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SKM HIGHLIGHTS

Issue #106

January 2017

www.skmaircon.com

S.K.M Air Conditioning LLC









SKM SHARED AND SIGNED AGREEMENT

With GORD for Good Smart & Green Packaged Air Conditioning Units

Read more P 18





A Word From The COO

Dear Colleagues,

As SKM continues its focus on Customer satisfaction as one of its main aspects in its vision and mission statements. We enter a new year with another interesting action plan agenda to nothing else than reinforce the main SKM vision.

Even though 2016 has already past and results have been issued, I have to thank you all for your efforts to achieve these results. Our expectations at the beginning of 2016 was more than what was achieved however what we achieved shows that we still continue to grow in a good pace regardless of the challenging markets we operate in while taking with us a considerable backlog into 2017. We would have not achieved that without the dedication, sense of responsibility and most of all teamwork spirit you all shown during the year.

Leaving 2016 and into 2017 we continue our mission to conquer more markets and industries equipped with all tools needed.

As a leading manufacturer in the region we have established through the years a strong & confident engineering experience in our industry and as we move forward we continue to invest and develop this experience enlarging our innovative platform for energy saving and other initiatives to be a leader for others to follow. We will all start to see this

more during next year as there will be a lot happening on new Laboratories, R&D external cooperation's, partnerships & related investments while we continue our production facilities improvements for more efficient and effective capacity utilization and quality improvement. We also have an aggressive sales target for 2017 to continue our 5 year plan initiative. We will not let any

market conditions hold us from achieving our objectives and we will turn obstacles to opportunities. Only determined people can achieve this. SKM people are tough enough to do that. "Tough times don't last, however tough people do.."

Happy new year to you all and let's pull up our sleeves and dig in together into 2017 to get what we want from it....



Abdul Karim Al Saleh

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A Word From The CFO



Dear Colleagues,

We have just closed our second financial year from the start of our new SKM management setup...

Has our operational turnover grown in those 2 years by more than 60 % gaining more market share? **Yes...** Has our net profits grown more than 3 times through these 2 years?... **Yes..** Has our inventory conversion ratios, debt ratios and return on Equity improved, **Yes...** Has our manufacturing capacity increased with new lean concepts and latest shop floor machine replacements giving more manufacturing efficiency? **Yes...** Have we implemented more automated improvements to our work processes? **Yes..**

Have we achieved our goals and strategic objectives? **No... not** yet.... And yes this is just the start..

I guess 2016 was one of the toughest. Even though SKM is closing the 2016 financial year with the highest turnover in its history for the second year in a row, still we have a lot of things to do on a long list. As I mentioned, the past 2 years were just the kick-off and the starting point for the companies focused strategic growth plans. The growth pattern till date was all organic growth with improvements in most sectors and other sectors to follow, then we will be entering soon the non-organic growth stages to boost our overall growth pattern.

In 2017 we still have more to add in our product range while we improve others and at the same time we have new territories on our geographic radar...

We still have our market challenges in the middle east region as we still push for more market share in Saudi Arabia and other middle east countries. The hit ratio on winning orders in week project tendering atmospheres and the scarce cash liquidity to pay will stay to be a struggle we have to continue handling while trying to mitigate the risks as much as possible as we move forward.

2017 will need us all to work as a team and we will always push for that style of work as we believe that "It divides the tasks and multiplies the success". So let's go on and continue our journey together to the glory of SKM success... Our success...

We know that you all have the passion to work as a team so we can achieve our coming year objectives. And as long as we have the passion, we will have the energy to overcome the obstacles we will face. The SKM Management will also make sure that we all have the adrenalin and stamina to support us all to move on as one SKM family...

Happy new year everybody.....

Ahmed Fahmy



A Word from The Marketing and Business Development Director



Nabil Abouseido Marketing and Business Development Director



Dear Colleagues,

As we all said goodbye to a very Successful year of 2016 we are all welcoming year 2017 with full enthusiasm and readiness for new year challenges and goals to achieve.

