltd.
Balance Sheet

	Year				
	1	2	3	4	5
Assets					
Current Assets					
Cash	(824,732)	(124,596)	563,165	1,178,487	1,743,824
Accounts Receivable	283,976	326,388	260,926	208,833	166,882
Inventory	177,483	108,735	64,890	40,863	32,796
Prepaid expenses					
Total	(363,272)	310,527	888,982	1,428,183	1,943,502
Capital Assets, net of accumulated Amortization	480,603	392,822	321,075	262,433	214,500
Total Assets	117,331	703,349	1,210,057	1,690,616	2,158,002
Liabilities and Shareholder Equity					
Current Liabilities					
Accounts Payable	105,177	105,177	105,177	105,177	105,177
Income Taxes Payable	(9,675)	54,787	61,764	59,656	57,975
Salaries and Wages Payable	50,000	50,000	50,000	50,000	50,000
Interest and Bank Charges Payable	10	10	10	10	10
Current Portion of Long Term Debt	0	0	0	0	0
Total	145,512	209,974	216,951	214,843	213,162
Shareholder Loan					
Advance	50,000	50,000	50,000	50,000	50,000
Current portion					
Net Long Term Debt	50,000	50,000	50,000	50,000	50,000
Total Liabilities	195,512	259,974	266,951	264,843	263,162
Shareholders' Equity					
Share Capital	100	100	100	100	100
Retained Earnings (Deficit)	(78,281)	443,275	943,005	1,425,674	1,894,741
Total	(78,181)	443,375	943,105	1,425,774	1,894,841
Total Liabilities and Shareholders' Equity	117,331	703,349	1,210,057	1,690,616	2,158,002

EFXR-Wall Ltd.
Income Projection

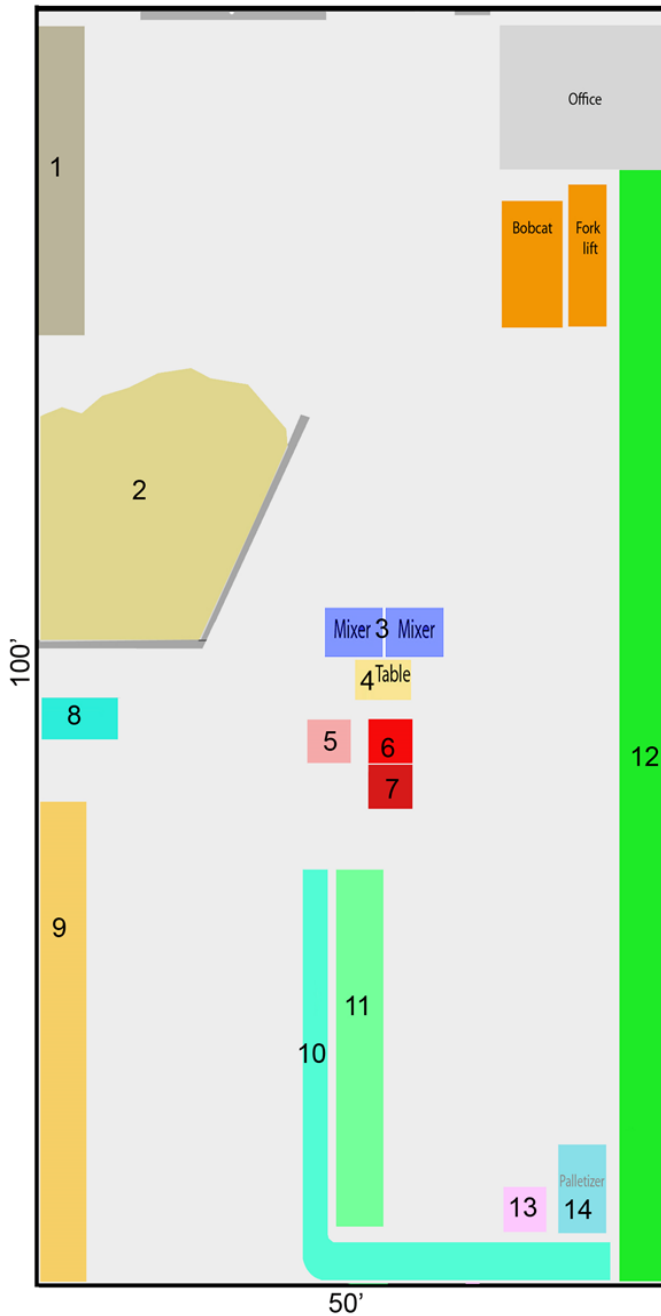
	Year Ended				
	1	2	3	4	5
Revenue					
Tiles	1,561,868	2,614,792	2,549,330	2,497,237	2,455,286
Total	1,561,868	2,614,792	2,549,330	2,497,237	2,455,286
Cost of Goods					
Tiles production	594,183	994,748	969,845	950,027	934,067
Amortization	107,397	87,781	71,747	58,642	47,933
Freight	0	0	0	0	0
Total	701,580	1,082,529	1,041,592	1,008,669	982,000
Gross Margin	860,288	1,532,263	1,507,738	1,488,568	1,473,286
Overhead Expenses					
Advertising and Promotion	17,000	15,000	15,000	15,000	15,000
Insurance	6,000	6,000	6,000	6,000	6,000
Interest and Bank Charges	120	120	120	120	120
Office and miscellaneous	46,120	46,120	46,120	46,120	46,120
Professional fees	7,000	7,000	7,000	7,000	7,000
Rent and Occupancy	138,000	138,000	138,000	138,000	138,000
Salaries and wages	600,000	600,000	600,000	600,000	600,000
Sales and Marketing expense	120,000	120,000	120,000	120,000	120,000
Repair and maintenance	6,000	6,000	6,000	6,000	6,000
Telephone and Internet	8,004	8,004	8,004	8,004	8,004
Total	948,244	946,244	946,244	946,244	946,244
Income before Income Taxes	(87,956)	586,019	561,494	542,324	527,042
Income Taxes	(9,675)	64,462	61,764	59,656	57,975
Net Income	(78,281)	521,556	499,730	482,668	469,067
Tiles Sold (Sq Ft)	338,800	567,200	553,000	541,700	532,600

