

Annual Newsletter. Issued December 2019

Welcome to our Knauf Egypt newsletter for 2019. Share our pride in the achievements of the past 12 months, and our eager anticipation of the year to

Hello 2020!

Years of success in Egypt and more to come

Our New Hotline 15085 Newsletter Available in: Arabic / English

## Be the First to Catch Our News!

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#### Chairman Welcome Letter

## Building Foundations for a Successful 2020

Dear Valued Customers and Colleagues

As our  $22^{nd}$  year of business in Egypt draws to a close, we look back over the past 12 months as a pivotal point in our growth and expansion. This has come through a diversity of initiatives, with accomplishments stemming through great teamwork, a keen willingness to embrace new technology and a solid appreciation at all times of the human factor in our business relations.

Local production of gypsum has increased through the expansion of our Suez plant, allowing for a 100% increase in plasterboard production, alongside a new facility for the production of gypsum tiles. This in turn has improved our product supply to a rapidly expanding local market, in addition to improving our export figures. By building on our excellent relationship with our suppliers, consultants, distributors, contractors and other industry professionals we deal with on a daily basis, we have been able to expand the Knauf name and product reputation to new levels. Adding to this, Knauf Egypt has been a prominent exhibitor at key industry events throughout the year, showcasing the latest products with a competent team available to meet inquiries.



On a more local level, we have hosted many events to celebrate occasions on the Egyptian calendar. These have brought together many of our business partners at all levels, giving them the chance to mix and mingle with our Knauf Egypt team in a warm and sociable ambiance. A high point of 2019 came with Knauf Egypt becoming a founding member of the Egypt Green Building Council. The mission of EGBC is to make green building in Egypt a standard practice, in addition to increasing public awareness about sustainability and green building through its different programs. Through this it aims to encourage better use of energy, water and material resources, this will have a positive economic impact for users and reduce subsidy costs for the government. With environmental principles being part of our ethos, both locally and globally, this move has reinforced our commitment to sustainable building practices in Egypt.

Please read on to learn more about what 2019 has meant for Knauf, and accordingly for you, our valued business partners.

Sincerely,

Emmanuel Sigalas Knauf Egypt General Manager

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# Ms. Isabel Knauf Meets with the Egyptian President Abdel Fattah El-Sisi to Present Knauf Expansion Plans in Egypt

Egypt's President, Abdel Fattah El-Sisi, met with a delegation of leading representatives of the German business community in Egypt in the presence of Germany's Federal Minister for Economic Affairs and Energy, H.E. Peter Altmaier, on the 3<sup>rd</sup> of February this year.

Ms. Isabel Knauf, a member of the founding family of Knauf and board member of Knauf Group, who is directly responsible of the company's business development in the Middle East, Africa, Southern Europe and South Asia, was a key member of the delegation.

Knauf, as a company, already has a presence in Egypt and its products have been used in commercial and residential projects across the country.

During her presentation to the President, Ms. Knauf demonstrated how Knauf Egypt is planning to expand its presence in the Egyptian market, along with strengthening current investments in Egypt.

Germany is a major investor in Egypt; and Knauf alone holds one sixth of the total German investment in Egypt, which is a significant amount for just one company.

President Abdel Fattah El-Sisi expressed his interest in Mrs. Knauf's presentation, an indication of how important the company's further investment will be to Egypt's development.

www.english.ahram.org.eg

## **Opening of Egypt Factory Extension**

This year saw the opening of the new extension of the Suez plant, with capital investment by Knauf International GmbH along with Knauf Egypt Ltd and Partners.

The project has effectively doubled previous plasterboard production capacity to around 30 million  $m^2$  per annum. June 2019 saw the launch of a new gypsum tile facility, with the launch of a 60cm x 60cm tile geared to meet market requirements. With a production capacity of 1 million  $m^2$  per annum, this local product will meet an increased need by the local construction industry.

Already the leading name in the local gypsum market, the boost to production has allowed Knauf Egypt to further penetrate the local construction field, while providing valuable regional export opportunities. Stringent quality standards are adhered to, with regular visits by Mrs. Isabel Knauf and the regional Technical Manager, meaning that local customers are assured of receiving the high quality end product associated with the Knauf name worldwide.