In my capacity as marketing & business Development Director i would like to say that we did wonderful activities throughout the year 2016. We Participated in local & international shows, conducted seminars in different locations, have ad coverage in major HVAC industry magazines and lots of press releases. Lots more to come planned for year 2017.

SKM Brand image and recognition is expanding to the international HVAC field. Sky is the limit for our ambitions of having SKM name to be at the lead position wherever we conduct business.

SKM business and engineering teams have participated / visited local & international events / conferences either a full participation or attendance to enhance SKM products to match the highest level of international standards in HVAC industry.

SKM, Recently joined forces with GORD (Gulf Organization for Research and Development) to produce a smart A/C Unit which can reduce power consumption tremendously with a built sample unit displayed in Qatar and attended by international Bodies.

I will take this opportunity to wish our staff, our customers & our clients a happy and prosperous 2017.

Recent Landmarks / Major Projects



AL BURAIDAH HOSPITAL - KSA

SKM has been awarded Al Buraidah Hospital Project by Ministry of Health Kingdom of Saudi Arabia to provide air conditioning solution.

DAMAC ARTESIA MID-RISE BUILDING- DUBAI

SKM is all set to supply Air Handling Units and Fan Coil units to its newly received project DAMAC Artesia at Dubailand (Mudon), Dubai.



REHAB BLACK PEARL RIYADH - KSA

SKM supplied over 600 units of SKM air conditioners including Ducted Units, Split Units and Packaged Units for the prestigious residential compound Rehab Black Pearl in Riyadh, kingdom of Saudi Arabia.





WAVE MUSCAT P 10 & P 12 - OMAN

SKM recently received the project to provide air conditioning equipment for Wave Muscat P10 and P12 in Oman.



ENERGY CITY HQ BUILDING AT LUSAIL CITY - QATAR

SKM recently got awarded Energy City HQ Building at Lusail City Qatar to provide Air Handling Units and Fan Coil Units.

AL BATHA TOWER -DUBAI



SKM has recently won Al Batha Tower project to provide air conditioning equipment including Fan Coil Units and Fresh Air Handling Units.



VIVA BAHRIYA TOWERS IN PEARL - OATAR

SKM received an order to supply AHUs and FCUs to Viva Bahriya Towers in Pearl Qatar.



AUSTRALIAN COLLEGE OF KUWAIT - KUWAIT

SKM has been awarded Australian College of Kuwait Project in Kuwait City to supply air conditioning equipment.

SKM Participates at The Big 5 Show **Dubai 2016**

SKM showcased its latest Chiller Series ACMR alongside the VRF SV series and AHRI Certified Fan Coil Units with EC motors.

SKM participated at The Big 5 Show 2016 held at Dubai World Trade Center from 21st to 24th November 2016. SKM exhibited its AHRI Certified EC Fan Coil Units, along with the Tropical DC Inverter VRF system (Specter Series) and high efficiency Air Cooled Packaged Chillers ACMR Series with Scroll compressor R410A Refrigerant.

SKM also unveiled its HVAC rental services, that will offer air cooled chillers, air handling units, packaged AC units, free standing units, heat exchangers and pumps.

The Big 5 Show Dubai is the region's biggest building construction exhibition attracting visitors from all over the world.

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A Word From The Sales Director-Applied Business

All of us are aware that 2016 had been very challenging for the region due to slow down of economy for various reasons. Applied Business is directly linked to the Construction Sector which has been greatly affected. In spite of tough market conditions, we have grown more than 30%. There is a great sense of achievement and credit to every member of the team. I take this opportunity to thank our customers, business partners, supporting departments and management for their trust and support.

We have taken many steps in 2016 to improve functioning of the Applied Sales Department and increase our market share. The major ones are:

- Establishing the Consulting Sales Function.
- Strengthening the Sales Coordination Function.
- Continuous Interaction with Engineering & Costing to adapt products to market needs.
- Providing quarterly Sales Forecast to Procurement & Planning to improve delivery time.
- Expanding sales teams with highly skilled manpower to increase market spread.
- Account Management with owner-



ship of account.

• Finding potential partners in key markets.

We have got positive results due to the steps taken and will see more benefits in the coming years.