EFXR-Wall Ltd.
Cash Flow Projection

	Year				
	1	2	3	4	5
Operations					
Revenues	1,277,892	2,572,380	2,614,792	2,549,330	2,497,237
Manufacturing & Consumable Costs	(694,500)	(926,000)	(926,000)	(926,000)	(926,000)
Salaries and Wages	(550,000)	(600,000)	(600,000)	(600,000)	(600,000)
Interest and Bank Charges	(110)	(120)	(120)	(120)	(120)
Other expense	(320,114)	(346,124)	(346,124)	(346,124)	(346,124)
Income Taxes	0	0	(54,787)	(61,764)	(59,656)
Total	(286,832)	700,136	687,761	615,322	565,337
Investing Activities					
Capital Assets	(588,000)	0	0	0	0
Total	(588,000)	0	0	0	0
Financing Activities					
Share Capital	100	0	0	0	0
Dividends	0	0	0	0	0
Shareholder Advance	50,000	0	0	0	0
Debt	0	0	0	0	0
Total	50,100	0	0	0	0
Change in Cash	(824,732)	700,136	687,761	615,322	565,337
Cash, beginning of year	-	(824,732)	(124,596)	563,165	1,178,487
Cash, end of year	(824,732)	(124,596)	563,165	1,178,487	1,743,824

EFXR-Wall Ltd.
Manufacturing Cost Projection

	Year				
	1	2	3	4	5
Direct Costs					
Aggregate	73,333	88,000	88,000	88,000	88,000
Cement	220,833	265,000	265,000	265,000	265,000
Metal hangers	220,833	265,000	265,000	265,000	265,000
Additives	80,000	96,000	96,000	96,000	96,000
Stain	41,667	50,000	50,000	50,000	50,000
Boxes	110,000	132,000	132,000	132,000	132,000
Shipping	25,000	30,000	30,000	30,000	30,000
	-	-	-	-	-
	-	-	-	-	-
Total	771,667	926,000	926,000	926,000	926,000
Tiles Sq Ft Manufactured	440,000	528,000	528,000	528,000	528,000
Inventory Unit Continuity (Sq Ft)					
Opening Tile Inventory	-	101,200	62,000	37,000	23,300
Tiles Manufactured	440,000	528,000	528,000	528,000	528,000
Available for Sale	440,000	629,200	590,000	565,000	551,300
Units Sold	(338,800)	(567,200)	(553,000)	(541,700)	(532,600)
Ending Tile Inventory	101,200	62,000	37,000	23,300	18,700
Tile Inventory Costing Continuity (\$)					
Opening Tiles	-	177,483	108,735	64,890	40,863
Manufactured	771,667	926,000	926,000	926,000	926,000
Available for Sale	771,667	1,103,483	1,034,735	990,890	966,863
Tiles sold (CoGS)	(594,183)	(994,748)	(969,845)	(950,027)	(934,067)
Ending Tiles Inventory	177,483	108,735	64,890	40,863	32,796
Tile Revenue	1,561,868	2,614,792	2,549,330	2,497,237	2,455,286



This is a EFXR-Wall tile production plant layout.

- 1 Cement storage rack
- 2 Indoor sand storage
- 3 Concrete Mixers
- 4 Table for scooping concrete
- 5 Empty form stack
- 6 Vibration Table
- 7 Pallet of filled forms
- 8 Sump and wash area for mixers
- 9 Insulated & heated curing racks
- 10 Roller bed with Paint station
- 11 Storage racks (forms & boxes)
- 12 Storage racks (finished product)
- 13 Packaging table
- 14 Palletizer

EFXR Wall Detail.

