

Business

Deliveroo shares falls 23% on London stock market launch

App-driven meals delivery group faces criticism over its treatment of riders

LONDON: Deliveroo shares slumped 23 percent as it launched on the London stock market yesterday, with the app-driven meals delivery group facing criticism over its treatment of riders. The Deliveroo IPO was London's biggest stock market launch for a decade, valuing the group at £7.6 billion (\$10.4 billion, 8.9 billion euros), after the eight-year-old British company enjoyed surging sales during the coronavirus pandemic as locked-down people ordered in.

Deliveroo said earlier this week that it had seen "very significant demand from institutions across the globe", but some asset management firms decided against buying any shares, citing the job insecurity and conditions of its riders. It skidded on its market debut, with shares plunging to £3.02 after an initial public offering of £3.90 per share.

Trading opened down 15 percent before institutional investors—the first allowed to buy and sell Deliveroo shares—pushed down its price further. Deliveroo is selling just over one-fifth of the group, while the general public can start trading in its shares from April 7.

"I am very proud that Deliveroo is going public in London—our home," founder and chief executive Will Shu said in a statement ahead of the start of trading. "In this next

phase of our journey as a public company we will continue to invest in the innovations that help restaurants and grocers to grow their businesses, to bring customers more choice than ever before, and to provide riders with more work."

Amazon-backed Deliveroo maintains that its riders—around 100,000 across 800 cities worldwide—value the flexibility the job affords. However, its business model has come under scrutiny, including in Britain, France and Spain, over conditions. The highly anticipated float has been overshadowed by small-scale protests, strikes and rallies in Australia, Britain and France, with more set to follow.

London boost

Deliveroo's listing is seen as a major boost to London's financial sector, known as the City, which earlier this year lost its European share trading crown to Amsterdam following Brexit. The stock market float is set to be London's largest since Swiss miner Glencore's IPO in 2011 valued at almost £37 billion. Deliveroo has said that a portion of its stock is being made available for customers, with delivery riders and restaurant partners also able to participate. The company is adopting a dual class share structure, giving Shu

20 votes per share while all other shareholders get one vote per share.

"Concerns over working conditions for its riders were... cited as one of the reasons for the reluctance to invest," said Michael Hewson, chief market analyst at CMC Markets UK. However, he added, "there are probably a number of others, including the dual class structure which restricts the voting rights of ordinary shareholders and gives CEO Will Shu, majority control over any significant board decisions."

Hewson added that "recent weakness in the share price of a number of its peers in the US, like DoorDash, appears to have taken some of the shine off the sector". Britain's antitrust regulator last year approved Amazon's 16-percent investment in Deliveroo after an in-depth probe concluded it would not harm competition. In 2020, more than six million people ordered food and drink every month via Deliveroo's app from 115,000 cafes, restaurants and stores.

But it still ended up with a hefty loss owing to rising costs. Pressure has meanwhile intensified on the wider "gig" economy to improve staff conditions after Uber earlier this month granted its UK drivers worker status, with benefits including a minimum wage. A world first for the US ride-



LONDON: A Deliveroo rider cycles through central London. Deliveroo shares slumped 15 percent at the start of its entry in the London stock market yesterday as the app-driven meals delivery group faces criticism over its treatment of riders. —AFP

hailing giant, Uber moved after Britain's Supreme Court ruled that its drivers were entitled to worker's rights. —AFP

NBK adds exclusive benefits to youth under premium family banking

KUWAIT: National Bank of Kuwait (NBK) is keen to provide the latest and most advanced banking services to all its customers, especially from the youth segment, for which the bank is committed to offer an exceptional banking experience. In this context, the bank is providing exclusive benefits for the youth under Premium Family Banking Customers.

The exceptional benefits provided to the youth from the family members of Premium Family Banking Customers feature access to best-in-class digital investment services with SmartWealth by NBK Capital. SmartWealth is an online investment platform that offers global and comprehensive long-term investment and saving services, with financial advice, access, and exposure to global markets in a cost-effective manner. The minimum amount to begin investing with SmartWealth is usually \$5,000. However, youth under

Premium Family Banking have the exclusive ability to start investing at only \$100 per month, with a minimum 36-month subscription. This aims to develop better financial habits in the younger generation and positions investing as a way to work towards their goals.

In addition, the youth above the age of 15 can get a supplementary credit card free of charge, and choose between getting a NBK Multicurrency Prepaid Card free of issuance fees or NBK Visa Prepaid Card for of charge. They can also benefit from the offers and rewards available for Al Shabab Package before transferring student allowance, and enjoy an easy account opening process at National Bank of Kuwait - London and National Bank of Kuwait - Egypt prior to studying abroad.

On this occasion, Mohammed Akram Hashim, Head of Segments, Consumer Banking Group, National Bank of Kuwait, said: "NBK seeks to provide distinguished and exclusive services to our customers from the youth segment as part of our focus on offering them an exceptional banking experience including digital services and the unique rewards program tailored to meet their expectations."

