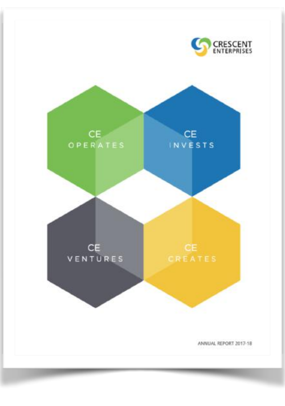
CRESCENT ENTERPRISES

Crescent Enterprises launches its 2017-2018 Annual Report and Sustainability Report

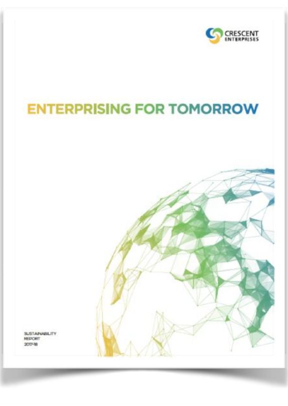
Crescent Enterprises is pleased to release its Annual Report and Sustainability Report for 2017-18.

In the Annual Report, the company describes the new growth paradigm it is pursuing through supporting technological innovation and the entrepreneurship ecosystem. The report includes updates on business operations and investments for the year 2017 and, whenever possible, for 2018.

In the Sustainability Report, Crescent Enterprises documents the impact it achieved through its five-year sustainability reporting journey as well as the progress it made in 2017 and early 2018 towards achieving its sustainability vision, 'Enabling Sustainable Growth', across four pillars: Enabling ethical business, Enabling a stronger society, Enabling talent, and Enabling stewardship of the planet.



Click here to download our Annual Report 2017-18.



Click here to download our Sustainability Report 2017-18.

CE-OPERATES

GULFTAINER - GAMA AVIATION

Gulftainer

Gulftainer Wins 50-year Deal to Manage and Operate Port of Wilmington in US State of Delaware

With the deal, the port becomes the largest ever operation by a UAE company in the United States

Gulftainer, the world's largest privately owned independent port operator and logistics company, based in the UAE, announced that its subsidiary GT USA has closed the deal on a 50-year concession to operate and develop the Port of Wilmington in the US state of Delaware. The ports deal signed by Gulftainer subsidiary GT USA marks the largest ever run by a UAE company in the United States, as well as the largest investment ever made by a private UAE company in the country.

The 50-year concession follows a year of negotiations and an evaluation of Gulftainer's capabilities around the world. The Committee on Foreign Investment in the United States grants Gulftainer exclusive rights to manage the port.

"This historic agreement will result in significant new investment in the port of Wilmington, which has long been one of Delaware's most important industrial job centres," said Delaware governor John Carney. "For decades, jobs at the port have helped stabilise Delaware families and the communities where they live."

Of the $600 million Gulftainer investment, $400 million will be used on a new 1.2 million TEU container facility at DuPont's former Edgemoor site, which was acquired by the Diamond State Port Corporation in 2016.

"We are proud to be making this long-term commitment to the state of Delaware, its community and its economy," said Badr Jafar, the chairman of Gulftainer's executive board. "We are confident that this public-private partnership will propel the port of Wilmington towards becoming the principle gateway of the eastern seaboard."

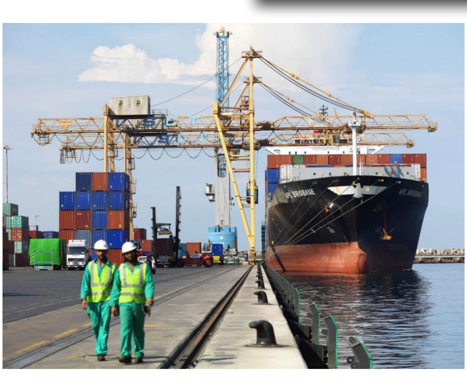
Jafar added that since Gulftainer's entry into the US market in 2015, it has "discovered major untapped potential in this sector and we will continue to look for attractive investment opportunities in the region."

Among those who praised the deal was Yousef Al Otaiba, the UAE ambassador to the United States, who hailed it as an example of the strong economic ties between the US and UAE.

"Gulftainer's investment in the port of Wilmington is a perfect example of this important economic partnership," he said. "This deal will create new jobs in Wilmington and generate additional economic benefits to other communities across Delaware."

Plans for the port also include the development of cargo terminal capabilities, as well as the establishment of a training facility for the ports and logistics industries that is expected to train and upskill as many as 1,000 people each year.

Gulftainer achieves record productivity at Sharjah Container Terminal



Sharjah Container Terminal managed by Gulftainer.

