

## OPERATIONAL NEWS

### GULFTAIRER - GAMA AVIATION

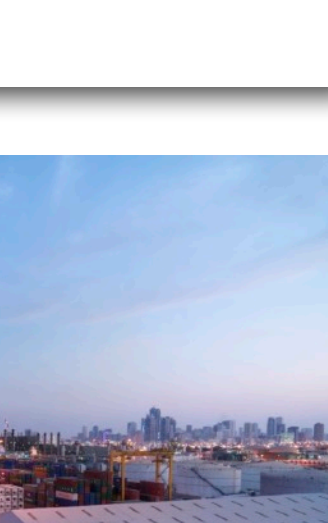
#### Gulftainer

##### Gulftainer records a strong performance in 2016

Gulftainer recorded a strong performance in 2016, registering a container volume of more than six million TEUs across its global portfolio. While shipping markets around the world have been affected by overcapacity as well as the slowdown in China and Europe, Gulftainer's strong performance amidst a challenging global environment is an indication of its ability to adapt to economic volatilities and fluctuations. Notably, the company achieved a compound annual growth rate (CAGR) of around 14 per cent in container throughput between 2012 and 2017.

In addition to port activities, Gulftainer's third-party logistics company, Momentum Logistics, which operates freight forwarding, trucking, warehousing, container repair and contract logistics, also recorded a positive performance in 2016. Gulftainer Container Repair (GCR), a subsidiary unit of Momentum that provides value-added services, recorded an impressive 22 per cent increase in inspection volumes and a 28 per cent increase in GCR sales volumes.

These milestones have set a positive tone for the year.

