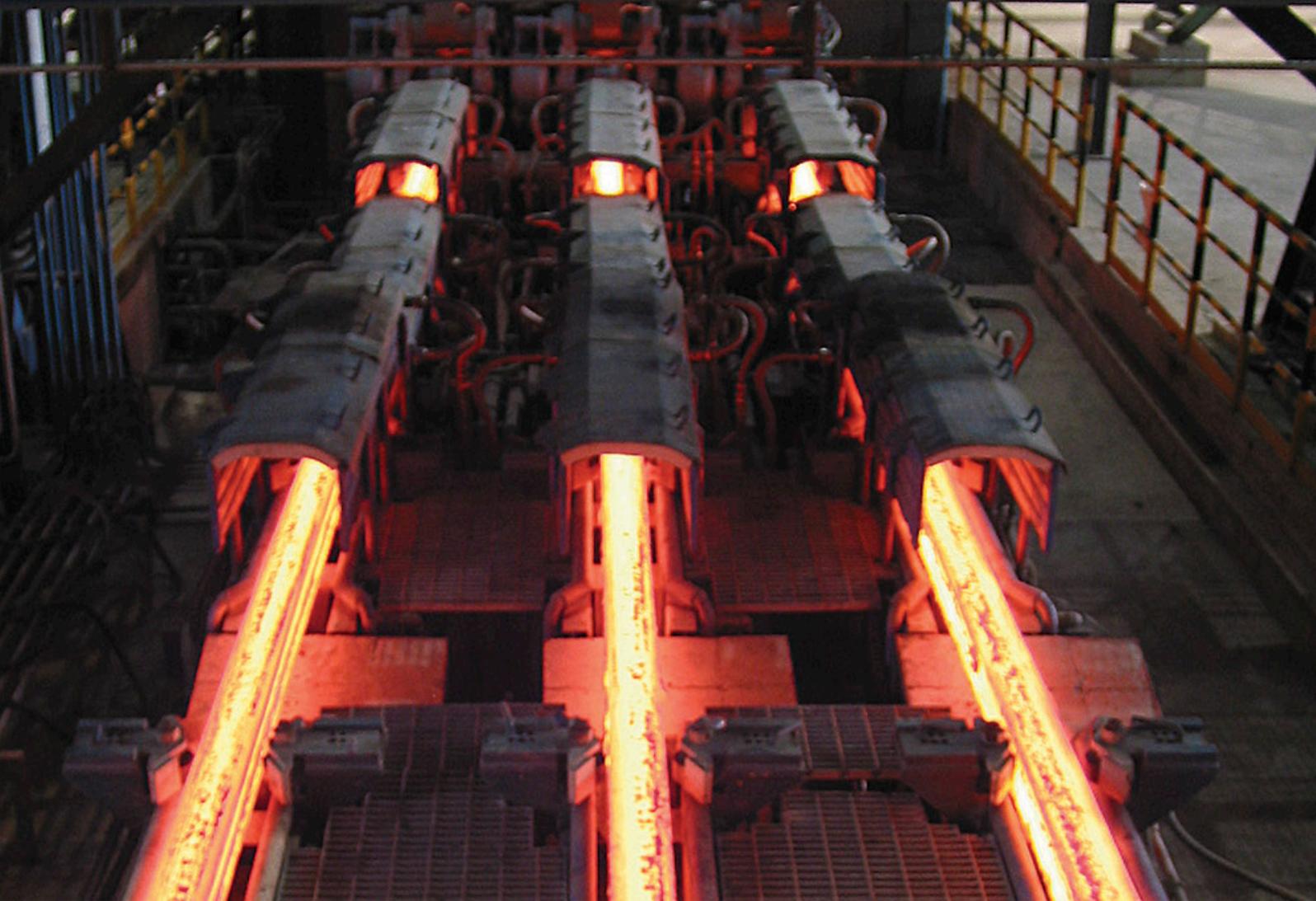


COMPANY OVERVIEW



AGAINST THE ODDS: **EGYPTIAN STEEL'S MEGAPROJECTS**

The award-winning steel manufacturer is pioneering competitiveness, sustainability and social improvements on a truly impressive scale

Written by: Nye Longman Produced by: Richard Deane



CEO Ahmed Abou Hashima



“Egyptian Steel has carved a trailblazing path”

