



MENA HOLDING (K.S.C)

GROWTH SPURT



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what is your assessment and experience of family companies in the region?

Mohammed Abdulsalam: I believe the majority of family companies are successful in a number of ways, especially if they succeed in segregating duties. Owners qualify their children for working in various sectors and areas from early on in their careers. This is an important component for the rehabilitation of new generations of family business leaders. FME: How

would you describe the shareholding industry in the Middle East? MA: Shareholding companies have been affected by the economic and political unrest surrounding the region. The sharp drop in oil prices reflects negatively on the economy too, especially for companies listed on the financial markets.

FME: How do you anticipate the sectors you deal in (industrials, family entertainment, construction and real estate) will grow?

MA: Economic sectors in the region have various degrees of coherence. They are mostly affected by the general economic situation, which is linked with returns generated by governments from oil and raw materials. The industrial sector is a widely diversified sector and is less dependent on the fluctuations of petroleum products. Steel dominates our industrial activity in the region thanks to the ongoing construction boom. Indeed, despite the completion of several large projects in this area during the oil boom decades, the call for construction is still strong.

FME: What is new for MENA Holding this year?

MA: In terms of geographic expansion the company continues to plan for growth in a number of regional markets through promising investment opportunities. So far we have strategic presence in Qatar and Morocco through a number of our subsidiaries. It is likely that we will enter new markets if we seize the opportunities available to us. We have recently expanded into the insulation sector through the establishment of Gulf Insulations Company. The move comes in response to the continuing call for new properties.

FME: What are your plans for growth in 2016 in both MENA and further afield?

MA: We are looking to strengthen our presence in the various sectors and markets we are active in. We plan to expand our insulation business by manufacturing materials in Kuwait and then distributing them in a number of regional markets, including Saudi Arabia and Qatar. In the family entertainment sector we will continue our expansion in Morocco once we've studied the market and its potential for growth.

FME: What is your vision for the company?

MA: I look to the future with hope and certainty based on our current financial position. Through restructuring and operating our subsidiaries we will focus on value-added projects as an appropriate investment strategy.

FME: What are some of the key trends emerging in the region affecting your business?

MA: There is no doubt the region is experiencing some stability issues. Pockets of MENA are locked in a cycle of violence, making it difficult for them to progress rapidly and create the right investment environment to attract foreign investors. On the flipside, some GCC countries are attracting

many foreign investors. Indeed, Saudi Arabia and the UAE attract more than 40% of the total FDI inflows to the region annually.

FME: What's the biggest challenge you've faced in your career so far?

How did you get past this? MA: The global financial crisis and the Arab Spring were particularly challenging events for MENA Holding. During the economic crisis the company was keen not to engage in new investments, but instead restructure its assets. This involved integrating some of its subsidiaries and activities, resulting in the reduction of general and administrative expenses.

FME: What challenges or issues do you foresee for MENA Holding in the next 3-5 years?

MA: MENA Holding may encounter political challenges due to tensions and military tendencies in parts of the region. This may limit the company's options in regards to newly qualified and stable markets to enter. The sharp decline in oil prices also represents an economic challenge which reduces government expenditure, particularly GCC countries.

FME: What advice would you give young people looking to get into business and succeed as quickly as you?

MA: I think that corporate management, especially in the Arab region, depends mainly on personal characteristics. A business manager must have the necessary academic qualifications, solid people skills, the ability to show neutrality, objectivity and vision and cost calculations and revenues. Work on strengthening these skills and you will be on your way to building a solid foundation in business

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