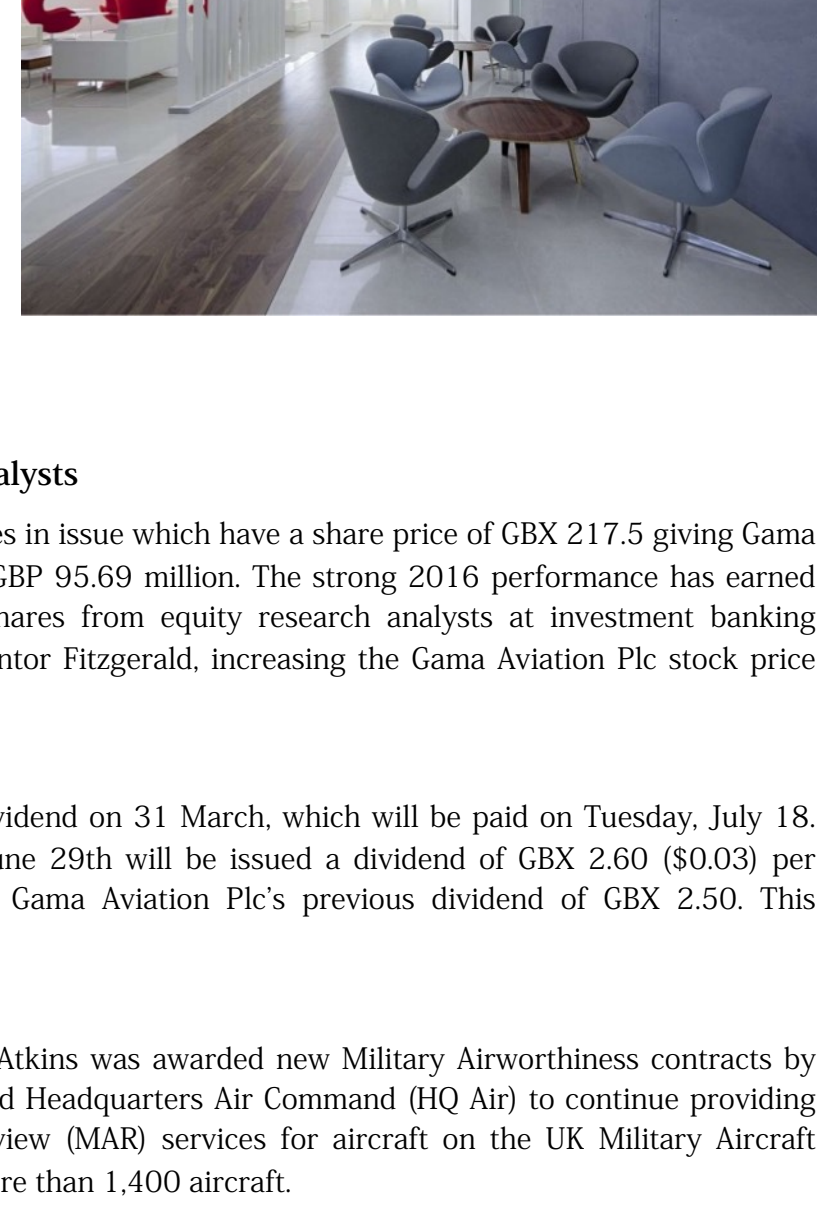


##### New operating system boosts Gulftainer's productivity

A key milestone in Gulftainer's IT transformation strategy was the implementation of the Marine and Container Handling (MACH) Terminal Operating System (TOS). This reflects the company's commitment to improving its operational efficiency and enhancing its customer experience. With the boost in terminal productivity, Gulftainer anticipates a considerable reduction in waiting times for container ships arriving at its ports.

The TOS upgrade is expected to significantly enhance Gulftainer's operating processes and customer service functions by optimising job orders, vehicle routing processes for container pick-up and delivery, and the management of un-laden travel distances within the terminal. The resulting improvements in the efficiency of key operational processes will allow Gulftainer to further boost terminal productivity, and improve service quality.

The company is rolling out the MACH TOS across its terminals in the UAE in a phased manner in collaboration with Tata Consultancy Services, with the first full implementation taking place at Sharjah Container Terminal.



Gulftainer's Sharjah Container Terminal is now using the MACH TOS system

Gulftainer is a subsidiary of Crescent Enterprises.

### GAMA AVIATION

#### Gama Aviation reports record revenues in 2016

Global business aviation services provider Gama Aviation reported record total group revenues for last year. In its 2016 year-end financial results released in March 2017, UK-based Gama Aviation announced its total revenues were up by 12.5 per cent over the previous year, reaching US\$432.4 million.

The company witnessed a strong organic growth in the US market with a 15 per cent increase in its ground service revenues and a 30 per cent increase in its air revenues. The strong performance in the US helped to significantly offset challenges in the European market that are affecting performance, particularly in the ground division. Nonetheless, the company's European ground business remains Gama's largest profit contributor, with margins greater than 20 per cent.

Gama Aviation's outlook for 2017 is positive, with signs of a return to modest growth in Europe, coupled with a strong performance in the US.



##### 2016 in numbers

**Total Group revenue:**  
**US\$432.4 million**

**Underlying EBITDA:**  
**US\$17.3 million**

**Underlying Total Operating Profit:**  
**US\$15.1 million**

**Underlying PBT:**  
**US\$13.7 million**

**2016 dividend up 4% to:**  
**2.6p**

A 'buy' rating by equity research analysts

Gama Aviation Plc has 43,994,000 shares in issue which have a share price of GBX 217.5 giving Gama Aviation Plc a market capitalisation of GBP 95.69 million. The strong 2016 performance has earned Gama Aviation a 'Buy' rating on its shares from equity research analysts at investment banking institutions Jefferies Group LLC and Cantor Fitzgerald, increasing the Gama Aviation Plc stock price target.

**Higher dividend**

Gama Aviation Plc also announced a dividend on 31 March, which will be paid on Tuesday, July 18. Stockholders of record on Thursday, June 29th will be issued a dividend of GBX 2.60 (\$0.03) per share. This is a positive change from Gama Aviation Plc's previous dividend of GBX 2.50. This represents a dividend yield of 1.24%.

**New contracts**

This month, Gama Aviation along with Atkins was awarded New Military Airworthiness contracts by the Joint Helicopter Command (JHC) and Headquarters Air Command (HQ Air) to continue providing Independent Military Airworthiness Review (MAR) services for aircraft on the UK Military Aircraft Register, after successfully reviewing more than 1,400 aircraft.

**Outlook for 2017**

Gama Aviation's outlook for 2017 is positive, with signs of a return to modest growth in Europe, coupled with a strong performance in the US.

Gama Aviation Plc is an affiliate of Crescent Enterprises.

## STRATEGIC INVESTMENTS

### TVM CAPITAL HEALTHCARE PARTNERS - WAMDA CAPITAL

#### TVM Capital Healthcare Partners

##### TVM Capital eyes South East Asia and Saudi markets for healthcare expansion

As the demand for quality medical care in South-East Asia and Saudi Arabia increases, TVM Capital Healthcare Partners plans to enter these markets as it seeks its third round of fundraising this year to finance its expansion.

