

Business

Burgan Bank announces rights issue of up to 375m shares at 190 fils per share

Planned capital increase of up to KD 71.25m to strengthen capital base

KUWAIT: Burgan Bank announced its to start the subscription process to increase its capital by offering 375 million shares, at a value of KD 71.25 million, in line with its strategy to achieve further development and growth. The bank will use this capital increase to enhance its growth strategy in its core market, Kuwait, as well as to strengthen its financial base to improve its competitiveness by supporting its operational capabilities, enhancing its services and reinforcing its capital base.

The rights issue period will open on November 14th, and will last 15 days, with a share price set at 190 fils, a nominal value of 100 fils and an issuance premium of 90 fils. Upon the completion of the initial rights issue subscription period, any unsubscribed shares will be offered to the public in an 8-day public offering period,

which would start on December 5th. Kamco Investment Company K.S.C.P. (Kamco Invest) will serve as the Lead Manager and Subscription Agent, while Kuwait Financial Centre K.P.S.C. (Markaz) will act as the Joint Lead Manager and Underwriter.

In its statement about the offering, Burgan Bank highlighted that the capital increase will enable the Bank to achieve its growth plans and improving both the financial and operational performance, enabling Burgan to deliver growth in shareholder earnings.

Burgan Bank is pursuing a long-term transformation journey to develop and restructure its operational model and invest further in its technological infrastructure and digital transformation to maintain its competitive edge and grow its market share. The planned capital

increase will also enable the Bank to provide increased credit facilities to SMEs and corporate customers, which would support the country's economic growth.

The Bank's most recent financial results showcased a solid financial performance, with a reported net income attributable to shareholders of the Bank of KD 40.3 million for the first nine months of 2021, and a steady growth rate of 23.6 percent comparable to the same period of the previous period. The financial results also underscored solid operating revenue amounting to KD 166.6 million, which were supported by the high non-interest income of KD 73.3 million (up 29.5 percent year-on-year), and the lower loan loss provision levels that improved by 11.5 percent compared to the same period in 2020.

Established in 1977, Burgan Bank is currently the third largest bank by assets in Kuwait. From its earliest days, the Bank has significantly focused on the corporate and financial institution sectors, in addition to diversifying its offering to cater to its growing retail and private banking customer base. Burgan Bank has majority-owned subsidiaries, collectively known as the "Burgan Bank Group", in the MENAT region. This Group is supported by one of the largest branch networks across the region and includes: Gulf Bank Algeria - AGB (Algeria), Bank of Baghdad - BOB (Iraq & Lebanon), Tunis International Bank - TIB (Tunisia), and the fully owned Burgan Bank Turkey. Furthermore, Burgan Bank has a presence in the UAE through its corporate office, Burgan Financial Services Limited.



The winner Mohammad Abdulsamad Waheedi with Johair Marafi, Zainah Al-Falah and Khadeeja Al-Temeemi from ABK.

Mohammad Waheedi lucky winner of Alfouz draw prize of KD 10,000

KUWAIT: Al-Ahli Bank of Kuwait (ABK) announced Mohammad Abdulsamad Waheedi as the winner of KD10,000 in the very first Alfouz weekly draw. The draw was held under the supervision of the Ministry of Commerce and Industry and announced live on Q8 Pulse Station FM88.8 on 8th November, 2021.

Loai Muqames, CEO of ABK - Kuwait said, "On behalf of ABK, I would like to extend our congratulations to Mohammad Abdulsamad Waheedi on being the very first winner of our Alfouz draw. Alfouz was launched as part of our commitment to helping customers achieve their financial goals, while simultaneously offering enriching rewards and incentives. We are happy to be able to make a difference through

encouraging our clients to save, while at the same time giving them a chance to win with Alfouz."

To start the Alfouz savings journey, existing ABK customers can open an Alfouz Draw Account online, and new customers can open their accounts by visiting any ABK branch. Every KD 100 saved is equivalent to one entry into the draw. Therefore the more customers save the bigger their chances of winning the weekly prize of KD 10,000 or the ultimate grand prize of a 10-year salary of KD5,000 per month paid by ABK. Both new and existing ABK customers can benefit from this opportunity with a small minimum account balance of KD 100 needed to enter the draw. The next draw date will be on Sunday, 14th November, 2021.