Production of plasterboard
Millions sqm

35
30
25
20
15
10
5
0
2018
Years





www.knaufegypt.com

#### Knauf Egypt Leads the Industry to the New Sustainability Era in Egypt









## **Knauf Egypt Becomes Founding** Member of Egypt Green **Building Council**

Already widely lauded for its support of environmentally friendly construction and the production and use of sustainable materials. In November 2019, Egypt Green Building Council has welcomed Knauf Egypt as its first founding member of the Egypt Green Building Council.

Egypt GBC is affiliated to the World Green Building Council, which encompasses a global network of more than seventy Green Building Councils and 32,000 member companies to encourage and support the construction of 'green' buildings. Clear targets have been set by the World Green Building Council to battle global warming and CO<sub>2</sub> emissions by the year 2050, through improved use of resources and better building practices. Egypt GBC has outlined clear goals in its mission, including reconciliation of people with nature and the restoration of ecosystems by balancing ecological, social, and economical aspects.

With the environment and sustainability rapidly becoming a priority, Knauf has been active in embracing the need for more awareness both locally and globally. Through its membership of a highly respected organization like GBC, Knauf Egypt will be able to exert an even greater influence in the growth of sustainable building and development in the cities and towns of Egypt.

www.egyptgbc.org

www.worldgbc.org

## Knauf Egypt Delivers Important Message at The Arab Sustainability **Development Week**

Taking place for the third time, the Arab Sustainability Development Week conference organized by the League of Arab States has drawn attention to the vital issue of the creation of more sustainable methods and approaches in how we use the planet's resources. Egypt played host to the conference this year, with the coming year's conference to be held in the UAE.

Egypt Green Building Council, the local chapter of the World Green Building Council, held a session on the 5th of November in the form of a small panel discussion to talk about the challenges and opportunities involved in constructing 'green' buildings. It was attended by consultants and leading contractors such as Al Futtaim and major design companies, a representative of the World Green Building Council and the Middle East and Africa Coordinator. The discussion included Net Zero buildings, a form of green buildings that are so advanced as not to need any energy or any external resources. Based on zero energy, zero water, and zero waste, these buildings are self-sufficient enough to provide their own energy and water for ongoing use.

The focus of a parallel session of the main conference, held on the 6th of November, also covered this subject, and addressed practical models from the private sector, whether suppliers or designers of buildings. Special coverage was given on sustainable products used in the construction of various types of buildings, with products from major global building product supplier Knauf being an example. The day also saw the official launch of the guiding standard for the rationalization of various types of buildings, as carried out by the Egyptian Council.

This leading event on the year's calendar was attended by a wide spectrum of the community, from consultancy professionals, interior, architects, engineers, contractors, construction material suppliers, university students and representatives of government agencies to the media and members of national and international organizations.

www.asdweek.com - www.egyptgbc.org www.worldabc.org











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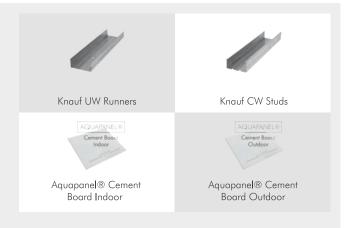
## Knauf Egypt Exports Increase with New Markets

2019 has been a landmark year for Knauf Egypt exports. Its market share has increased exponentially in East African markets, in comparison with the preceding year. The Uganda's market share has seen an increase of 20% over 2018, while the Sudanese's market share has enjoyed a 10% increase. These increases have been attributed to application of a different marketing strategy, with a tactical plan to increase market awareness of dry wall construction systems. More products were added to the East African market shares' portfolio, specifically plasterboard in a range of thicknesses tailored to the local building requirements.

A new export initiative has also resulted in penetration of the Syrian and the Libyan market shares, where long-term reconstruction programs will require a steady supply of quality building materials. Expansion of export activities in East, West, and North Africa, and West Asia have resulted in a growth rate of almost 23% in comparison with 2018 figures.







# New Products Introduced into the Egyptian Market

Efforts to increase awareness of the suitability of Knauf products and new building techniques have paid off with the addition of many new items into the available range of building materials, accessories, and systems.

