



NON-TECHNICAL SUMMARY

INCREASING PRODUCTIVITY

BARLINEK INVEST





CONTENTS

1. Barlinek Invest
2. Strategic goals of the project
3. Project location
4. Current status of the project
5. Project scope
6. Ecological impact evaluation

Barlinek Invest firm in Vinnitsa is a part of Barlinek Capital Group. The production plant of the firm performs comprehensive processing of round wood raw material relating to production of finished wooden floors intended for use in both residential and public premises. The product is exported to more than 50 countries around the world. The firm maintains excellent relations with the regional authorities and national forests authorities, and in 2015 it was awarded the „Manager of the Year Title in Vinnitsa”.



An element of the accepted strategy of the Barlinek Group (“Barlinek 2020”) is an increase of the production capacity with concurrent improvement of production parameters relating both to the productivity and to the environment. The realization of the accepted assumptions will take place, among others, thanks to the implemented project of modernization and extension of the plant situated in Vinnitsa, Ukraine.

STRATEGIC GOALS OF THE PROJECT

The leading goal of the Barlinek Group is to increase the production capacity of 3-layer wooden flooring by, inter alia, increasing the production volumes in the Barlinek Invest plant by the end of 2018.

At the same time, the project assumes an increase of the effectiveness of production processes through technological development and a significant increase of raw material consumption standards. This activity will allow a lowering of the demand for wood raw materials and energy (calculated per production unit), which will have a positive impact upon the environmental aspect.

The associated goal is to increase the annual production of biofuels, in the form of pellets.

PROJECT LOCATION

All projects of the Barlinek 2020 program relating to Ukraine will take place on the premises of Barlinek Invest in Vinnitsa.



SCOPE OF THE PROJECT

Increasing the productivity of the factory

Scope:

- Increasing the production efficiency of the plant in Ukraine with concurrent balancing of all processes in the production course.

It comprises:

- Increasing the productivity of the existing block line
- Increasing the productivity of the painting process
- Increasing the productivity of the drying process
- Increasing the packaging efficiency

Benefits:

- Optimization of production costs within the Group and increasing the production efficiency within the Group

New cutting technology

Scope:

- Implementation of new cutting technology

Benefits:

- Balancing the efficiency of the processes in the factory
- Significant improvement of hardwood raw material usage

New sawmill

Scope:

- Purchase of a new sawmill with a modern system of deciduous wood log processing. Using one of the other sawmills for sawing coniferous wood logs

Benefits:

- Improved yield of wood raw material
- Increased productivity of hardwood log sawing
- Elimination of the risk of serious accidents
- Optimization of production costs of coniferous wood layers and increased availability of biomass for pellet production

Increase of pellet production efficiency

Scope:

- Increase of pellet production capacity
- Building a system for finished product storage
- Modernization of finished product packaging process
- Optimization of use of the available raw material for pellet production

Benefits:

- Increase in pellet production volume
- Increased usage of the available dry waste for pellet production
- Standardization of pellet packaging and protection
- Optimization of production department work
- Product quality improvement
- Improvement of OHS conditions

ECOLOGICAL EFFECT EVALUATION

It is expected that as a result of the realization of the innovative investment using the latest available technologies, the electric power consumption in the production process will be reduced by almost 11.5% as compared to traditional technologies, with a concurrent reduction of CO₂ emission by almost 3,900 tons a year, leaving the energy intensity indicator at the level of almost 10% lower for planks production and over 40% lower for pellet production.

ADDITIONAL INFORMATION

All requests for additional information relating to the project must be directed to the Company:

BARLINEK INVEST LLC

Cekhova, 7 V
21034 Vinnitsa
Ukraine

Phone: +380 (0)380 4325533-00

Fax: +380 (0)380 4325533-99

Email: office.ua@barlinek.com