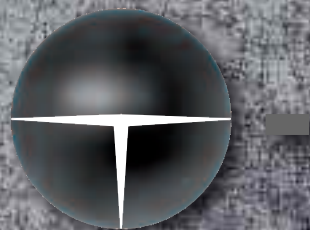


THE NEW STEEL VALUE CHAIN







**A Global Steel Player**

**New Business Opportunities**

**Dedicated to Creating Value**

**Trasteel Business Units**

**A Multitasking and Flexible Organization**

**Trasteel Investments & Partnership**

**The Trasteel Network**



A **W**orld**W**ide presence

## A GLOBAL STEEL PLAYER



Trasteel was founded in the last quarter of 2009 as the result of a vision of a group of entrepreneurs and experienced steel professionals. The business model is based on international trading activity linked to industrial and distribution activities thereby creating economic value in the steel industry.

Trasteel is a multi-geographical player with major focus on China, Middle East, Europe, CIS countries, South Africa and South America.

The Headquarters of the Group are based in Lugano, Switzerland, with a network of companies/local offices/agents active in Europe (Italy, Spain, Germany), Monaco, South America, North America, UAE, Russia, Turkey, Ukraine, China, India and Indonesia. During its third fiscal year ended in December 2012 the Company generated a consolidated turnover of approx 700 mio US dollars employing almost 50 professionals.

A dramatic photograph of an offshore oil rig at sunset or sunrise. The sky is filled with heavy, dark clouds, with a bright, golden light breaking through near the horizon, creating a strong silhouette effect on the rig's structure. The rig features several tall cranes and complex scaffolding. The water in the foreground is dark and calm.

Total Turnover of approx **700** mio USD in 2012

## NEW BUSINESS OPPORTUNITIES



In a business world which is more and more transparent and at the same time more and more volatile, the pure intermediation is an extremely risky activity, that is why the Trasteel business model is based on building consolidated relationships with few selected partners, developing a sort of captive, non speculative, trading activity. Such consolidated relationships are the result either of specific industrial agreements or of long term offtake contracts or working capital financing deals.

The primary area of focus is the steel value chain, including raw materials for the steel industry, shipping and logistics and trading. Trading is an important scouting source for new business opportunities, including industrial investments in specific areas of growth, long-term commercial deals, and commercial and industrial joint ventures with dedicated suppliers.

Aside from the Steel industry, the Group is also involved in the commercialization of solid fuels like steam coal and of non ferrous metals, in particular copper, nickel and aluminum.



Growth supported by **50** professionals



Trasteel's day-to-day activities is managed by a group of executives with long standing presence in the steel and raw materials industry and in international trading.

They are dedicated to creating value for its suppliers and customers with a very wide geographical direct presence. They are sensitive to market changes and promptly adapt when appropriate, since this is a critical factor for all players in the steel industry.

The company also provides its customers and suppliers with competitive services in the area of short and medium term financing packages, logistic solutions and basic commercial help.

A great attention is put on the use of the new derivative products allowing Trasteel to offer price risk management techniques to its partners: this is done through the participation in Levmet, a Monaco based operator specialized in the paper markets.