New profiles have also been added to the production line, creating more versatility to our products range serving different products' segments:

- CW 50x0.5mm, CW 70x0.5mm, UW 50x0.5mm, UW 70x0.5mm
- Aquapanel® Cement Board Indoor 12.5mm, Aquapanel Exterior Cement Board 12.5mm
- Universal 8mm

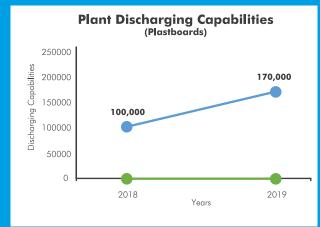
Due to launching later in 2020, Almany is expected to carve out a strong market niche due to its ease of use and versatility. Almany is a high-quality white adhesive mortar that produces a smooth finish on a wide variety of interior and exterior surfaces. Almany is a gypsum-based powder that includes chemical components and additives to help overcome flaws in rough and uneven surfaces. Aimed to be budget-friendly, it boosts higher eco-credentials as it is composed of natural components.

www.knaufegypt.com/products

## Loading and Discharging Capabilities Increase

Efforts are synchronized with the entire company teams to serve the Egyptian market and its exports at its best. Through streamlined processes and improved handling, the loading and discharging capabilities of the Suez plant have reached 170,000 sqm of gypsum boards per day. This new capacity covers both local sales and exportation. The updated loading limit, reflects an increase of 70% on the figures for 2018, meaning that the maximum capability of the plant logistics department to load sold quantities and dispatch them to both local and export markets has reached a new efficiency peak.

Equally, Knauf Egypt managed to increase its discharging capabilities, namely the maximum capacity of the plant logistics department to discharge the received raw materials per day, from 250 tons per day in 2018 to an impressive 400 tons per day in 2019.



Egypt Newsletter 2019 Knauf 05

## Improved Customer Retentions with New Programs



## Added Value for Stakeholders through New Initiative

Spearheaded by Knauf Egypt's Sales Team, free-market studies have been offered to increase the awareness of the stakeholders of the difference between lightweight building techniques and traditional methods of building.

In a market where time-honored methods are sometimes hard to displace, even by more environmentally friendly approaches and materials, this free study offers the facts required to help stakeholders to make informed decisions against the use of traditional brickwork. The study covers the impact of cost, performance, and operational needs and is offered free consultants to help them plan and conduct their feasibility studies.

## **New Subcontracting Program**

In line with Knauf's goal to improve the customer experience and increase the reach of its services and products, this new initiative offers benefits to industry partners across Egypt. The commitment to quality in both product and services is reaching new heights.

This year has seen a significant step being initiated to maximize the availability of skilled installation of Knauf systems and products. Knauf Egypt has established its credentials as a fair, dependable, and customer-oriented business partner. It has taken this to the next level by adding 25 qualified subcontractors to its installation network.

The Knauf Subcontractors Program upgrades the loop of the installation market, in terms of maintaining reliable quality and correct pricing. All subcontractors are thoroughly vetted to ensure they meet the necessary standards.



# Knauf Innovation Features in Six Landmark Projects

Tapping into an increased market demand for acoustic and soundproof materials, Knauf Egypt made waves in the acoustic market by supplying six landmark projects with German and Danish Knauf products. Knauf Cleaneo Acoustic panels implement the advanced design to offer sound absorption with an air cleaning effect.



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## Ramadan Competition Scores with High Interaction

During Ramadan of 2019, Knauf Egypt held a competition across all its digital media platforms. Random questions were aimed at increasing awareness of Knauf as a company, its products, and its values.

The public response was exceptional, with unprecedented interaction on the Facebook page. One post alone received 8,000 responses, indicating how popular this type of competition can be. Knauf team won significant insights and bonded further with their customers and partners in success.





www.facebook.com/Knauf.Egypt/

## Knauf Egypt Hosts Four Iftar Events to Celebrate Ramadan

In the spirit of sharing and drawing together, Knauf Egypt hosted several Ramadan Iftar and events to enable valued business partners to mingle with the Knauf Egypt team.

Three Iftar events took place at the Le Meridien Airport Hotel, and the fourth event was held in an open-air joyful atmosphere in 5th settlement in Cairo. It was an entertaining warm evening with our business partners full of games and competitions. The first Iftar was for the dealers and took place on the 19<sup>th</sup> of May, the second event for sub-contractors took place the following day, and the 21<sup>st</sup> of May Iftar was for consultants, main contractors, developers and designers.

Each Iftar event had 150 attendees, along with the Knauf Egypt team. The hosted around 500 attendees, all installers and technicians in the modern building and gypsum board field. The festivities and fun also included enjoyable contests.

