

# Our Business

# SHAHEEN

Volume I, Issue 1

April 2010



# SAP

is **AIG** Business  
Technology Partner

Astra Industrial  
Starting  
SHAHEEN Project







Volume I, Issue 1 April 2010  
 SHAHEEN is prepared regularly by ASG Ltd. for its employees, customers, suppliers, and business associates.

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# Introducing Shaheen



Seated, from left to right: Salman Al Fares, Kameel Sadeddin, Sabih Masri (Chairman of the Board), Mohammad Al Utaibi, Khalid Al Gwaiz (CEO)  
 Standing, from left to right: Samer Hendawi, Sameer Al Hamaidi, Bader Mohareb, Khalid Masri (Vice Chairman), Farraj Abuthnain, Ghassan Akeel, Ali Mezrawi. Not in Photo: Ghiath Muneer Sukhtian

Shaheen is a type of Falcon, which is known for sharp focus and precision to achieve flawless swift and clear execution.

# AIG

selected this name for the business solution of ERP project to build a sound Group-wide centralized system for all subsidiaries of the enterprise. Shaheen is set to achieve financial consolidation, improve efficiency, enhance group integration, support the growth of its subsidiaries and develop staff skills. This project is part of our long term vision.

Our Board Members have provided full support and commitment for this vital project to enable the group to select the best fit standard system and implement the best business process practices supported with state-of-the-art technology.



# Shaheen Project

Project Shaheen is the start of a new era for AIG. It is an exciting business journey enabled by a powerful and well developed technology solution aimed to install culture of excellence and continuous improvements.

**A**chieving operational efficiency, effectiveness and strategic business objectives is one of its most important pillars. The road ahead is challenging indeed but rewarding for AIG clients, shareholders and staff. I look forward to working with all of you throughout this important and complex project and thank you all for the trust and the privilege you have given me to lead a distinguished team that is part of our great group.



Salman Al Fares  
Board Member & Shaheen Steering Committee Chairman



## Valuable Messages



I have a great faith in your capabilities, full engagement and support to place best practice system across the group with the highest quality and maximum return.

Sabih Masri  
Chairman of the Board



Our employees and management involvement is critical for our success, everybody's contribution is very important.

Khalid Masri  
Deputy Chairman



Congratulations to the Board of Directors for arriving at a very brilliant decision to proceed with the project.

Mohammad Al-Utaibi  
Board Member



Well done indeed, the upcoming stage is going to be much more challenging..

Ghiath Sukhtian  
Board Member



Together, we are on the way to a challenging and exciting journey to take AIG to further successes and higher levels of efficiency.

Khalid Al-Gwaiz  
Chief Executive Officer



Congratulation on this achievement as they say in France "chapeau" Job well done

Sameer Al-Hamidi  
Board Member



## Ali Al-Mezrawi to lead the Shaheen Project

The AIG Board and Management has given the responsibility of successfully implementing ERP system across the group under a reliable leadership, Mr Ali Al- Mezrawi who has been promoted as Vice President - Shared Services at group level to lead the ERP project.

Mr. Ali has bachelors degree in Systems Administration, Diploma in Computer Science and is an ERP Certified Consultant in the areas of financial management as well as manufacturing and supply chain management from the USA. He implemented a number of successful ERP and Business Process Re-engineering projects at Astra Polymers as well as outside the group.

During his twenty-year career, he got involved in all business areas including finance, manufacturing, purchasing, IT, HR and project management. "Success can be made via accumulated cooperative efforts, selecting the right system and approach are important but the human factor is the most valuable for the success of our Shaheen project", Ali said.



Mr Ali Al- Mezrawi

## SAP is a strong believer of project success at AIG

SAP has agreed for an executive sponsorship and responsibility for successful implementation of SAP ERP solution in AIG and its subsidiaries in given timeframe.

A letter of sponsorship was handed over to Mr. Khalid Al Gwaiz, CEO by Mr. Jose Duarte, President SAP for MENA, Europe & India, during a breakfast-meeting at Riyadh. Mr. Abdul Raheem Bawazeer, MD SAP Arabia, Sergio Maccotta, MD SAP Middle East & North Africa and other senior SAP officers were also present in the meeting. From AIG, Mr. Salman Al Fares, Board Member and Chairman – Shaheen Steering Committee and Mr. Ali M. Mezrawi, Vice President – Shared Services also attended the breakfast-meeting.



**SAP**  
is AIG Business  
Technology Partner



With AIG's future needs for expansion and industry sector diversification, the final selection of SAP was reached after systematic business and technical evaluation of various packages.

