KRS Global Biotechnology Inc.
Catalyst Fund
Application (TTC)
to
Governor’s Office Of Economic Development

Governor’s Office of Economic Development
Las Vegas 702-486-2700
Reno 775-687-9900
Toll Free 800-336-1600
Applicant Information

BUSINESS SUBMITTING: KRS Global Biotechnology, Inc.

Authorized Representative:
Name: Riccardo Roscetti
Title: President and Chief Executive Officer
Organization: KRS Global Biotechnology, Inc.
Street Address: 791 Park of Commerce Blvd #600, Boca Raton, FL 33487
Mailing Address: 791 Park of Commerce Blvd #600, Boca Raton, FL 33487
Phone Number: 888-502-2050
Email Address: rickroscetti@krsbio.com

To the best of my knowledge and belief, the information contained in this Catalyst Fund Application is true and correct, as evidenced by my signature below.

Signature (Company Representative) Date 5-11-18
BUSINESS SUMMARY

Describe the proposed new business or expansion in a brief summary including the applicant’s business structure:

KRS Global Biotechnology, Inc. is currently evaluating the construction of a licensed pharmaceutical manufacturing facility. The new facility would be 150,000 sq. ft. of newly constructed space that would house new clean rooms, production lines and warehousing. Working with a Nevada commercial real estate broker, the company has identified leased space that could potentially work in the short term while the company identifies property for the build-to-suit option.

☐ Attach a copy of a company presentation

Total real property investment – Building improvements - $1,500,000, Building costs - TBD

Total personal property investment - $34,555,000.00

Projected start date – Q1 2019 Completion date - TBD

☐ Attach a schedule of jobs created with skills identified

Number of primary jobs that will be new to Nevada – 160 Average wage of new jobs – $25.00

Cost of employee healthcare benefits (annual premiums paid by employer) - $3,400

Percentage paid by employer – 80%

Healthcare Summary (check all that apply):

☐ Medical ☑ Dental ☑ Vision ☐ Disability ☑ Life Insurance ☑ Dependent Coverage

☐ Attach a schedule of employee benefits used in recruiting

PTO/Sick/Vacation, Merit Increases, Retirement Plan/ Profit Sharing 401(k), Profit Sharing Program
Governor’s Office of Economic Development
Catalyst Fund Application (TTC) from Business Applicant

PROJECT CHARACTERISTICS (Check all that apply)

- Construct New Facility
- Expand/Renovate Existing Facility
- Purchase Machinery & Equipment
- New Business / Start-up
- Relocation from Out-of-State
- Relocation within Nevada

INDUSTRY CLUSTER

- Aerospace and Defense
- Agriculture
- Business IT Ecosystems
- Other
- Health & Medical Services
- Logistics & Operations
- Manufacturing/HQ
- Mining & Materials
- Renewable Energy
- Tourism, Gaming & Entertainment

A Statement of project relevance to supply chains, sectors and clusters targeted by the State Plan for Economic Development:

Healthcare is a key industry for Nevada and its State Plan for Economic Development. KRS Global Biotechnology, Inc.’s annual sales projections for the 2018 calendar year are expected to top $30,000,000. As a result of the increased demand for the company’s products and services, KRS’s capacity must be expanded to provide additional manufacturing, R&D and warehousing operations. The company provides its services to patients, surgery centers, ophthalmology clinics, hospitals, universities and veterinarians nationwide.

GRANT SUMMARY

Amount Requested:

Award Per Period: Period 1 - $240,000, Period 2 - $200,000, Period 3 - $200,000

Disbursement Terms:

Period 1 award: $4,000 per new job created up to 60 new primary jobs at an average wage of at least $25 per hour. The period would start from the approval of the award and end no later than July 1, 2019.

Period 2 award: $4,000 per new job created up to 50 new primary jobs at an average wage of at least $25 per hour. The period would start from the approval of the award and end no later than July 1, 2020.

Period 3 award: $4,000 per new job created up to 50 new primary jobs at an average wage of at least $25 per hour. The period would start from the approval of the award and end no later than July 1, 2021.

Maximum Payment per Year:

Period 1: $240,000
Period 2: $200,000
Period 3: $200,000

*The maximum aggregate amount paid under this program shall not exceed $640,000
The Proposed plans, projects, or programs to which the grant will apply:
The grant will be used to offset costs associated with training, hiring and onboarding of the new employees for the new facility.

The expected benefits of the grant expressed as jobs, investments, and wage levels:
KRS Global Biotechnology, Inc. plans to add 160 full-time jobs, with the exception of a few, most of the positions will be filled by local workforce talent.

A statement on the significance of this grant to the company’s described plans:
As KRS Global Biotechnology, Inc. continues to be aggressively recruited by other states offering substantial incentive packages, Nevada’s State and local incentives will play a crucial role in the company’s decision to locate in the metro Las Vegas, Nevada area. Availability of incentives, to help offset project expenditures and narrow the cost gap between other locations under consideration, will help the company make the financial case for the move.

A statement on the estimated return-on-investment to the state in job creation, wage levels and capital investment for the term of the proposed grant:
The Company anticipates filling the new jobs from local labor pools. The project will also result in the creation of direct and indirect jobs, and will also serve as a boost to the local economy for the foreseeable future.

ECONOMIC IMPACT ESTIMATES** (10-Year Cumulative)

Total Jobs Supported** 354
Total Payroll Supported $129,517,912
Total Output Estimate $816,233,627

** Estimate includes jobs, payroll & output by the company assisted as well as the secondary impacts to other local businesses. These impacts only reflect first year jobs required under the company’s abatement application.

NEW TAX REVENUE ESTIMATES (10-Year Cumulative)

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<th>Local Taxes</th>
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<th>Sales</th>
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<table>
<thead>
<tr>
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</tbody>
</table>

** Does not include impacts related to the Catalyst Fund grant.
A statement of the fiscal character of the company:

See attached financial statements

- Schedule of jobs to be created during Catalyst Fund grant period (Exhibit “A”)
- Schedule of proposed employee health insurance benefits (Exhibit “B”)
- 3-year financial statements for the business, audited preferred (Exhibit “C”)