DEDICATED TO CREATING VALUE

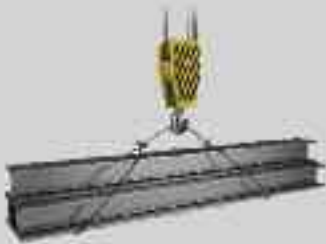


## BUSINESS UNITS

Steel  
Raw Materials  
Refractories  
Steam Coal  
Non Ferrous



Steel volume in 2012: approx **800,000** metric tons



## STEEL

With a committed team of experienced traders active on almost all Carbon Steel products (long and flat products) Trasteel is a **leader in the steel market** providing a tailored, transparent and complete service to all segment of the steel supply chain. Thanks to its financial strength and the capability of linking the general trading business with its industrial assets, Trasteel is a reliable and strong player in the steel arena. Its presence through dedicated offices around the world such as **South America, China** and **Middle East** allows Trasteel to stay close to its Suppliers and Customers. Through the cooperation with the group company **Revas Technologies** which operates in the field of design, manufacture, supply and startup of a wide range of machinery, equipments and plants for the steelmaking industry, Trasteel's team is offering to its partners a wide range of long term solutions to their investment needs, offering not only trading capacities but entering into a long relationship with suppliers and customers in form of offtake and regular sourcing agreements; Trasteel has already structured various important long term agreements with important steel mills in the **Far East** as well as service centers in **Europe**.

The goal of our steel team is to develop captive business as much as possible without giving up the opportunities which arise in the classic spot trading business. In this sense, Trasteel is operating as a sole supplier of steel slabs and billets to a number of rerollers in the world, offering a comprehensive commercial and financial role.

Through **Levmet** Trasteel is also offering packages aimed at reducing the price fluctuations to the operators traditionally not involved in the trading flow chain, like the white good industry or the construction industry, enlarging hugely its customer base.



Raw Materials volume in 2012:

approx **500,000** metric tons



## RAW MATERIALS

Trasteel operates worldwide in the field of Raw Materials for the steel industry. With a dedicated team in Lugano, supported by regional offices in **China, UAE, North America, Mexico, Brazil, Chile**, as well as a professional in-house shipping team, Trasteel is very well equipped to handle dry bulk cargos ranging from handy to capes.

In its first years of activity Trasteel has developed Joint ventures in various parts of the world aimed at collecting, preparing and enriching iron ore to be sold to sophisticated end users around the world.

Financial packages supporting the activity of export of new players in the industry have also been developed and offered to commercial partners for **iron ore, coking coal** and **metallurgical coke**. As for the steel products, through its **participation in Levmet**, Trasteel can offer to its partners **sophisticated hedging packages** aimed at managing properly the price risk, which has become a crucial factor in the **iron ore international trade**.

**W**ide range of products from a dedicated production facility



## REFRACTORIES

As shareholder of a major refractory manufacturing unit in **China**, Trasteel can provide a **full range of refractory products for steel making applications**, cement plants and industrial furnaces like reheating furnaces for rolling mill or aluminum melting furnaces:

- Magnesia Carbon bricks for converters, electric arc furnaces and ladles
- Magnesia Alumina Carbon bricks
- Alumina Silicon Carbide Carbon bricks
- Sliding Gate Plates and Nozzles for tundish and ladle flow control
- Isostatic products for continuous casting machine
- Special shapes like purging plugs, tap hole and well blocks.
- Fired Magnesia bricks
- Fired Alumina-Silica Bricks
- Ceramic anchors with relevant steel anchoring system
- Ceramic fibers and insulation panels
- Various unshaped products for refractory installations and maintenance of steel making units and industrial furnaces: castables, ramming, plastic, gunning and mortar materials.

Thanks to a team of skilled and long experienced technicians, Trasteel can also provide its Customers with a full range of services for refractories used in the steel industry: engineering, manufacturing, logistics, installation supervision, after sales assistance and global refractory management service with guaranteed performance.

All the refractory production in the Chinese factory is carried out under the direct control of Trasteel engineers: all the materials are passed through strict testing procedures and are successfully delivered to Customers in **Europe, North America, Russia, Ukraine, Middle East, China, Korea and Japan**.





## STEAM COAL



Trasteel's Coal team is composed of seasoned professionals with a vast experience both on the sourcing and marketing side. Most of them are located in key places around the world such as **India, China, Indonesia, South America** and **USA** which enables us to have a real time presence on the markets.

As for the Raw Materials, the business model developed by Trasteel is focused on few long term partnerships rather than on spot trading. In this respect, **South Africa** and **Indonesia** became the main source of coal through dedicated projects/joint venture agreements.