Hashim added: "We seek to instill the culture of saving in the youth as part of our strategy to achieve financial inclusion. To this end, we have enabled them to open a SmartWealth account, which provides simplified smart

investment solutions to help the youth begin building their financial futures."

Family Banking provides an array of exceptional benefits to family members of Privilege Banking Customers, including: Dedicated Relationship Manager, NBK Visa Infinite Credit Card free of charge for the 1st year, reduced fees on NBK Prepaid Cards and safety deposit boxes, free access for family members at many airport lounges worldwide, as well as a higher amount of 0% interest loan for newly employed family members who transfer salaries. For the family members of Thahabi Packages Customers, they also receive a variety of exclusive services including: Dedicated Personal Banking Officer, NBK Visa Signature Credit Card free of charge for the 1st year, reduced fees on NBK Prepaid Cards and safety deposit boxes, in addition to a higher amount of 0% interest loan for newly employed family members who transfer Salaries. All family members are eligible to enjoy NBK Family Banking services, up to 6 members in total.



Mohammed Akram Hashim

Huawei releases its 2020 annual report

SHENZHEN, China: Huawei released its 2020 Annual Report yesterday. Growth slowed, but the company's business performance was largely in line with forecast. Huawei's sales revenue in 2020 rounded off at approximately \$136.7 billion, up 3.8 percent year-on-year, and its net profit reached \$9.9 billion, up 3.2 percent year-on-year.

Despite operational difficulties brought about by US sanctions in 2019 and 2020, Huawei has and will continue to invite KPMG to independently and objectively audit our financial statements. The document produced by KPMG is a standard unqualified audit opinion. No matter the circumstances, we will continue to embrace transparency by disclosing operational data to governments, customers, suppliers, employees, and partners.

In 2020, Huawei's carrier business continued to ensure the stable operations of more than 1,500 networks across more than 170 countries and regions, which helped support telework, online learning, and online shopping throughout COVID-19 lockdowns. Working together with carriers around the world, the company helped provide a superior connected experience and moved forward with more than 3,000 5G innovation projects in over 20 industries like coal mining, steel production, ports, and manufacturing.

Over the past year, Huawei's enterprise business stepped up efforts to develop innovative scenario-based solutions for different industries and create a digital ecosystem that thrives on joint creation and shared success. During the pandemic, Huawei provided technical expertise and solutions that were vital in the fight against the virus. One example is an AI-assisted diagnostic solution based on HUAWEI CLOUD that helped hospitals the world over reduce the burden on their medical infrastructure. Huawei also worked with partners to launch cloud-based online learning platforms for more than 50 million primary and secondary school students.

With the rollout of HarmonyOS and the Huawei Mobile Services (HMS) ecosystem, Huawei's consumer business moved forward with its Seamless AI Life strategy ("1 + 8 + N") to provide consumers with an intelligent experience across all devices and scenarios, focusing on smart office, fitness & health, smart home, easy travel, and entertainment.

"Over the past year we've held strong in the face of adversity," said Ken Hu, Huawei's Rotating Chairman. "We've kept innovating to create value for our customers, to help fight the pandemic, and to support both economic recovery and social progress around the world. We also took this opportunity to further enhance our operations, leading to a performance that was largely in line with forecast."

"We will continue to work closely with our customers and partners to support social progress, economic growth, and sustainable development."



Ken Hu

Pakistan embassy in Kuwait in collaboration with Meezan Bank and Pakistani Banking & Finance Professionals in Kuwait organized a webinar on Riba-free Financing and investment opportunities in Pakistan through Roshan Digital Account.

Pakistan embassy in collaboration with Meezan bank (a Kuwaiti shareholding bank in Pakistan) and Pakistani Banking and Finance Professionals in Kuwait (PBFPPK) organized a webinar on "Riba-free Financing and investment opportunities in Pakistan through Roshan Digital account". The program commenced at 12:00 P.M. with recitation of Holy Quran by Ahmed Ali Siddiqui, followed by the welcome remarks of Mr. Muhammad Irfan Siddiqui The Founding CEO of Meezan bank. In his opening remarks Mr. Siddiqui gave a brief introduction about himself and Meezan bank. He mentioned that Meezan bank is 35% owned by Noor Financial Investment Company and 65% by Pakistan Kuwait Investment Company (which is 50% owned by Kuwait Government).

During his welcome remarks Mr. Siddiqui appreciated His Excellency Syed Sajjad Haider the ambassador of Pakistan to Kuwait, for taking initiative of inviting the attention to hold webinar on Roshan Digital Account in order to raise awareness among nonresident Pakistanis. Mr. Siddiqui also extended gratitude and welcomed the efforts of the ambassador Sajjad Haider's for further strengthening Kuwait Pakistan bilateral relations, which resulted in recent development of Pakistani medical staff arriving and joining Ministry of health of Kuwait. Mr. Ahmed Siddiqui then invited His excellency Syed Sajjad Haider the ambassador of Pakistan to Kuwait for his speech. His Excellency Syed Sajjad Haider thanked all the panelists and participants. He confirmed the medical staff arrival in Kuwait. He emphasized that nine million non resident Pakistan reside all over the world and this requires more focus to create awareness on Roshan Digital Account. He also reiterated, since Meezan bank is Kuwaiti investment in Pakistan and has eight hundred branches in all over the Pakistan therefore an awareness campaign should take place to highlight among Kuwaitis that this one of the best performing bank belongs to Kuwait. He also suggested to have information on the NRPs from Kuwait who have opened account with Meezan bank. He suggested that Pakistani missions in different countries should also play their role in creating awareness on Roshan Digital Account. He also mentioned that he always encourages his colleagues and staff to open RDA. He mentioned that NRPs from Kuwait can be potential customer for Roshan Digital Account to increase number of accounts with Meezan bank a Kuwaiti investment. The registration for the webinar was above four