## WIPRO Arabia as SAP ERP Implementation Partner

WIPRO Arabia, one of the largest SAP ERP implementer in the region with 600 consultants in KSA alone, is chosen as SAP ERP implementation partner for AIG and its subsidiaries.

Mr. Durga Prasad Y, GM Wipro Arabia has signed the contract for SAP implementation at AIG and its five subsidiaries on 22 March 10 at the office of Mr. Ali Mezrawi, VP for Shared services, AIG.

On behalf of Wipro Arabia, Mr. Durga Prasad Y, GM thanked AIG Management for awarding this contract to Wipro and has given commitment on executive sponsorship and responsibility for successful implementation of SAP ERP solution at AIG and its subsidiaries in given timeframe. "As promised we will surely live up to your expectations and add value in your organization journey towards service excellence", Mr. Prasad Said.





# Shaheen Steering Committee formed

For guidance, project review and monitoring the project progress, AIG has formed the ERP Steering Committee and has nominated

Mr. Salman Al Fares, Board Member as Chairman of Steering Committee, the MENTOR and motivational force behind the entire ERP project are:  
 Mr. Salman Al Fares, Board Member & Chairman – ERP Steering Committee  
 Mr. Khalid Al-Gwaiz, CEO  
 Mr. Ali M Mezrawi, Vice President – Shared Services  
 Mr. Bader Mohareb, CFO  
 Mr. Samer Hendawi, CIO  
 Dr. Hammad Khamis, GM – TPMC  
 Dr. Maysara Rabah, CTO – TPMC  
 Dr. Gamal Hilali, Director – Marketing, TPMC  
 Mr. Mohannad Toemh, CFO  
 Mr. Mohammed Bani Ata, IT Manager – TPMC  
 Mr. Jehad Atiyad, GM – Astrachem  
 Mr. Raed, CFO – Astrachem

Mr. Mufid, GM – IBSF  
 Mr. Abdulatif Saadi, DGM – IBSF  
 Mr. Bandar Al Otaibi, Deputy Managing Director – Astra Polymers

First Steering Committee meeting for ERP was held on 14th March 2010 at AIG Head Office in Riyadh. The meeting was chaired by Mr. Salman Al-Fares, Board Member & Chairman – Steering Committee.

A detailed presentation was conducted by Mr. Ali Mezrawi about project plan and emphasizing critical success factors. Also, SAP Arabia team, led by their MD Mr. Bawazeer presented the ERP implementation methodology – ASAP along with a brief introduction of Industry Specific (IS) Pharmaceutical SAP solution.



# Proposed SAP ERP Project Plan – A Glimpse

The core ERP will be implemented in 16 months time with three phases using the following tentative Project Plan. This plan is subject to change after Business Blueprint review by AIG.

Phase \ Time Scale	M0	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	M13	M14	M15	M16
<b>Core ERP</b>																	
Project Preparation																	
Business Blueprint																	
Blueprint - AIG Review																	
Realization																	
<b>Pharma and Holding co</b>																	
Final Prep																	
Go-Live & Acceptance																	
<b>Chemicals</b>																	
Final Prep																	
Go-Live & Acceptance																	
<b>Engg &amp; Steel</b>																	
Final Prep																	
Go-Live & Acceptance																	
<b>Consolidation</b>																	
Final Prep																	
Go-Live & Acceptance																	
<b>Central Support - Post Go-Live</b>																	

## Bani Ata organized the first ORIENTATION meeting at TPMC

Mr Mohammad Bani Ata, IT Manager TPMC, organized the first SAP Orientation meeting in Tabuk Pharmaceutical Manufacturing Co. at the Tabuk plant, emphasizing the need for SAP ERP solution and the benefits TPMC would reap in future, both in terms of financial and operations management.

The meeting was headed by Dr. Maysara Rabah –Chief Technical Officer of TPMC.

This is a great encouragement for the SAP project team and it is perceived as first milestone towards our journey for the change of management. We hope similar meetings will be replicated in our other subsidiaries by the respective project managers.



## Group Events

A three-day IT infrastructure workshop was conducted to address the mentioned below items at AIG head office in Riyadh during 29-31, March, 2010:

- Addressing Connectivity issues throughout the subsidiary plants and offices.
- SAP ERP orientation.
- Data hosting and recovery plan.
- Hardware and operating system software requirement.
- Data bases.
- Security and system protection.

Our IT Managers and assistants have attended from different geographical locations, the workshop was arranged by Mr. Ali Al-Mezrawi, VP-Shared services at AIG head office. It is very valuable to have such gatherings to share our knowledge and learn from the suppliers about the latest technology developments.