Gulftainer recorded its highest-ever gross crane productivity of 32.2 crane moves per hour—with the industry average standing at 25 crane moves per hour—at its Sharjah Container Terminal (SCT) in Port Khalid last April.

In addition, SCT registered a high demand from clients for its new warehouse facility in Port Khalid, named Shed 3, which features a strategic location, well-provisioned storage space, and advanced racking systems.

Launched in March to replace the Shed 2 space in line with SCT's expansion plans, the warehouse has already filled up to over one-third of its total capacity, with local businesses choosing it as an efficient alternative to other storage facilities in the area.

The achievements at SCT follow the appointment of Emerson Buarque as the new Terminal Manager. Having recently relocated to SCT from Gulftainer's Brazil operations, Buarque has held various senior leadership positions in port operations in Brazil, Europe, and Africa, earning multiple national and international accolades in projects, operations, and health and safety management.

Gulftainer wins gold at UK-based RoSPA Awards 2018 for occupational health and safety

Gulftainer has been recognised for its commitment to employee health and safety standards at its Sharjah Container Terminal (SCT) by the UK-based RoSPA Awards scheme, earning the 2018 Gold Award in July.

Celebrating best practices in health and safety management systems, the RoSPA Awards scheme receives submissions from organisations around the world.

Commenting on the achievement, Peter Richards, Group CEO of Gulftainer, said: "Gulftainer is delighted to be recognised for its health and safety practices at SCT. We take immense pride in putting in place the right checks and balances to ensure the safety of our employees, who we believe are the most important enablers in our business."

Gulftainer also received the Silver Safety award by RoSPA for its Khorfakkan Container Terminal. Similarly, Momentum Logistics, the logistics partner of Gulftainer, has been presented with the Silver Safety and Silver in Fleet Safety awards by RoSPA.

Gulftainer is a subsidiary of Crescent Enterprises.

Gama Aviation

Gama Aviation invests in a new UK maintenance facility

Gama Aviation Plc, one of the world's largest business aviation services providers, will transfer its primary turboprop and jet maintenance facilities from its 25,000-square-foot facility at Farnborough Airport and its 48,000-square-foot facility at London Oxford Airport into a 135,000-square-foot secure facility at Bournemouth International Airport by end of 2018.

The move will provide necessary capacity for expansion of the company's European Ground business, which grew by 20 per cent in 2017 while delivering immediate efficiency savings.

Gama Aviation's Group Chief Operating Officer Neil Medley said: "To support the continuing growth of our high-performing UK maintenance business, we are investing in a flagship maintenance facility to provide the capacity for maintaining all types and sizes of business aircraft for European clients. This will in turn allow the growth and development of our talented pool of engineers, as we add a range of new capabilities to broaden our service offering."

The restructuring costs of US$2 million, which will be funded out of operational cashflow, will be incurred largely in 2018 and treated as either exceptional items or capital expenditure, with no impact on underlying profitability of the Group.

The transfer will deliver near-term efficiency savings and revenue synergies, which are expected to more than offset the costs of additional space from 2019 onwards while also laying the foundations for further growth.

Crescent Enterprises holds a minority interest in Gama Aviation.

CE-CREATES

KAVA & CHAI

Kava & Chai

Kava & Chai resumes its expansion plans

Complementing its expansion plans, specialty tea and coffeehouse Kava & Chai is set to launch at the Dubai International Financial Centre (DIFC) and Mall of the Emirates by end of 2018.

In DIFC, the coffeehouse will occupy a 2,000-square-foot shop in the coffee zone located in the ground level of Gate Building. At Mall of the Emirates, Kava & Chai will have a wall unit strategically located on the ground floor facing Centrepoint.

The company currently caters to visitors of Marsa Al Seef in Dubai and students of the American University of Sharjah (AUS) while its kiosk at Sharjah's Crescent House serves exclusively the employees of Crescent Group.

In line with its aim to power the regional culture, the company regularly takes part in events that promote tolerance and knowledge-sharing, such as the 20th Annual Global Day held at AUS in March; the experiential technology festival Step Conference held in Dubai in March; and the iftar experience Open Tent by Chika that took place in Dubai in June.

In December, Kava & Chai will be the official café sponsor of the three-day Dubai International Coffee and Tea Festival, which will showcase all aspects of the coffee and tea industry, including skills, products, services, and equipment.

Kava & Chai is the start-up business of CE-Creates, the internal incubator of Crescent Enterprises.

