

## Business

# Shuaiba Industrial Co's net profits reach KD 1,341,388

## Distinguished performance; best total sales of KD 12,290,351

KUWAIT: Deputy Chairman of the Board and Chief Executive Officer of Shuaiba Industrial Co Bader Al-Qattan said the company's annual financial results reflected the strength of its financial status, its quality investments and efficiency of its operation, adding the company is committed to going ahead with achieving its goals through studied and steady steps that aim at maximizing shareholder equity.

Al-Qattan, who spoke following the general assembly that was held on Wednesday, said 2021 was an extension of the correct approach the company is taking and efforts of the board of directors and the executive administration. He said shareholders approved the distribution of cash dividends of 12 fils per share.

He said the company registered a distinguished performance through the achieve-

ment of best total sales of KD 12,290,351 for the previous year, a growth percentage of 4.49 percent from the previous year. He said the total operational profit for the current period is KD 2,685,225, compared to KD 2,379,139, which is 12.87 percent from last year in the presence of fierce competition inside and outside Kuwait, and the gradual rise in paper prices on the international level.

Al-Qattan said net total profits for the fiscal year ending Dec 31, 2021 reached KD 1,341,388 compared to the same period in the previous year of KD 1,024,917, which is a 30.88 percent growth from 2020. He said despite the regression in the operational environment and the general economic weakness that prevailed last year regionally and internationally in the form of political and social turbulence in the region and the worsening international financial crisis, and

commenting on the financial results for 2021, Industrial Shuaiba exerted efforts to maintain its achievements despite the repercussions of the coronavirus pandemic, its effects and precautionary measures governments worldwide imposed.

The book value reached 187 fils per share in 2021 compared to 184 fils for the previous year, while total assets reached KD 23,309,101 compared to the previous year of KD 22,404,351, a 4.04 percent growth from the previous year. Shareholders' equity reached KD 18,527,523 compared to the same period of last year of KD 18,228,218, a growth of 1.64 percent from the previous year.

Al-Qattan said the company produced and manufactured 23,760 tons this year, as exports still represent around 63 percent of total company sales during 2021.

This is a matter the company is keen to strengthen through maintaining its share in various international markets despite fierce competition.

He said the administration worked during 2021 on marketing its products through small bag production lines (mainly for the food sector) in Kuwait and GCC, adding to the initiative to enter international markets to compete. He said the entry in those markets requires us to improve production quality and maintain the competition level to be able to gain satisfactory shares in such markets.

The general assembly approved the board of director's recommendation to distribute profit dividends to shareholders whose names are in the company's register at the end of May 24, 2022, which will be distributed to those who are entitled to them on May 31, 2022.



Bader Al-Qattan

## Russia stops gas supplies to 'unfriendly countries'

MOSCOW: The Kremlin said Wednesday the halt of natural gas supplies to Poland and Bulgaria over the refusal to pay in rubles was a result of unfriendly actions towards Russia. "The need for a new payment method was a result of unprecedented unfriendly steps in the economic sphere and the financial sector, which were taken against us by unfriendly countries," Kremlin spokesman Dmitry Peskov told reporters.

"This need was dictated by the fact that, as you know, they blocked from us-or, to put it plainly, stole-a fairly significant amount of our reserves," Peskov said, adding that this led to a "transition to a new payment system". "So there is no question of blackmail here," Peskov said in response to comments by European Commission chief Ursula von der Leyen, who said this was "another attempt by Russia to blackmail us with gas".

Russia's energy giant Gazprom on Wednesday said it was completely halting gas supplies to Poland and highly

dependent Bulgaria "due to their failure to pay in rubles". President Vladimir Putin last month said Russia will only accept payment for deliveries in its national currency, with buyers required to set up ruble accounts or have their taps turned off. In response to Russia's military campaign in Ukraine, Moscow was hit with unprecedented economic sanctions, which also froze \$300 billion of Russia's foreign currency reserves held abroad.

The war in Ukraine has "significantly" impacted the Middle East and North Africa, with the crisis dealing a heavy blow to low-income countries while benefiting oil-producing states, the IMF said Wednesday. The International Monetary Fund's 2022 growth forecast for the region, which includes Arab countries and Iran, was forecast at 5.0 percent, up from the 4.1 percent prediction for this year made in October.

But the predicted growth masks the disparities between the region's 22 countries, which range from major oil exporters to nations wracked by war and others that depend heavily on wheat imports as well as hydrocarbon imports.

Russia's invasion of Ukraine and economic sanctions on Moscow have affected the region "through a multitude of direct and indirect channels", according to the IMF report. "Prior to the war in Ukraine, the economy in the region was showing strong recovery... the only caveat to that is inflation

started to increase in 2021 and remained high," Jihad Azour, IMF director for the Middle East and Central Asia, told AFP.

The report said inflation in MENA surged to 14.8 percent in 2021 and is projected to remain elevated at 13.9 percent this year, largely due to higher food and energy prices. Azour said low-income countries face increased pressure due to lower levels of food security and heavy reliance on imports from Russia and Ukraine, both major wheat producers.

