### Marazzi Elevator Guide Rails



#### Introduction of Marazzi Italy



Marazzi S.R.L has been manufacturing Elevator Guide Rails since 1968

The headquarter is located in Piacenza, 60 km south of Milan.

We have 20,000 tons capacity for Machined and Cold Drawn Guide Rails.







#### Marazzi (Jiangsu) Elevator Guide Rail Co., Ltd.





Marazzi (JiangSu) Elevator Guide Rail Co., Ltd was established by Changzhou Dongfang High Precision New Materials Co., Ltd. (a subsidiary of Changzhou Dong Fang Special Steel) and Marazzi Srl. in Jan 2013.

The company covers an area of 265,000m<sup>2</sup> with construction area 182,925m<sup>2</sup> and production area 179,925 m<sup>2</sup>. With 5 full automatic elevator guide rail production lines, including more than 280 equipment such as super planner, numerical control processing system, full automatic straightening machine, stress release vibration unit, auto-painting machine, washing line, auto greasing line, laser marking, filming and full automatic laser measuring system.

Changzhou Dongfang High Precision New Materials Co., Ltd was established in December, 2011, specialized in steelmaking, rolling and processing. Whereas Marazzi Srl, a world well recognized company was established in 1965, with a production history over 50 years in elevator guide rail and accessories. Marazzi (Jiangsu) Elevator Guide Rail Co., Ltd. will be standing at the cutting edge, always innovated, leading in the forefront of the industry. We are building a world class quality manufacturing, research and development facilities, aiming to be number one in the capacity of the guide rail industry. Annual production capacity is 80,000 ton per year but we are increasing the capacity to 200,000 ton by end of 2013.

### Changzhou Dongfang Special Steel





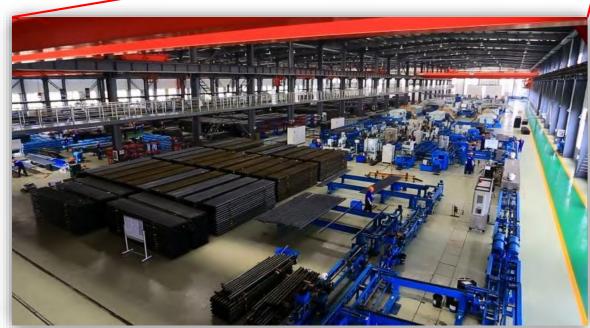


Changzhou Dong Fang Special Steel (DFSS) has 3,800 employees, fixed asset RMB 5 billion, about 1,344,007 sqm. Billet production of 2,500,000 ton.

#### **Production Location**



No. 6, Dong Fang Road, Huangli Town, Wujin District, Changzhou city, Jiangsu Province, P.R. China.





# **Grand Opening Ceremony**







Marazzi (Jiangsu) Elevator Guide Rail Co., Ltd. just starts operations independently from Feb 01 2013 onwards. Marazzi (Jiangsu) also welcomed her Grand Opening Ceremony on May 28 2013.

#### Competitive Advantage



Thanks to the Joint Venture with Steel Manufacturer, MARAZZI will become vertical integrated supplier of elevator guide rails.

Starting from Iron Ore we control the manufacturing process till Finished Guide Rails.

We have the <u>most advanced and fully automated process</u> for Guide Rail Manufacturing, we have 4 design patents for the fully integrated and automated manufacturing line.

#### Vertical Integration of Industry Chain





Marazzi (Jiangsu)





**Elevator** Market



**Dong Fang Special Steel** 

# First in the Industry

T profile

Dong **Fang Special** Steel



**Billet** 



**Dong Fang Special Steel** 

Molten Iron

# 1. Equipment



#### **Super Planer**



#### **Auto Machining System**



# 2. Equipment



# **Auto Straightening / Twisting System**

#### **Laser Auto Inspection System**





#### **Products**



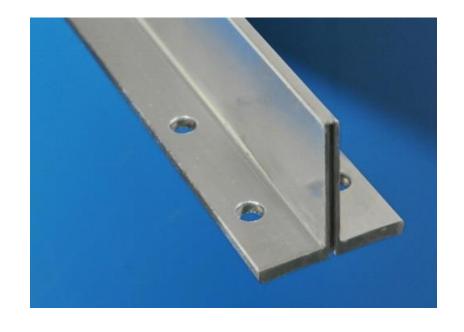
We have a wide range of Products to satisfy any customer requirements:

- Cold Drawn Guide Rails from T45 to T125
- Machined Guide Rails from T70 to T140-3
- High Speed Elevator Guide Rails (BE standard ISO7465) from T89 to T140-3
- Hollow Guide Rails
- Guide Rails Accessories (Fishplate, Clip, Bolts, Brackets,...)

#### Cold Drawn Guide Rails



| Code   | Dimension | Italy        | China        |
|--------|-----------|--------------|--------------|
| T45/A  | 45x45x5   | $\checkmark$ | $\sqrt{}$    |
| T50/A  | 50x50x5   | $\checkmark$ | $\sqrt{}$    |
| T70/A  | 70x65x9   | $\checkmark$ | $\checkmark$ |
| T75/A  | 75x62x10  | $\checkmark$ |              |
| T82/A  | 82x68x9   | $\checkmark$ |              |
| T89/A  | 89x62x16  | $\checkmark$ |              |
| T90/A  | 90x75x16  | $\sqrt{}$    |              |
| T125/A | 125x82x16 |              |              |



### Machined Guide Rails



| Code    | Dimension    | Italy | China     |  |
|---------|--------------|-------|-----------|--|
| T 70    | 70x65x9      |       |           |  |
| T 75    | 75x62x10     |       | $\sqrt{}$ |  |
| T 78    | 78x56x10     |       | $\sqrt{}$ |  |
| T 82    | 82x68x9      |       | $\sqrt{}$ |  |
| T 89    | 89x62x16     |       | $\sqrt{}$ |  |
| T 90    | 90x75x16     |       | $\sqrt{}$ |  |
| T 114   | 114x89x16    |       | $\sqrt{}$ |  |
| T 125   | 125x82x16    |       |           |  |
| T 127-1 | 127x89x16    |       | $\sqrt{}$ |  |
| T 127-2 | 127x89x16    |       | $\sqrt{}$ |  |
| T 140-1 | 140x108x19   |       | $\sqrt{}$ |  |
| T 140-2 | 140x102x28,6 |       | $\sqrt{}$ |  |
| T 140-3 | 140x102x28,6 |       | √         |  |



### Hollow Guide Rails



| Code | Dimension Italy |  | China        |  |
|------|-----------------|--|--------------|--|
| TK3  | 75x55x10        |  | $\checkmark$ |  |
| TK5  | 87x60x16,4      |  | $\sqrt{}$    |  |
| ТКЗА | 78x60x16,4      |  | $\sqrt{}$    |  |
| TK5A | 78x60x16,4      |  | V            |  |

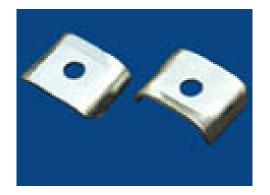


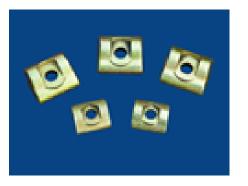
### Accessories



#### Fishplates





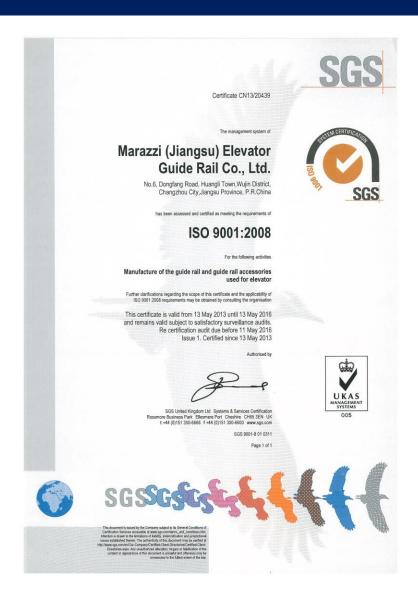


Clips



#### ISO-9001 Certification



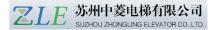


Marazzi (Jiangsu) has successfully obtained ISO-9001:2008 certification on May 12<sup>th</sup> 2013 from SGS.