CE-VENTURES

A SUMMARY OF CORPORATE VENTURE CAPITAL INVESTMENTS - HEDOSOPHIA MENA - WAMDA CAPITAL

CE-Ventures invests in 16 start-ups and venture capital funds

The investment portfolio of Crescent Enterprises' corporate venture capital arm CE-Ventures now comprises 11 technology-enabled start-ups and five venture capital (VC) funds that ignite impact innovation in the MENA region and globally.

CE-Ventures' investee start-ups span high-growth sectors of the global economy, such as supply chain management, robotic medical technology, enterprise software, consumer e-commerce, and other niche and emerging technologies. In addition to providing its investee companies with capital, CE-Ventures often supports their expansion plans by offering strategic guidance and support.

Start-ups:

ColubrisMX, XCath, Fresh to Home, KITOPI, TRANSCORP, vicarious, ANOMALI, Pinterest, DiDi, PRENAV, TARA

VC funds:

wamda capital, HEDOSOPHIA MENA, ICONIQ, BOV, Rising Tide

In the UAE, CE-Ventures recently led a Series Seed investment in cloud-kitchen platform Kitopi, which enables individual food and beverage companies to expand their retail footprint with minimal investment. In addition, the company invested in Transcorp International, a market leader in temperature-controlled distribution and warehousing.

In artificial intelligence, CE-Ventures has invested in three US-based companies: Vicarious, which develops artificial general intelligence for robots; Anomali, which leverages threat data to improve cybersecurity; and TARA, which applies artificial intelligence in product development.

In addition to its investment in Wamda Capital, which promotes impact innovation across the MENA region, CE-Ventures holds investments in global VC funds such as ICONIQ Capital and Rising Tide Ventures as well as regional VC funds such as Hedosophia MENA and the Sri Lanka-focused BOV Capital.

CE-Ventures will continue to invest in promising start-ups and select VC funds in line with its commitment to deploying US$150 million in the MENA region and the world by 2020.

Launched in November 2017, CE-Ventures is focused on making strategic investments in early- to late-stage technology-enabled start-ups and in select VC funds regionally and globally.

HEDOSOPHIA MENA

China's Didi Chuxing continues its international expansion with Australia launch

Chinese ride-hailing company Didi Chuxing announced plans to launch its core ride-sharing arm, Didi Express, in Melbourne, Australia's second-biggest city, in June, following a month-long trial in close-by Geelong.

Currently dominated by Uber, the Australian ride-hailing industry recently welcomed India's Ola and Europe's Taxify.

The announcement complements Didi Chuxing's entries into the Taiwanese, Mexican, and Brazilian markets earlier this year as the company continues to expand beyond China.

Crescent Enterprises is a General Partner in Hedosophia MENA and a Limited Partner in the co-investment platform. Hedosophia MENA holds Series B-1 Preferred shares in Didi Chuxing.

Wamda Capital

Careem welcomes women drivers to its Saudi Arabian team

Enaam Gazi Al-Aswad, first Careem 'Captainah' driver in Saudi Arabia.

Capitalising on the lift of women's driving ban in Saudi Arabia, regional ride-hailing service Careem has trained around 2,000 women—or 'Captainahs'—to join its driving teams in Riyadh, Jeddah, and Dammam.

Commenting on her new position, Captainah Amaal Farooq Farahat said: "I believe many Saudis—both males and females—still need a lot more positive images of how Saudi women driving improves all our lives. Having the ability for women to work as Careem Captains opens lots of job opportunities for women and supports a lot more women to be out and about without the need for a male guardian."

The company set up a Women's Female Captain Committee to ensure the smooth integration of women into its Saudi workforce. In addition to recruiting Captainahs, Careem is offering women the opportunities to work as Captainah trainers and call centre staff members at its Saudi offices.

Careem becomes first licensed ride-hailing service in Jordan

Careem became the first smart application ride-hailing service to obtain full operational licensing in Jordan last July, having fulfilled all the requirements of the country's latest ride-hailing regulations.

Commenting on the occasion, Careem's Managing Director for Emerging Markets Ibrahim Manna said: "As the first ride-hailing application to obtain the license to operate in Jordan, Careem is ushering in a new era of mobility and opportunity for the Kingdom. Of course, this would not have been possible without the support of all involved government entities and regulatory authorities, including the Ministry of Transport, the Land Transport Regulatory Commission, the Minister of State for Investment Affairs, and the Ministry of Telecommunication and Information Technology. We are very grateful that all parties have shown such proactive willingness to embrace innovation, as we believe that these kinds of steps can play a major role in spurring further creativity, development, and ingenuity."

