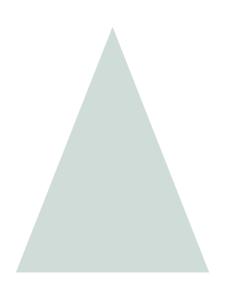


Top-quality larch veneer from Russia



Top-quality larch veneer from Russia

Larch veneer is a perfect raw material for softwood plywood, LVL and floor panels.



RFP is a group of companies involved in the harvesting of roundwood, wood processing, trading and logistics. RFP employs more than 6 000 people. It is the leading supplier of Russian timber products in the Asia-Pacific region: 15% of Russian exports to China, 15% — South Korea, 10% — Japan.



The largest shareholder of RFP is the Russian-Chinese Investment Fund (RCIF), a principal investment fund established by two government-backed investment vehicles — the Russian Direct Investment Fund (RDIF) and the China Investment Corporation (CIC).

Forestry and Logging

The largest by amount of forest resource in the Far East.

- the top position in logging volume in the Far East:
 2.2 million cubic metres a year;
- the top position in export of roundwood to China: 15% of Russian exports a year;
- 2nd place by annual allowable cut in Russia:
 4.2 million cubic metres a year;
- 3rd place among world suppliers of roundwood to China.

Wood processing

One of the largest wood-processing complexes in the Far East.

- existing annual output of 360 thousand cubic metres of green sawnwood;
- one of the largest plants in the veneer-sawing industry in Russia;
- one of the largest KD sawnwood plants in Russia under construction.

Transport and logistics

The Amur Shipping Company is the largest shipping company with a 150 year history.

- the biggest ship-owner in the Russian Far East: more than 100 vessels, including river-sea, dry cargo ships, tankers and large-size cargo vessels:
- the Amur Shipping Company handles about
 1.3 million tons a year.

Amursk advanced wood processing center

RFP is developing one of the largest wood processing investment projects in the Russian Far East, the Amursk Advanced Wood Processing Center, with total investments for the project comprising \$300 million US of which \$190 million US has already been invested. The project is being realized under strategic partnership with the Vnesheconombank. The project has been included in the list of Priority Investment Projects for forest development.

Rotary cut veneer plant with production capacity of

300 000 m³

(already functioning)

Sawnwood plant with annual output capacity of

250 000 m³

(is to be completed in the 2nd half of 2016)

Fuel pallets plant with annual output capacity of

100 000 t

The core processing facilities of RFP are located on an industrial land plot in the north-western part of the city of Amursk (Khabarovsk Territory) with a total area of around 200 hectares (the land is owned by RFP). The site is uniquely well positioned in terms of power supply, logistics for raw material supply and access to necessary engineering infrastructure, thus making it ideal for development of the project:

- Land for auxiliary production facilities, including petroleum, oil and lubricants storage, fire-engine house, gatehouse and other ancillary facilities
- -Federal railway track, as well as a local highway connected to the site
- Harbour is 5-7km from the site allowing for the delivery of raw materials to the site by means of water transport
- 10kv double-circuit power line from the Amursk thermal power station, located 3.5km from the plant (the capacity of the thermal station is 266 megawatts, with the current utilization rate being less than 5%)