The private equity firm's healthcare division, which has invested in home care, long-term rehabilitation, in-vitro fertilization (IVF) centres and medical devices, wants to raise about US\$250 million for investments in Middle East and North Africa, Turkey, South-East Asia and India. It raised \$50 million in its first round in 2010 and more than \$22m in the second fund in 2014.

In South-East Asia, TVM is looking to expand into IVF treatment, medical devices and home-care segments, the areas in which it already has operational experience, as well as new segments such as cancer care, dentistry and ophthalmology. TVM Capital expects to offer services in Singapore, Thailand, Malaysia, Indonesia, Vietnam and the Philippines.



A child patient at Cambridge Medical and Rehabilitation Centre in Abu Dhabi. Photo courtesy of Cambridge Medical and Rehabilitation Centre.

TVM Capital's healthcare portfolio includes the medical device manufacturer Ameco Medical Industries, based in Egypt, fertility centres under Bourn Hall International in Dubai and India, Cambridge Medical and Rehabilitation Centre in Abu Dhabi and Manzil Health Care Services, which specialises in home care, in Abu Dhabi, Egypt and Qatar.

TVM Capital secured a licence last year to operate its Cambridge Medical and Rehabilitation Centre in Saudi Arabia, after the country opened its healthcare sector to private investment. It prepares to inaugurate its first Cambridge Centre in Dammam in a year followed by another in Riyadh. It is also looking to bring Manzil Health Care Services to Saudi Arabia.

Turkey and Egypt are the other markets TVM Capital Healthcare Partners is looking to enter.

Rating agency Fitch said earlier this month that it expects Turkey's economic growth to average 2.6 per cent this year and next. Turkey grew at an average of 7.1 per cent in the five years to the end of 2015. Turkey and Egypt are expected to experience high inflation this year.

The Egyptian prime minister said this week that the government will spend 8 per cent of total state expenditures on health and education in the financial year 2017-18.

Source: [The National](#)

Crescent Enterprises is a Limited Partner in TVM Capital Healthcare Partners.

