Issue 16: October 2016

business.

INDUSTRY EVENTS - CORPORATE INSIGHT

OPERATIONAL NEWS CRESCENT ENTERPRISES - MOMENTUM LOGISTICS - GAMA AVIATION

CRESCENT ENTERPRISES LAUNCHES ITS SUSTAINABILITY AND ANNUAL REPORTS FOR 2015 Reports communicate the progress made and future ambitions

We are delighted to share with you our Sustainability Report 'The Business Imperative' and Annual Report 'The Art of Performance' for 2015, in the belief that inclusive growth, good corporate governance and responsible business practices start with open communication with all stakeholders.

In the Sustainability Report, we capture in detail the progress we have made during 2015 towards achieving our sustainability vision of 'Enabling Sustainable Growth' by implementing our sustainability roadmap across our four pillars - Enabling Ethical Business, Enabling a Stronger Society, Enabling Talent, and Enabling Stewardship of the Planet. We also report our progress in implementing the ten principles of the United Nations Global Compact, of which we are signatories since 2013. In the Annual Report, we focus on Crescent Enterprises business activities, performance, and future ambitions for our operating businesses, strategic investments, and business incubation division. We also express in it our interpretation of success beyond the traditional definition, and what drives us as a

Sustainability Report Annual Report 'The Business Imperative' 2015 'The Art of Performance' 2015

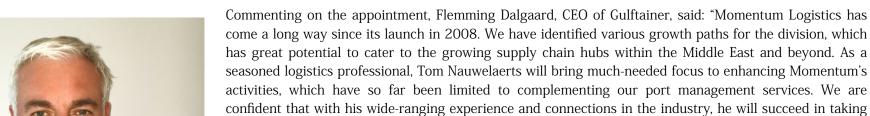
We hope that you will enjoy learning about the progress we have made and we look forward to engaging with you more closely as we continue our journey.

VIEW REPORT VIEW REPORT



MOMENTUM LOGISTICS WELCOMES NEW MANAGING DIRECTOR TOM NAUWELAERTS New MD to focus on expanding presence in regional and global logistics industry

Momentum Logistics, a leading UAE-based third-party logistics (3PL) services provider, has announced the appointment of Tom Nauwelaerts as its new managing director. Momentum is a wholly owned subsidiary of Gulftainer, the world's largest privately owned independent port operator, based in the UAE. With over 25 years of experience in supply chain management across various markets including the UAE, the UK and Belgium, Nauwelaerts will be responsible for steering the expansion of Momentum Logistics in the 3PL industry. In line with Momentum's strategy to diversify its business offering, the company aims to develop a distinct identity as one of the premier logistics services providers in existing and new high-potential markets.



the company to the next level." Discussing his new role, Nauwelaerts said: "This is an exciting time to be heading a logistics function in the Middle East. As the region opens up its industries and diversifies away from fuel, we anticipate a growing need for interconnectedness, convenience and streamlining of business operations. With the help of the employees at a people-driven enterprise such as Momentum, we strive to provide a tangible solution that meets all these needs. As Managing Director, I look forward to taking our services to new benchmarks of excellence and finding innovative ways to tackle any challenges we may face."



division. With over eight years of experience in the Middle East, he had also held the position of Managing Director at Al-Futtaim Logistics. Previously, he had served as Group CEO of WWL-ALS Freight Management Group in the UK and as General Manager Logistics for Ahlers Logistics and Maritime Services, headquartered in Belgium. During these tenures, he oversaw specialized logistics services, such as project cargo, chartering, and retail and automotive logistics solutions for fast-growth markets in the CIS, Asia and

GAMA AVIATION BENEFITS FROM GEOGRAPHIC DIVERSITY IN FIRST HALF 2016 Global diversification strategy successful in offsetting weak European market

Gama Aviation manages a fleet of over 145 aircraft.

geographical diversity have ensured that once again we have delivered a solid performance, despite the challenging conditions that we continue to experience in our European market." acquisitions.

contract pipeline.

