

CEO's Message



This is the fifth issue of the EII's newsletter and another opportunity to demonstrate the resounding success that 2008 has become even at just over the half way stage of the year.

EII's development and success has led to a number of key developments so far this year with the announcement of our financial results for 2007 and our endeavours in bettering the corporate governance landscape across the region.

Our twelve partners have performed admirably this year and there is every indication that the financial performance of 2007 will be bettered considerably by the end of this financial year. Among our success stories, Mammut Building Systems (MBS) has announced numerous contract agreements across the region and is close to completion on projects in the U.A.E. and Pakistan.

Meanwhile, AIG is also excelling with the likes of Advanced Composites, earning contracts and progressing on projects from North Africa to the GCC region.

This has led to a significant impact on our financial performance. The acquisition and managerial investment in all twelve partners has been fruitful and EII has posted profits that we expect to double by 2010. Our annual revenue growth from 2006 to 2007 saw a 230 per cent increase and we expect that to grow another 53 per cent by the end of 2008. These are significant jumps and critical success indicators for our investment strategies.

Moving forward, there will be regional expansion across the GCC, North Africa and into the subcontinent. We have already earmarked AED 400 million for three new projects and AED 300 million in expanding existing investments. Expect many more announcements as those seen in this issue of our newsletter.

Evidently, we are able to make investments acquire with a genuine outlook for value addition and this is paying dividends. However, our ambition is also led by the depth of our abilities and this year has seen a concerted effort on our behalf to elevate the corporate governance standards of our organisation and all our partners.

This year, we have established a corporate governance manual detailing the frameworks and intricacies that will enable all parties associated with EII to advance our corporate governance standards to such a point that we are internationally viable. For much time, the region has been viewed with skepticism in regards to corporate governance, however, such perceptions require firm action and EII will pioneer in this area until the standards are genuinely accepted across the world.

Our job is not to change opinions but to change practices for the betterment of our organisation and our partner companies. The knock-on effect created by such behaviour will only benefit the region and we are more than confident in achieving such goals.

Dr. Ahmad Khayyat
Chief Executive Officer, EII

Emaar Industries & Investments' total revenue increases by 330 per cent

Emaar Industries & Investments (EII) recently reported a set of exceptionally healthy financial results. And the news of EII's positive financial results coincides with the organisation's strategic plans for regional expansion. With total revenue increases of over 330 per cent in 2007, EII are clearly confident for the prospects of 2008.

"2007 was clearly a positive year for EII and a demonstration of our ability to delineate partners with genuine potential. They will continue to grow as our strategic investment plan is intertwined with their long-term success," says EII CEO, Dr. Ahmad Khayyat.

EII's group net profit for 2007 was AED 129 million, which equates to a 217 per cent increase on 2006. Meanwhile, EII's net profit for 2007 was AED 69 million – a 189 per cent increase. Meanwhile, total assets were recorded at AED 1.4 billion and the total investment for 2007 was AED 132 million.

"These are exceptional figures for our partners considering the speed and size of the returns and as our portfolio expands, the synergy will help to develop even better returns in 2008. In addition, we are looking at having AED 5 billion total assets by 2010 so it is clear that we are very ambitious," adds Dr. Khayyat.

Additionally, EII is continuously looking into new projects and has allocated AED 400 million for potential greenfield projects in 2008. The opportunities EII is investigating are to expand their remit beyond the industrial sector.

And with regional expansion across the GCC and into Algeria, Morocco, Egypt, India, Pakistan and Malaysia, EII is fully focused on building



an international brand that focuses on profitability and improving the performance levels of a number of sectors.

"In 2008, we are forecasting an increase in group profits by 101 per cent and net profit by 160 per cent. This will be as a result of our regional and sector expansion. We have already earmarked AED 400 million for three new projects this year and the returns across the group will help to offset any minor adjustments on raw material prices. We are very confident for the future of EII," concludes Dr. Khayyat.

Multiforms wins AED 250 million cladding contract for KAUST Campus

Multiforms has won an AED 250 million contract from Saudi Oger, the primary construction contractor of the King Abdullah University of Science & Technology (KAUST) campus.