Fahed Abushaar recognized as one of POWER 100 GMs in Mideast

KUWAIT: Hotelier Middle East Magazine, recently announced in its November issue the list of the POWER 100 General Managers in the Middle East region. Fahed Abushaar, Complex General Manager of Sheraton Kuwait Hotels and former Area Director of the Middle East was featured on the list, along with other pioneers in this sector within the region.



Fahed Abushaar

With more than 40 years of experience, Fahed Abushaar shaped the hospitality industry in Kuwait. With an unwavering passion, he played a significant role in leading the market with unmatched luxury hospitality in the country. Despite tremendous difficulties, he led with great empathy and exceptional leadership together with the support of the owners of Sheraton Kuwait Hotels to alleviate the burden and consequences of the harsh conditions that afflicted the world in general and especially the hotel industry.

Amidst the soaring pandemic and the challenges in the market, he managed to move forward with the renovation plans and strengthen his commitment to introduce one of the most prestigious luxury brands to Kuwait - the St Regis Kuwait City.

Abushaar congratulated all the general managers included in the list and thanked the selection committee of Hotelier Middle East Magazine. He also extended his gratitude towards the associates for their unwavering support to remain steadfast in the mission to serve our guests with the highest standards of unparalleled service.

German exports fall for second straight month

FRANKFURT: German exports fell for the second month in a row in September as Europe's top economy grapples with global supply shortages, official data showed yesterday. Germany exported 112.3 billion euros (\$130.2 billion) worth of goods in September, adjusted for the season-a 0.7 percent drop from the

previous month, according to federal statistics agency Destatis. Imports rose by 0.1 percent to 99.2 billion euros. The August drop in exports was the first since April 2020, when the first wave of the coronavirus pandemic stifled the global economy.

The upheaval caused by COVID-19 has given rise to global shortages in components, such as semiconductors, timber and plastics, limiting production in key sectors for the German economy such as the car industry. A business survey found that shortages of materials eased in October, though companies still expect the situation to remain difficult for months to come. The German government has downgraded its forecast for economic growth this year from 3.5 percent to 2.6 percent. —AFP

New gold rush fuels Amazon destruction

SAO FELIX DO XINGU, Brazil: Standing over the gaping pit in the middle of his small farm, Brazilian wildcat miner Antonio Silva struggles to explain why he joined the new gold rush sweeping the Amazon. The 61-year-old grandfather of six had planned to retire from illegal mining, and the environmental destruction that comes along with it.

He bought this farm in rural Sao Felix do Xingu, in the southeastern Amazon, and was starting a cattle ranch on a long-deforested patch of jungle where he would not have to cut down more trees.

But then the pandemic hit, gold prices soared, and Silva—a pseudonym, as the man is involved in illicit activity—couldn't resist the temptation of easy money. He put his retirement plans on hold and spent 50,000 reais (\$9,000) of his meager savings to rent an excavator, hire four workers, and dig a hole the size of a large house that now dominates his emerald pastures.

Filled with murky gray-green water, the hole is outfitted with a pump sitting on a ramshackle raft that delivers muddy sediment to a sluice to be panned for gold. To his chagrin, he has found only trace amounts so far. "I know it's wrong, I know the problems mining causes. But I don't have anything else," says Silva, who got his start mining in the gold rush of the 1970s and 80s at the infamous Serra Pelada mine, known for images of tens of thousands of mud-soaked men swarming its cavernous sides like ants, hauling sacks of dirt from its bowels.

Now, illegal mining is surging again in the mineral-rich Amazon basin, fueled by poverty, greed, impunity and record gold prices. As investors have sought a haven from pandemic-induced economic chaos in gold, illegal miners have responded by hacking giant rust-colored scars into the lush green of the world's biggest rainforest.

Mining has already destroyed a record 114 square kilometers (44 square miles) of the Brazilian Amazon this year—more than 10,000 football pitches. Silva's operation is relatively tiny, and the land he's damaging is his own. But much of the destruction is on protected indigenous reservations.