STRATEGIC INVESTMENTS SAMENA LIMESTONE HOLDINGS - WAMDA CAPITAL

RAK CERAMICS LAUNCHES NEW GLOBAL IDENTITY The new identity will unify all RAK Ceramics' global subsidiaries

The number of aircraft under management rose 10% to 153. The firm plans to expand the business over the next two years through organic growth and further Gama Aviation expects the second half to be "stronger" and to meet its full year expectations. It also expects growth in the US market to continue, EU Air to benefit from cost reductions and EU Ground to get stronger with the support of longer term contracts and further progress within MENA due to a promising Gama Aviation is an affiliate of Crescent Enterprises.

RAK Ceramics' new brand identity

LOGIN | REGISTER

TYPE TO SEARCH

AUTHENTICITY

MODERNCOLLECTABLESFine jewellery and watches

RAK The announcement was made at Cersaie, one of the largest and most important international ceramics exhibitions which takes place annually in Bologna, Italy. The new corporate brand identity was revealed at the RAK Ceramics stand which clearly articulates the company's proposition, CERAMICS 'Room for Imagination', and featured the company's latest products and

featured in some of the most iconic buildings around the globe and the launch of our new brand identity reflects our aspirations to become the leading ceramics lifestyle solutions provider in the world." Crescent Enterprises is a Limited Partner in Samena Limestone Holdings. In June of 2014, Samena Limestone Holdings, a subsidiary of Samena Capital, together with a consortium of investors, acquired 30.6% of Ras Al Khaimah Ceramics (RAK Ceramics) a US\$ 1bn

Theluxurycloset.com, the fast-growing online marketplace that buys, sells, and consigns personal luxury goods, mostly pre-owned and at a discounted price, announced that it has closed a \$7.8 million Series B round of funding on 26 September 2016. The financing was led by Wamda Capital, a venture capital firm investing in technology-enabled companies in the MENA region, and Middle East Venture Partners (MEVP), a Tech focused Venture Capital firm that has seeded and reinvested in The Luxury Closet since 2012. Equitrust, Saned Partners, Arzan Venture Capital and a few other regional investors are also joining this round. With this new major capital, along with the collective guidance and expertise of its investors, The Luxury Closet plans to accelerate its strong growth and regional expansion, continue to build its team and set up operations in Saudi Arabia, make further investments in marketing and technology, continue its rapid pace of digital retail innovation, and enhance its user experience and engagement by developing an App.

up to 70% off Shop now > Shop now > SELL WITH US Start today >

WHAT'S NEW

Chanel This, Chanel That Up to 80% off the iconic brand SHOP NOW

global conglomerate that supplies products to over 160 countries and has been officially recognised as the world's largest ceramics

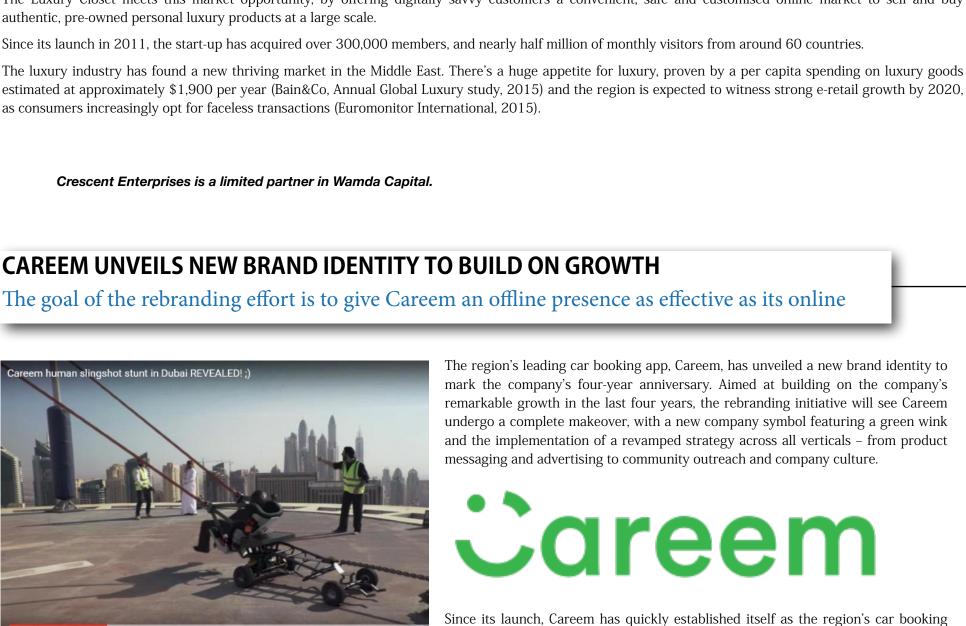
ONLINE RETAILER THE LUXURY CLOSET RAISES \$7.8MN SERIES B FUNDING

SELL NOW!

