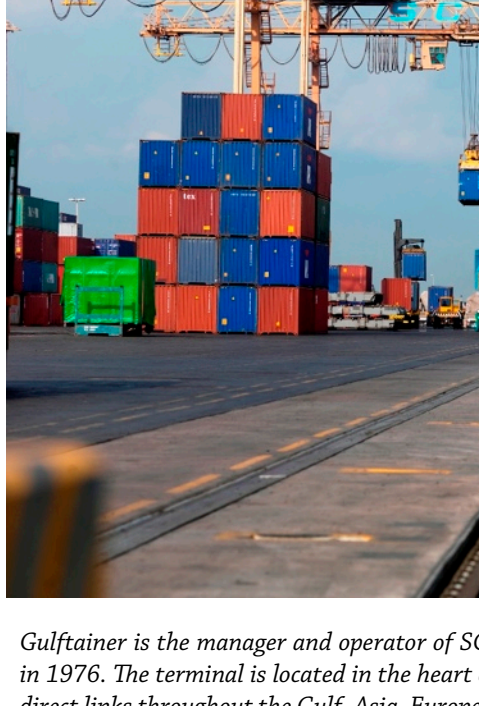


**OPERATIONAL NEWS**

CRESCENT ENTERPRISES - GULFTAINER - GAMMA AVIATION PLC

**COMMUNICATING OUR STRIDES**  
 "A Year of Internal Growth"

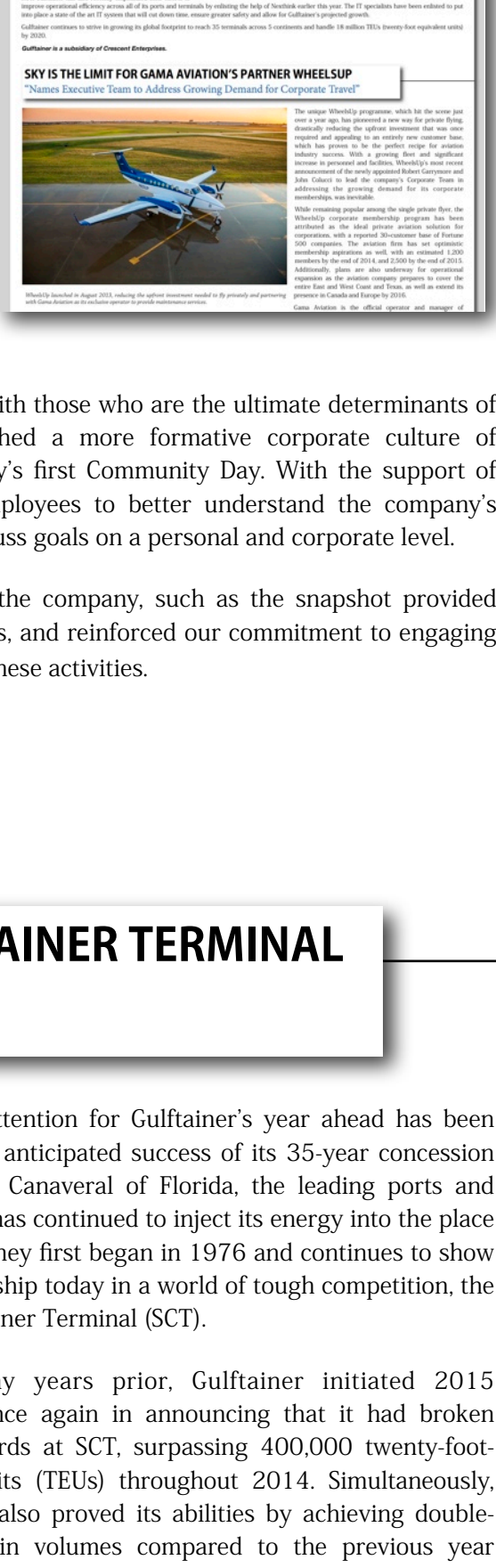
Looking ahead at our goals for 2015, both internally and externally, has prompted us to embark on a process of reflection for 2014 and the progress we have made in and out of our communities we serve. A subcommittee of employees who were selected based on their commitment and unique ability to support the activities via their role within the firm was developed, and together a strategic plan for the year with clear objectives and goals were set. With a structured direction and added support, the new Corporate Citizenship role within Crescent Enterprises was now not a strictly defined addition to the work we do and strive to do, but a tangible and vital tool to the long-term success of the company.



