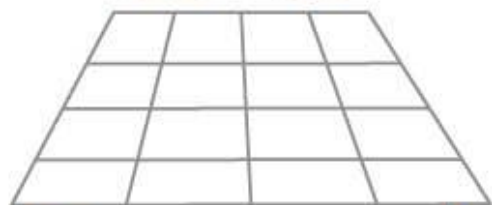


KERAMA MARAZZI 

MILAN, MAY 16, 2017



> 30



Msqm annually

15%



market share in RF

2



factories:

Orel

Ceramic tiles,
Porcelain gres,
Decorative pieces

22

> 350



mono brand stores



distribution
companies



> 3700

employees across Russia

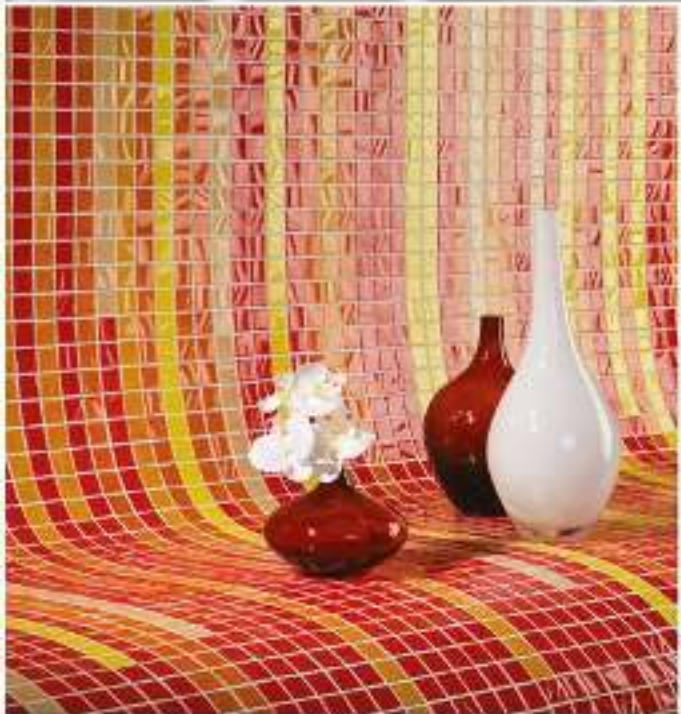
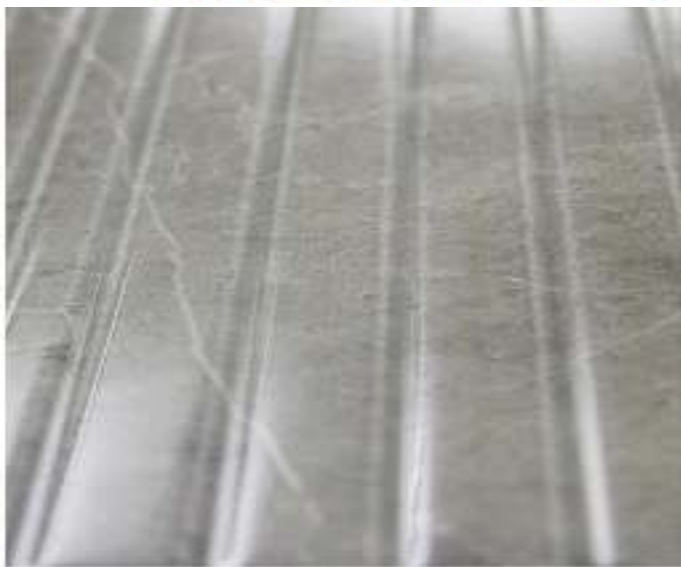
Malino