BLOG

Since its launch in 2011, the start-up has acquired over 300,000 members

LOUIS VUITTON LOVERSUp to 90% off the iconic Shop now > TheLuxuryCloset website receives about half a million visits every month. "It is incredibly rewarding to have the backing of such visionary investors who have been catalysts for economic development in the Arab world, shaped the ecommerce ecosystem in the MENA region, and helped entrepreneurs capitalise on their ambition and ideas, creating multi-billion dollar opportunities," said Kunal Kapoor, the founder of The Luxury Closet. "Our friends at Wamda Capital, MEVP and all the other investors are as committed as we are to the long-term growth and global scale goals of our company," added Kapoor.



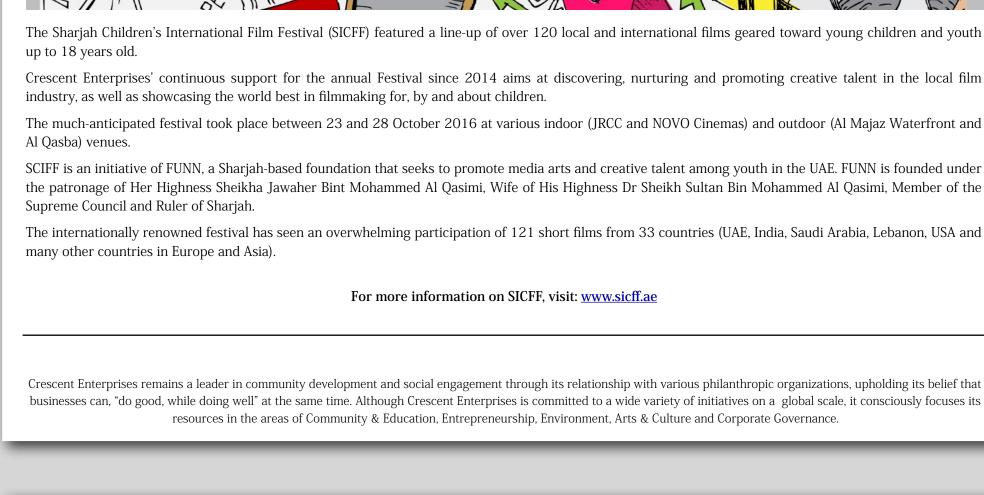
CORPORATE CITIZENSHIP

Careem has taken credit for the fake human slingshot viral video part of its

relaunch campaign. You can watch the spoof video here and the reveal one here

of technology and the positive impact it is creating in the region.

FESTINAL 201



INDUSTRY EVENTS

SHARJAH FDI FORUM

Muhammad Al Qasimi, Member of the Supreme Council and Ruler of Sharjah, which took place at the opening of the Sharjah Foreign Direct Investment Forum (Sharjah FDI Forum 2016), at Al

Jawaher Reception and Convention Centre in

Moderated by Courtney Fingar, Editor in Chief of fDi Magazine - organiser of the event in conjunction with the Financial Times and Sharjah

Corporate Affairs, CH2M, MENA & India.

ready to serve in senior positions across various sectors.

Sharjah.

SHARJAH FDI FORUM - 30% CLUB GCC & BLOOMBERG

Crescent Enterprises highlighted as a Sharjah success story at Sharjah FDI Forum Sharjah's unique position as a gateway for international business expansion was the topic under discussion at a key panel event held in the منتدى الشارقة للاستثمار presence of His Highness Sheikh Dr. Sultan bin الأجنيى المياشر



An event from FINANCIAL

These entrepreneurs, and millions more like them across the region, have a unique opportunity to demonstrate — in a way that billions of dollars of passive investments in foreign assets cannot — that the Middle East remains a wellspring of creativity and innovation. Some of the oldest examples of the practice of diplomacy can be traced back to an exchange of clay tablets with messages between the pharaohs

supporting action on climate change. A great example is 'We Mean Business' coalition, where big companies including Nike, Unilever, General Motors and IKEA are jointly forming goals, setting targets, and pushing for policies to battle climate change. In the Middle East, Dubai's Mohammed Bin Rashid Global Center for Awqaf and Endowment is a very promising platform. It has a useful

interactive tool called Social Needs Map on its website, which shows an overview of some of the most predominant social needs in the

pivotal role in the social and environmental development of the region.

benchmark to measure impact.

insubstantial impact on society.