Under the contract, which could go up to AED 350 million depending on the developer's requirements, Multiforms will undertake stonewall cladding for six buildings and install curtain walls, louvers, titanium, cladding and doors to four main buildings. The external cladding will be completed within a year of commencement of work. Multiforms' cladding is expected to be a valuable addition to the developers' aim of having a minimal environmental footprint, without compromising on the aesthetic value.

Dr. Ahmad Khayyat, Chief Executive Officer, EII said, "Following our partnership with Multiforms, the company is fast consolidating its reputation in undertaking challenging cladding works and has built a strong geographic footprint in the region and abroad. The work on KAUST further highlights the project execution skills of Multiforms."



Mr. Firas Al Rifai, CEO, Multiforms said, "We are extremely pleased to be part of this development that will set the standard of educational institutions in the region. Our design team will diligently oversee the details of the project to ensure that it is on par with the highest international standards. It is an honour to have been chosen to play a direct role in enhancing the aesthetic value of this prestigious educational institution."

KAUST, currently under construction over an area of 26 million sq.m along the Red Sea coast at Thuwal, serves as a premium graduate-level research university comprising interdisciplinary research institutes. These institutes cover several topics including: resources, energy and the environment; biosciences and bioengineering; materials science and engineering; applied mathematics and computer science. The KAUST campus is expected to open its doors to students and faculty in September 2009.



MBS completing Cargo Terminal at Dubai World Central International Airport in Jebel Ali

Mammut Building Systems (MBS) has announced that it is completing construction for Dubai World Central International Airport's Cargo Terminal in Jebel Ali.

The deal has seen MBS, as subcontractor to the Arabtec/Max Bögl joint venture, design and construct a 22,668 square metre structure for the airport that will cater for 12 million tonnes of cargo. The airport will be the world's first truly integrated logistics platform, with all transport modes, logistics and value added services in a single bonded and Free Zone environment.

"The contract with Dubai World Central International Airport is an important milestone for MBS and demonstrates the potential of our building concepts. The sheer size of the airport and the amount of cargo it will deal with once completed, highlights the magnitude of this project," says Bob Webster, Managing Director, Mammut Building Systems.

MBS follows US design standards and codes of practice when designing a building and uses advanced software to ensure accurate manufacturing and fast delivery times.

"The pre-engineered building (PEB) concept is fast becoming recognised to be the most versatile, attractive and economical method of constructing buildings up to three storeys tall. In the past five years, MBS has grown rapidly to become one of the major players in the Gulf market for these types of buildings so the delivery of the Dubai World Central International Airport is further verification of our unique building concepts," adds Webster.

"Mammut Building Systems is working on over 1,800 projects throughout the Gulf, Europe, Africa and the South East Asian region for prestigious clients. The contract with Dubai World Central Airport has been an important demonstration of the organisation's abilities and we will continue to support it from a strategic as well as financial perspective," adds Dr. Ahmad Khayyat, CEO, Emaar Industries & Investments.

Multiforms wins Dubai Healthcare City contract



Multiforms has been awarded the contract to design, supply and install the external façade to the Dubai Healthcare City Hotel and Apartment Towers. Valued at AED 75 million, the contract was awarded directly by Morganti International who are the Project Managers for the Development.

Multiforms' scope of work includes the design, engineering, fabrication and installation of aluminium facades, unitised punched window systems, tension assembly skylights, space frame glazed skylights, point fixed glazed canopies and automated retractable shading devices along with other related works.

Mr. Firas Rifai, CEO, Multiforms said, "The award of this contract for the Dubai Healthcare City Hotel and Apartment Towers further strengthens our portfolio of prestigious projects in the UAE. Our state-of-the-art in-house manufacturing facility along with the array of talented staff and workers in the company allows Multiforms to execute projects of this size and complexity with assurance and confidence."

Mr. Raouf Khatib, Project Manager of Morganti International said, "Multiforms has a proven track record in undertaking elegant façade work. The Dubai Healthcare City Hotel and Apartment Towers is one of our prominent undertakings and the capability of Multiforms will enable us to deliver the right design ambience for the project."



Caparol LLC opens first UAE retail outlet in Abu Dhabi

Caparol LLC has opened its first retail outlet in the UAE. Located on Defense Road in Abu Dhabi, the outlet is expected to revolutionise the paint-shopping experience for both developers and new home owners.