There, gangs with heavy equipment and brutal tactics are installing huge mines, attacking villages, spreading disease, poisoning the water—and devastating the very communities experts say are key to saving the Amazon.

'You'll have to kill me'

The Brazilian Amazon has 1.2 million square kilometers (450,000 square miles) of indigenous reservations. Most of it is pristine forest, thanks to native traditions of living in harmony with nature. Mineral-rich and remote, many reservations are also easy prey for illegal mining gangs. Their camps often are a breeding ground for other crimes, prosecutors say, including the drugs trade, sex trafficking and slave labor.

The government estimates there are 4,000 illegal miners operating on indigenous territory in the Amazon, though activists say the figure is much higher. Recent studies found they used 100 tons of mercury in 2019-2020 to separate gold dust from soil—and that up to 80 percent of children in nearby villages show signs of neurological damage from exposure to it.

Mercury also poisons the fish that many indige-

nous communities rely on for food. Native peoples facing this nightmare have begun organizing anti-mining patrols and protests—sometimes paying a heavy price.

Maria Leusa Munduruku is a leader of the Munduruku people, whose territory has been among the hardest hit. When illegal miners started buying off community members with cash, alcohol and drugs in a bid to move in on tribal land, Munduruku, 34, organized local women to resist.

Soon, she was getting death threats, she says. On May 26, armed men swarmed her home. "They poured gasoline on my house, then set it on fire," she says, red flowers crowning her black hair, her baby nursing at her breast.

"I said I wasn't leaving, that they would have to kill me. Somehow, my house survived. God only knows why it didn't catch fire. They burned everything inside it," Munduruku, who has five children and a grandson, did not back down. In September, she traveled to Brasilia, some 2,500 kilometers (1,550 miles) from her village, to help lead a protest of indigenous women demanding the government protect their land.

That rally came in the wake of another major indigenous demonstration in the capital a month earlier, also over land rights issues. "We have to make sure our children have a river to fish in, land to live on," she says. "That's why I keep fighting."

Backed by Bolsonaro

Brazil mined 107 tons of gold last year, making it the world's seventh-biggest producer. Illegal mines have exploded under far-right President Jair Bolsonaro, who has pushed to open indigenous reservations to mining since taking office in 2019. A recent study found just one-third of Brazil's gold production is certified as legally mined.

Current regulations allow sellers to vouch for the origin of their gold by simply signing a paper.

The Amazon region is notoriously hard to police. "We realized using only on-the-ground police operations was an exercise in futility," says Helena Palmquist, spokeswoman for the federal prosecutors' office in the northern state of Para.

Miners would flee into the jungle when police arrived, she says. Authorities burned the machinery left behind. But in a sign of how well-financed the gangs are, they easily replaced the excavators, which cost 600,000 reais apiece. So prosecutors got creative, going after the powerful financiers trafficking illegal gold. In August, they moved to suspend the operations of three major gold dealerships, asking a court to fine them 10.6 billion reais. The ruling is pending.

But there are powerful interests in play. "Gold-sector lobbyists regularly meet with the environment minister, with top administration officials. They have direct access to the government," Palmquist says.

"And there's a very deep-rooted idea here in Brazil that the Amazon is a good that exists to be exploited." That may be changing.

In downtown Sao Felix, Dantas Ferreira is fishing at dusk on the Xingu River, a bright blue Amazon tributary, just upstream from where another river, the Fresco, dumps its turbid, brown-stained waters into the Xingu's crystalline ones.

Authorities say the Fresco is badly polluted with illegal mining waste. Like most people in Sao Felix, Ferreira, a 53-year-old cattle rancher, is a proud Bolsonaro supporter.

But he says the environmental destruction in the region has gone too far.

The president "needs to stop this," he says. "If they don't crack down on illegal mining, our water is never going to be normal again." — AFP



SAO FELIX DO XINGU, Brazil: Illegal gold miners rest on a broken machinery at an illegal gold mine in Sao Felix do Xingu, Para state, Brazil. — AFP