We also proudly issued our first sustainability report, "Setting the Foundation." In our efforts to seek ways in understanding the external impacts we make and those that affect our operations. Although a private company unbound of regulatory measures, we strive to continue to lead in corporate transparency and recognize the long-term value in context-based reporting both for ourselves and for our stakeholders.

Crescent Enterprises has also appreciated the importance of engaging with those who are the ultimate determinants of its future, our employees. Throughout 2014, the company established a more formative corporate culture of involvement through several internal initiatives, including the company's first Community Day. With the support of Senior Management, the inaugural event provided a moment for employees to better understand the company's corporate projects and initiatives, how to work together, and openly discuss goals on a personal and corporate level.

Simple developments to communicate the growth and aspirations of the company, such as the snapshot provided above, have laid the foundation for Crescent Enterprises' 2015 objectives, and reinforced our commitment to engaging with our stakeholders on each and every level by further building upon these activities.



**GULFTAINER SURPASSES 400,000 TEUs AT SHARJAH CONTAINER TERMINAL**  
 "Gulfair's Home Port Continues to Remain at the Top"



Gulfair is the manager and operator of SCT on behalf of the Sharjah Port Authority, commencing operations in 1976. The terminal is located in the heart of Sharjah and is an ideal gateway for import and export cargo with direct links throughout the Gulf, Asia, Europe, Americas and Africa.

While most attention for Gulfair's year ahead has been placed on the anticipated success of its 35-year concession with the Port Canaveral of Florida, the leading ports and logistics firm has continued to inject its energy into the place where its journey first began in 1976 and continues to show market leadership today in a world of tough competition, the Sharjah Container Terminal (SCT).

Like so many years prior, Gulfair initiated 2015 confidently once again in announcing that it had broken handling records at SCT, surpassing 400,000 twenty-foot equivalent units (TEUs) throughout 2014. Simultaneously, the company also proved its abilities by achieving year double-digit growth in volumes compared to the previous year despite space constraints at the terminal.

The statement comes at an important time for Gulfair as it welcomed several new services to its SCT operations, including UAAC's Gulf India Service, which now connects Sharjah with Sohar in Oman, Mundra in India and Karachi in Pakistan, all said to have boosted volumes at the terminal in November and December of 2014 alone. Sharjah's economic growth, which has been prevalent through Emirates' actions to welcome global investors and local growth, have also contributed to SCT's success, a comforting direction for Gulfair's future at the port it calls home.

Gulfair is a subsidiary of Crescent Enterprises.

**GAMA AVIATION PLC RANKED AMONG TOP FIVE IN BUSINESS AVIATION**  
 "Continues to Spread its Wings with Latest Joint Venture"

Earlier this year, Gamma Aviation and Hangar8 took the business aviation sector by storm through its game changing merger into Gamma Aviation PLC, not only giving it a market capitalisation of roughly \$188 million, but also placing it as one of the five leading operators worldwide. With the global and regional business aviation sector facing a period of anticipated growth, the partnership is set to not only enable the newly formed company to excel amongst its competitors, but lead the sector's development as well. Gamma Aviation PLC now has 144 aircraft are under management, hosts operations from 44 different locations in 15 countries and 5 continents, and offers a comprehensive service to operate and support aircraft from all major manufacturers and private jet aircraft classes.

One very important highlight of the new partnership is in the similar and beneficial geographic locations that Hangar8 and Gamma Aviation share. Operating now as Gamma Aviation PLC, the company boasts a strong presence in North America, the UK, continental Europe, Africa, Middle East, Asia and South America, enabling the pair to pursue the same growth strategies and markets on an optimal level. Wasting no time with the partner's geographic leverage, the company recently announced a joint venture with China business aviation company Hutchison Whampoa Limited, set to begin operations in the second quarter of the year along with the addition of two new aircrafts based in Hong Kong. With predictions set for China to be the third largest business jet market by 2022, the deal puts Gamma Aviation PLC in an ideal position to further tap the booming Asian markets and link with its strong regional businesses spread across Africa, the Middle East and Europe.