In the start-up years Trasteel has generated a volume of about **1.0 Mio tons**, however our medium term goal is to grow our volume to a sustainable level of **3-4 Mio** on yearly basis.

Trasteel's corporate philosophy is to invest in assets in order to sustain its trading activities. In light of this, Trasteel has secured the first refusal right to invest in mining assets in **South Africa** currently held by **Strategic Natural Resources/Elitheni** with whom Trasteel has signed an exclusive off-take agreement which has also allowed to create a dedicated commercial joint venture (**EliTra**) with the scope of optimizing the foreign sales of the mine.



Non-Ferrous volume in 2012: 10,000 metric tons



## NON-FERROUS

In 2010, when Trasteel took equity acquisition of an aluminum manufactory company in Italy (**CGA Technologies**), a Non-Ferrous desk was created in Lugano, in order to supply the controlled mill with primary and secondary Aluminium, but also to develop additional business in this sector.

Today Trasteel Non-Ferrous is focused on the following products:

- **Aluminium:** primary in ingots, T-Bars, billets and wire rod secondary
- **Nickel:** ingots, briquettes and cathodes
- **Copper:** cathodes and wire rod
- **Ferro-Alloys** for the steel industry

Trasteel, through **Levmet**, has developed sophisticated hedging techniques aimed at maximizing the profit generated by its phisical trading.

Trasteel Non-Ferrous operates on a worlwide basis with particular focus on **Europe**, **CIS** countries, **Middle East**, **Africa**, **South America** and **Far East**.



A MULTITASKING AND FLEXIBLE ORGANIZATION



**INVESTMENTS  
&  
PARTNERSHIP**

**Levmet**

**Officine Tecnosider**

**CGA**

**Liaonig Fenghua Trasteel Industry Co. Ltd**

**Elitheni Coal**

**Ecobloks**





## LEVMET

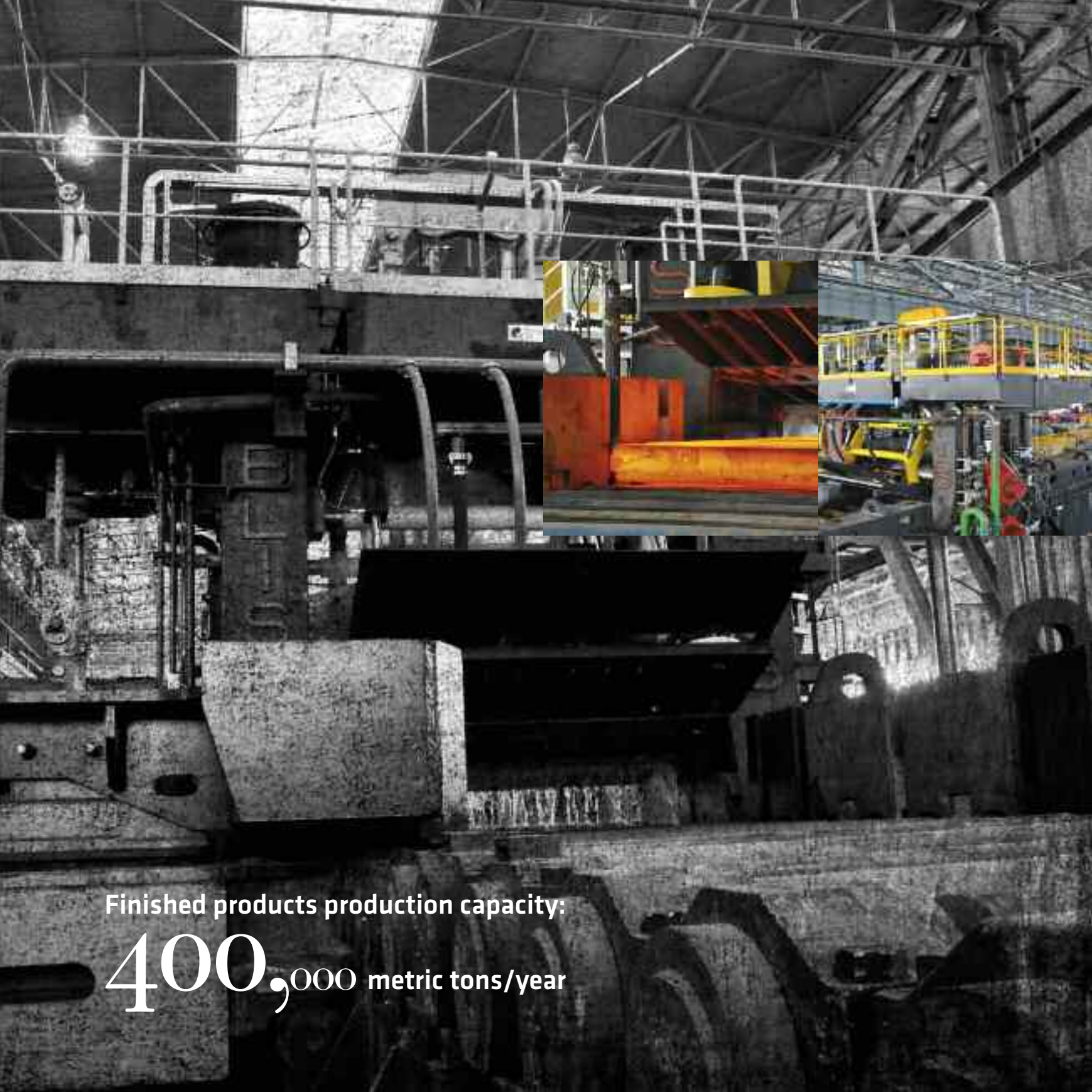
Established in 2012 by professionals from the ferrous and non-ferrous metals industry, Levmet is **a physical, futures and options trader** specializing in steel, raw materials, solid fuels, copper, aluminium, lead, zinc and nickel.