"The opening of Caparol's first retail outlet in Abu Dhabi is a perfect complement to the development boom witnessed in the Emirate," said Dr. Ahmad Khayyat, CEO, EII. "The city is experiencing unprecedented growth in the residential and commercial property sector, which is marked by an increasing preference by homeowners and business owners to redecorate their property in line with modern trends."

The new store features the SPECTRUM program which greatly assists the customer in making modern and fashionable decisions. It also allows the potential buyer to have a visual representation of the final outcome of the paint work to be undertaken.

Gary Seabrook, General Manager, Caparol LLC added, "The opening of our first retail outlet in the UAE is a vital step in our efforts to boost our local market presence. Modelled on our German outlets, the store will offer customers value-added services which will greatly assist them in choosing colours to suit their tastes and preferences."

Advanced Composites announces double appointment



Advanced Composites (AC) has announced the appointment of a new General Manager and a Business Development Manager.

Dr. Raed Al-Zubi has been appointed as General Manager and Mr. Murali Ranganathan joins as Business Development Manager of AC. Since its inception in 2000, AC, a member of Advanced Industries Group (AIG) has attained substantial weight within the construction industry for being one of the first producers of GRP systems, which pioneer the usage of fibreglass as opposed to concrete or steel.

AC's new appointments aim to drive expansion of the company's position within the industry with a focus on organisational and business development. AC has already supplied district cooling piping systems to major projects such as Dubai Festival City

for Drake & Scull and Jumeirah Lake Towers. Moreover, AC is in the final stages of the Jumeirah Village Circle and Triangle projects for Palm District Cooling (PDC).

AC is also a supplier for the prestigious Great Man-made River (GMR) project for Al Jaber Energy Services in Libya and will supply water across the country. The project, which started in 1984, already includes over 4,000 kilometres of pipeline.

Dr. Raed Al-Zubi comes to AC with over 10 years of experience in the plastics manufacturing industry. Prior to his appointment, he was Chief Operating Officer at a leading plastics extrusion and injection company in Jordan.

Meanwhile, Murali Ranganathan joins the organisation with over 20 years of experience in the GRP systems Business Development field. He spent the last nine years covering the piping industry in Oman and the region.

"Advanced Composites' new appointments delineate a clear business strategy to grow a successful model within the unique framework of the Middle East's construction and development industry. I am sure they will be a great addition to our team," says Mr. Faysal Rasoul, Managing Director, AIG.

"Our solution caters to a continually growing and expanding infrastructure market. The

key to our strategy is to provide value-added piping solutions that give more longevity and peace of mind to the markets we serve. Also we will continue to focus on process improvement for increased operational efficiency and cost effectiveness," says Dr. Raed Al-Zubi, General Manager, Advanced Composites.

"The aim is to tap into the vast potential on offer from the exceptional growth of the development and construction industry across the Middle East. Our products already provide numerous projects with efficiency in cooling and sewerage and we want to build on this success and subsequently our market share," adds Murali Ranganathan, Business Development Manager, Advanced Composites.



EII sponsors Eighth Forum of Gulf Handicapped Association



EII sponsored the Eighth Forum of the Gulf Handicapped Association, which was held in March, 2008 at the Radisson SAS Hotel, Sharjah.

Held under the patronage of Member of Supreme Council and Ruler of Sharjah, His Highness Sheikh Dr. Sultan Bin Mohammed Al-Qassimi, the event served as a platform for exchanging ideas to better the lives of special needs individuals and their families in the region.

"This forum is a step in the right direction for easing the lives of people with special needs and their families. It brings together several institutions working towards innovative ideas to improve the lives of special needs people. The support of EII to the event highlights our commitment to initiatives that contribute positively

to the development of all segments of the society," said Mohammed Saeed Al Raqbani, Deputy Chief Executive Officer, EII.

In its eighth edition, the forum was organised by the Handicapped Guardian Association, an organisation established to protect and safeguard the rights of members of the society with special needs through cooperation with governmental, national and international institutions.

"It is through the cooperation of influential segments of society that a viable impact can be made in guaranteeing the rights of those with special needs. We are proud to have EII as one of the sponsors for the Forum," said Dr. Yousif Bin Hassan Al Sabiri, Chief Executive Officer, Handicapped Guardian Association.