Gamma Aviation and Hangar8 PLC officially merged in January 2015, forming Gamma Aviation PLC, and shortly after signed a joint venture to top further into the Asia market with China business aviation firm Hutchison Whampoa Limited.

Gamma Aviation is an affiliate of Crescent Enterprises.

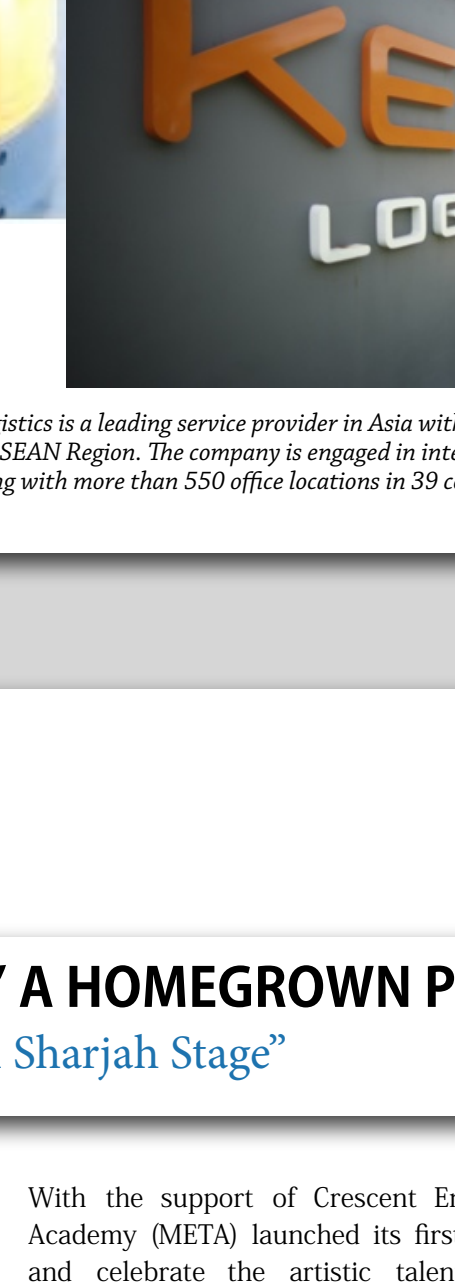
**PRIVATE EQUITY HOLDINGS**

TVM CAPITAL HEALTHCARE PARTNERS - GROWTHGATE CAPITAL

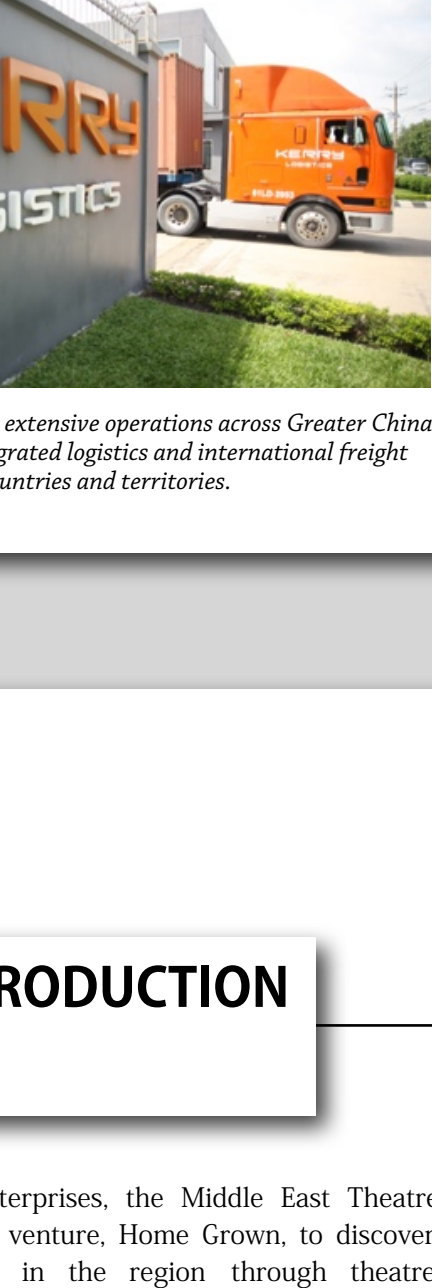
**TVM CAPITAL HEALTHCARE PARTNERS**  
 "Opens Offices in Beirut & Boston to Strengthen Partnerships"