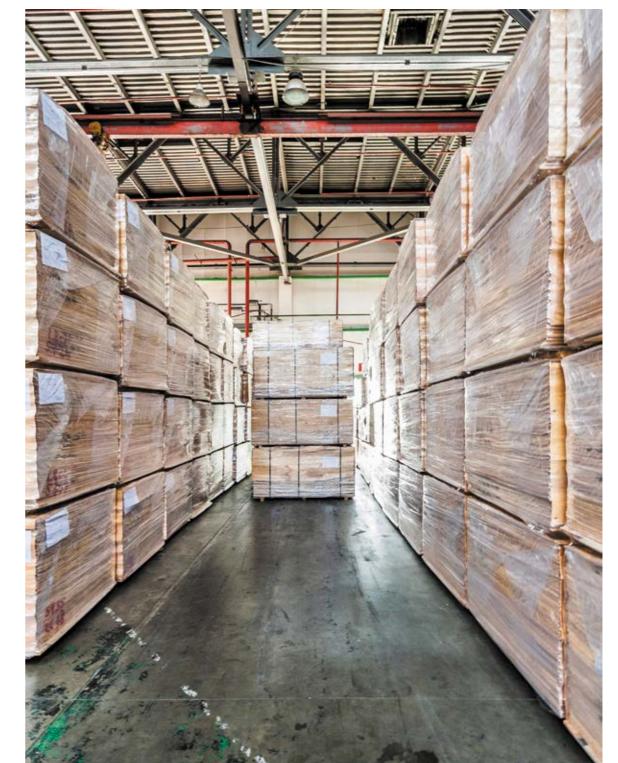


Grading

Drying







Storage

Application of larch veneer

Amursk advanced wood processing center

The rotary cut veneer plant works only with high-quality equipment of world-renowned brands such as Hashimoto, Denki, Uroko and Eno: 2 debarking machines, 3 rotary-cutters, 3 drying machines, 4 welding machines and 1 packing machine.

Our products can be shipped by any means of transport: by bulk in ships, containers by ship/motor vehicle or railway wagon.



RAW MATERIAL Larch (Larix Dahurica), wild-grown in the northern

latitudes in the valley of the Amur river

GOODS REQUIREMENTS — JAS MAFF Notification No.1751 dated December 2, 2008

- GOST 99-96

- Additional requirements approved by the Parties

THICKNESS, mm 1.5 (min)-4.0 (max)

MOISTURE CONTENT Max. 10% at the exit from drier at the Seller's Plant

SIZE, mm 6 ft - width: 950–980 (to be customized) 6 ft - length: 1,895–1,910

8 ft - width: 1,250–1,270 8 ft - length: 2,490–2,530

HEIGHT OF THE FOOT 800 (min.)-1,100 (max.)
OF THE GOODS WHEN

PACKAGING, mm

SIZE OF PALLETS FOR
THE TRANSPORTATION

OF GOODS, mm

6 ft: 1,890 x 950 8 ft: 2,500 x 1,270

PACKAGING — Package covering by polyethylene film over the

entire surface (except the bottom)

-On the top 1-5 veneer sheets of poor quality are

to be placed.

-Finishing package winding by stretch film

(except the top and bottom)

Veneer specifications

	LONG 6' (6X3) 1		LONG 6' (6X3) 2		LONG 8' (3X8)		LONG 8' (4X8)	
	Invoice	Fact	Invoice	Fact	Invoice	Fact	Invoice	Fact
Lengh, mm	1895	1895–1897	1900	1915-1917	2490	2490-2495	2490	2490-2495
Width, mm	950	950-990	950	950-990	950	950-990	1250	1250-1290
Thikness, mm		1-4		1-4		1-4		1-4
Moisture. %		6-10		6-10		6-10		6-10

	SHORT 6' (3X6)		SHORT 6' (3X6)		SHORT 8' (3X8)		SHORT 8' (4X8)	
	Invoice	Fact	Invoice	Fact	Invoice	Fact	Invoice	Fact
Lengh, mm	1860	1000-2500	1860	1000-2500	2480	1000-2500	2480	1000-2500
Width, mm	945	945-947	950	955-957	945	945-947	1245	1245-1248
Thikness, mm		2-4		2-4		2-4		2-4
Moisture, %		6-10		6-10		6-10		6-10