In line with its mission of simplifying lives, impacting economies, and empowering people, Careem is set to expand in Jordan to offer accessible transportation options to further customers while generating employment opportunities.

Crescent Enterprises is a Limited Partner in Wamda MENA Ventures I.

CE-INVESTS

TVM Capital Healthcare - Samena Limestone Holdings

TVM Capital Healthcare

Manzil Healthcare Services introduces remote monitoring assistance

manzil Healthcare Services

Manzil Healthcare Services, an Abu Dhabi-based provider of homecare and disease management services in the UAE, introduced new capabilities to remotely monitor and manage patients' health in collaboration with local healthcare products distributor ForaMed.

The new services enable chronic disease patients to access their medical data remotely, with healthcare professionals offering them interpretations on their blood pressure, glucose levels, weight, and other medical results.

The remote services allow healthcare professionals to regularly monitor their patients' health status and intervene in case of emergencies. Such services have the potential of benefiting people suffering from diabetes or hypertension.

"We are devoted to continuously improve the quality of life of our patients and their families by providing personalised support, care, and therapy at the comfort of their own environment," said Dr. Sarper Tanli, Group CEO of Manzil Healthcare Services. "Our partnership with ForaMed provides with no doubt an advancement to our patients' quality of life, in terms of remote patient care, independence, complications prevention, as well as minimisations of chronic conditions' total costs."

Crescent Enterprises is a limited partner in TVM Capital Healthcare, of which Manzil Healthcare Services is a portfolio company.

Samena Limestone Holdings

RAK Ceramics is voted Best Tiling Brand at the BKU Awards 2018

The RAK Ceramics team at the event receiving the award.

RAK Ceramics earned the Best Tiling Brand award by Bathroom & Kitchen Update (BKU) Magazine at a ceremony held on 21 June in London, UK.

Launched in 2015, the annual awards are the only platform for recognition that is designed for the industry and decided by the industry. Featuring retail, product, and people categories, the 2018 edition of the awards attracted 513 entries and over 20,000 individual votes.

"We're absolutely thrilled to have received this award from the industry. We constantly strive to offer the very best in quality and design, presenting a complete bathroom solution for the commercial and consumer sector," said Alvin Biggs, RAK UK's Managing Director. "Our sincere thanks go to the industry for its support and recognition–and we look forward to sharing new concepts and collections over the coming months."

Crescent Enterprises is a Limited Partner of Samena Limestone Holdings, which owns 30.6 per cent stake in RAK Ceramics.

CORPORATE CITIZENSHIP

HBR Arabia Renaissance Partners Programme - Crescent Enterprises hosts third annual sustainability talk with EWS-WWF

Crescent Enterprises joins HBR Arabia Renaissance Partners

Harvard Business Review
هارفارد بزنس ريفيو العربية

Crescent Enterprises has expanded its partnership with Harvard Business Review (HBR) Arabia by joining its Renaissance Partners programme, which offers world-class management content to Arab readers regardless of their means or spending priorities.

Published by Haykal Media under license from the Harvard Business Review since 2015, HBR Arabia is a bi-monthly magazine that aims to address the management gap in the Arab world to contribute to its economic revitalisation. It includes articles inspired from the magazine's English version as well as original content.

The Harvard Business Review, which published its first issue in 1922, features content that is based on academic research in management and business, authored by such scholars as Peter Drucker, Michael Porter, and Robert Kaplan.

Crescent Enterprises' contribution will help gift subscriptions to entrepreneurs and professionals who cannot otherwise afford HBR Arabia's print or online subscription fees.

Crescent Enterprises hosts third annual sustainability talk

Crescent Enterprises held its third annual sustainability talk, 'Addressing climate change through sustainable transport', which was facilitated by Emirates Wildlife Society's Climate and Energy Project Manager Nour Mezher in May.

WWF

Attended by 25 Crescent Community members, the talk first reminded the audience of the multiple impacts of climate change before exploring the contribution of the local road transport industry to the phenomenon.

Attendees then learned about upcoming policies and programmes that will help promote vehicle fuel efficiency in the UAE, in addition to the benefits of electric vehicles.

The talk concluded with measures individuals can take to reduce their transport-related carbon footprint.

Crescent Enterprises remains a leader in community development and social engagement through its relationship with various philanthropic organisations, upholding its belief that businesses can, "do good, while doing well" at the same time. Although Crescent Enterprises is committed to a wide variety of initiatives on a global scale, it consciously focuses its resources in the areas of Community and Education, Entrepreneurship, Environment, Arts and Culture, and Corporate Governance.