TVM Capital Healthcare Partners (TVM) has taken their partnership with US based Spaulding Rehabilitation Network and Joslin Diabetes Center one step further by creating a local presence in their Boston, Massachusetts location. The newly established office will serve as an extended hub for TVM to continue to build its relationships with its current and future partners in academic centers and strategic partners around the region.

Representing the Boston office will be Dr. Nadeem Aldajaj, who is currently Associate Chief of Emergency Medicine at BID Hospital in Milton, Massachusetts, and who previously served as a consultant at the Ministry of Health in Kuwait, bringing with him a strong understanding of operating in the Arab World along with years of Western medical and clinical knowledge.



Dr. Nadeem Aldajaj will represent the TVM Capital Healthcare Partners Boston, Massachusetts office.



Ghida Harfoush (MBA, PhD) will represent the TVM Capital Healthcare Partners Beirut, Lebanon office.

Consequently, TVM has also extended its presence in Beirut, Lebanon, as well, to allow the private equity firm to further build on its existing portfolio of businesses by addressing potential investments in the region and identifying regional partners aligned with their objectives. Leading the new Beirut office's activities will be Ghida Harfoush (MBA, PhD) who has an extensive background in consulting and research within the healthcare and pharmaceutical industries, and most recently served as a Senior Strategy Consultant for Stem-Pharma.

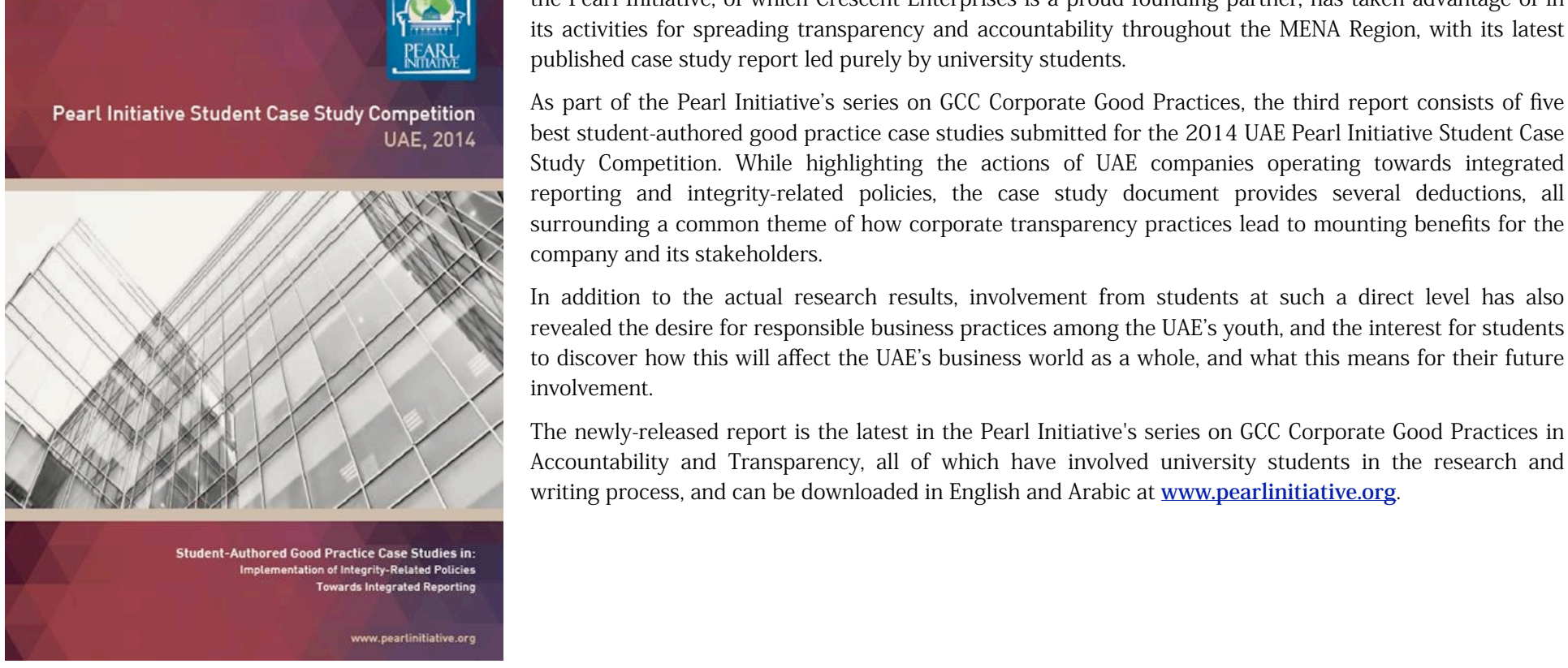
TVM's relationship with Joslin Diabetes Center began in March of 2014, through an affiliation agreement to address the prevalence of diabetes throughout the MENA Region by allowing patients to be treated locally through TVM's three "continuum-of-care" portfolio companies. TVM also signed an affiliation agreement with Spaulding Rehabilitation Network that same year, to enable patients in the region the ability to receive care from their own home throughout the healing process.