### Wamda Capital

#### Fashion e-commerce Modanisa.com closes fourth round of funding led by Wamda Capital

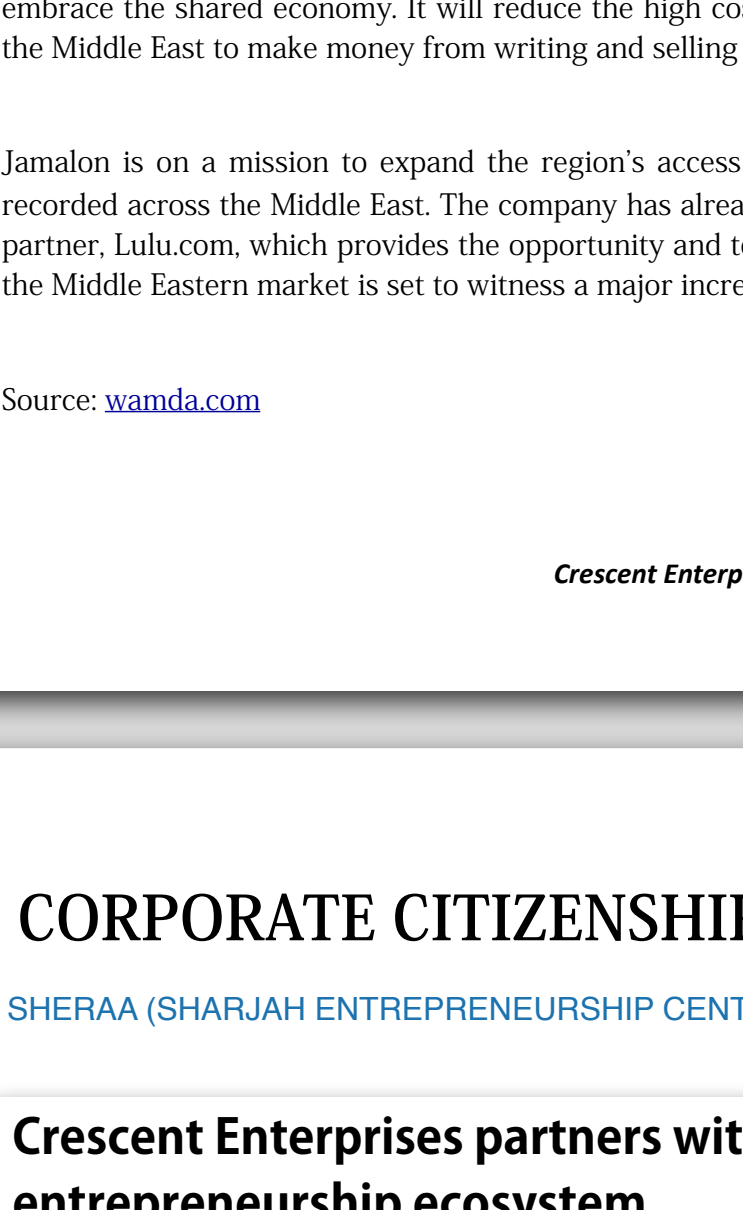


Photo: Kerim Ture, Founder and CEO of Modanisa

Turkey-based modest fashion online retailer Modanisa has successfully closed its fourth round of funding led by Wamda Capital in March 2017. The round also included STV Ventures, Saudi Telecom's corporate ventures fund, which invested US\$5.5 million in Modanisa in February 2015.

This is Wamda's second investment in a Turkish company. It invested US\$2.2 million in unified online marketing platform Insider in September last year. Wamda said Modanisa will use the funding to further expand in the Middle East and North Africa, Europe and the United States.

Modanisa serves more than 100 million customers a year in 105 countries offering over 30,000 items from different designers. It competes head-on with Sefamerve in Turkey. The company's founder and CEO Kerim Ture said in October that he estimates only 4 per cent of Muslim buyers globally are shopping online for modest clothing.

Turkey accounts for around 35 per cent of Modanisa's sales, while Australia, Canada, Europe and the United States are the company's other big markets.

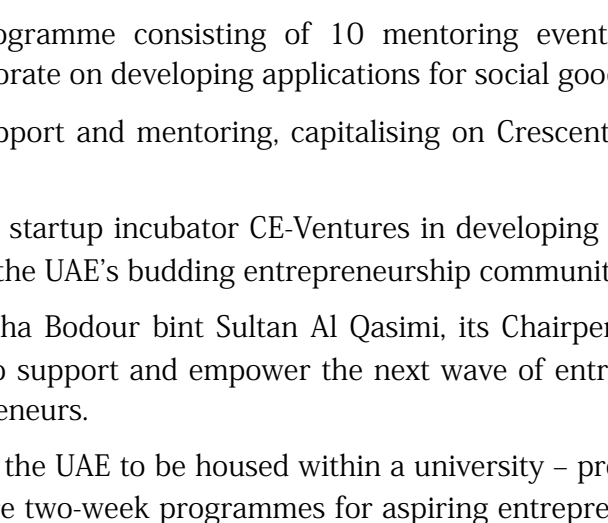
##### Jamalon.com signs agreement with Lulu.com in a Middle East publishing expansion

Jamalon.com, MENA's online bookstore, signed a Print-On-Demand (POD) agreement with Lulu.com, a global self-publishing platform, to offer 2 million new titles to Middle Eastern readers.

With this agreement in place, readers will not only access 2 million additional titles, many of which had not been available locally until now, but will also benefit from Jamalon's free shipping service across the Arab world. With Print-On-Demand, publishers can save a fortune on warehouses by managing their catalogues through Jamalon.com, which ensures that all of their books are infinitely available and in-stock.

Publishers can now access the Arabic market with ease, by signing an agreement with Jamalon.com. Once a customer orders a title, it is sent to print in Dubai within 24 hours. Once a customer orders a title, it is sent to print in Dubai within 24 hours, and then dispatched for delivery.

Jamalon.com vows to ensure that books are more accessible and get higher visibility through wider distribution channels, both online and offline. Its state-of-art facilities were built with the aim to make all books available for the Middle Eastern market, offering over 10 million Arabic and English titles, with free worldwide delivery.



Launched in Jordan in 2011, the business has rapidly grown and expanded its offices to the UAE, Lebanon and the UK.

Lulu.com's partnership with Jamalon introduces the opportunity of self-publishing to the Middle East. This partnership will provide tremendous access to affordable content, both fiction and non-fiction, and the tools and global distribution possibilities for authors in the publishing process, allowing anyone in the Middle East to make money from writing and selling their books.