Norm restrictions on grades

VICES AND DEFECTS OF WOOD PROCESSING	F (FACE)	В (ВАСК)	CC (CENTRAL CORE)	SG (SHORT GLUE)	MM		
		KNOT	S				
	permitted diameter, mm (not more)						
Conjoined, sound light and dark	35	45	75		without restriction		
	permitted diameter, mm, not more						
	25	40	65				
Non-united, falling out and holes from them	amount defect width (mm) clipping strip width of 300 mm. amount defects width (mm clipping 600x300 mr				without restriction		
	1/5 the pa	anel width	1/4 the panel width				
		SPLIT	S				
Serried	permitted	d without restr	iction in the amount of	up to 1/2 of the lengt	h of the panel		
		a	dmitted edge width, m	m, not more			
Open	5	10	45	5	without restriction		
Open	Length, not more than						
	1/3 the panel length						
	VIC	CES STRUCTUF	RE OF WOOD				
Slope of grain, cross-grained	permitted						
Light bark	permitted						
Dark bark	permitted by regulations, n. 1a						
Resin pocket	length up	to 60 mm	60 mm length up to 80 mm		without restriction		
Stratification			not permitted		without restriction		
		CHEMICAL CO	DLORING				
Yellowness, red stain			permitted				
		FUNGAL LE	SIONS				
Sapwood fungal color (blue, colored sapwood stains)	not permitted		permitted				
Browning							
Decay		permitted					
		DEFECTS PRO	CESSING				
Ridge			not permitte	d			
Groove, scratches	permitted with not exceeding 10 mm						
Bark patch	not permitted		permitted by regulations n. 1a		without restriction		
Incision		•	permitted				
		BIOLOGICAL	DAMAGE				
Worm holes	m holes permitted if n		V				

Best material for premium quality LVL and plywood

Based on the results of mill trials held in Finland in 2015 and analyzed by KYAMK University of Applied Sciences, Amursk Larch veneer is optimal raw material for production of high grade LVL and plywood.

Amursk Larch veneer from RFP has excellent handling properties and the technical values considerably exceed the market median grade. Density and strength properties are higher than any other coniferous species can give.

Design values of Amursk Larch veneer are high enough to exceed the most stringent market requirements for structural LVL or plywood. All veneers can be used in producing structural products, and there is minimal reject in veneer stress grading.

In all respects Amursk Larch is superb raw material for LVL and plywood. Amursk Larch veneer from RFP will earn LVL and plywood producers higher product quality, added price and marketing advantage over the competition.

MODULUS OF RUPTURE

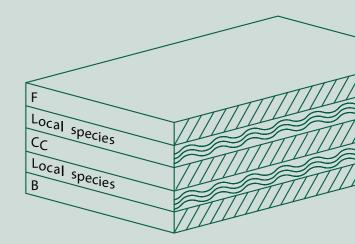
AVERAGE, N/MM²

MODULUS OF ELASTICITY AVERAGE, N/MM²

Amursk Amursk 16 000 Larch Larch Douglas Douglas 15 500 75 fir (US) fir (US) Europian Southern 15 000 70 pine (US) pine Southern Siberian 14 000 pine (US) pine Scandinavian _{13 400} Europian 67 spruse pine Siberian Scandinavian 13 200 pine spruse

Excellent booster material for plywood

In addition to superb strength properties Amursk Larch veneer offer perfect flatness and easy handling. This makes Amursk Larch a great raw material for softwood plywood. It can also be used as an excellent booster material to enhance the market value of the plywood in those instances where good quality raw material is in the short supply. Amursk Larch veneer can be transported over long distances, which doesn't influence veneer values regarding maintaining moisture level and general quality.



Example of using Amursk Larch as a booster material for plywood production. F, B, CC grade — Amursk Larch Other layers — Local species

Excellent booster material for LVL

The exceptionally high technical values of Amursk Larch can be fully utilized when used as raw material for engineered wood products like LVL. In the areas where LVL manufacturers experience shortage of better grades raw material, Amursk Larch veneers can be used to produce LVL in 15 000-17 000 N/mm² or higher MOE grades or as booster material in combi constructions. By using the Amursk larch as booster raw material, LVL manufacturers can efficiently upgrade market value of their lower veneer grades.

LVL DENSITY COMPARISON, KG/M³

Amursk Larch	650
Europian pine	600
Southern pine (US)	600
Radiata pine (NZ)	560
Douglas fir (US)	550
Siberian pine	540
Scandinavian spruse	530









Contacts

Vladimir Grigoriev

managing director (wood processing division)

Mob. +7 909 804-79-11

vladimir.Grigoriev@rfpgroup.ru

Sergey Svetkin

sales director

Mob. +7 914 777-88-87

sergey.Svetkin@rfpgroup.ru

David Miskevich

distributor in USA, Australia, New Zealand

Mob. (US) +1 (323) 285-8370

amursk.larch@gmail.com

Russia, Khabarovsk

www.rfpgroup.ru



Russia, Khabarovsk www.rfpgroup.ru