However, the prevailing business norm still seems to indicate that companies consider corporate social responsibility (CSR) a voluntary act rather than a centrepiece of their strategy. But corporate citizenship is no longer the nice-to-have disposable add-on it once was; it is an elementary contributor to any company's sustainability

The United Nations Global Compact clearly outlines the areas that can benefit from private sector involvement in its Sustainable Development Goals (SDGs) - a list of priorities outlined in the 2030 Agenda for Sustainable Development. It is encouraging to note that globally, some of the biggest corporations are stepping up to the plate, and dedicating their time and resources to address these issues, whether it is improving education and healthcare, providing water and electricity to cities, fighting human trafficking, or

as the world grows more interconnected and fast-paced.

time.

partnerships and collaborations. Here are five steps that can get a company started in CSR in a meaningful way: • Focus on specific areas based on the needs of surrounding communities and in alignment with business nature. Allocate a specific budget for CSR strategy that would help in achieving high impact results. • Implement a CSR governance framework to enable decentralised and strategic decision-making.

• Improving employee motivation and commitment

As published in Tharawat Magazine, Issue 31, August 2016. Read the article online here

ثلاث طرق للاستفادة من الدورات المفتوحة عبر الإنترنت لتطوير مسارك

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

ينشر قسم الإدارة مقالات يومية من هارفارد بزنس CRESCENT www.aliqtisadi.com **ENTERPRISES**

CORPORATE INSIGHT CEO INSIGHT - ACHIEVING SUSTAINABILITY THROUGH CORPORATE CITIZENSHIP - HARVARD BUSINESS REVIEW IN ARABIC **CEO Insight: Time to Unleash Entrepreneurial Diplomacy** Badr Jafar on cultural diplomacy and entrepreneurship German engineering. Swedish design. American innovation. Italian style. Arab unrest. Islamic extremism. War in the Middle East. Connotations matter. And rightly or wrongly, the Middle East and North Africa has an image problem. Unfortunately, it isn't simply a matter of perception. Political instability has been a thorn in our region's side for decades. Today, active conflict and socio-economic degradation persist across swathes of the Middle East, with the resultant humanitarian crisis spilling into the region and lapping at the shores of Europe and North America. However, reasons for optimism are not as elusive as the headlines might otherwise suggest. Look no further than the region's thriving entrepreneurial sector. According to a recent study published by HSBC, the Middle East boasts the highest proportion of entrepreneurs under the age of 35 in the world. This growing start-up sector can become our greatest asset in creating a more balanced narrative for the Middle East. With every innovative creation exported to the world, entrepreneurs can shatter another piece of the facade of low expectations that has shrouded our region for generations. That is the power of entrepreneurial diplomacy. After all, there is no more powerful way to shape perceptions and create affinities between diverse communities than through the exchange of branded goods and services that make a positive difference in people's lives. Consequently, entrepreneurial diplomacy also has the potential to counter global trends of rising xenophobia and isolationism by providing a powerful channel for young men and women to express themselves and connect through a shared passion for invention and creativity. Notwithstanding the urgency of job creation, I'd like to think that this is a key reason why there is such a strong commitment in the UAE to the establishment of supportive hubs for start-ups and entrepreneurs. A recent example is the Sharjah Entrepreneurship Centre — known as Sheraa — that opened earlier this year at the American University of Sharjah, to support young innovators nurture their ideas to fruition.