Jamalon is on a mission to expand the region's access to knowledge, opportunities for learning, as well as combating the high illiteracy rates recorded across the Middle East. The company has already forged relationships with both Arabic and English publishers, and with its newly-found partner, Lulu.com, which provides the opportunity and tools for authors to independently publish their work in over 225 countries and territories, the Middle Eastern market is set to witness a major increase in literature.

Source: [wamda.com](#)

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

## CORPORATE CITIZENSHIP

### SHERAA (SHARJAH ENTREPRENEURSHIP CENTER) - AMERICAN UNIVERSITY OF SHARJAH

#### Crescent Enterprises partners with Sheraa to develop region's social entrepreneurship ecosystem



HH Sheikh Sultan bin Muhammad Al-Qasbi presenting a token of appreciation to CEO Badr Jafar as Crescent Enterprises joins Sheraa as a Social Entrepreneurship Strategic Partner.

In line with the nation's Year of Giving initiative and with Crescent Enterprises' commitment to cultivating social entrepreneurship in the MENA region, we have entered an exclusive partnership with Sharjah Entrepreneurship Center Sheraa to devise a framework that harnesses the potential of young entrepreneurs in driving social development.

Social entrepreneurship integrates commercial profitability and social impact, and is increasingly being recognised as a sustainable business model that can address the region's socio-economic challenges and drive scalable solutions.

Crescent Enterprises and Sheraa will start off the collaboration with a pilot programme consisting of 10 mentoring events for young entrepreneurs and three social enterprise challenges that encourage students to collaborate on developing applications for social good.

The pilot programme will also provide aspiring start-ups with access to business support and mentoring, capitalising on Crescent Enterprises' global network and expertise that spans four decades of operations in diverse sectors.

This collaboration will also draw on the track record of Crescent Enterprises' internal startup incubator CE-Ventures in developing and growing sustainable purpose-driven businesses, and on Sheraa's strong outreach and impact in the UAE's budding entrepreneurship community.

Sheraa was launched in January 2016 under the patronage of Her Excellency Sheikhha Bodour bint Sultan Al Qasimi, its Chairperson and the Chairperson of Sharjah Investment and Development Authority (Shurooq), as a hub to support and empower the next wave of entrepreneurs in the region. Since inception, it has inspired a community of over 2,400 aspiring entrepreneurs.

Its flagship accelerator programme at the American University of Sharjah – the first in the UAE to be housed within a university – provides teams with a platform to take their products to market. Sheraa also runs ideathons, which are two-week programmes for aspiring entrepreneurs to test and validate their ideas, and an incubator that helps students to further refine their concepts and develop advanced prototypes.

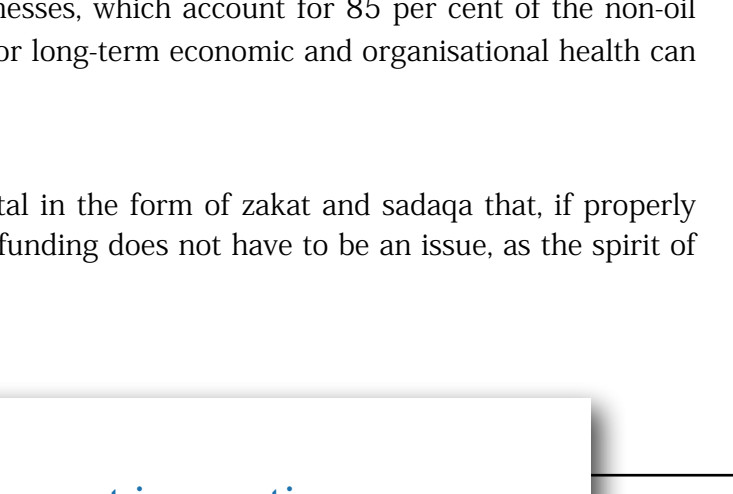
For more information about Sheraa, you can visit [www.sheraa.ae](#)

### American University of Sharjah

#### Crescent Enterprises participates in the annual AUS Career Fair

Crescent Enterprises participated at the annual AUS Career Fair at the American University of Sharjah in March 2017. The event was a perfect opportunity for the company to interact with the senior management and entry-level employment opportunities with them.