I firmly believe that in difficult conditions we can achieve our goals & desired growth with right strategies, focus plan and a motivated team. Our key strategies in 2017 are to spread consulting sales across MENA region, establish sales channels in Africa & India, increase market share in KSA and grow chilled water business. We have grown more than 30 % in chilled water business in 2016 and targeting 50% growth this year. At the same time, we want to maintain our leadership position in Applied Packages. But Chilled Water Business is our

growth engine.

Based on our people-oriented management philosophy, Applied Team strives to become a "caring group of powerful people," who will lead the way to a brighter future for the company.

The year ahead will be increasingly complex and challenging, but we are prepared to meet these challenges to achieve our growth plans.

Wishing everyone a great 2017.

Asim Hashimi
Sales Director - Applied Business

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A WORD FROM ABU DHABI OFFICE MANAGER

66

In the last few years, SKM has foreseen the hectic requirements of the Oil & Gas sector in G.C.C. And made a strategy to give a headache free solution to contractors and clients on the same level for them to be able to concentrate on different aspects of their project.

With our ability to match our equipment with the complete specification set by clients, and being able to customize the equipment engineering aspect such as dimension, Arrangement, capacity and load, SKM was able to provide the client with state of the art equipment for all areas such as Process Areas, Hazardous Areas, Saline and offshore areas with the highest quality and unmatched service solution.

In addition to SKM equipment supply, SKM O&G team was able to provide turn key solutions for HVAC systems in terms of engineering and procurement. Supplying the full scope of HVAC in a smooth undisputed manner complying to all procedures and conditions.

SKM proudly has supplied sophisticated solution to all of the mega projects in the UAE, such as Ruwais Refinery, Borouge, Habshan Umm Lulu, UZ750k and many Refineries, Petrochemicals and offshore rigs with complete customer satisfaction.



Further, to make sure that we are the leaders of state of the art equipment in this market, SKM is also now the first manufacturer in the middle east to acquire the IECx QMS system which has been complete, and we started supplying the newly highly regulated certified equipment.

This gained us the complete trust of clients and contractors, making SKM the market leader of the O&G sector in G.C.C and number 1 reference for the HVAC equipment solution.

SKM O&G through its leadership and team has been able to gain sustainable growth through the last years with growth rate of over 80% p.a , and achieving 1.3 Billion AED in Sales for the last 6 years.

SKM with its experienced engineering & project team with all other departments including production, Finance, Procurement and HR are committed to handle the project with the target of complete customer satisfaction and headache free solution.

We look forward to be the leaders in the O&G market worldwide, with an aggressive plan to tackle and address all customer needs and out of the box solution.

Khalid Al Majali Abu Dhabi Sales Office Manager Regional Oil & Gas Manager

NEW STANDARD EFFICIENCY SCREW CHILLER R-134a

APCY-C & E



Runs with refrigerant R-134a



IP-54 control panel housing all operational controls. (Higher IP ratings available as option)



Low Noise Fans for better Acoustic sound performance



Individual compressor and condenser fan motor starters.



Inter-operable protocol systems (BACnet, Modbus, etc.)



All compressor are with Star-Delta start.



Efficient semi-hermetic screw compressors.



Exceptional part load performance and Reliability



Optional Touch-screen interface designed to provide user with both graphics and service mode access.



Optional Micro-Channel Condenser coil for improved galvanic corrosion resistant due to single material and reduced unit weight & refrigerant charge.



APCY Chillers are designed and manufactured as per SKM Quality, Environmental, Occupational, Health and Safety Management Systems that conforms with ISO 9001, ISO 14001 and OHSAS 18001. It is also R a t e d in accordance with AHRI Standard 550/590.

SKM Annual Budget Meeting Dec 2016









SKM conducted its annual budget planning meeting at Radisson Blu Hotel Sharjah on Tuesday, 13th December 2016. It was headed by Mr. Abdul Karim COO of SKM and Mr. Mohammad Al Adl DMD of SKM. 2016 has been a great year for SKM registering a Substantial growth as compared to previous years and SKM also Budgeted a promising Growth plan for 2017.