their international business strategies. opportunity to produce many more national champions. nation's interests and enhance its standing in the hearts and minds of people around the world. They should know they are not alone in that mission. The UAE's private sector has a unique role to play in creating greater global understanding of our region, its character and its capabilities through the quality of our products and the power of our ideas. We all have an immense opportunity, and a responsibility, to help carry the flag. As published in Gulf News on October 4, 2016. 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 policy through his blog www.badrjafar.com **Achieving Sustainability through Corporate Citizenship** Ola Al Hajj Hussein writes on social responsibility in the region In the volatile world of today, businesses like never before are required to forge the development of their surrounding societies. Their role has to be comprehensive in connecting with and serving their various stakeholders including the society at large. In today's world, an organisation needs to do well and do good at the same

such an initiative goes beyond addressing the unemployment challenge. It encourages innovation, connections with the market and spurs similar programs that stimulate the local economy, which in turn has a positive impact on the company's bottom-line in the long-term. Other benefits of CSR as a core component of business strategy include: Solidifying the company's presence and roots within the community.

Affirming the company's commitment to sustainability by addressing social, environmental and humanitarian issues.

Institutionalising family business values and disseminating them throughout the workforce.

businesses to innovate in key development sectors such as education and employment- for instance, increasing awareness, and allowing a policy shift to facilitate change. An example of a governmental policy-led intervention that created a sizeable impact on the economy is India's Companies Act 2013, which mandates that businesses of a certain size donate two per cent of their net profits to social initiatives.

East's leading Arabic business portal, Aliqtisadi, 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 valuable information in business context, with locally

news items and recent HBR articles. To subscribe, click here.

Prior to joining Momentum Logistics, Nauwelaerts worked for YBA Kanoo as the head of their logistics

Gama Aviation, a London Stock Exchange AIM-listed aviation services provider, has been able to offset weak European market conditions by The firm, which operates across Europe, the US, the Middle East, Asia and Africa, offers services that are split into two areas: Air and Ground. The Air operations include aircraft management, special mission and charters, while Ground services cover maintenance services, fixed base operator (FBO) operations and modification services. The group's revenue rose 13.2% from \$185.3m to \$209.8m in the first half on a constant currency basis. Majority of this rise was from

its US operation where revenue rose 40.8% to \$116m. Gross profit fell by 7.9% to \$27.9m and the margin fell by three percentage points to 13.3%. The firm said this was due to majority of the revenues coming from lower margin Air services. Adjusted earnings before interest and tax depreciation and amortisation (EBITDA) fell

by 8.5% to \$7.5m. Adjusted profit before tax rose 62.7% to \$9.6m due to a material foreign exchange credit of \$4.6m. Chief executive Marwan Khalek said: "The fundamental strength of our business, which is underpinned by contracted revenues and

UAE's RAK Ceramics PJSC, one of the largest ceramics' brands in the world, announced the launch of its new corporate brand identity, which is designed to unify all of its global subsidiaries. The official roll out has started in the UAE, with subsidiaries expected to adopt the new brand identity throughout 2017. The repositioning exercise is one of many initiatives which are helping to drive RAK Ceramics forward to achieving its vision, to become the leading ceramics lifestyle solutions provider in the world.

designs, including the hi-tech Maximus Mega Slab, the largest super-sized slab to be manufactured in the MENA region. Abdallah Massaad, RAK Ceramics' Group Chief Executive Officer said: "Today we celebrate a new milestone as we launch our new corporate brand identity and we are delighted to be unveiling it at Cersaie. The unveiling of our new brand identity is part of our Value Creation plan which was launched in 2014 and designed to improve integration across the business; streamline our distribution networks and unify our brand globally." He added: "RAK Ceramics has 25 years of ceramics' expertise. It is this experience, our wide product range, strong focus on innovation and continued commitment to delivering high quality products which are the four main pillars upon which our new proposition is based. Our products are already

manufacturer.