Levmet is supported in the trading of physical material by Trasteel as a key shareholder and trading partner.

Levmet's executive team collectively have over **80 years' experience in the commodities business** and a proven track record of building profitable trading entities in the steel and copper markets. Levmet believes strongly that steel futures will mature in the same way as Non-Ferrous contracts and that its adoption by producers and consumers will gain pace in the coming years.

Steel industry participants will maintain unnecessary risks if they continue to be sceptical of the benefits of hedging. Levmet is uniquely placed to provide a complete service to the steel and raw material industry and those to parties who that are slow to embrace the new world are in danger of following the path of the dinosaur. Those that embrace the new world will, in the future, be stronger financially and well positioned to benefit from the expansion of the global steel market.

[www.levmet.com](http://www.levmet.com)



Finished products production capacity:

**400,000** metric tons/year



## OFFICINE TECNOSIDER

Officine Tecnosider is a **steel rerolling plant**. Its yearly production capacity is **400,000 metric tons/year** of plates and round bars with a broad range of products customers as per specifications.

The range of steel of Officine Tecnosider will encompass all the standard **structural grades, boiler steel, steel for quenching & tempering** and **steel for pressure vessels**.

The company has started production in 2011 and has already reached full capacity after less than one year. The Company is able to comply with customers specific requests according to any range of analysis certified by international standard.

The company's steel operations are established in San Giorgio di Nogaro (Udine), in an ideal location close to two main Ports and to the main European customers.

[www.officinetecnosider.it](http://www.officinetecnosider.it)



6.0 mio pieces produced per year



## CGA

**CGA Technologies** is a world leader in the fully integrated production of high efficiency **Aluminium evaporators** for domestic refrigeration and heat exchangers for bio-house buildings. Currently CGA is producing more than **6.000.000 pieces/year**, supplied to the main household appliance manufacturers with production plants located all over the world.