SKM Team Attended JRAIA Symposium

(The Japan Refrigeration and Air Conditioning Industry Association) Symposium

SKM, as part of PRAHA Project team (Promoting Low-GWP Refrigerants for Air Conditioning Sectors in High-Ambient Temperature Countries), take into consideration the environmental and climate change impact of its air conditioning products and committed to develop and improve solutions to meet this target.

SKM R&D is constantly developing solutions on the product design to improve the energy efficiency as well as extensive researches and testing to adopt new Low-GWP refrigerants, taking into consideration the importance of the Safety Study and Risk Assessment of mildly flammable refrigerants.

The International Symposium on "New Refrigerants and Environmental Technology for 2016", is focusing on the latest technology of energy conservation and the new refrigerants and environment issue on Air Conditioning and Refrigeration equipment for lead up to the 21st century.

SKM thanks and appreciates UNIDO-UNEP for their efforts and supports as recently they arranged for the R&D Manager Emad Mureb to attend JRAIA (The Japan Refrigeration and Air Conditioning Industry Association) Symposium held in Kobe, Japan.

This trip is to explore the various refrigerants that have been used in air conditioners until now, and to align and make sure to comply with the regulations which is now having greater consideration for the global environment in accordance with Montreal Protocol.







TUESDAY December 6th 2016

SKM Team visited Tecnicas SPAIN



SKM Oil & Gas Team Mr. Nabil Abouseido and Mr. Wasim Abu Mazen visited Technicas in Madrid, Spain in December 2016. They discussed future projects to provide air conditioning solution for the Oil & Gas sector in Kingdom of Saudi Arabia, Kuwait and Algeria. Mr. Wasim delivered a technical presentation on SKM's special product range that includes Explosion Proof Chillers and Explosion Proof Packaged Units. Technicas has robust expertise when it comes to providing services for Oil & Gas Industry.

SKM has a long and proven track record in manufacturing special products and supplying engineering solutions within the offshore oil and gas market. It has been providing environmental engineering solutions to high risk hazardous areas for the past 20 years. SKM capitalizes on Oil and gas areas of expertise to provide the best engineering solutions to the end-users. SKM also holds ATEX certification for its modified Hermetic Reciprocating compressors suitable for Zone 2, IIB and T3.

SKM Team visited JGC

SKM Marketing and Business Development Director Mr. Nabil Abouseido and Mr. Wasim Abu Mazen Kuwait Office Oil & Gas Manager visited JGC in Yokohama Japan to discuss the potential Oil & Gas projects in Kuwait and Algeria. They also discussed technical collaboration for the product design.

SKM has very strong competency to provide tailored air conditioning solutions for Oil & Gas sector and SKM manufacturing facilities are certified from IECEx for the application of quality systems for equipment in explosive atmospheres.



SKM has already an extensive coverage in Kuwait and Algeria and has provided air conditioning solutions to many blue chip oil and gas projects including: KOC Lower Fars Heavy Oil Development project, KOC New Gathering Center GC, MAB 1 (Mina Abdullah Refinery) upgrade project, Biskra Power 480 MW Power station Algeria.

SKM Customers & Distributors visits SKM factory during the Big5 Show

The visitors gained firsthand experience of SKM manufacturing processes and the quality standards which SKM has implemented.



SKM arranged a factory tour for its key distributors from across the region during The Big 5 Show Dubai. They visited SKM manufacturing facility in Sharjah, UAE spanning over an area of +43,000 sq. meters.

The visitors gained firsthand experience of SKM manufacturing processes and the quality standards which SKM has implemented.

They also visited SKM HVAC testing lab which is AHRI Certified and Accredited by Dubai Accreditation Center (DAC) in accordance with ISO 17025 and offers HVAC testing for various ranges and capacities.







SKM Receives its honorable guests from Al Dahy Company KSA

SKM Receives its honorable guests from Al Dahy Company KSA, they visited SKM manufacturing facilities and praised the quality standards.