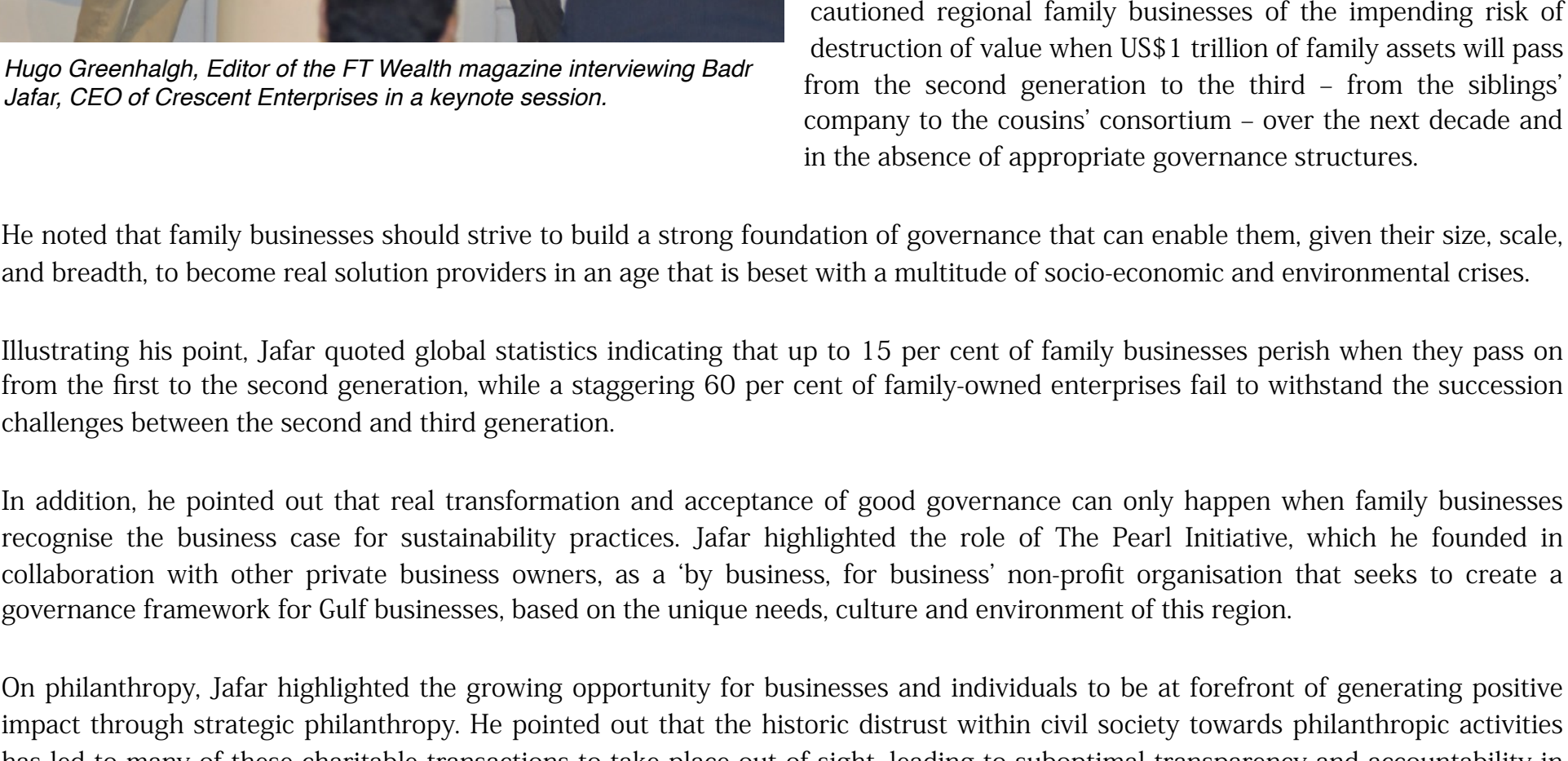
As an AUS Entertaining Youth Strategic Partner, Crescent Enterprises has engaged with students on multiple platforms including the facilitation of workshops and supporting the university in their annual events, in order to help prepare the students for the competitive and dynamic job market.



Our HR team at the AUS Career Fair

## MBA students of Columbia Business School in a visit to Crescent Enterprises

### Crescent Enterprises shares business expertise with students



The trip is part of the school's Global Immersion Program that offers participants the opportunity to learn more about the business landscape in the region through visiting various companies and government entities across the UAE.