Crescent Enterprises is a limited partner in TVM Capital Healthcare Partners and has representation on the Fund Advisory Board.

**GROWTHGATE CAPITAL**  
 "Averda Moves Waste Collection in Saudi Arabia Underground"

The Kingdom of Saudi Arabia (KSA) is no stranger to incorporating innovation and modern improvements to its infrastructure, most recently adding to the list of modern adjustments a new waste management system. With the help of Averda, the largest waste management company in the MENA Region, KSA has launched an efficient, cost-effective and environmentally friendly system of waste containers set to be populated with as much as 12 million tonnes of solid waste per year. With the country's population nearing 30 million people, including its most heavily populated areas Riyadh, Jeddah and Jubail, the new systems will allow for the disposal of residential, commercial and public waste. Additionally, unlike the traditional underground concrete setup, Averda's solution will be hygienic, using larger plastic containers which will be placed deeper underground and feature a sensor system alerting the crew when it is time for removal.

In addition to the new waste collection system, Averda also provides Riyadh, Jeddah and Jubail with integrated waste management services including cleaning, collection, disposal, treatment and recovery. Originally a waste management company in just Lebanon, Averda International has since established itself as the single largest environmental solutions provider, specializing in integrated resource management in the MENA Region, maturing significantly following Growthgate Capital's investment in it in 2008.



Averda offers its services to clients in the UAE, Saudi Arabia, Oman, Angola, Morocco and Ireland and has plans for expansion in Africa.

**"Growthgate Capital Sells Majority Stake in Able Logistics"**

Growthgate Capital recently announced a significant exit, selling its 70 percent equity stake in leading freight forwarder and logistics provider Able Logistics Group (Able) to Kerry Logistics Network. Growthgate Capital invested in Able in 2007, when the provider only held operations in the UAE and locations in Asia. Today, Able's reach has expanded to multiple bases in Dubai, Sharjah, Oman, Saudi Arabia, Afghanistan, and Hong Kong, and hosts a corporate customer base of over 500 across multiple sectors. Growthgate Capital's sale to Kerry Logistics Network for \$32 million was a proactive move, positioning Able to further expand across locations and sectors.

Growthgate Capital's sale of Able Logistics is among several other activities for the private equity firm in recent years, including the sale of its stake in Roots Steel International, a partial exit from Able via a dividend recap, and a reverse takeover by Gamma Aviation with Hangar8 PLC.

Crescent Enterprises is a Founding Shareholder of Growthgate Capital.