THURSDAY December 22nd 2016

SKM Welcomes its Honorable Guests from Ministry of Interior - Kuwait



SKM Welcomes its Honorable Guests from Ministry of Interior - Kuwait, they visited SKM production facilities and showed confidence in SKM products

THURSDAY September 29th 2016



SKM Receives Project Team from Qatar Rail

SKM Receives Project Team from Qatar Rail, they visited SKM manufacturing facilities and appreciated the quality standards.

MONDAY December 26th 2016

SKM Receives its honorable guests from MEW, Kuwait

SKM Receives its honorable guests from Ministry of Electricity and Water (MEW) Kuwait, who were impressed from the visit.



SKM SHARED AND SIGNED AGREEMENT

With GORD for Goool Smart & Green Packaged Air Conditioning Units



The smartcool can save up to 80% of electricity and is bigger than a split AC unit in size, SKM will introduce a completely new product line for its manufacturing.

The "GORD@smartcool" is a fully integrated and controlled all-in-one ventilating and AC system that provides 'super-efficient, cost-effective, and sustainable cooling for open or enclosed spaces in moderate, hot or humid

climates.'

Based on the application, GORD@smartcool consists of a single or multi stages that can dehumidify and cool the air to the required comfort level. The system uses recycled water and absorbent materials extracted from rejected desalination brines.

The new cooling system will go into production early 2017 and available commercially.





Smart & Green Packaged Air Conditioning Units



QCOOL OVERVEIW

In hot climates, it is desirable to reduce the ambient air temperature in order to improve comfort levels; however in hot and humid climates (as in the Gulf Region), removal of moisture from the air (dehumidification) is almost as important as cooling. Conventional air conditioning systems add

these aspects by cooling air below its dew point so water vapour condenses on a cooling coil. The dehumidified air, in many cases, is then reheated to the desired temperature. QCOOL, an innovative smart patented air conditioning system by Gulf Organisation For Research & Development (GORD) in close collaboration with SKM, is a fully integrated and controlled ventilating and air conditioning system that provides super efficient and sustainable fresh air cooling for open or enclosed spaces in moderate, hot or humid climates.

Based on the application, QCOOL consists of a single or multi stages that can dehumidify and cool the air to the required comfort level. QCOOL is manufactured, licensed to (SKM), can be fully driven waste heat and renewables.

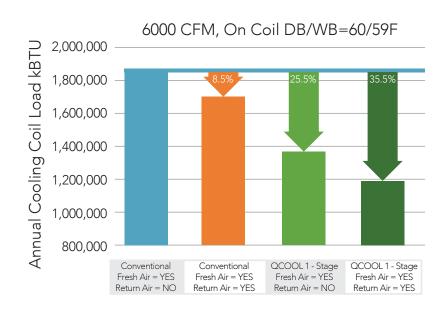


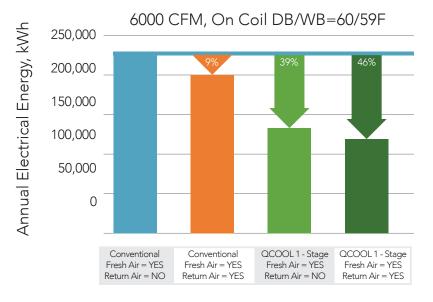


QCOOL PERFORMANCE

The case study unit is installed and tested at GORD's TechnoHub which is located in Qatar Science and Technology Park (QSTP). During the testing period, the system has shown up to 50% reduction in energy consumption compared to conventional systems. QCOOL is an energy efficient cooling system that can shrink clients' carbon footprints in a cost effective manner.

The figures below compare the performance of a typical fresh air handling unit (FAHU) with and without heat recovery against QCOOL. As shown in the case study, QCOOL reduces the coil load dramatically in addition, it flattens the cooling load hence reduces the peak load. Furthermore, QCOOL utilizes the exhaust to cool the condenser, as a result the electrical COP is improved. Based on the application, QCOOL models consist of a single or multi stages that can dehumidify and cool the air to the required comfort level. QCOOL can be fully driven waste heat and renewables.