hundred and these registered participants also prospective customer, he mentioned. He reiterated that the housewives should also be targeted to create awareness of Roshan Digital Account. He mentioned that Roshan Digital Account have received remittances above five hundred million dollars during first five months after state bank of Pakistan took this initiative last year. Ambassador Sajjad Haider also suggested to hold such webinar more frequently to raise awareness on RDA. After his speech the representative of State Bank of Pakistan Syed Irfan Ali (Managing Director deposits protection corporation of State Bank of Pakistan) elaborated on the features and benefits of the initiative Roshan Digital Account. He welcomed the suggestion of the ambassador Syed Sajjad and affirmed that his suggestions will be taken care off. His speech followed by the further elaboration by Mr. Muhammad Raza Group head customer service Meezan bank, on the functionality of Roshan Digital account and it's Sharia compliant feature. He gave a presentation on the Roshan Digital Account opening process. He also gave brief on the Riba-free investment financing opportunities in Pakistan. He mentioned that the most appealing and interesting segment of the webinar to him was the speech of His excellency Syed Sajjad. At the end of the webinar Q&A session took place and above mentioned panelist including Muhammad Tahir Bashir President Pakistani Banking and Finance Professionals in Kuwait answered the questions of the participants which were not answered by the back end team during the webinar. The webinar was concluded at 1:15 P.M. with closing remarks of Mr. Siddiqui and the ambassador Syed Sajjad.

Ooredoo Group to sell 4,200 towers in Indonesia in \$750 million deal

DOHA: Ooredoo Q.P.S.C. ("Ooredoo" or the "Group") yesterday announced that its Indonesian operating company, PT Indosat Tbk. ("Indosat Ooredoo"), has signed a sale and leaseback agreement with PT EPID Menara AssetCo ("Edge Point Indonesia") for more than 4,200 telecommunications towers. PT EPID Menara AssetCo is an Indonesian subsidiary of Edge Point Singapore, which is wholly owned by Digital Colony, a leading global digital infrastructure investor with extensive experience owning and operating cellular towers.

Indosat Ooredoo has agreed to sell this portfolio of towers in a transaction valued at \$750 million, including a supplementary offer, making it one of the largest deals of its kind in Asia. The sale will unlock capital to create value for shareholders and continue to build Indosat Ooredoo's strong growth momentum through improvements to network performance and the launch of innovative new digital solutions to enhance the customer experience. The sale is part of Ooredoo Group's strategy to move to a more efficient and flexible asset light model and unlock the trapped value of its infrastructure portfolio. Prior to this deal, Ooredoo had a global portfolio of approximately 27,000 owned towers, representing an infrastructure portfolio of significant value for the Group. Monetizing these assets to create more value for both shareholders and customers is a key focus of Ooredoo's current strategy.

Aziz Aluthman Fakhroo, Managing Director of Ooredoo Group, said: "Congratulations to Indosat Ooredoo on this sale and leaseback agreement with Edge Point Indonesia, which aligns perfectly with our new strategy and its focus on creating more value for shareholders and customers. This strategy incorporates a shift towards an asset-light model that will help us unlock significant capital and enable us to focus on our core mission of delivering outstanding digital and enterprise services to our customer base. I extend our gratitude to the Government of Indonesia for its progressive policies that leave a positive impact on the industry, its operators and its people."

Edge Point Indonesia was declared the winning bidder of a competitive tender process conducted by Indosat Ooredoo. The transaction is expected to close in Q2 2021 subject to customary conditions, including shareholder approval by Indosat Ooredoo at an EGM, which is planned to be held on May 6th. Indosat Ooredoo will lease back space on the towers for a period of 10-years to meet its ongoing requirements. President Director and Chief Executive Officer of Indosat Ooredoo, Ahmad Al Neama, added: "I am delighted that Indosat Ooredoo has agreed this deal, which furthers our strategy to create more value from our infrastructure assets. The deal marks the third and final sale of assets from our high-quality tower portfolio and continues our transition into a leading digital telecoms company. We are confident the leaseback agreement, with its attractive terms, will continue to meet our ongoing tower needs, while the capital that we have unlocked will provide further fuel to power our growth momentum. Indosat Ooredoo and Edge Point Indonesia will work closely together going forward and build a strong and long-lasting strategic partnership." J.P. Morgan acted as financial advisor to Indosat Ooredoo throughout the transaction.