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KIDS

BRANDS

SALE

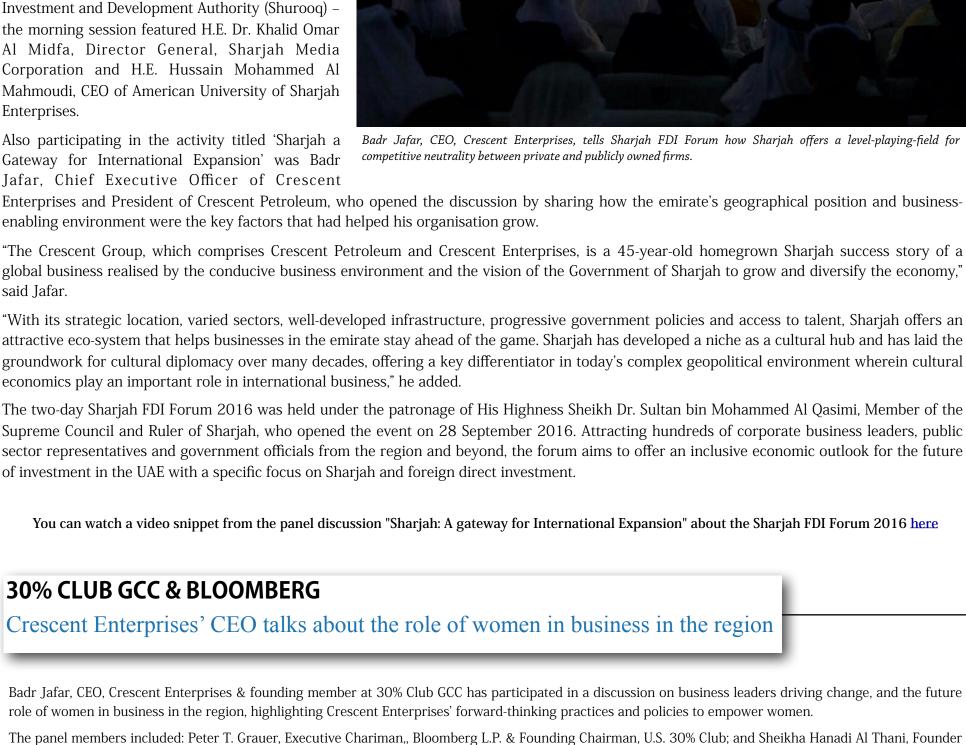
WOMEN

Wamda Capital invests in transformational businesses in a complete cycle of support, starting from seed to growth stage. The fund leverages its experience in launching and growing successful businesses in the MENA to provide its partner companies, such as The Luxury Closet, with post-investment strategic value and support. Online luxury retail is carving out a new identity, heavily driven by digitally-connected millennials who aspire to own high-end brands, and the technology-driven ability to exchange goods in a growing sharing economy. The Luxury Closet meets this market opportunity, by offering digitally savvy customers a convenient, safe and customised online market to sell and buy authentic, pre-owned personal luxury products at a large scale. as consumers increasingly opt for faceless transactions (Euromonitor International, 2015).

and more than 80 thousand registered Captains across the network, and is backed by investors Saudi Telecom Ventures, Al Tayyar Travel, The Abraaj Group, Beco Capital, Impulse, Lumia Capital and Wamda Capital. The goal of the rebranding effort is to give Careem an offline presence as effective as its online presence — an image that captures the beauty and simplicity Crescent Enterprises is a limited partner in Wamda Capital. SHARJAH INTERNATIONAL CHILDREN'S FILM FESTIVAL SHARJAH INTERNATIONAL CHILDREN'S FILM FESTIVAL Crescent Enterprises supports the festival for third year in a row

app of choice, with a phenomenal 30% growth month-on-month. Operating in 32 cities from Morocco to Pakistan, Careem now has over 4 million registered users

SCIFF is an initiative of FUNN, a Sharjah-based foundation that seeks to promote media arts and creative talent among youth in the UAE. FUNN is founded under the patronage of Her Highness Sheikha Jawaher Bint Mohammed Al Qasimi, Wife of His Highness Dr Sheikh Sultan Bin Mohammed Al Qasimi, Member of the The internationally renowned festival has seen an overwhelming participation of 121 short films from 33 countries (UAE, India, Saudi Arabia, Lebanon, USA and For more information on SICFF, visit: www.sicff.ae



& Chairwoman of Amwal Capital & Founding Member, 30% Club GCC. The panel discussion was moderated by Raeda Al Sarayreh, Regional Director of

The 30% Club GCC is a regional volunteer effort of multi-sector leaders working together towards better representation of women on boards and in senior level positions. Members work in collaboration to accelerate pace of change and support the growth of a healthy pipeline of talented and capable women that are