With this ISO-9001 certification, we are embarked to a new era which enable Marazzi (Jiangsu) Management to have better quality control over the people skills, product quality and equipment maintenance and improvement.

#### **Major Customers**











































吴江中菱电梯有限公司



























苏州蒂莱特电梯有限公司 Suzhou Delight Elevator Co.,Ltd.

扬州安捷电梯有限公司



#### Improvement Projects







Marazzi (Jiangsu) is laser marking Two Dimensional Code from July 01 2013 onwards. This bar code is used to move material from one location to another e.g. warehouse to production, warehouse to packing area.

As for the goods deliver to customer, we adopt the bar code application is to ensure we deliver the right product to customer while increasing our work efficiency.

First in the Industry

#### Improvement Projects



公司名称: 申芝电梯有限公司 产品执行标准: GB/T 22562-2008, JG/T 5072.3-1996 设备编号: SZ13055A 条码号: SH2013070094, SZ13055A, 1# 2013-07-08

项目名称:

料号 品名 每包数量 长度 35101510~0020 T75/B导轨 10 35150000~0040 TK5A\*2.75导轨 10 35200000~0022 连接板TK5A 8 35200000~0006 连接板T75L 8

Marazzi (Jiangsu) uses 2-dimensional bar code on every single packing (bundle). We use this to perform good issue transaction in the ERP system (Yonyou U9).

This also enables Marazzi (Jiangsu) to have better work efficiency in delivery as well as mistake proofing in daily packing operations.

#### First in the Industry

#### On Going Projects





Marazzi (Jiangsu) is a company who is constantly care with our workers' safety and health. Therefore Marazzi (Jiangsu) decided to embark the following 2 projects concurrently:

- 1. Secondary Safety Production Standardization Enterprise, from July 15 2013 Nov 30 2013.
- 2. ISO-18000 (OSHMS, Occupational Safety & Health Management System), July 15 2013 Nov 30 2013.

### First in the Industry

### On Going Projects





#### Future Growth Perspective



#### Phase 1 : (COMPLETED)

- 1. Investment RMB 150 mil
- 2. 6 Production Lines (5 lines Machined Guide Rails + 1 Hollow Guide Rails)
- 3. Annual production capacity is 80,000T of guide rails

#### **Phase 2**: (by end of Oct 2013)

- 1. Equipment investment about RMB 100 mil
- 2. Additional 6 Production Lines
- 3. Start Cold Drawn Guide Rails Manufacturing
- 4. Additional annual production capacity is 120,000T of guide rails (by then the total capacity would be 200,000T)

#### **Phase 3**: (by end of Jun 2014)

- 1. Equipment investment about RMB 250 mil
- 2. Additional 20 Production Lines
- 3. Start Elevator Mechanical shaft components (brackets, frame, counterweight,...)
- 4. Additional annual production capacity is 300,000T of guide rails (by then the total capacity would be 500,000T)

# Future Growth Perspective



|         | Project Due<br>Date | Number of Production Lines | Investment on Equipment | Investment on Building/Land | Additional Capacity | Total Capacity |
|---------|---------------------|----------------------------|-------------------------|-----------------------------|---------------------|----------------|
| Phase 1 | 2012                | 5 Lines                    | RMB 150 mil             | RMB 150 mil                 | 80,000 T            | 80,000 T       |
| Phase 2 | Oct 31 2013         | 6 Lines                    | RMB 100 mil             | RMB 120 mil                 | 120,000 T           | 200,000 T      |
| Phase 3 | Jun 30 2014         | 20 Lines                   | RMB 250 mil             | RMB 425 mil                 | 300,000 T           | 500,000 T      |
| Total   |                     | 31 Lines                   | RMB 500 mil             | RMB 695 mil                 | 500,000 T           |                |

Total investment of Marazzi (Jiangsu) for Phase 1, 2, 3 is RMB 1.195 billion.



# Thank You!