# Constructing IT Infrastructure workshop

## Workshop Participants

- Workshop Participants  
 Mr. Ali Al-Mezrawi AIG, VP-Shared services  
 Mr. Mohammad Bani Ata TPMC IT Manager  
 Mr. Mike Wee Polymers IT Manager  
 Mr. Saleem Chem IT Manager  
 Mr. Siraj Munir IBSF IT Manager  
 Mr. Ehab TPMC Assistant IT Manager  
 Mr. Abdullah Al-Kiswani TPMC IT Engr



Mr. Ali M Mezrawi, VP-Shared Services and Mr. Bader Al-Mohareb, CFO and Mr. Mohammad Bani Ata, IT Manager TPMC attended two days SAP User conference in Bahrain on 16-17 March 2010 organized by SAP Arabia.



Mr. Mahmoud "AIG administrator" did a great during the workshop



Ali Mezrawi, Bader Al-Mohareb and Bani Ata attended SAP User Conference in Bahrain



Board and Top Management remarkable support

Mr. Salman AlFares, Board Member, the Chairman of Shaheen Steering Committee and Mr. Khalid Al-Gwaiz, our CEO highly appreciated the hard work and commitment

shown by IT staff during the workshop period. Mr. Khalid said it is nice to learn about new technology but at the same time it is part of our decision making process.

The IT staff presented their impression about the workshop, they highly appreciate the well organized program with huge number of participants.

Mr. Ehab TPMC assistant IT manager said "at the beginning I thought that we are about new technology but after this workshop I believed that we are more important than before if we continue as one union group sharing our knowledge & what we learned from this meeting to be able to carry this challenge and responsibility for this future project, I'm proud to be part of this group. Thanks"





## SAP Software Package Receiving during the workshop



**A** Receiving the SAP Software package makes all of us feel very warm to start Shaheen Project.

Also it makes us think very serious about our preparation for this project. Such as, are we ready with the project core team? Do we have the required infrastructure in place? Are we ready for the Change Management process? Did we orient our employees with the expected changes?

The recent IT infrastructure workshop helped the AIG to start the final design of our network foundation and to prioritize the steps toward solid integration for all subsidiaries. From the other side WIPRO as implementer started the design to integrate all our needs

according to the common group demand and understanding.

Since 22 March, which is the contract signature date with Wipro, Wipro started to prepare themselves for AIG project which will take 3-4 weeks. Then after our Shaheen project kick-off announce, project preparation between AIG and Wipro will take place in two weeks. Implementing SAP ERP across the group will be just a beginning of our journey to achieve optimum operational efficiency and quality in all our subsidiaries. Also it will help in real time financial consolidation. And we are committed to accomplish it successfully.

## More of valuable messages

### Siraj Munir , IBSF IT Mgr

Working together, share the knowledge, create a decision, are the main reasons behind the success of any large, multi task, vast diversity project. These are the characteristics of our SHAHEEN ERP Project and the way we communicated in those three days, it was really nice, valuable, and outstanding experience in a very short period of time.

After this Workshop I am fully confident that AIG is standing and depending on a very intelligent, knowledgeable and committed Board, Management and IT Team that will lead this project to success and also will lead AIG for a local and global market leadership. At the end I would like to thank our companies those allowed us to participate in this

workshop. And I would like to thank AIG represented by Mr. Salman Al-Fares "Steering Committee Chairman", Mr. Khalid Al-Gwaiz "CEO" and Mr. Ali Al Mezrawi "V.P – Shared Services" for sharing us the moments of this workshop and showing a high level of commitment and trust in our project and in our team, so thank you all.

### Mr. Saleem Mousa, Chem IT Mgr

"This challenging project needs a potential effort from everyone it will be a magnificent achievement"

### Mr. Mohammad Bani Ata TPMC IT Mgr

"It is a smart idea to have IT infrastructure providers' face to face discussions with all AIG IT experts gave us a lot of valuable information which will help us to select the best infrastructure to serve all AIG subsidiaries.

