PROBLEMS FOR TRADERS

Human factor and lack of transparency

→ Human Error, Routine Cross-checks, Real-time data search and connectivity

→ Complex calculations involving numerous data-bases:

- Ship data
- Distances Port Data
- Intake
- Hold and Ship size
- Size Restrictions
- Compatibility
- Restrictions Drafts
- Restrictions Navigation
- Limitations
- Risk zones
- Rules of Carriage by Sea
- Equipment availability
- Bunkering
- etc. over 50 databases

→ Corruption & Fraud

→ Financial loss unto 10% of Freight due multiple intermediaries or inefficient search
OLD MODEL

Commercial Relationship in shipping & Transportation

Problems

- Lack of Transparency in Communication Channels
- Insecure and Slow Freight Transactions
- Unreliable and Slow Documentation flow
- Charterers overspend unto 10% on Freight
- No Real-time data access
- Fraud
- Corruption
SHIPNEXT is set to digitalize and revolutionize Shipping & Transportation in 3 Phases

**PHASE 1**
SHIPNEXT Digital Automated Shipping Marketplace (Launched)
www.SHIPNEXT.com

**PHASE 2**
SHIPNEXT Decentralized Transport Network

**PHASE 3**
SHIPNEXT Supply Chain
**PHASE 1: SHIPNEXT (LAUNCHED)**

Centralized Digital Automated Shipping Marketplace

**Advantages**

- Real time Data processing
- Algorithm-based Cargo-to-Ship matching
- Approved Carrier Lists
- Equal Access and Rules
- Critical Mass of Data & Users
- Machine Learning & Artificial Intelligence
- Reduced prices through Reverse Auctions
- Seamless and Secure Documentation flow
- Electronic Bill of Lading
- Smart Contract
ALGORITHM BASED STRUCTURE

The use of Algorithm increases transparency & allows scalability

Launched
DRY- AND WET-BULK SHIPPING
One Cargo on one mode of transport

Current
PART-CARGO SHIPPING
Multiple Cargo on one mode of transport

Next
CONTAINER SHIPPING & INTERMODAL TRANSPORT
Digital Marketplace and Reverse Tendering Solution

DIGITAL AUTOMATED SHIPPING MARKETPLACE

WWW.SHIPNEXT.COM
INSTANT CARGO-TO-SHIP MATCHING

An algorithm based process built using Mathematical Programming and Big Data Analysis

85+

Data Bases and Real Time Data Sources
## Electronic Contract (Charter) Management

### Contract Details

**Request:** REF 62RY52

<table>
<thead>
<tr>
<th>Field</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Added</strong></td>
<td>5.02.18</td>
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<tr>
<td><strong>POL</strong></td>
<td>ROTTERDAM</td>
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<tr>
<td><strong>POD</strong></td>
<td>SHANGHAI</td>
</tr>
<tr>
<td><strong>Laycan</strong></td>
<td>20.03.18 - 30.03.18</td>
</tr>
<tr>
<td><strong>Cargo</strong></td>
<td>STEEL SHEET IN COILS, 100 MT</td>
</tr>
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<td></td>
<td>Drawing: 123npro-w-drawing.pdf</td>
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<tr>
<td></td>
<td>Paking List: 123npro-w-packing.pdf</td>
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<tr>
<td><strong>Loading Rate</strong></td>
<td>100 mt per day, SHEX, Unless Used</td>
</tr>
<tr>
<td><strong>Discharging Rate</strong></td>
<td>100 mt per day, SHEX, Unless Used</td>
</tr>
<tr>
<td><strong>Standard Terms</strong></td>
<td>2. Shipment as partcargo in/our out of geographical rotation</td>
</tr>
<tr>
<td></td>
<td>12. Merchants guarantee weights and measurements of cargo as</td>
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### Ship Details