EII and Corporate Governance

Group CEO, Dr. Khayyat discusses the way forward for corporate governance in the GCC



Since 2006, the spotlight on corporate governance standards has been firmly fixed on the GCC. Far from left untended the issue has been tackled head on ever since the stock market correction to fuel an initial drive to “upgrade” governance frameworks.

Despite the fact there was no clear linkage between the price drop and corporate governance practices, the period acted as a catalyst to help address issues surrounding organisations in the region and the way forward. It was an intriguing time but it led to some fascinating insight and initiatives. It’s something that has inspired us at EII but I’d like to think we’ve helped pioneer in this field.

Organisations across the GCC, including EII, are now heavily preoccupied with building on the initial inspiration created by the stock market correction of 2006 in order to raise the GCC’s corporate governance practices to international standards.

The aftermath of the stock market downturn in 2006 demonstrated that there was a clear desire for an improvement on the region’s corporate governance standards. The first step to any kind of change is to recognise the reality and the facts in the GCC were that there was a need to increase governance standards for a number of pertinent and economically driven reasons.

One of these factors is the increased corporate activity by GCC corporations in international markets. Even in 2006 there was USD25.9 billion worth of acquisitions in the UK, Europe and North America from GCC corporations. 2007 and 2008 have been further demonstrations of foreign assets being hugely attractive to organisations from the Cooperation Council, with major Western banks and institutions having major stakes acquired.

As a result, such activities have led to an increase in GCC private sector standards, with a desire and requirement to be more in-line with international best practice. The growth of the private sector in the GCC will almost definitely



correlate with an increase in corporate governance standards.

The key issue here is the need to build confidence from within and from abroad. Investment from abroad requires a broad adherence to such governance standards and there has been a real effort in the region to ensure that those standards are adopted by larger organisations to small and medium-sized enterprises. One of the strengths of EII’s business is the ability to disseminate and transfer our high corporate governance standards to our subsidiaries, generally medium-sized companies with huge potential for growth in the manufacturing sector.

Our organisation is one of the indirect and direct proponents of corporate governance in the region, helping to push forward its activation and dispel international myths in recent times. One international research study conducted by a leading global asset manager, which concluded that ‘emerging markets are still lagging behind practices’ in more developed economies, moved us to highlight the improvements seen in the last two years.

Of course, there is much ground to make up on international standards. That isn’t the question. The question is how to make up that ground, and such studies only help to stifle the improvements we’ve made. It’s critical to focus on what is being done and it’s clear that there is a tremendous amount of work conducted to improve the entire region’s corporate standards.



Meanwhile, the region’s decision to create discussion and consensus can only benefit the improvements already being made to the GCC’s corporate governance standards.

There are now institutions dedicated to enhancing broad and intricate corporate governance improvements across the GCC, complemented by conferences and forums, which delineate the next steps for improvement. So there is a very bright future we are building here.

EII practices what it preaches. We’ve ensured that not only within the organisation but throughout all of our partners, there must be an elevated standard with regards to transparency, accountability and business conduct in order to directly influence the direction of corporate governance in the GCC.

In terms of direct impact on the GCC’s governance landscape, we have established a ‘Corporate Governance’ manual that has been ratified by all board members and subsidiaries, and outlines the best practices appropriate for a growing global brand like Emaar Industries and Investments.

Within the newly established Corporate Governance Handbook distributed organisation-wide, we stipulate a Code of Business Conduct, which governs the company and its subsidiaries’ commercial operations and the conduct of directors, employees, consultants and any person representing the company.

This is one of our early initiatives to maintain elevated levels, but the region is reflecting a real push towards better standards across numerous sectors and industries. We know that at EII, we will help to lead in this push towards a common benchmark.



Interview with Dr. Raed Al-Zubi, General Manager, Advanced Composties

What have been the key market conditions that have led to your success?

The unprecedented growth of the real estate sector is well documented in the GCC. Primarily, our growth has been interlinked with the real estate sector and with the increase in infrastructure projects across the region, we will continue to grow.

Looking to the future, we will evolve to a point where we will need to provide more GRP and Composite solutions to our clients as there will be a need for more integration.