UPCOMING EVENTS



SKM INVITES YOU TO TECHNICAL SEMINAR - AL RIYADH

SKM Cordially Invites You to its Technical Seminar at Marriott Hotel Riyadh Followed by Dinner from 6:30 pm to 9:30 pm

MONDAY February 13th 2017

SKM INVITES YOU TO TECHNICAL SEMINAR - AL KHOBAR

SKM Cordially Invites You to its Technical Seminar at Le Meridien Hotel Al Khobar Followed by Dinner from 6:30 pm to 9:30 pm

WEDNESDAY February 15th 2017





SKM APPLIED-DX has introduced PACS-C 50Hz Packaged Series with Standard and High Efficiency Models.

PACS-C Series will come in two tiers.standard models which have competiand High Efficiency tive pricing models which will meet high EERs and exceed ESMA requirements.

PACS Series Packaged Air Conditioners are completely assembled, internally wired, charged with R-407C refrigerant at factory, tested before despatch and ready for installation. All that is required on site is connecting ducting and power supply. This greatly reduces installation work and costs.

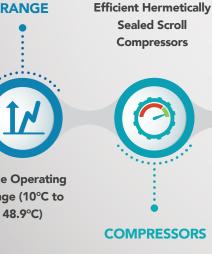
They are designed for ducted systems which will enable them to be installed on roof tops or on the ground.













FAN MOTOR



Exceptional part

load performance



REFRIGERANT

R-407C **CONTROL PANEL**

IP-54 control panel

housing all opera-

tional controls.

(Higher IP ratings

available as option)



APMR Series will come in two tiers, Standard models which have competitive pricing and High Efficiency models which will meet high EERs and exceed ESMA requirements.

APMR Series Packaged Air Conditioners are assembled, internally completely charged with R-410A refrigerant at factory, tested before despatch and ready for installation.

All that is required on site isconnecting ducting and power supply. This greatly reduces installation work and costs.

They are designed for ducted systems which will enable them to be installed on roof tops or on the ground.



Runs with Eco-friendly refrigerant R-410A



Wide Operating Range (10°C to 48.9°C).



IP-54 control panel housing all operational controls. (Higher IP ratings available as option)











Exceptional part load performance and Reliability



Efficient hermetically sealed scroll compressors.



Individual compressor, condenser fan motor and evaporator fan motor contactors.

SKM ANNUAL STAFF PARTY 2016





















DATA LOSS PREVENTION - DLP

OVERVIEW

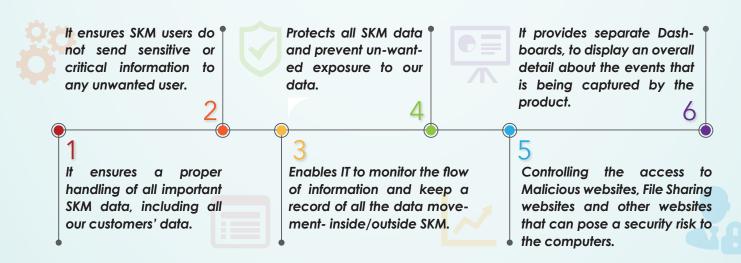
We are living in a time when sensitive information flows seamlessly throughout organizations and out to employees across the globe. Unfortunately, this data can wind up in the hands of unintended recipients, who can then cherry-pick the data for their own profit. Data can be lost through various sources. It can be an intentional attempt, or can be done using external assistance. The 7 stages of an attack, that results into some form of Data Loss are:



SKM has invested in such a product that will monitor the flow of all important SKM data. This software product is designed to detect potential data breaches / data ex-filtration transmissions and it prevents them by monitoring, detecting and blocking sensitive data while in-use (on your computer), in-motion (while sending emails or uploading to web), and at-rest (data storage).



Here are a few highlights of the Data Loss Prevention Product:



The implementation of the DLP has reduced the risk of information being accidentally released. It gives us a platform to monitor and control the flow of SKM data.









Please Scan to Visit SKM Facebook page





SKM Product Line



Packaged Units



Air Cooled Condensing Units



Air Handling Units



Chillers



Mini / Ducted Split Units



Fan Coil Units



Ducted Split Units



VRF

















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