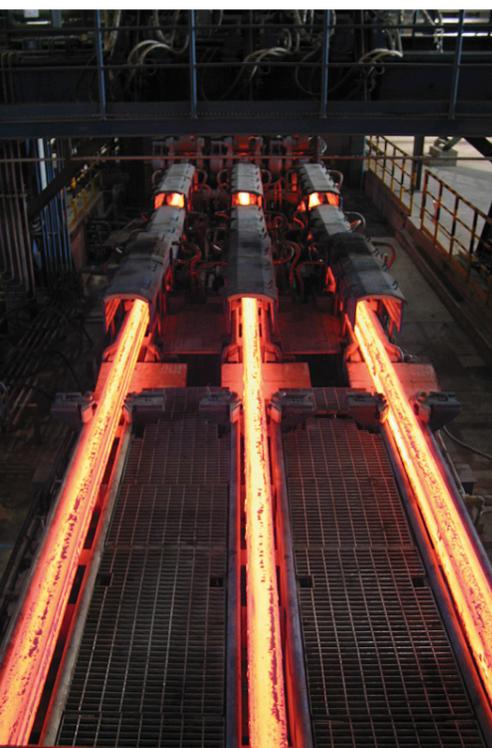
Key Personnel



Ahmed Abou Hashima

CEO

Ahmed Abou Hashima is CEO of the Cairo-based Egyptian Steel, which he co-founded in 2010. A self-made global entrepreneur, Mr. Abou Hashima has worked in the steel industry since 1996. Named one of the World’s 100 Most Powerful Arabs by Arabian Business, Mr. Abou Hashima has been the recipient of CEO Middle East’s Young CEO Award and Arabian Business’ Best Visionary awards. He was the first Egyptian to receive CEO Middle East’s Young CEO of the Year Award. He’s also the recipient of Executive of the Year Award –Manufacturing Industry at Stevie’s International Business Awards in Paris, October 2014, in addition to an honorary Golden Award in the same ceremony as “Rising Businessman of the Year”.



The company has invested \$1 billion over the past two years

Egyptian Steel has carved a trailblazing path through Egypt’s steel industry since its foundation 2010. The company has invested over \$1 billion over the past 2 years, chiefly on constructing two massive state of the art steel megaprojects, but also on developing exemplary business operations, environmentally friendly practices and CSR standards. The company is confident that its actions will contribute to a successful Initial Public Offering (IPO) in the next five years.

Operations

Egyptian Steel’s operations are divided between its subsidiaries, which comprise National Port Said Steel (NPSS), IIC for Steel Plants Management, and Egyptian Steel for Building

Materials. Alongside a portfolio of capabilities catering for the steel industry, the company also has the capacity to produce a variety of building materials, particularly cement (an avenue which the company is actively exploring.)

The business was founded at one of the most turbulent times in Egypt’s history: the January Revolution of 2011. However, CEO Ahmed Abou Hashima’s faith in his abilities and the resilience of the country paid off, he said: “It was a calculated risk, but my faith in Egypt, its people, and that we always come up stronger than before made me sure that this was a temporary phase and that eventually taking this risk would pay off. Fortunately, I was right.”

The company is seeking to expand its share of the Egyptian Steel market and has

“Each team is always updated about developments in its field and submits reports on what improvements are needed; teams act as a part of a whole, which in the end is developed for competition on an international level.”

– Ahmed Abou Hashima, CEO

invested heavily in doing so, Hashima said: “The company forecasts total production to soon represent 20 percent of Egypt’s market share.” No small feat for a company with less than a decade of experience under its belt.

Its two megaprojects, which are set to become fully operational in 2017, not only indicate a business willing to invest in the long term but also one that is not afraid of making a large scale commitment to the prosperity of the company, its employees, and Egypt.

The two facilities will each produce 830,000 tonnes of steel annually which will put the company well on its way to achieving its target market share. Hashima noted that constructions of this size required significant capital investment to get off the ground, he said: “We paid approximately 60 million dollars just to secure



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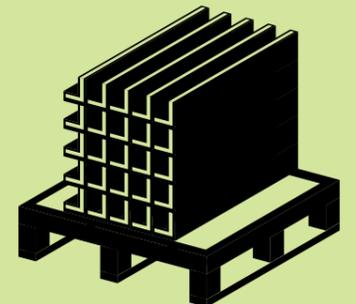
energy flow to the plants.”