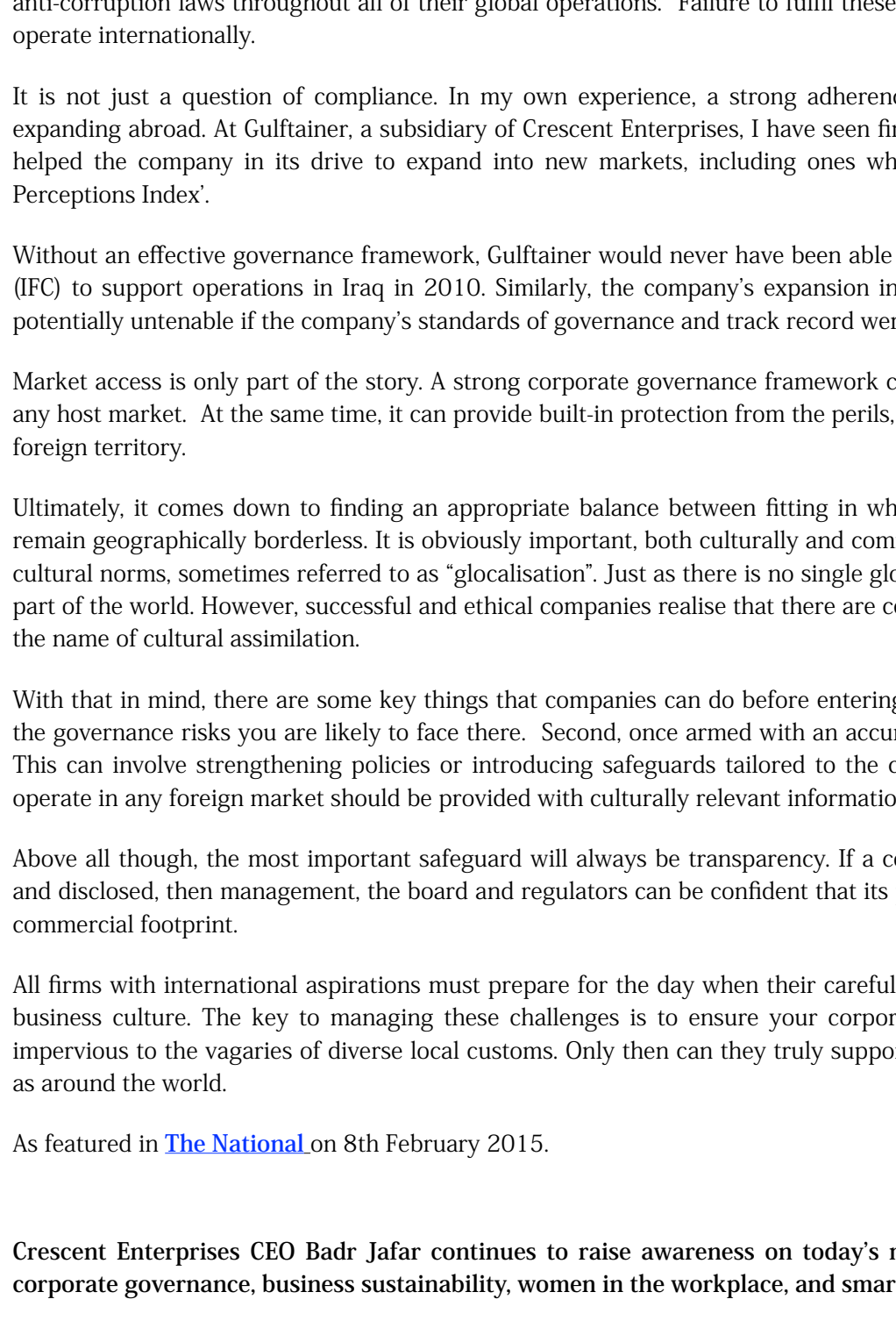
Over the years Able Logistics has evolved from a simple freight brokerage house to an integrated global logistics provider, handling air and sea freight forwarding for a diverse client base.

Kerry Logistics is a leading service provider in Asia with extensive operations across Greater China and the ASEAN Region. The company is engaged in integrated logistics and international freight forwarding with more than 350 office locations in 39 countries and territories.

**CORPORATE CITIZENSHIP**

MIDDLE EAST THEATRE ACADEMY

**META PRESENTS 'DHOW UNDER THE SUN' A HOMEGROWN PRODUCTION**  
 "34 Bright Young Arab Stars Display their Talents on Sharjah Stage"



A picture from the Home Grown programme.