Thanks to the **ROLL-BOND technology**, CGA produces also a wide range of high efficiency air-water heat exchangers for solar panels, cryostatic circuits and radiant panels.

The concentration of all the production phases in an single plant allows CGA to be the sole manufacturer of its market area to have **full control of the entire process**, starting from the aluminium ingot down to the painted evaporator, ready to be utilized into the assembly line of the Customer.

[www.cgaspa.it](http://www.cgaspa.it)

Production capacity: 80,000 metric tons/year





## LIAONIG FENGHUA TRASTEEL INDUSTRY CO. LTD

In January 2011 Trasteel formalized the purchase of an important stake in a **major Chinese Producer of magnesia-carbon and alumina-magnesia-carbon refractory bricks**, establishing a New Venture incorporated under the name of “Liaoning Fenghua Trasteel Industry Co. LTD”. Such venture started operations during the first half of 2011. Trasteel acts as the exclusive marketing arm of the Joint Venture on all activities related to overseas marketing, sales, production financing and technology advancement. The Chinese Partners Liaoning Fenghua Industrial Co. LTD, has conferred to the Joint Venture their equipment and facilities.

The production facilities are located in Dashiqiao City, Liaoning, a province in China close to the highest quality raw material sources for refractory production and major transportation.

The New Joint Venture integrates production and research facilities and is able to produce, with a capacity of about **80'000 MT/year**, the following range of products:

- **Magnesia Carbon bricks** for converters, electric arc furnaces and ladles
- **Magnesia Alumina Carbon bricks**
- **Alumina Silicon Carbide Carbon bricks**
- **Sliding Gate Plates and Nozzles** for tundish and ladle flow control
- Various unshaped products for **lining installations** and **maintenance of steel making units**

The Joint Venture partner owns a **magnesite mine** with discovered deposits of raw magnesite of **30 million MT** with an annual output of **200'000 MT** assuring the Joint Venture a reliable and competitive source of major raw materials.

The company is also a **Scientific & Research** enterprise with long term technological collaboration with **Beijing Iron & Steel Institute, Wuhan and Beijing Scientific & Technology University** and, as a result, special materials can be developed and produced and new refractory dedicated solutions can be offered to satisfy and exceed Customer expectations.