Porcelain gres

KERAMA MARAZZI



TODAY



KERAMA MARAZZI

KERAMA MARAZZI



TODAY



KERAMA MARAZZI



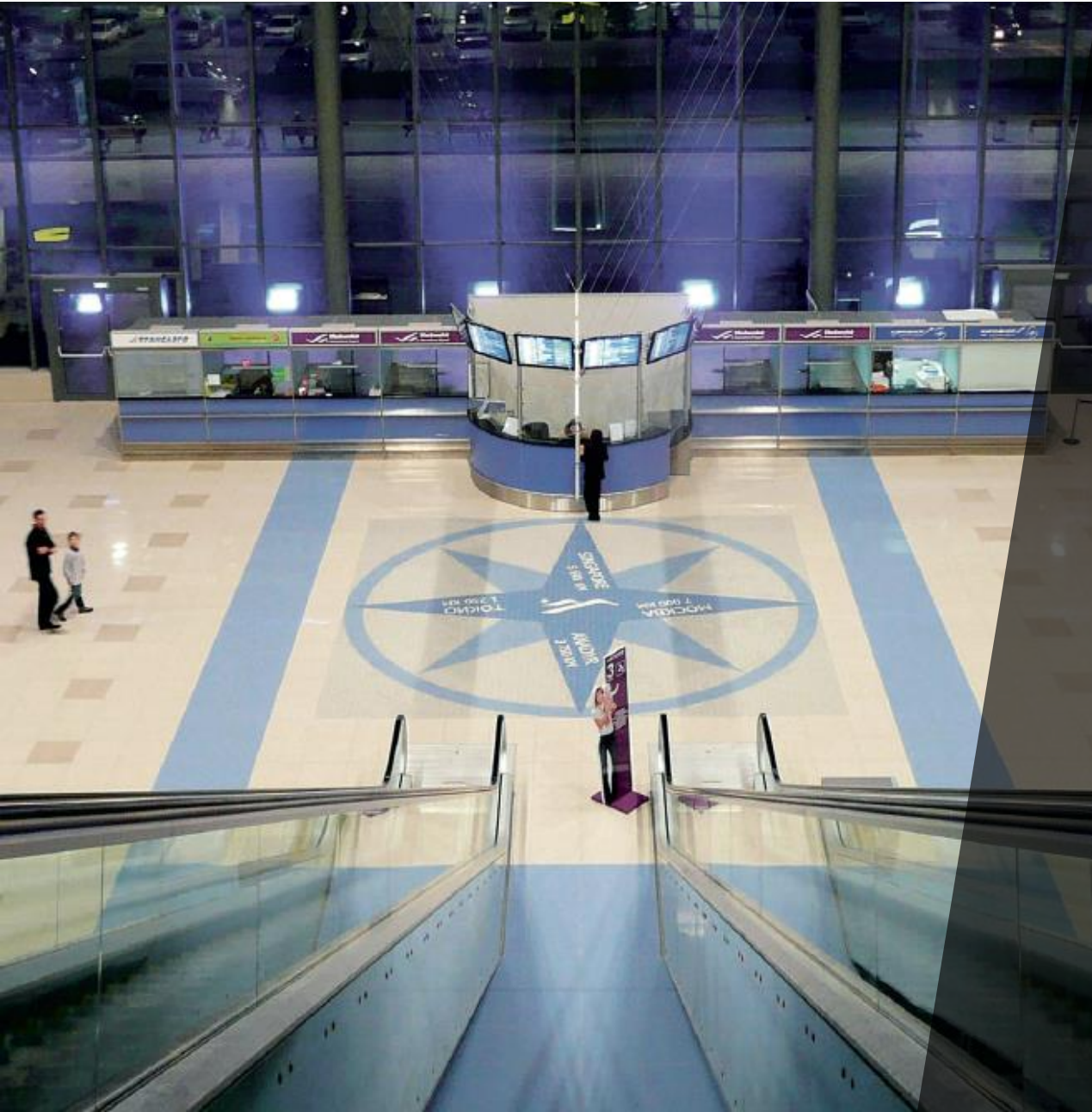
TODAY



KERAMA MARAZZI



TODAY



KERAMA MARAZZI is the biggest producer of porcelain gres in Russia



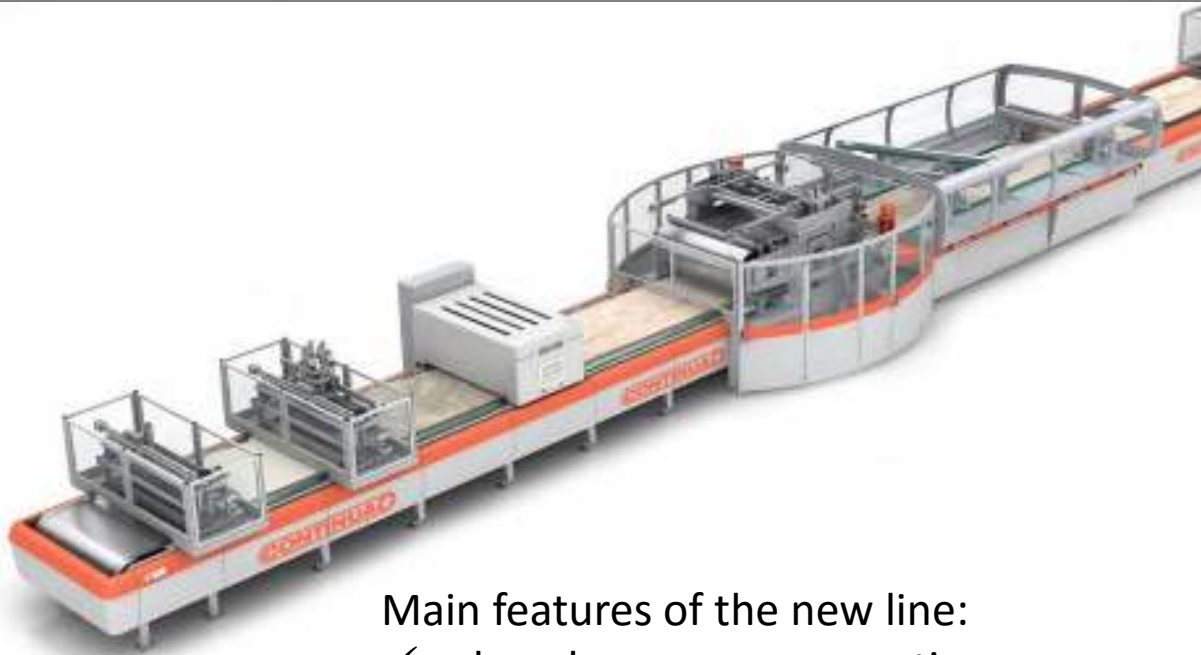
Total porcelain gres annual production volumes, sqm



KERAMA MARAZZI factory
Malino, Moscow region
112 500 sqm of constructions
Production volume 2016: 7,1 Msqm
Production volume 2017F: 8,8 Msqm

Continua+ investment case

New line production capacity: 2,8 Msqm/Y
Production Forecast: from 1,70 Msqm in 2017 to 2,8 Msqm in 2020
Investment cost: 19,6 MEur



Main features of the new line:

- ✓ reduced energy consumption
- ✓ higher productivity: 1 C+ line has the same production volumes as 2 classic presses
- ✓ aesthetical effects of new generation, provided by Digital Dry body Decoration (DDD module)
- ✓ higher efficiency and continuity of double-charged production
- ✓ extra stable planarity and perfect surface condition;
- ✓ lower scraps

The line includes:

- ❑ Continua+ pressing line, with a DDD coloring module
- ❑ 30 mt Dryer
- ❑ Glazing line (max. production shape - up to 120*240) with InkJet and DryFix decoration machines
- ❑ New SACMI EKO kiln 2950 mm X 149.5 mt
- ❑ Sorting & Rectifying lines, with automated pallet packaging
- ❑ Semi-finished product transportation system, suitable for 120*240 moving

Taxes reduction agreed with the Moscow region authorities



Kerama Marazzi signed with Moscow region the Investment Agreement regarding Continua Line and obtained the following tax benefits for 5 years:

- ✓ 15,5% of profit tax instead of 20% statutory rate;
- ✓ 0,8% averagely instead of 2,2% of property tax

The above mentioned tax reduction allowed us to improve significantly the payback period for Continua investments.

New possible investments 2017 - 2018

2nd Continua + line

Incremental production: 400 - 500 Ksqm/Y

Investment cost: 5,1 MEur

Investment description:

substitution of 2 old classic presses WK-4600 with a 2nd Continua+ line;

refocus the production line from 30*30 shape to big sizes - 60*120 and all sub-shapes (60*60, 30*120, 20*120, 15*120).

Project timing:

- ✓ purchase, delivery and installation start Jun. – Nov. 2017,
- ✓ start of production – Feb. 2018.