Learn more about the 30% Club GCC <u>here</u>

of Ancient Egypt and the Amurru rulers of Canaan (today the southern half of the Levant) during the 14th century BC. The word itself derives its meaning from the Ancient Greek "diploma", a letter of recommendation or authority that identified individuals as envoys of their state. Today's entrepreneurs are the new diplomats of the global economy. They derive their authority, their diplomas, from the originality of their ideas, the quality of their products, and the strength of their brands, and carry their country's reputation with them wherever they go. This isn't an entirely new phenomenon. Many countries have drawn international credibility and respect from the creativity and technical prowess of their most successful homegrown businesses. When anyone, wherever they are located, spends time surfing on Google, streaming media via Apple, sipping coffee in Starbucks, riding with Uber or lodging through Airbnb, these are not merely acts of commercial consumption. They are also subtle but profoundly impactful cultural experiences that reinforce the status of the US as a leading source of ingenuity, innovation, and opportunity in the consumer's psyche. At home in the UAE, corporate trailblazers such as Emirates airline and Etihad Airways have undoubtedly imbued our nation's reputation with connotations of excellence in hospitality, reliability and vision. However, companies from across our corporate spectrum — including SMEs, family businesses and publicly listed companies — can do more to ensure that effective entrepreneurial diplomacy becomes an integral part of And the recent proliferation of start-ups and entrepreneurs, particularly within our burgeoning digital economy, provides us with a historic Across an extensive global network of embassies, consulates and international offices, our country's diplomats work tirelessly to advance our

It can be argued, that making a conscious effort to align CSR strategies with the real issues affecting our societies can have a beneficial effect for the company itself. Private companies, or rather family businesses, who take genuine responsibility for the development of their environment and societies differentiate their brands, improve the private sector at large, and can garner respect and loyalty of their stakeholders and customers. More importantly, in the long term, a more systematic and collaborative approach to CSR will contribute to sustainable growth of the region's economy, which translates into a win-win for everyone. A good example of this is when companies collaborate with organisations that can contribute towards job creation, a national and regional development priority, by either providing mentorship, capacity building, internship opportunities or encouraging startup businesses. The value of

Arab region, making it easy for companies to identify key development issues that their CSR initiatives should address. The availability of national and regional development frameworks also helps in avoiding duplication, creates partnership opportunities and, most importantly, provides a

The 2013 report by Booz&Co, titled 'The Rise of Corporate Social Responsibility - A Tool for Sustainable Development in the Middle East,' highlights that while CSR activities among companies in the Middle East have increased over the past decade, they are rarely aligned with national and regional development priorities. As a result, these initiatives tend to lack focus and are not comprehensive enough, resulting in an

There are extensive untapped opportunities in long-term strategic CSR planning and collaboration in the private sector to achieve sustainable growth and development for our societies. The private sector of the Middle East is characterised by a high prevalence – over 80 per cent – of businesses owned by families. A considerable number of them are already engaged in various charity and philanthropy activities. By adopting a more structured approach towards CSR benefiting from strategic alliances and partnerships, family businesses, no matter how small, can play a

Such efforts must be well-designed and tackle the most pressing issues relevant to our region, such as growing humanitarian needs, youth

unemployment, gender inequality in the workforce, sparsity of quality education and weak environmental management among others.

With a noticeable shift towards a more holistic and fully integrated form of CSR, corporate citizenship will continue to evolve within the region. Focusing on the right areas of improvement will be crucial for businesses to contribute to long-term sustainability not only within the societies they operate in, but in the regional economy and the world at large.

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• Build long-term relationships with stakeholders that go beyond financial profit. HARVARD BUSINESS REVIEW IN ARABIC 3 Ways to Use from MOOCs to Advance Your Career Crescent Enterprises is proud to support the Middle 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 revered publication such as HBR. To view the latest article in Arabic, click here. Aliqtisadi also offers readers the opportunity to subscribe to its monthly newsletters, which highlight

• Leaving a legacy for future generations that will take over the company down the line. There is an urgent need for family firms in the region to come together, and initiate more productive and focused steps towards social investment in the environment. It is time for a shift in focus from sponsorships that are merely promotional in nature, to deeper shared value through • Consider CSR as an essential long-term profitable investment with a focus on shared value rather than non-profitable philanthropic giving Responsibility does not only lie with the private sector, however; governments also have an important role in creating a favorable environment for businesses to enhance their CSR impact. They need to foster corporate citizenship among the private sector by further encouraging the private