**Ship:** REF 56TR07

<table>
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<tr>
<th>Field</th>
<th>Details</th>
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<tbody>
<tr>
<td><strong>Name</strong></td>
<td>BEAUTRHY</td>
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<tr>
<td><strong>Status</strong></td>
<td>Open Rotterdam, 18.03.2018</td>
</tr>
<tr>
<td><strong>IMO No</strong></td>
<td>9369306</td>
</tr>
<tr>
<td><strong>Year</strong></td>
<td>2008</td>
</tr>
<tr>
<td><strong>Flag</strong></td>
<td>Germany</td>
</tr>
<tr>
<td><strong>Class</strong></td>
<td>L.R. 100 A1, LMC, UMS, SCM</td>
</tr>
<tr>
<td><strong>Ice Class</strong></td>
<td>IA</td>
</tr>
<tr>
<td><strong>Type</strong></td>
<td>Boxshaped / Multy purpose single / Tween deck</td>
</tr>
<tr>
<td><strong>Port of Registry</strong></td>
<td>Sneek, Netherlands</td>
</tr>
<tr>
<td><strong>Tonnage</strong></td>
<td>- DWT sumner/tropical: 7,214.4 / 7,214.6</td>
</tr>
<tr>
<td></td>
<td>- GT/NT: 5,132 / 2,891</td>
</tr>
<tr>
<td><strong>Dimensions</strong></td>
<td>LOA: 134 M</td>
</tr>
</tbody>
</table>

**Buttons:**
- CANCEL CONTRACT
- CREATE BILL OF LADING
Electronic Bill of Lading created by Multiple users - parties related to the Shipping Contract Execution

As the Cargo is loaded on board the Ship, verification of the key data by the Carrier, Port, Surveyor, Shipper, and even Satellite and Customs helps generate an Electronic Bill of Lading.

This process is similar on all modes of transport, as cargo passes from Shipper to Carrier or between the two Carriers.
TRANSACTIONS & REVENUE MODEL

Private Supply Chain related Blockchain solution (Commodity, Energy, EPC, Consumer Goods, etc)

ShipToken is an internal currency, used to ensure flawless execution of transactions. Pegged 1:1 USD.

ShipCoin is a utility token to be sold publicly and will be subsequently traded on the secondary market.
Security of Freight payment has been a problem both from a Freight finance point of view, due to need to freeze substantial amount of money in advance, as well as its security.

Millions of dollars are stolen each year or lost due to insolvent Carriers.

Blockchain technology and secure environment within SHIPNEXT Marketplace may finally eliminate those and other risks. This feature will, however, be optional.
A final stage of creating a transparent, well planned and efficient supply-chain requires Standardization of Documentation flow across the whole supply chain, transparency and cargo tracking. Timely and transparent information on Time of Delivery, Cargo readiness and Real-time Location, can allow optimization of search for of the Ship’s cargo intake, Reduce waiting time, optimize Intermodal connectivity, assist in efficient pricing and delivery timing, help standardize documentation flow and minimize human error.
Standardization of Data and well as the use of Smart Contract can help achieve several goals:

Secure and reliable Freight Transaction
Integration into Bank related Electronic Platforms and System
Integration of Insurance and P&I related Blockchain solution
Provide for reliable and seamless documentation flow between Different modes of transport and transport related infrastructure
Connect to Controlling bodies, government related organizations and Customs
**PHASE 2: DECENTRALIZED TRANSPORTATION NETWORK**

The use of Real-time data processing to generate efficient routing and mode of transport

<table>
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<tr>
<th>CARGO</th>
<th>REF: 052-TE2-C0003</th>
<th>DATE: 10 SEP 2019</th>
<th>COMPANY NAME</th>
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<tr>
<td>1. WHEAT FLOUR IN BIG BAGS</td>
<td>3,000 MT</td>
<td></td>
<td></td>
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<tr>
<td>Place of Loading:</td>
<td>Burgos</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Date of Loading:</td>
<td>1 Oct 2019</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Point of Transshipment:</td>
<td>Bilbao</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Date of Transshipment:</td>
<td>10 - 15 Oct 2019</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Port of loading:</td>
<td>Bilbao</td>
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<td></td>
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<tr>
<td>Loading Rate:</td>
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<td>Port of Discharge:</td>
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<td></td>
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<td>Discharge Rate:</td>
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<tr>
<td>Place of Delivery:</td>
<td>Kiev</td>
<td></td>
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<tr>
<td>Latest Delivery date:</td>
<td>22 Dec 2019</td>
<td></td>
<td></td>
</tr>
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</table>