The expansion is set to make the number of employees reach 6,000 in Egyptian Steel’s books, which illustrates that the company is confident in its abilities to effectively train, manage and deploy its varied workforce in a timely and cost-effective manner.

At the heart of its operations lies the principle of continuous improvement, which Abou Hashima summed up by saying: “Each team is always updated about developments in its field and submits reports on what improvements are needed; teams act as a part of a whole, which in the end is developed for competition on an international level.”

Its remarkable progress was recently recognised, when it was awarded “Rising Star”

830,000



Tonnes of steel produced annually by each of the two facilities

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-MAIN ACTIVITIES

- **Steel Station (Steel Scrap – HBI – DRI- Steel Billets/Bars)**
- **Energy Station (Pet Coke-Coal)** • **Grains Station** • **Fertilizers Station**
- **Cement & Clinker Station** • **Mining Station**

-SESCOTRANS is providing Logistics support for **EGYPT MEGA** projects

- **NEW SUEZ CANAL** • **NEW PETROLEUM REFINERIES LABS**
- **NEW POWER PLANTS** • **STEEL PLANTS**



EGYPTIAN STEEL

CONSTRUCTION

status at the Platt's Global Metal Awards.

Talent Management

Since its inception, Egyptian Steel's workforce has grown exponentially yet Abou Hashima and his management team still have the time, resources and willpower to ensure that each employee is not simply loyal to the company and its vision, but also a fully-rounded professional.

He said: "We choose the best calibre people and work on developing them, implementing the relevant corporate governance so that each person has a solid idea of their career path and what is expected of them to achieve this; we all work together as one big family."

Backing up its close-knit, skill-centred approach to employee development is the company's strong HR team, backed up by a philosophy committed to what can be achieved in the future; this is exemplified by the large number of varied graduate internships offered by Egyptian Steel.

Sustainability

Developing sustainable practices will always remain a challenge in the steel and building materials industries, but this has not hindered the company and has, in fact, become a profitable pursuit. Abou Hashima said: "The technologies we use depend on constant charging of scrap in electric arc furnaces without hatch opening, which secures shortened melting time, saving energy while controlling harmful emissions, and



Receiving the Platts Global Metals Awards

'Its remarkable progress was recently recognised, when it was awarded with 'Rising Star' status at the Platt's Global Metal Awards'



“The production process does not consume as much energy as our competitors”



At the heart of its operations lies the principle of continuous improvement

limiting strain on the national power grid.”

The competitive edge that companies are gaining from the adaptation of efficient technologies is becoming harder to ignore, Abou Hashima agreed: “This resulted in having a price competitive edge for our products, since the production process does not consume as much energy as our competitors; our plants do not negatively affect the communities they operate in.”

Social Responsibility

Abou Hashima summed up his business’s attitude to social responsibility: “I believe that the private sector has a major role in developing and

enhancing the living conditions of the people. The government will not be able to address all problems on its own. At Egyptian Steel our CSR program is one of our top priorities.”

This commitment has already been put into practice at the most trying of times in the country’s recent history; during one of the coldest winters on record, the company was responsible for the distribution of 20,000 blankets.

Egyptian Steel’s commitment to helping the less fortunate has even taken priority over other aspects of the business, Abou Hashima said: “In 2014, we cancelled both our advertising and marketing campaigns and directed all the funds toward revamping Egypt’s 20 poorest villages. The living conditions in these villages were inhumane; they had no clean water or electricity. We wanted to ensure that these people lived in a human environment.”

Its CSR activities have not gone unrecognised and have received many awards, notably the silver ‘CSR Program of the Year’ award from the 2014 Stevie Awards in Paris. This accolade is much coveted and is from an awarding body that seeks to “honour and generate public recognition of the achievements and positive contributions of organisations and working professionals worldwide.”

The next half of Egyptian Steel’s first decade is set to be just as exciting as the first half: in that time its megaprojects will operate at full capacity; its first cement plant could also see the first bags roll off the production line, and the company could very well be floated on the Egyptian Stock Exchange. ■

Company Information

INDUSTRY

Building Materials

HEADQUARTERS

Cairo, Egypt

FOUNDED

2010

EMPLOYEES

Expected to reach 6,000

REVENUE

Not disclosed

PRODUCTS/ SERVICES

Steel Production





Land 221 – 2nd sector, 5th settlement, New Cairo, Egypt

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