Initial off-take quantity: **2.0** mio metric tons



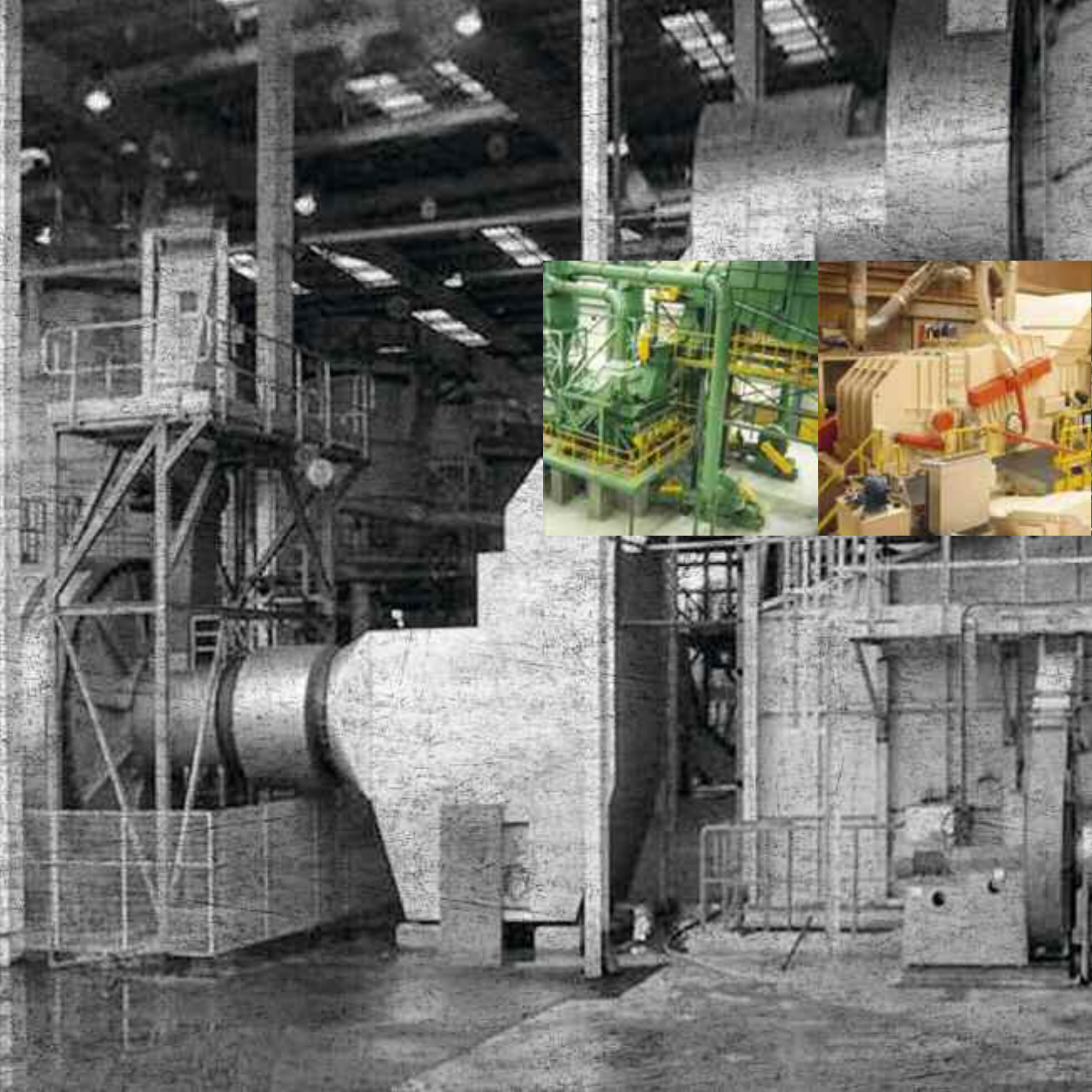
## ELITHENI COAL

The Off-take Agreement is in respect of 100% of the beneficiated coal to be mined from **SNR's Elitheni coal mine** in the Eastern Cape of South Africa up to an initial **2.0 million tonnes**.

The first shipment under the contract will be loaded in 2012. In addition, Trasteel has been granted a right of first refusal, on terms to be mutually agreed between the parties, on any coal produced in excess of the initial **2.0 million tonnage** covered under the Off-take Agreement.

Initially the coal from the Elitheni Mine is being shipped in handy size vessels through the Port of East London in the Eastern Cape of South African.

In a second phase the coal will also be exported through the deep water port of Coega located 280 km south of East London, thus allowing Trasteel the capacity to load panamax and capsized vessels.





## ECOBLOKS

Ecobloks is **a pallet blocks plant**, located in Finale Emilia, in the province of Modena, one of the areas with the highest concentration of production in Italy.

Thanks to its technology, Ecobloks **can reuse different types of waste wood material**. The processing of the materials allows to obtain a high performance product with high quality standards, which requires no further processing, unlike the blocks taken from the cutting of virgin wood.

**The plant, will be operative in the end of 2013**, will have a production capacity of 150,000 cubic meters/year of finished product and will transform 113,000 tons/year of raw materials.

The production Ecobloks **will be present on the Italian and foreign markets** with the brand **R.ECO.W. (Recycled Ecological Wood)**.



# THE TRASTEEL NETWORK



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**CORPORATE OFFICES**

Luxembourg  
Switzerland

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**TRADING OFFICES:**

Argentina  
Brazil  
China  
Cile  
Dubai  
Germany  
Indonesia  
Russia  
Ukraine  
Mexico