Building on the success of the school's visit in 2016, Crescent Enterprises introduced the new batch of MBA students to its subsidiaries and affiliate operations, and highlighted its dedication to advancing global best business practices. The visitors met and interacted with the senior management at Crescent Enterprises and Crescent Petroleum, including Neeraj Agrawal, Executive Director of Crescent Enterprises, Dr. Zaki Hussain, Director of Finance of Crescent Petroleum, Tuskar Singhvi, Vice President of Corporate Development and Investments at Crescent Enterprises, Ghada Abdelkader, Corporate Development and Investments Manager at Crescent Enterprises, and Ola Al Haj Hussin, Corporate Citizenship Manager at Crescent Enterprises.

Commenting on the trip, Margaret Rohrmann, MBA student at Columbia Business School, said: "This trip is a fantastic opportunity for us to experience the local business landscape. From the economic perspective, the UAE is going through an interesting time and I am keen to work here after graduation."

She added: "I was impressed by the number of women leaders in the region, evident across the companies we visited. At Crescent Enterprises, we got to interact with several successful women across the organization's leadership teams. It was fascinating to learn about the company's journey that reflects the economic diversification we are currently witnessing in the region. I also enjoyed hearing firsthand about CE-Ventures and its commitment to developing the region's entrepreneurial ecosystem."



Columbia Business School MBA students listening to Neeraj Agrawal, Executive Director, Crescent Enterprises talk about the beginnings of Crescent.

Neeraj Agrawal, Executive Director, Crescent Enterprises, said: "Our partnership with Columbia Business School provides an important platform for an international exchange of ideas. The school's Global Immersion Program presents an excellent opportunity for us to meet with bright young minds and engage in meaningful dialogue about the region's business environment as well as the challenges facing economies around the world. In addition, it allows us to share valuable insights from our experience of transforming a homegrown entity into a world-renowned diversified conglomerate with global impact."

Crescent Enterprises remains a leader in community development and social engagement through its relationship with various philanthropic organizations, 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 & Education, Entrepreneurship, Environment, Arts & Culture and Corporate Governance.

## INDUSTRY EVENTS

### IGCF 2017 – FT Family Business Summit – Annual Investment Meeting – Arab IPO Summit

#### International Government Communications Forum 2017, Sharjah

##### Private sector's potential in advancing the UN Sustainability Goals under the spotlight

In a panel discussion, titled 'The Public and Private Sectors: Real Partnership towards Sustainable Development', at the International Government Communications Forum (IGCF) 2017, Crescent Enterprises' CEO Badr Jafar discussed the private sector's potential in advancing the UN Sustainable Development Goals (SDGs).

The session, moderated by CNN Presenter John Defferios, was also attended by Nobel Laureate Muhammad Yunus, and renowned development economist and Director of the Earth Institute at Columbia University Jeffrey Sachs.



Left to right: CNN presenter John Defferios, former Director of the Earth Institute at Columbia University Jeffrey Sachs, CEO of Crescent Enterprises Badr Jafar, Nobel Laureate Muhammad Yunus, and a participating student.

Badr Jafar said that the region's governments are buckling under pressure to solve even basic challenges. At such a time, they cannot take on all the responsibility to provide the opportunities required to address the rampant unemployment. The private sector has the power and resources to be a change-maker; However, for this to happen, the sector needs to understand the business case behind sustainability, corporate governance and accountability.

He added, "Another tremendous opportunity in this region is the number of family businesses, which account for 85 per cent of the non-oil GDP in the Middle East. They represent a huge opportunity to become more actively involved in addressing the major challenges of this region. This is what Badr Jafar, CEO, Crescent Enterprises and Founder of The Pearl Initiative highlighted at the inaugural Financial Times (FT) Dubai Family Business Summit on March 21, 2017.

Speaking on the topics of corporate governance, philanthropy and entrepreneurship in an interview-style keynote session with Hugo Greenhalgh, Editor of the FT Wealth magazine, Badr Jafar cautioned regional family businesses of the impending risk of destruction of value when US\$1 trillion of family assets will pass from the second generation to the third – from the siblings' company to the cousins' consortium – over the next decade and in the absence of appropriate governance structures.

He noted that family businesses should strive to build a strong foundation of governance that can enable them, given their size, scale, and breadth, to become real solution providers in an age that is beset with a multitude of socio-economic and environmental crises.

Illustrating his point, Jafar quoted global statistics indicating that up to 15 per cent of family businesses perish when they pass on from the first to the second generation, while a staggering 60 per cent of family-owned enterprises fail to withstand the succession challenges between the second and third generation.