The oil and gas sector will be another driving factor but our R&D will be critical as we go forward. We have a creative spirit in regards to our R&D, it is part of our fabric. This way we will ensure that we can provide more value-added services.

Which markets will you plan to expand into in the coming year?

Our expansion is primarily focused on increasing our commanding position in the district cooling and drainage/sewerage markets. We will definitely see some developments into the oil and gas sector.

Geographically, this year, we are focusing on building our capacity in the UAE. But in time we will set up outside of the Free Zone in Al Hamriya and across the region.

How has EII helped to realise AC's ambitions?

EII is a marquee name, a brand that commands respect across the region and the world. AC is a part of that and this critically opens up doors that perhaps weren't previously so easy to open.

It is also a seal of quality – a demonstration that we can produce the highest level of quality.

In terms of direct input, apart from financial, we have had a number of initiatives designed to improve our processes and this is ultimately a great asset to have.

Are there any competitors able to do what you do?

It's true that there are organisations engaged in GRP and Composite production and there are also a number of companies in the drainage and sewerage business.

However, at AC we view competitors as our partners. Their success breeds our success and in turn, positively impacts our industry. We believe in our product and its ability to provide genuine peace

of mind to our clients. AC does this cost effectively and with the signature quality synonymous with our name, AIG and EII.

How far are you into your work in Libya?

We are at the midway stage of our initial project in Libya, which is the Great Man-made River Project. At the moment we are providing well casing for the Ghadames Well Field with Glass Reinforced Epoxy.

What synergies do you benefit from AIG?

Primarily, we enjoy the craftsmanship that has become characteristic of AIG's solutions. That spirit is embedded in AIG and therefore our work. We are a solution provider for the piping networks across the region but we are also required to provide the ultimate in terms of craftsmanship that allows our work to continue to stand out.

What products and services does Advanced Composites provide for the mechanical, electrical and plumbing (MEP) sector?

Advanced Composites (AC) is a solutions provider for the entire sector. Our solutions come in the form of our GRP systems for district cooling and well casing purposes.

We also provide a manufacturing, installation and testing service for our piping so that we satisfy our own high standards.

In which areas of the Middle East does the company operate?

AC is located in the Al Hamriya Free Zone in Sharjah and as a result of our success here, many of our projects are based in the UAE. However, our success has led to contracts further a field and we're in a position to distribute and install all over the world.

What types of products are produced specifically for the district cooling sector?

Quite simply, we produce GRP piping systems for the district cooling sector.

Across our client base we've also supplied leading contractors in the UAE such as Darwish, NCTC, Black & Veach and SIXCO with products for drainage and sewerage plants.

We also developed a unique GRP piping system for well-casing.

Will the firm offer services and/or products to other areas of the world in future? If yes, where?

We already do. I mentioned our work in Libya. We've been contracted to work on our well-casing GRP systems to support the Great Man-made River project in Libya. This is obviously a prestigious project from our perspective as it was identified and created by Muamer Gaddafi in the early 1980's.

What are the main challenges facing the piping industry in this region and how are you tackling these?

The main challenge from AC's perspective is the increase in cost of raw material.

Our approach is centred on continued improvement and development of creative and cost effective solutions to increase productivity and efficiency. This will offset and counterbalance the issues surrounding raw material prices.

Do the products need any special treatments or coatings, for example, to cope with the extreme climatic conditions in the Middle East?

One of main benefits of GRP piping systems is that they require no special treatment or coatings as opposed to other forms of piping systems. They are exceptionally chemical resistant and have high mechanical properties that cope more than well with the climatic conditions of the Middle East.

On which projects are your products currently being used?

Dubai Festival City District Cooling, Dubai, UAE

Great Man-made River, Libya

Sharjah Ring Road, Sharjah, UAE

Jumeirah Village South Phase I – Triangle Area, Dubai, UAE

Jumeirah Village South Phase I – Circle Area, Dubai, UAE

Burj Dubai Development, Dubai, UAE

Effluent Pumping Station & Underground Reservoir at Al Shahba Area, Sharjah, UAE

Repair of Corrosion Carbon Steel with GRE Wrap for Equate Petrochemical Company, Kuwait

International City, Dubai, UAE

Case Study – Advanced Industries Group (AIG)



BACKGROUND

Advanced Industries Group (AIG) has registered 100 per cent growth since it entered into partnership with EII.