In keeping with the mood of Ramadan, the venues were beautifully decorated to reflect the tales of the Arabian Nights.

In addition to the wonderful atmosphere and scrumptious traditional food, each event included interactive activities created to strengthen the bond between Knauf and its stakeholders.

Adding to the importance of the occasion, Knauf Egypt celebrated its 20 years anniversary with its guests, making this year's Ramadan celebration a very special milestone for everyone who attended.

www.knaufegypt.com/news-events

















#### **Knauf Egypt Trips to Partners in Success**







## Six Top Interior Design Houses Visit Knauf Werktage in Berlin

During February 2019, Six of Egypt's top interior design offices traveled to Germany to attend Knauf Werktage in Berlin, one of the critical events in the global building industry calendar. The group comprised Karim Mekhtigian and Mohamed Fares of Alchemy, Ehab Mokhtar of IDIA Design, Hany Saad of Hany Saad Innovations, Mohamed Talaat of M T Architects and Mohsen Rizk and Ahmed Tarek of Studio Five.

Knauf Egypt designated team accompanied the designers' group and enjoyed a personal familiarisation tour of the exhibition with Board Member, Isabel Knauf. The visit to Werktage allowed the designers to gain more in-depth knowledge about Knauf systems and products, in addition to seeing what exciting new advances Knauf presented in the industry.

Following up on this productive and informative visit to Werktage, the group traveled to Prague to enjoy the spectacular architecture, cuisine, culture, and scenery. It provided a valuable opportunity for the designers and Knauf Egypt team to discuss current market requirements and developments while becoming better acquainted in an iconic and beautiful location.

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# Knauf Egypt Shows Up in Force for Knauf Werktage in Mains

Knauf Werktage 2019 in Mains saw a large contingent from Egypt, comprising 12 consultants, 14 main contractors and 14 dealers, along with 8 of Knauf Egypt team, headed by the General Manager. The group gathered key business stakeholders and customers together in one unique trip, proving a perfect opportunity for exchanges expertise and knowledge. Werktage took place on the  $22^{\rm nd}$  of January and showcased Knauf products and innovations. It is considered one of the key events in the global building industry calendar, and attracts construction industry professionals from all over the globe.

After attending Werktage, the group travelled to Prague to relax and enjoy the beauty of the historic city. It created a chance for the Knauf partners to look at business opportunities and growth while strengthening bonds with the Knauf team. Partnership is an important and valued part of Knauf's ethos, and trips such as this provide a positive, bonding environment that creates benefits for all involved.

www.knaufegypt.com/news-events

## Knauf Egypt Visits Knauf Greece with East Africa Dealers

Knauf Egypt made the most of the beautiful summer weather by inviting a group of six dealers from their East African subsidiaries on a complimentary, incentive leisure trip to Greece. The group was escorted by the Export Division of Knauf Egypt, and gave the participants a valuable opportunity to bond, learn more about Knauf products and discuss the needs of the East African market.

The week-long trip included sightseeing and the chance to enjoy the culture, cuisine and lifestyle of the historic Mediterranean country. Knauf Egypt regularly hosts trips to fascinating destinations for dealers, consultants and other industry professionals, seeing them as a valuable opportunity to share information of new developments in Knauf's product range and services, while forging closer personal ties.

www.knaufegypt.com/news-events





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#### **Knauf Egypt Trips to Partners in Success**











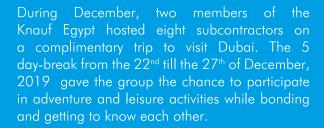








# Knauf Egypt Visits Dubai with Sub-Contractors



The exciting program included a helicopter ride, dine-in-the sky and loads of sightseeing.

The trip marked the first time that Knauf has arranged a trip for subcontractors and it offered a perfect opportunity to further study their business needs in a relaxing atmosphere.

# Familiarization Trip to Aquapanel Plant and Barcelona

During August, Knauf Egypt invited a group of developers on a complimentary orientation trip to visit the Head Office and plant of Aquapanel. This gave the developers the chance to view the technology and capabilities of the product first-hand, along with having the opportunity to ask questions and expand their knowledge of its applications.

This important visit was followed by a three-day trip to the exciting city of Barcelona, where the group was able to experience the culture, architecture, dining and amazing sights of the city and its environs.

