



We build on wood



Our experience and values result in high standards that benefit both our customers and our employees.

SWISS KRONO GROUP is one of the world's leading manufacturers of environmentally friendly wood-based materials. The group employs more than 4,800 people in 10 plants.

Our daily aim is to lead the industry in the use of advanced technology while keeping our costs low. This focus ensures our long-term profitability and enables our global growth. Our employees are our frontline guarantee of operational excellence.

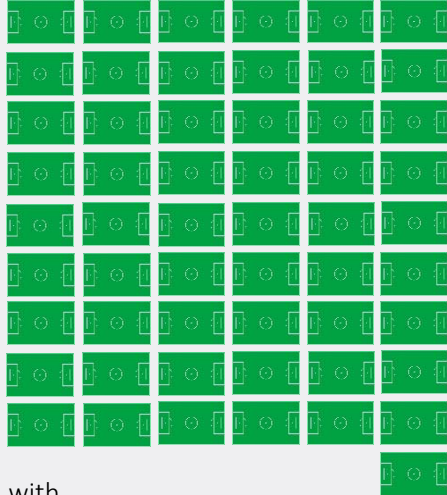


WOOD AT ITS BEST



SWISS KRONO GROUP in a nutshell

World leader in
laminare flooring



with

140,000,000 m²

per year or 72 football fields - daily

\$1.85 Billion
gross income

4,800
employees

10 Plants
in eight countries

Sales in
121 Countries
on six continents



The family business. The success story of SWISS KRONO GROUP

1897

Johan Stadler
founded a sawmill in
Lungötz, Austria

1926

Johan's daughter,
Maria and her
husband Matthias
Kaindl senior took
ownership of
operations

1966



Factory opened in
Menznau, Switzerland

1970s

Matthias and Ernst
Kaindl divided
operations, forming
separate wood
processing companies

1960

Kaindl sons Matthias, Jr,
and Ernst take over the
business

Ernst Kaindl develops
what is now Swiss
Krono into the world's
leading company for
high-quality wood-
based materials

TODAY



Ines Kaindl, Ernst's
daughter, is Chairwoman
of the Board of Directors of
Swiss Krono



Growing business areas

The three strategic business areas of SWISS KRONO



Interiors

Products for furniture
& interior design

Our wide-ranging products offer a great selection for home and furniture design. Dependability comes standard with the many creative finishes we offer.



Building Materials

Timber Products

High-tech products made of natural wood are transforming construction: they can be used as framing material, as an element in timber construction, as a wall or roofing sheet, in interior finishes, or as subfloor.



Flooring

World leading company in laminate
flooring

Global designs, a dedication to customer service, and innovative technology characterize our laminate collections. They are attractive, damage resistant, and dimensionally stable. Our floors offer a full breadth of design choices.



Brand values of SWISS KRONO Group



success driven

partnership

responsible

sophisticated

pragmatic

These values are a condensed view of our identity - the essence of our excellence.

Capital Projects - SWISS KRONO GROUP



- **\$ 64 million** facility to produce PB in Sharya, Russia (May 2017)
- **\$ 28 million** expansion to produce of High Pressure Laminate and Laminating Press in Zary, Poland (March 2017)
- **\$ 275 million** expansion in new production of High Density Fiberboard and flooring in USA (October 2018)
- **\$ 125 million** expansion in new production of Oriented Strand Board in Vásárosnamény, Hungary (June 2016)
- **\$ 87 million** expansion in production of Chipboards in Menznau, Switzerland (September 2017)



HDF Plant – Barnwell, South Carolina



Chipboard Plant - Menznau, Switzerland

Eight countries, ten plants, one network
- and more on the way



Swiss Krono in the United States

Swiss Krono USA, until 2016 known as **KronotexUSA**, began distribution in the United States in **2000** and in **2005** opened our current manufacturing facility in Barnwell, S.C., which was chosen due to its proximity to raw materials and the local pool of available labor. We currently have 178 employees, and plan to hire an additional 98 for the HDF plant currently under construction. We are growing from 660,000 to 1 million square feet under roof.

Here in Barnwell, we create virtually any style, shape, finish, texture, scrape, bevel, locking system, thickness, size and attached pad of laminate flooring planks sold through distributors, dealers and chains nationwide. This amazing growth and our ability to supply the needs of the marketplace have earned us the nickname “*The Quiet*

Giant” of laminate flooring that’s proudly made by Americans and made for Americans. We produce 164 unique flooring products for our retail distributors, and OEM customers here in Barnwell.





US Facility Expansion



Norm Voss

- President and CEO of Swiss Krono from 2000 to 2012.
- Actively involved in future expansion, investment and raw material sourcing activities for the Swiss Krono Group.
- 50 years in the wood panel and laminate business.





Why Barnwell, South Carolina?

- Abundant private & public southern pine plantations
 - Surplus “thinnings” and pulp chip production
- Available workforce with long heritage of manufacturing
 - 1 hour+ drive to industrial centers in Augusta & Aiken
- 60 years of documented ‘Clean Air’ for permitting
- Generous community and state infrastructure support
 - Potable, fire and wastewater treatment to site
 - Highway access roads & rail spur to site
 - Two transformer electric substation built on site
 - 150 mm/6 inch natural gas pipeline adjacent to site
- Inside 1600 acre / 650 hectare Industrial park
 - 2 km / 1 ¼ miles from nearest possible residence