As a subsidiary of EII, the group has gained exposure, recognition and the capability to realise its dreams and expansions, says Dr. Ahmad Khayyat.

“EII’s association with AIG started more than two years ago and it was one of our first few partnerships,” says Dr. Ahmad Khayyat, Chief Executive Officer, EII.

“Faysal had started these three companies and developed their business to a level that prepared them for a partner like us that will help them achieve the vision he had put in place,” says Dr. Khayyat.

“We grouped the three companies under AIG, a strategic decision aimed at ensuring the manufacturing of products to a standard unsurpassed by any other company and becoming a model for other companies within the industry. In the past two years the companies have done very well in terms of their growth, market penetration, expansion of product range and development of new technologies.”

AIG

The group’s three base companies are Haseeb Rasoul FZC (HRC), a globally renowned master in furniture and interior fit-outs; Advanced Composites (AC), an award-winning company providing essential services in GRP infrastructural piping systems and Specialised Metal Systems (SMS,) specialising in furnishing schools, colleges and universities.

This unique fusion of expertise and facilities, enables AIG to cater to the essential requirements of almost any development.

The group has a purpose-built industrial complex located within Al Hamriyah Free Zone spread across 500,000 sq.ft. With over 2500 employees the group’s annual sales figure has reached USD200 million.

The base companies have unique manufacturing capabilities where each of the three companies distinctively adds value to the manufacturing process involved at AIG. They are involved in different specialties including chemical, engineering, real estate as well as general services, providing clients with an array of products and services.

“As a joint initiative of EII, Zabeel Investments and Prime Investments, AIG signals a new dawn in manufacturing, where the focus is on pioneering products and systems and creating niche markets. There has been a natural synergy between the managements that has helped us develop and grow in a transparent way,” explains Faysal Rasoul, AIG’s CEO.

“Our vision is to continue attracting advanced industrial technologies that will become a cornerstone for the regional economy, and our mission is to further build on our successful and established growth model through innovation in production and human processes. Our ability to offer comprehensive manufacturing excellence in niche segments is the result of the strategic merger between three eminent specialists,” adds Rasoul.

Haseeb Rasoul

HRC, a leading manufacturer of furniture and interior fit-outs, draws on its wealth of local and international experience spanning over 40 years to satisfy a loyal clientele. The company’s outstanding work is reflected in every project undertaken, including several prestigious 5-star hospitality developments. Combining the use of the latest technology with high-end machinery and advanced production processes has earned HRC its identity as a specialised manufacturer, well adapted to the concept of mechanising skill.

The company is currently in an expansive mode. It is in the process of setting up a manufacturing facility

in Jordan to cater to the growing demand for hospitality projects coming up in Jordan and the surrounding areas. HRC will be the major owner in the new factory which is expected to start operations later this year.

The company has also been invited to do a project in Pakistan. Besides geographical expansion, the company also recently expanded its facility and man force.

Some of its prestigious projects include Between the Bridges in Abu Dhabi, Burj Lake Hotel, Dubai Marina Mall, Dubai International Airport Expansion, Rose Tower, Al Murooj Complex, Arabian Ranches, Shangri-La Hotel, Fairmont Hotel and Madinat Jumeirah, all in Dubai.

Elsewhere it has executed Four Seasons San Stefano in Egypt, Museum of Islamic Arts in Qatar, Balzac Hotel in France, Four Seasons – West Bay, Qatar, Hyatt Regency in Morocco and Cegali Hotel, Qatar.



ADVANCED COMPOSITES

Advanced Composites was established in 2000 and is today a prominent producer of GRP infrastructural piping systems with an illustrious clientele. AC has proven its competence in pioneering solutions by providing the first complete GRP piping systems for district cooling and by developing a unique GRP system for well-casing. The company’s award winning services have received accolades in the local and global markets and it enjoys the highest accreditation from the American Petroleum Institute.

“What distinguishes us from the rest is we have developed new products that are unique to the market. GRP system for well-casing, for example, has helped us bag prestigious, unique and highly challenging projects such as the Great Man-made River project in Libya,” says Rasoul. The company is supplying for 120 wells.