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## Knauf Egypt Visits Aquapanel Plant with Leading Contractors

During November, Knauf Egypt hosted a group of its main contractors on a complimentary, orientation trip to visit the Head Office and plant of Aquapanel.

The contractors benefited from the opportunity to visit the plant in Dortmund, Germany, as it gave them the chance to view the technology and capabilities of the product first-hand, along with being able to ask questions and expand their knowledge of the product use. The three-day visit was followed by a three-day trip to the charming, historic city of Vienna, where the group was able to immerse itself the rich culture, architecture, dining and many sights of the city and its surroundings.

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## Gold Sponsorship of APEC by Knauf Egypt

Knauf Egypt endorsed its Corporate Social Responsibility commitment to the student community once more at the three-day Associative Power Engineering Community (APEC) event which kicked off on the 17th of March, 2019, by participating as a gold sponsor. The APEC Premium event took place at the Faculty of Engineering of Ain Shams University and was well attended by students who appreciated having the chance to interact with members of the Knauf Egypt team.

On the third day of the event Knauf gave an orientation on lightweight building and uses of gypsum board, along with an overview of workshops and training courses run by Knauf Egypt and information on how to register.

During the event Knauf team enjoyed being involved in a lot of entertaining activities and games with the students in attendance, with prizes and rewards being an added attraction. The event was obviously considered a success by all who participated, and a host of photographs will be supported by good memories well into the future.

www.apec-eg.com/events













## Knauf Egypt Draws Interest at Build Expo 2019

The 2019 edition of Build Expo took place in Assiut from April 1st to 3rd at the Exhibition Center in Assiut University.

The yearly exhibition showcases a wide range of building materials and attracts many visitors from engineering and construction professionals. This year it was held under the auspices of Major General Gamal Nour El-Din-governor of Assiut, the Egyptian Engineers Syndicate, the New-Assiut City Authority, the Nasser City Authority and the Housing and Utilities Directorate and Assiut University.

Knauf Egypt is well known as a leading supplier of a wide range of quality building materials throughout the country, and the company welcomed the chance to present its comprehensive range of modern building products and solutions at Build Expo. Dealers and distributors from all over the country, including many from Upper Egypt, flocked to benefit from very attractive deals on Knauf products, reinforcing Knauf's presence and popularity at the exhibition.

During the exhibit, students from the Faculty of Engineering visited Knauf booth to know more about the products, Knauf team was very welcoming and explained the important role their modern products play in the construction industry nowadays. Knauf workshops and training sessions in the latest in construction technology were also available for consultants, installers and students who showed considerable interest.

Always a key event in the building industry calendar, next year's event is planned to be held in Aswan.

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# Meet Osta Maher Knauf Spokes Person to Installers

When it comes to getting the message across, going with an entertaining and likable Egyptian touch works like a charm.

Osta Maher is a stereotypical cartoon character who works on social media to bring installers of Knauf products and systems up to speed with best practices and the implementation of solutions in construction. Introduced in the fourth quarter of 2019, Osta Maher has improved communication with installers and offers a wealth of tips and know-how tricks on using Knauf products and solutions using their vernacular.

This social media avatar happily receives questions all week long and answers one question every Tuesday as well until December 2019.



# Knauf Call Center Delivers Premium Customer Service

Meeting an increased level of inquiries, Knauf Egypt has taken an essential step in improving communication with the Egyptian market.

Launched in the fourth quarter of 2019, the new call center has a user-friendly, streamlined response system that allows customers to connect swiftly to the department they need, with messages being recorded to ensure better customer care.



### Training a New Generation

As 2019 closes, 1,500 trainees will finish their training activities in Knauf Egypt, with an expected 3,000 trainees due to graduate by the end of 2020/2021, after the launch of Knauf Egypt's new training centers in Assiut and Alexandria.

The new Assiut training center has been made possible through funding by the German government, and by upgrading skills will open up employment opportunities for many young people in the area.

## **Global Recognition**

- During the first half of 2019, the Procurement Department of Knauf Egypt was ranked as the 1<sup>st</sup> cost saving department in the region encompassing Southern Europe, Middle East, South Asia and Africa.
- The production plant in Egypt was singled out for recognition in July 2019 for its outstanding safety and environmental protection procedures.





2019 Moments to remember ۲،۱۹ لحظات نتذكرها













































