With the support of Crescent Enterprises, the Middle East Theatre Academy (META) launched its first venture, Home Grown, to discover and celebrate the artistic talent in the region through theatre and performance. 34 participants were given a once-in-a-lifetime, expense-free opportunity, to complete the two week theatre training programme and the chance to perform their skills in front of a live audience in the UAE and abroad.

On January 25, in the presence of H.H. Sheikh Dr. Sultan bin Mohammad Al Qasbi, Ruler of Sharjah and a crowd of local guests in support of the experiential nature of the programme, the transformed students delivered their first performance of a play intermixed with English and Arabic, written specifically for the occasion of Home Grown.

The play, 'Dhow Under the Sun', by Iraqi Playwright Hassan Abdurazzak, was inspired by the lives of countless displaced youth across the Middle East, touching on several themes prevalent to the region. Set in a fictional location within the Arabian Gulf, marked by an environmental disaster, the cast brought to life a story about social and environmental challenges within the Arab region, and the demonstration that authentic leadership, determination and innovation are the keys to its future.

The Inaugural Home Grown programme which took place in Sharjah, UAE, is only the beginning for META and its plans to support artistic youth across the region. In addition to developing future programmes, plans are also underway for exporting the 'Dhow Under the Sun' production to theaters abroad, further celebrating the talent of the Middle East through its global ambassadors on the stage.

Launched in 2011, The Middle East Theatre Academy (META) is a first-of-its-kind academy designed to introduce, influence, and nurture the youth of the region in the art of theatre, stage performance and related education. The non-profit Academy offers a range of creative opportunities for young, emerging artists throughout the Middle East, with a special focus on nurturing underprivileged youth, by facilitating workshops, master classes and special events.

rights for a strategic US port after securing a 35-year concession from Port Canaveral in Florida as part of an ambitious vision to operate 35 terminals in five continents by 2020. Based on this point, discussions throughout the session also turned toward the role of culture in the economic world and its ability to cut across borders to dispel uncertainties and tensions as a result of political atmospheres. To this, Badr explained that the cultural diplomacy is clearly a force that countries in the Middle East still need to harness successfully and to take advantage of its ability to have a transformational impact on its relations with other countries.

The Sharjah event concluded on February 10, and was described as the perfect platform to improve dialogue between government and industry on a global level and welcome corporate investors to overcome misperceptions and foster mutually beneficial relationships for economic growth.

The event is just one of Sharoua's many recent steps in facilitating incentives to help overcome obstacles facing investment activities in the emirate, and evaluating investment-related infrastructure projects. The independent government body was founded in 2009 with the aim of achieving social, cultural, environmental and economic development on the basis of Sharjah's distinct Arab and Islamic identity, and to encourage investment by adopting the best international standards in providing quality services that help attract investors from the region and the world.

**CORPORATE INSIGHT**

CEO PERSPECTIVE - HARVARD BUSINESS REVIEW

**CROSS-CULTURAL RULES TO HELP COMPANIES FLOURISH**  
 "Finding a Balance Between Local Customs in a Global Market"



Situated at the crossroads of East and West, the UAE is one of the world's most dynamic and diverse trading centers. With expatriates from more than 200 countries calling the UAE home, Emirati nationals have significant experience interacting with diverse nationalities and cultures.

In recent decades, many local firms have turned this cultural and commercial cosmopolitanism into a competitive advantage. Drawing on their cross-cultural capabilities and a diverse international workforce, homegrown companies such as Emirates Airline, Etihad Airways, Jumeirah Group and Mubadala have successfully established extensive operations in many other parts of the world.

There are obvious benefits to operating across borders, including access to new commercial opportunities, the exchange of knowledge and technology, and the opportunity to challenge myths and cultural stereotypes. However, navigating new cultural terrain can also present challenges for businesses.

This is the subject of a discussion I am participating in at the World Forum for Foreign Direct Investment 2015 taking place in Sharjah this week. One of the topics explored is how companies should respond when their corporate culture is at odds with the local customs of a foreign market.