### Mike Wee, IT Mgr, Astra Polymers

"Implementing SAP is our turnkey on Business process reengineering, which opens boundless integrations in the groups "

## IT Infrastructure Workshop participants and appreciations



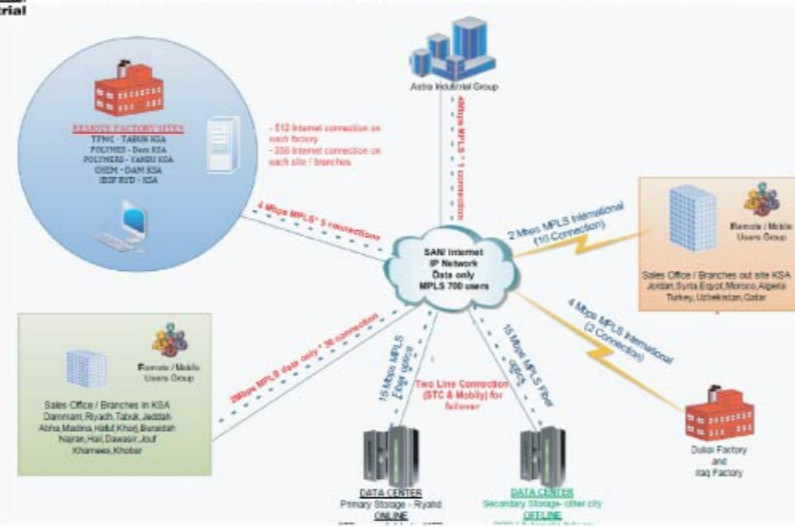


# Steps Taken Promising Success

- Internal review by a group from AIG for our systems utilization April -2009.
- E&Y IT audit Oct-2009.
- L&T did the high level of AIG business process requirements.
- Executive alignment workshop Dec-2009.
- Ali was obtained as VP -Shared services with focus on ERP 17/1/2010.
- Board approved the issuance of ERP's RFQ & RFB to three vendors.
- Many technical and commercial meetings with ERP vendors to evaluate their proposal.
- Prepared logical frame work: a systematic and systemic reflection.
- Used Advantages & disadvantages comparison analysis.
- Used SWOT analysis.
- Applied STEEPLE analyses.
- Conducted Rating comparison.
- Information gathering from local market and International reference Forrester & Gartner.
- Value proposition benefit analysis via ERP providers and internally.
- Conducting full market survey for data centers availability in the region, and start the preparation costing analysis.
- Visited, met and invited network, hardware, connectivity, operating system and system security suppliers.
- Communicating the update with subsidiaries and collecting proposed project names & logos.
- Board approval to go with SAP as centralization in single location 21-2-2010.
- Steering Committee Forming and meeting 14-3-2010.
- Contracts signature with SAP and Wipro on 22 Mar 2010.
- IT infrastructure workshop for all AIG IT staff at AIG for three days from 29-31 Mar,2010.
- Issuing our monthly Shaheen news letter



AIG will have single ERP & infrastructure to achieve Standardization, cost reduction, control, easy to upgrade and common language for 54 sites.



# مجموعة أسترا الصناعية تختار حلول SAP الرياض، المملكة العربية السعودية

منطقة أوروبا والشرق الأوسط وأفريقيا والهند: 'يسرنا أن نقيم هذه الشراكة مع مجموعة رائدة مثل مجموعة أسترا الصناعية، ونحن واثقون من أن مثل هذه الشراكة المهمة للطرفين ستقودنا نحو آفاق واسعة. وثمة فرصة عظيمة لتحقيق التميز وتحفيز إنجازات المجموعة المتلاحقة على امتداد أعمالها في الأمد البعيد'. وتابع دوارتي قائلاً: 'أعداد متزايدة من الشركات تستفسر منا عن أفضل سبل الاستفادة من التقنية الفائقة في مواكبة متطلبات عملائها وتعزيز مكانتها في وجه منافسيها، وفي اعتقادنا أن ذلك يمثل رغبة صادقة بتحقيق قيمة فعلية وواضحة على امتداد الأعمال، وهذا ما نتطلع بالفعل إلى إنجازه لمجموعة أعمال ريادة مثل مجموعة أسترا الصناعية'. و يذكر أن من بين المعايير الأخرى التي أخذتها مجموعة أسترا الصناعية في اعتبارها عند اختيار SAP العالمية خبرتها الواسعة والمعيقة في دعم شركات الصناعات الدوائية، وكذلك رؤيتها الواضحة بالنسبة للابتكارات التقنية المستقبلية التي ستدعم حتماً مجموعة أسترا الصناعية في مسيرتها الراسخة نحو المستقبل.

اختارت مجموعة أسترا الصناعية، حلول SAP لتعزيز جهودها التوسعية والمحافظة على مكانتها المتقدمة بين شركات الاستثمارات الصناعية بمنطقة الشرق الأوسط وشمال أفريقيا ما سبق عبر استراتيجية نمو مستدامة ومجزية تضمن للمجموعة المشاركة الفعالة في تحقيق قيمة مضافة للاقتصاد الوطني.