“We have also started with district cooling and ours is the first company to provide the complete GRP solution in district cooling including production, design, engineering, installation and commissioning of the system,” he says. This has helped AC win several prestigious jobs for Palm District Cooling, a subsidiary of Nakheel. The company has done almost 100 km of district cooling projects worth over AED 300 million.

Some of the projects include Jumeirah Village South Phase I – Triangle Area, Jumeirah Village South Phase I – Circle Area, Burj Dubai Development, Effluent Pumping Station & Underground Reservoir at Al Shahba Area, Sharjah and Repair of Corrosion Carbon Steel with GRE Wrap for Equate Petrochemical Company, Kuwait.

AC has the latest CNC machinery and enjoys the highest accreditation and certification from the American Petroleum Institute (API). It is currently developing new products for the oil and gas sectors.

“In a nutshell, Advanced Composites is a solution provider for infrastructural projects ranging from oil and gas to district cooling, well-casing, drainage and sewerage to processing plants,” he says.



“We have experienced huge expansion in terms of machinery and personnel from the time EII has been with us. Our production capacity has expanded four times and we have also doubled the workforce,” says Rasoul.

SMS

SMS is a reputed producer of education industry furniture, backed by a decade of experience; with over 1000 schools, colleges and universities in its portfolio. It recently supplied 32,000 desks and chairs to 50 federal government schools.

SMS has further broadened its horizons by expanding into the manufacturing of office, hospital and laboratory furniture and fittings. A full-fledged architectural metal works division, equipped with the latest CNC machinery, enables SMS to provide a high output, while catering to client-specific requirements.

“We provide service to hospitality and large commercial projects. We have recently launched a new product line – metal doors and fire rated metal doors,” says Rasoul adding that AIG is unique as no other group offers such a diverse range of products under one roof.

“Research and Development is the key to successfully identifying new products and locating and targeting new market niches to maintain a competitive edge. Looking ahead, we see many opportunities for a phased and synchronised growth achieved by adopting horizontal and vertical patterns. To this end, we have funds in reserve to increase our capacity and further invest in research and development.

We are also keen on expanding our portfolio and growing our list of clients by identifying new projects, catering to emerging market trends and by providing products with unparalleled quality. At AIG, we are continuously acquiring and developing new technologies and processes that will help us further increase efficiency.

Our most valuable asset is our team of professionals. Therefore, we invest time and effort in our employees, focus on providing them with required training and help them share in our growth and our future,” says Rasoul.



THE FUTURE

For 2008, AIG plans to expand its business into new geographical locations. Besides Jordan which is already in place, it is looking at opening a facility in Abu Dhabi for AC, and entering the Pakistan market with both HRC and AC products.

A combination of a healthy market along with unique and specialised products and being a part of EII has given us the capability to realise dreams. With EII and Zabeel as partners, the sky is the limit,” he concludes.

EII’S ROLE

EII’s role in all its partnerships has been to provide its expertise to help re-engineer the financial position of the company, to open roads and create a network to expand business and most importantly to help associate ourselves with the management and help them in creating their strategies forward,” says Dr. Khayyat.

“In its third year of operation, we do not have many figures to compare with but I can say that with the input and support of our partners we managed to expand our business, and the revenues generated by the group increased from AED 600 million in 2006 to AED 1.4 billion last year, which is good for the shareholders as the value of our shares has increased substantially,” he says.

Subsidiaries

Multiforms

A leading manufacturer and supplier of custom aluminium curtain walling and cladding, and a range of advanced architectural materials.

Mammut Building Systems

One of the region's largest manufacturers of pre-engineered steel buildings (PEBs) and polyurethane injected sandwich panels.

Caparol LLC

Specialist in the production of exterior and interior paints, enamels, glazes, façade, insulation technology, cladding and rear-ventilated façade (VHF).

Starwood Industries

A primary manufacturer of quality internal and external doors, wooden and aluminium kitchen cabinets, and wardrobes.

Haseeb Rasoul

A prime player in the field of furnishing and interiors, specialising in the production and supply of woodwork in addition to turn-key interior works and decorations.