In addition, he pointed out that real transformation and acceptance of good governance can only happen when family businesses recognise the business case for sustainability practices. Jafar highlighted the role of The Pearl Initiative, which he founded in collaboration with other private business owners, as a 'by business, for business' non-profit organisation that seeks to create a governance framework for Gulf businesses, based on the unique needs, culture and environment of this region.

On philanthropy, Jafar highlighted the growing opportunity for businesses and individuals to be at forefront of generating positive impact through strategic philanthropy. He pointed out that the historic distrust within civil society towards philanthropic activities has led to many of these charitable transactions to take place out of sight, leading to suboptimal transparency and accountability in this sector. Quoting estimates from the Islamic Development Bank that anywhere between US\$200 billion to US\$1 trillion is distributed in Zakat and Sadaqa every year across Islamic economies, Jafar noted that the enormous donations are being generated without appropriate governance models in place to maximise their impact.

Badr Jafar added that with the UAE marking the Year of Giving in 2017, this is an ideal time to spread awareness and a culture of strategic impact-driven giving across the business and family office community.

The inaugural Dubai Family Business Summit was hosted by Financial Times at the St Regis Hotel, Habtoor City, and explored private capital, investment opportunities, and family values, delivered through keynote addresses, interactive debate and educational workshops.

#### Annual Investment Meeting (AIM) in Dubai

##### The role of foreign direct investment in building infrastructure and competitiveness

In a panel session titled 'The role of foreign direct investment in building physical infrastructure and competitiveness' at the 7th Annual Investment Meeting (AIM) in Dubai, Executive Director of Crescent Enterprises and Group CEO Neeraj Agrawal emphasised the importance of public and private sector partnerships (PPPs), which Dubai has legislated, and their role towards strengthening foreign direct investment (FDI) in the emirate and the rest of the UAE.

The sessions were moderated by Kal Hammerich, President - KA Foreign Investment Corporation AB, and Agrawal was joined by peer panelists Datuk Wira Jallila Baba, Former Director General of Malaysian Investment Development Authority, Malaysia; Imad Eddine Cubiri, Director, Investment Promotion, RAK, UAE; and Uche Oji, MD & CEO, Nigerian Sovereign Investment Authority, Nigeria.

In the session that focused on how national economies can benefit from Public-Private Partnerships as it relates to FDI in physical infrastructure, Agrawal shed light on UAE's success over the past two decades in creating ties and important international input adjustments, due to its timely investments in technology and logistic services infrastructure, and its accomplishments in strategic planning and policy adjustments.



From left: Kal Hammerich, Neeraj Agrawal, Imad Eddine Cubiri, Datuk Wira Jallila Baba, and Uche Oji.

On the topic of FDI's role in developing infrastructure, Agrawal explained that beyond access to capital, foreign investment can offer SMEs critical access to new technologies, which cannot always be achieved through domestic investments or trade. According to Agrawal, foreign investors with specific strategic leverage and industry know-how can often bring a unique combination of capital, skills and experience to the table.

The AIM provides an effective platform for leaders of developing markets, the international investment community and experts to exchange expertise and demonstrate new investment opportunities. It also strengthens the UAE's vital role as an international destination for direct foreign investment.

### Arab IPO Summit

#### Sharing insights on current and future regional IPO drivers

Insights on current and future initial public offering (IPO) trends in the region and the critical aspects for the implementation of successful IPOs were highlighted at the second Arab IPO Summit with the participation of Crescent Enterprises, which took place on March 14 and 15 in Dubai, with the participation of Crescent Enterprises' Executive Director Neeraj Agrawal.

The summit gathered representatives from established family businesses, corporations, capital markets, stock exchanges, and investment banks from the Middle East to discuss the MENA IPO landscape and regulations for issuers.

Participating in the panel discussion 'Current trends of IPOs in the Arab region', Neeraj Agrawal, Executive Director, Crescent Enterprises, shed light on the current IPO market as evolving, mentioning the much-anticipated Aramco IPO, due in 2018, and propitious reforms spearheaded by the Saudi Capital Market Authority.

Drawing on his experience from the first wave of Arab IPO issuance in 2005-2007, Agrawal defined ideal companies for listing on local exchanges as those that are positioned for long-term growth and possess a stable market position, a strong brand name, and a track record of value delivery to their stakeholders. Finally, Agrawal identified oil price-related liquidity as the key force of the Arab securities market.