CORPORATE INSIGHTS

CEO INSIGHT

CEO Insight: On how innovation and entrepreneurship can reshape economies

Crescent Enterprises' CEO Badr Jafar shared his insights on the impact of innovation and entrepreneurship on regional economies with the Oxford Business Group for their Economic View platform in parallel with the release of *The Report:Sharjah 2018.*

—

What role can innovation and entrepreneurship play in both Sharjah and the region?

BADR JAFAR: Sharjah's emerging role as a hub for start-ups is crucial for both the emirate and the region, as innovation and entrepreneurship are key to unlocking the potential for future economic growth. Having said that, businesses need to move away from innovation simply for the sake of innovation and towards purpose-led disruption that offers solutions for the challenges facing the region today.

We are already starting to see this shift as unconventional business concepts are transforming legacy industries and contributing to economic growth. Furthermore, regional governments are becoming increasingly aware of the role of the private sector in job creation. In fact, the greatest opportunities for generating employment can be found within smaller companies, which have become major contributors to the economic growth of both developed and developing countries.

Start-ups and small and medium-sized enterprises (SMEs) have the potential to address youth unemployment in our region—where around 70% of the population is under the age of 30 – but it is important to note that a number of stakeholders must be involved throughout the development of such businesses. In Sharjah we have the advantage of a strong business sector, a robust regulatory framework and a growing talent pool from our world-class education hub, giving rise to a new generation of innovators.

How can both the public and private sector foster an investment climate and business ecosystem suitable for the needs of smaller companies and start-ups?

JAFAR: Although every region has different requirements and unique dynamics, three principal stakeholders—academia, government and business—must come together to facilitate entrepreneurial transformations and cultivate an enabling environment.

Currently, most cutting-edge innovation takes place in education hubs, which, by creating communities of researchers, students and businesses, attracts the attention and investments of larger corporations. Given the emirate's very strong educational infrastructure, Sharjah is well placed to nurture this kind of business environment.

At the same time, legislative frameworks must always continue to be enhanced, and governments are working to accelerate entrepreneurship by offering competitive incentives. One example of such efforts is the announcement from the UAE that around 10% of all federal procurement must come from small businesses. General procurement—from both government and business—offers an attractive advantage for start-ups and SMEs. That is why Crescent Enterprises has committed to increasing SME participation in our global supply chain to 35% by the end of 2018, with this to grow further in the future.

Businesses can also foster this environment by adopting a corporate venture capital model, which allows them to diversify their portfolio and integrate cutting-edge technologies. For start-ups, this model also presents a more resilient and stable source of capital, to which larger corporates can act as strategic financial investors and provide access to their markets. Companies are starting to invest both locally and internationally in entities that can add value to their broader operations. To this end, approximately 10% of our initial financing is focused on seed operations, to ensure a healthy mix of early- and later-stage investments.

What challenges will regional economies need to address to help this transformation?

JAFAR: As emerging start-up destinations begin to compete with other entrepreneurial centres worldwide, both policymakers and entrepreneurs alike need to think about the global competitive landscape. Proactive steps must be taken to further strengthen regulatory frameworks across the region and reassess policies through the lens of an entrepreneur or SME.

Specifically, the UAE and other countries in the region have to continue to ensure they are globally competitive, both economically and in terms of the ease of doing business. This involves addressing the initial establishment and running costs for smaller businesses, which can sometimes be a major hurdle. While access to capital and start-up funding has increased substantially since 2013, it continues to fall short, especially as businesses look to scale beyond the seed stage.

Regional governments also have an opportunity to focus on developing their infrastructure networks. In the 1960s Sharjah helped pioneer the land-sea-air logistics offering by pioneering investments in airport and port infrastructure. Although Sharjah continues to retain strong connectivity through these exchange hubs, the entire sector is being profoundly disrupted by technological transformations. These disruptions, however, also present opportunities. For example, an estimated 40% of all containers shipped globally are empty due to the lack of real-time tracking and inefficient use of data to map demand against supply. Addressing this challenge could not only save costs for international firms, but also lower shipping expenses with a direct positive impact on the price of goods globally, as well as of course on the environment.

—

As published in the Economic View by the Oxford Business Group in July 2018.

CRESCENT ENTERPRISES

Crescent Enterprises I P.O. Box 2222 I Sharjah, UAE
Tel: +971 6 554 7222 I Fax: +971 6 554 7888
www.crescententerprises.com I ce@crescent.ae

Follow us on Twitter @CrescentEnterp

CRESCENT GROUP

Crescent Enterprises is a wholly owned subsidiary of the Crescent Group.