This is a timely subject as more firms from the Gulf region are beginning to extend their reach around the globe. Those that do will learn fast that there are different expectations on business in different territories. In certain markets, one may be expected to share earnings with a local partner. In others, expectations in terms of gifts and hospitality can be more lavish than what we may find appropriate. These situations can seem harmless enough. As they say, "when in Rome, do as the Romans do." However, they can also be fraught with the risk of contravening a company's governance policies or obligations under the law.

That is why international businesses need clear and versatile corporate governance policies that all their employees can understand and apply in every market in which they operate. From a legal standpoint, companies must be clear about their obligations in their home country, in the market, and in all other jurisdictions in which they have planned their flag. For example, firms with any kind of presence in the US or UK may be subject to aspects of these countries' anti-corruption laws throughout all of their global operations. Failure to fulfill these obligations can do lasting damage to a company's reputation and ability to operate internationally.

It is not just a question of compliance. In my own experience, a strong adherence to corporate governance can be a potent competitive advantage when expanding abroad. At Gulfair, a subsidiary of Crescent Enterprises, I have seen first-hand how an unwavering and zero-tolerance approach to corruption has helped the company in its drive to expand into new markets, including ones which to date score very badly in Transparency International's Corruption Perceptions Index.

Without an effective governance framework, Gulfair would never have been able to access banking from the World Bank's International Finance Corporation (IFC) to support operations in Iraq in 2010. Similarly, the company's expansion into the United States was only possible because of its strong and potentially untappable if the company's standards of governance and track record were of a certain caliber.

Market access is only part of the story. A strong corporate governance framework can be a company's best defense in times of economic or political turmoil in any host market. At the same time, it can prove to be a protection from the perils, and potentially fatal reputational damage, of being linked to corruption in a foreign territory.

Ultimately, it comes down to finding an appropriate balance between fitting in while remaining steadfast about protecting values and standards that should remain geographically borderless. It is obviously important, both culturally and commercially, for truly globalized firms and their employees to respect different cultural norms, sometimes referred to as "globalization." Just as there is no single global currency, there is not one way of doing business that will work in every part of the world. However, successful and ethical companies realize that there are certain standards of governance that are too important to be compromised in the name of cultural assimilation.

With that in mind, there are some key things that companies can do before entering a new country or region. The first is to conduct a thorough assessment of the governance risks you are likely to face there. Second, once armed with an accurate risk profile for that territory, you can begin to take preventative action. This can involve strengthening policies or introducing safeguards tailored to the cultural norms that prevail there. Third and finally, employees expected to operate in any foreign market should be provided with culturally relevant information about doing business there, and additional training if required.

Above all though, the most important safeguard will always be transparency. If a company's activities in all jurisdictions are being well documented, reported and disclosed, then management, board and regulators can be confident that its policies and procedures are being applied in even the farthest reaches of its commercial footprint.

All firms with international aspirations must prepare for the day when their carefully constructed corporate governance policies come into contact with a new business culture. The key to managing these challenges is to ensure your corporate governance safeguards are clear, versatile and resilient enough to be impervious to the vagaries of diverse local customs. Only then can they truly support the ethical and sustainable growth of your business both at home as well as around the world.

As featured in *The National* on 8th February 2015.

Crescent Enterprises CEO Badr Jafar continues to raise awareness on today's most relevant challenges and opportunities including entrepreneurship, corporate governance, business sustainability, women in the workplace, and smart energy project through his blog [www.badrjafar.com](http://www.badrjafar.com).

**HARVARD BUSINESS REVIEW IN ARABIC**  
 "How Great Coaches Ask, Listen, and Empathize"

Crescent Enterprises is proud to support the Middle East's leading Arabic business portal, Alqtisadi, on its new management section hosting Harvard Business Review (HBR) articles, syndicated in Arabic for the first time.

With this resource, executives will have access to information in the context of business and its related areas, with local and regionally relevant topics that might otherwise be discussed in prominent Western publications. It is Crescent Enterprises' goal to fill this informational gap with a relevant publication such as HBR.

A new HBR article is posted every month on the Alqtisadi website. To view the February article, "How Great Coaches Ask, Listen and Empathize," click here.

Alqtisadi also offers readers the opportunity to subscribe to its monthly newsletters, which highlight news items and recent articles.

To subscribe, click here.