وتشيط مجموعة أسترا الصناعية في مجال الصناعات الدوائية، والكيميائية، ووضعت المجموعة خطة طموحة لتوسيع نطاق أعمال الشركات التابعة لها خلال المرحلة المقبلة. وفي إطار سعيها لتوطيد أسس نمو أعمالها نحو المستقبل، تعمل مجموعة أسترا الصناعية على الارتقاء بالفاعلية والشفافية والمرونة في الشركات التابعة لها. كما تولي المجموعة أهمية مماثلة للنفذ إلى خبرات متخصصة وموثوقة عبر إقامة شراكة استراتيجية مع شركة عالمية ريادة في هذا المضمار.

ويعد دراسة مستقبليّة ومتأنيّة تمت وفق معايير دقيقة، قرّرت مجموعة أسترا الصناعية اختيار نظام إدارة تخطيط واستخدام الموارد المتكاملة

من جهته، قال خوزيه دوارتي، رئيس SAP من حيزه خبر في كل الصحف المحلية والعالمية باللغتين العربية والانجليزية في تاريخ 2010/05/1

# Astra Industrial Group selects SAP to support clear path to value

Riyadh, Kingdom of Saudi Arabia – April xx, 2010 – Astra Industrial Group (AIG), one of the leading industrial conglomerates in the Kingdom, has selected SAP to help support its vision of becoming the premier industrial investments company in the Middle East & North Africa (MENA) region. AIG aims to achieve this by delivering long-term stakeholder value through sustainable, profitable growth.

Following a rigorous evaluation process, AIG chose a fully integrated ERP solution from SAP to underpin innovative and transformative initiatives designed to enhance both competitiveness and profitability. In addition, SAP will also provide Employee Self-Services, Payroll Processing, Environment, Health & Safety and Customer Relation Management (CRM) solutions to AIG. A key factor in the selection was SAP's focus on extracting measurable, proven business value from AIG's technology investments.

businesses and customers."

"Partnering with organizations like AIG is both inspiring and exciting; together we have a tremendous opportunity to make a significant difference to the success of their businesses for the long-term," added José Duarte, president of SAP EMEA & India. "More and more organizations are asking us how they can use technology to respond to the demands of their own customers and stay ahead of the competition. What this ultimately represents is a desire for clear business value and we're looking forward to delivering precisely this for AIG."

Additional factors in AIG's decision to partner with SAP included its deep knowledge of the pharmaceutical and manufacturing industries, as well as the company's clear vision for future technology innovation which could benefit the Group.

AIG is active in the pharmaceutical, chemical and steel sectors and has ambitious expansion plans for its subsidiaries.

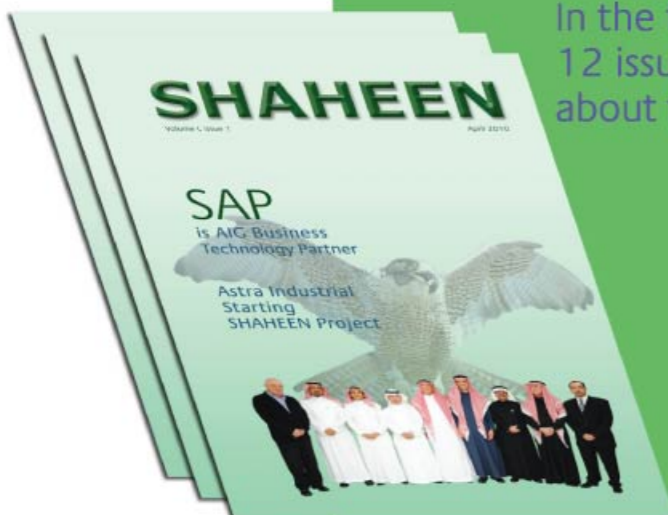
As part of its foundation for future growth, AIG recognizes the need for optimal efficiency, transparency and agility across its entities in Saudi Arabia and the MENA region. The Group also places significant emphasis on the importance of access to proven, value-focused industry expertise through its strategic technology partner.

"Astra Industrial Group is recognized and respected as a leader in its fields of operation and we want to consolidate and build upon this position," said Mr. Khalid Al-Gwaiz, CEO, AIG. "Well thought out Strategic, shrewd investments are vital for improving efficiencies and guaranteeing maximum business impact. SAP's Value Engineering group showed us exactly how to achieve genuine value for our

# What is next?

In the following eleven issues of our 12 issue volume you are invited to read about the following:

- Change Management workshop
  - o Riyadh
  - o Dammam
  - o Tabuk
- Care team forming
- SAP Installation
- Arrival of new Project Manager



Expect this press release in the local & International Newspapers on the first of May 2010