Advanced Composites

A design and manufacturing company supplying quality and high-performance corrosion-resistant Glass Reinforced Piping products to municipal, industrial, marine and Oil & Gas industries.

Specialized Metal Systems

A key producer of school furniture and a specialist in the field of metal works and stainless steel fabrication.

Emirates Jewellery Manufacturing Company

A joint-venture company between EII and Damas producing a full range of fashion jewellery, from individual diamond and gold collections to more generic pieces.

Emiratex

A UAE-based industrial-scale laundry and dry-cleaning service provider that principally serves the booming hospitality sector of the UAE.

Dynergy Technologies

Specialist in the assembly and supply of Medium Voltage (MV) and Low Voltage (LV) electrical switchboards and operating with specific focus on energy solutions for local communities, hotels and tower projects.

United Arab Chemicals Carriers

A shipping company aimed at operating 27 tankers in the Clean Petroleum Products & Commodity Chemical markets.

Depa United Group

A holding company for a group of complementary subsidiaries whose services include finishes for floors, walls and ceilings, the refurbishment and upholstery of furniture and case goods, and design coordination.

Site Visit – Emirates Jewellery Manufacturing Company

Within six months, Emirates Jewellery Manufacturing Company (EJMC) has become a mainstay of the regional gold jewellery production market. EII's investment in this Greenfield project is already producing significant returns.

EJMC's General Manager, Mr. Paresh Dhanak, is confident that the company will begin producing 1 tonne of gold per month with the managerial and investment support provided by EII.

Meanwhile, looking around EJMC's production facility in Jumeirah, it is clear that the company has become operationally competent in a very short space of time. From the melting process, to the design centre and to the assembly zone, EJMC is a company capable of producing some of the most intricate gold jewellery the region has seen.



"Currently, we are generating revenue close to AED 15 million a month and this is thanks in large part to the long-term perspective taken by EII. They've understood that Dubai is a gold trading hub and the potential for building the capacity of the gold jewellery market in the region is boundless," says Mr. Dhanak.

EJMC has a solid distribution base and has consistent dealings with the major retailers and wholesalers in the MENA and the Subcontinent. The ability to distribute gold from such a large-scale facility is a direct result of the division of labour across the EJMC facility.



Mr. Dhanak takes us to the 'melting' section where wires of gold are melted into rods and plates, which are more manageable for the rest of the production process. Once these rods and plates are melted at temperatures close to 1100 degrees Celsius, they are shaped at 200 degrees into thinner rods and plates.

These more manageable shapes are easily molded in the 'casting' section. It is here that the design process can now begin. Basic shapes are produced that can be carved and polished on the first floor of EJMC's facility.

Prior to this stage, the design team gets involved in the production process. The sales team consults with retailers and customers to see what designs are in vogue across the various markets in the region. Then the design team creates manual sketches that the sales team approves and the first prototypes can go into production.



Much of the production process is by hand. However, EJMC's ground floor also has machinery that produces some of the essential elements required for the final design. This kind of machinery will increase with the support of EII, which in turn will help to bolster production.

On EJMC's first floor, the company's intricate assembly line begins with a cleaning treatment that allows the surface of the gold to be better prepared for the final designs. This process is a mixture of heating and polishing. Then the prototypes approved earlier, can begin to take shape. These are handmade and require a clay mold that will further shape the gold produced on the ground floor. Once out of the mold, the assembly team begins initial filing of the gold, honing the precious metal into the variety of final shapes required for the design.



There are numerous assembly teams for the various styles. For example, one team will specifically deal with traditional Arabic designs. The assembly team can then begin the stone setting process.

Other assembly departments work around a silver die cast that begins its life in a rubber casing. This is vulcanised and the cavity produced by the design will be filled with wax. The wax is assembled as a 'tree' based on the design plans and this is then covered with liquid plaster. The wax is then heated and drains away as it melts.

The cavity produced by the plaster will accommodate the liquid gold and then the designs that are polished and assembled by hand take final shape.

Some of the most beautiful jewellery in the region is showcased at EJMC's facility and the raw potential of the organisation is clear. An efficient production process has led to a quick success rate for a fledgling company under the EII wing.

Your feedback is greatly appreciated. For comments and suggestions, please email us at: newsletter@eii.ae

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