Site Development 2004 - 2014



- 342 Acres / 140 hectare site – long term site preparation
- 660,000 square feet / 61,110 square meter buildings
 - Production, warehousing and permanent offices
- Three HOMAG laminate flooring profiling lines
- Three Wemhöner KT / quick cycle laminating lines
 - 1525 mm x 5490 mm / 5 ft x 18 ft – E1R one side
- Two Vits impregnation / pater treating lines
 - 1525 mm / 5 ft and 2745 mm / 9' widths

Current Site Development & Expansion

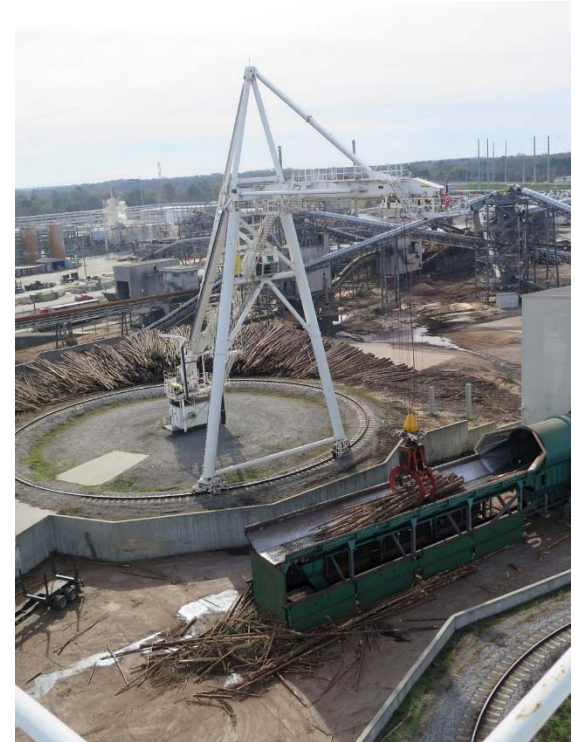


- Fourth HOMAG laminate flooring profiling line
 - Already operational
- HDF production line under construction
 - 280,000 cubic meter / 160,000 m³/4
- Primary product – 6.0 mm – 12.0 mm HDF laminate flooring core
 - Internal & external customers
- Additional large volume products
 - HDF 4.0 mm – 8.0 mm – Engineered Hardwood Flooring core, Hardwood Plywood core, store fixture panels, etc.
 - THDF 1.5 mm – 3.0 mm – Furniture, cabinet and millwork laminated and liquid finish applications
- Resin systems available will include UF, MUF & pMDI
- 100% southern pine ‘tree-length logs’ and purchased debarked chips

Primary Process Equipment – Wood Yard



- Kone Class F 'One Bite' radial log crane
- Pallmann Debarking Drum – 27 m / 89 ft X 4 m / 13 ft diameter
- Pallmann Disc Chipper – 3.6 m / 12 ft diameter / 15 knives
 - 2100 KW / 2800 hp Siemens
- Phelps Chip Truck Dumper – 6 trucks / hour capacity
- Two FMW Chip Stacker / Reclaimer – 20,000 m³ each
 - Approximately 15,000 US Tons combined





Primary Process Equipment – Energy Plant and Drying

- Büttner Thermal Energy Center – Total 53 MW / 180 MM Btu
 - Reciprocating grate (Bark) – 11-33 MW / 37-112 MM Btu
 - Two injection nozzles (fiber & trim) – 5-10 MW / 17-34 MM Btu
 - Combi Burner (dust and/or gas) – 4-20 MM Btu
- Fuels
 - Bark
 - HDF Sander Dust
 - Floor profiling dust
 - Board trim
 - Reject fiber
- Produce steam, Thermal oil and Flue gas
- Büttner Flash Tube Dryer – 35 metric ton / hour OD
- Megtec RTO System



Primary Process Equipment – Refining & Glueing



- Pallmann/Swiss Krono Chip washing
 - Extend refiner plate life / reduce PM downtime
 - Protect press steel belt (THDF)
 - Improve fiber quality / production efficiency
 - Improve finished product consistency / quality
- FRC Process water cleaning and re-cycling system
- Pallman 35 metric ton / hour oven dry refiner
 - 58 inch diameter refining plates
 - 7000 KW Siemens motor – 9,380 hp
- Siempelkamp resin preparation, storage and transfer system
 - Complete systems for either UF/MUF or pMDI
 - Includes Eco-resonator (powered by Schlick)
 - Dual blowlines



Primary Process Equipment – Forming & Pressing



- Siempelkamp fiber mat former – 3350 mm / 11 ft width
- Siempelkamp continuous pre-press
- Siempelkamp belt scale, moisture detector and metal detector
- Siempelkamp X-ray mat density scanner
- Siempelkamp Compactor – continuous compression unit
- Siempelkamp - ContiRoll® Generation 8 hot press
 - Length 30.5 meters / 101 ft
 - Pressing width 2515 mm – 3155 mm / 8 ft - 10 ft
- Megtec RTO / Siempelkamp press exhaust / 'scrubber' system



Primary Process Equipment – Cooling, Sanding, Packaging & Storage

- Siempelkamp – four diagonal saw units
- Siempelkamp Quality Management systems
 - Laser thickness gauge
 - Ultrasonic delamination detector
 - Contiscale X-ray density scanner
- Rudnik und Enders inline board breaker
- Siempelkamp cooling turners & master panel stack storage system
- Steinamann 10 head sanding
- Siempelkamp angular sawing & packaging (external customers)
- Siempelkamp High Bay storage system (internal customer)
 - Automatic storage & retrieval for Swiss Krono lamination
 - Four rows of racks 114 mm / 376' long X 12 m / 40' wide X 20 m / 66' high





This presentation contains videos.
If you want access to these videos,
please contact Rich Donnell by
emailing rich@hattonbrown.com



Any questions?