| 2. WHEAT FLOUR IN BIG BAGS | 2,000 MT |
| Place of Loading: | Pamplona |
| Date of Loading: | 1 Oct 2019 |
| Point of Transshipment: | Bilbao |
| Date of Transshipment: | 10 - 15 Oct 2019 |
| Port of loading: | Bilbao |
| Loading Rate: | 3,000 mt per day, ShEX, Unless Used |
| Port of Discharge: | Odessa |
| Discharge Rate: | 4,000 mt per day, ShEX, Unless Used |
| Place of Delivery: | Khereson |
| Latest Delivery date: | 22 Dec 2019 |

**TERMS & CONDITIONS**

Standard Terms: 2. Shipment as partcargoin and out of geographical rotation
PHASE 3: DISTRIBUTED SUPPLY CHAIN ECOSYSTEM

Supply Chain Ecosystem is built by interconnecting Private Supply Chains and Transport Networks

SHIPNEXT SUPPLY CHAIN will include all modes of transport, and serve as a decentralized supply chain ecosystem.

Algorithm based structure will ensure common rules and regulations, which will allow transparency and scalability.

Integration of SHIPNEXT Open Code Algorithm into private supply chains will increase reliability and security.

Distributed Ledger will safeguard data and provide for cyber security.

Cost and time efficient algorithm based supply chain will minimize carbon emission, reduce costs and delivery time of consumer goods.
SHIPNEXT SUPPLY CHAIN

Private Supply Chain related Blockchain solution (Commodity, Energy, EPC, Consumer Goods, etc)

Current Freight Trading Process

Supply Planning or Commercial Division → Logistics or Transport Department → Data Compilation and Market Search → Freight Trading + Individual Terms Review + Verification + Stowage Plan Cross-Check + Vessel Position and Arrival Monitoring + Exchange of Certificates, Bill of Lading Instructions → Cross-Checking and Vetting → Contracting and Document Exchange → Bill of Lading and Transaction

Blockchain-based Supply Chain Ecosystem

SHIPNEXT FOR CORPORATE CLIENTS

Users may use or integrate with SHIPNEXT in a number of ways, both centrally or internally (on local servers).
ROAD MAP

Milestones in execution of Phase 2 and Phase 3

Q3 2018  Smart contract in Break-bulk and Dry-Bulk Maritime trade
Q4 2018  Integration of Ports, Terminals and warehouses
Q1 2019  Integration of Banks and Insurance Solution Providers
Q4 2019  Container and Wet-bulk Shipping
Q1 2020  Integration of Land transport
Q4 2020  Integration of Air transportation
Q2 2021  Decentralized Network and Integrated Supply Chain
Q2 2022  Distributed Supply Chain Ecosystem
## Features

<table>
<thead>
<tr>
<th>Feature</th>
<th>SHIPNEXT</th>
<th>AXS</th>
<th>BALTICSPOT</th>
<th>OFE</th>
<th>SHIPCHAIN</th>
<th>NYSHEX</th>
<th>FLEXPORT</th>
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<tbody>
<tr>
<td>Real-time data and e-mail processing</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>World-wide e-mails data-bank &amp; sorting</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>Manual search and matching</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td><strong>List of Unique Features</strong></td>
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<td>MVP</td>
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<td>Containerized Cargo</td>
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<tr>
<td>Dry &amp; Wet Bulk</td>
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<td>✓</td>
<td>✓</td>
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<tr>
<td>Conventional, Heavy and Oversized Cargo</td>
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<td>Automatic real-time data search &amp; analysis</td>
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<td>Automatic matching</td>
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<tr>
<td>Automatic stowage estimation</td>
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<tr>
<td>Automatic voyage estimates</td>
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<tr>
<td>On-line Marketplace &amp; Freight Negotiations</td>
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<td>✓</td>
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<tr>
<td>On-line reverse tendering</td>
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<tr>
<td>Contract management</td>
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<tr>
<td>Reporting, notifications and tracking</td>
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<td>Smart-Contracts and Block-chain</td>
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<td>✓</td>
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</tr>
</tbody>
</table>
TEAM

Strong experience in shipping, logistics and tech

Alexander Varvarenko
Founder and CEO
Alexander is a talented entrepreneur and manager with over 18 years of extensive experience in Shipping. He is the founder and the owner of Varamar - an ocean freight company and ShipNext - a unique shipping digital marketplace. Prior to that Alexander worked as a Chattering Director at OXL-Flamar and as a Managing Director at Kaalbye Projects. Alexander holds MSc degree in Ship and Port management from Odessa National Maritime University, Ukraine.

Sergey Semernev
Chief Technology Officer
Sergey is a full-stack JS developer and blockchain expert, developing smart contracts in Solidity programming language. He is an experienced software architect. Sergey holds MSc degree in Computer Science from Odessa Computer System University, Ukraine.

Natalia Liashenko
Systems Analyst
Natalia is Associate Professor of System analysis and logistics at Odessa National Maritime University. She has profound knowledge heuristic economics and optimization of mathematical models for ocean freight delivery. Natalia is an Associate Professor at Odessa National Maritime University, she holds PhD in Economics and Mathematical modeling from Odessa National Maritime University, Ukraine.

Maxim Stolyarov
Managing Partner At Varamar Gmbh
Managing director and partner at Varamar GmbH. 12 years of experience at Maersk Group in Ukraine, Denmark and Russia with Liner Agency and fleet chartering. 5 years with Varamar in heavy-lift and general cargo chartering.

+12 Developers | +9 Operations

Partners
ADVISORS

Valentin Varvarenko
Antwerp, Belgium

Valentin has a 43-year reputable international career in port management that includes:
17 years in Latvia, including vice-director of the Port administration.
16 years in Antwerp as top executive at Allied Stevedores, Noord Natie and PSA Antwerp.
10 years in Russian and Ukrainian ports (Chernomorsk, St.Petersburg, Ust Luga, Tuapse, Taganrog) as top executive of National Container Company and UCL Holding.

Stakh Voznyak
San Francisco, USA

Stakh is a founder of Wozward, a company with over 4 min tons of cargo moved, and a CEO of an online service for automated land cargo delivery - Cargofy.

Minas Sorotos
CEO and Owner, HANDY CHART
Athens, Greece

23 years experience in Chartering, Shipbroking and Shipping. Previously Senior consultant at Florida Minerals and Mineral Resources AG.

Stakh is a founder of Wozward, a company with over 4 million tons of cargo moved, and a CEO of an online service for automated land cargo delivery - Cargofy.

Renato Rerreira
CEO and Founder, ROBRAUS
Sao Paolo, Brazil

Top Executive Specialist in Logistics, Warehousing, Import/Export, Supply Chain Management.

Steven Masur
New York, USA

Steven Masur has over 22 years of experience advising with the focus on corporate finance, M&A, intellectual property, entertainment, emerging businesses and strategic guidance. Steve has extensive experience in angel and venture capital finance, M&A, JV and cross-border transactions in Europe and Asia.

Mahesh Damani
CEO and Owner, Damani Shipping Pvt., Mumbai, India

A high level shipping specialist with 27 years experience in Shipping, Chartering, Agency, Forwarding, Shipbroking and Ship Management.

Bahadir Tonguc
Managing Director and Co-owner, SUPRAMAR Shipping and Trading
Istanbul, Turkey

and others...
CONTACT US

SHIPNEXT
Offices: Germany, Singapore, Ukraine, Malta

website:  www.shipnext.io
email:    support@shipnext.com
phone:    +49 406 752 9052