Sudan and war-torn Yemen are among those particularly hard hit. Emerging markets and middle-income countries, including Egypt, Jordan and Morocco, are forecast to register GDP growth of 4.4 percent, on average. The IMF warned that emerging markets and middle-income countries face worsening prospects, given their governments' limited capacity to cope with inflation as geopolitical uncertainties persist.

However, Azour said that the surge in crude prices has supported economic recovery in oil-exporting countries. "It has compounded the recovery that they have witnessed last year thanks to a high level of vaccination (against COVID-19) and the various measures they took in order to accelerate the recovery," he told AFP. This is particularly true of Saudi Arabia, the Arab world's largest economy and a leading oil exporter, whose GDP expected to grow by 7.6 percent in 2022.— AFP

### News in brief

#### CAR adopts bitcoin as currency

BANGUI: The Central African Republic (CAR) has adopted bitcoin as legal tender, the president's office said Wednesday, becoming the second country in the world to do so behind El Salvador. Lawmakers unanimously adopted a bill that made bitcoin legal tender alongside the CFA franc and legalized the use of cryptocurrencies, and President Faustin Archange Touadera signed the measure into law, his chief of staff Obed Namsio said in a statement. The CAR "is the first country in Africa to adopt bitcoin as legal tender," Namsio said. "This move places the Central African Republic on the map of the world's boldest and most visionary countries," he declared. The landlocked state is one of the planet's poorest and most troubled nations, with an economy that is heavily dependent on mining.— AFP

#### Boeing reports \$1.2 bn loss

NEW YORK: Boeing reported a \$1.2 billion first-quarter loss Wednesday, hit by a series of new one-time costs on its Russia business, the Air Force One presidential jet and the new 777X plane. The big US aerospace company now expects first deliveries of the 777X in 2025, resulting in a \$1.5 billion hit to earnings. Results were also dented by costs of \$1 billion connected to Air Force One and a second military aircraft, the T-7 Red Hawk, and \$212 million related to the conflict in Ukraine. The loss marks the latest round of disappointing results for the commercial jet maker, which has also suspended deliveries of its 787 jet due to a series of production issues. Revenues came in at \$14 billion, down eight percent, and-as with profits-missing analyst estimates. Work on the 777X began in 2013, but the timeframe has been repeatedly pushed back as Boeing works to address certification questions from US air safety regulators.— AFP

#### Court rejects Airbnb challenge

LUXEMBOURG: The European Union's top court on Wednesday ruled that property rental platform Airbnb is obliged to share booking data with regional tax authorities in the Belgian capital Brussels. The firm's Irish-based European subsidiary had challenged the Brussels Capital Region's order that it provide information on transactions with tourists who visited the city in 2017. US giant Airbnb's online portal puts travelers in touch with private property owners offering short-term rentals. The firm has been a global success, and reported record profits last year, but is fighting various regulatory challenges in several jurisdictions. Brussels imposes a tourist tax on overnight accommodation, but the firm argued that, under EU market law, the city could not oblige Airbnb Ireland to provide data about bookings.— AFP

#### Russia withdraws from UNWTO

MADRID: Russia is withdrawing from the United Nations tourism body, the UN World Tourism Organization said Wednesday ahead of a vote to suspend Moscow's membership over its invasion of Ukraine. "Russia has announced its intention to withdraw from UNWTO," the UNWTO said in a tweet, adding that Russia's suspension "is effective immediately". The UNWTO announced in March that it wanted to suspend Russia over its invasion of Ukraine. The decision must be approved by two-thirds of its 159 member states at a two-day extraordinary general assembly which got underway in Madrid on Wednesday. The UNWTO said the vote will go ahead even though Russia has said it is withdrawing from the body to give member states "their say".— AFP



## FASTtelco modernizes its communications network for business customers

KUWAIT: Having successfully replaced FASTtelco - Subsidiary of Ooredoo Kuwait ISDN-based core network with an IP-based Communi5 solution, has now taken the next step. With the introduction of the Communi5 Voice Application Server, the company is opening up the doors to a whole array of service possibilities for its business and enterprise customers. The most up-to-date Unified Communications services are now available.

B2B customers can now upgrade to Cloud PBX/Unified Communications Services or enhance their existing PBX. The legacy managed PBX platform for SMB customers has also been replaced with the Communi5 solution. This is a much easier system to set up and run because it contains all of the functions in one place. In the past, the services had to be configured and integrated

individually. Now this is done by simply turning them on or off. Home or remote office services can be quickly and easily implemented because the functions can be made available by computer or smartphone apps. In times of crisis like the COVID-19 pandemic, it has become standard practice to work from home, or indeed from any location, and the Communi5 platform provides the best possible support for these scenarios.

"Our solution offers any number of profitable expansions for FASTtelco's business customer segment - for example, the integration of Microsoft Teams, and the complete native integration of mobile networks. The Communi5 solution unifies mobile and fixed networks and transforms mobile devices into UC extensions," said Werner Schimek, Communi5 Technologies GmbH Sales Director for MENA. Commenting on this, Sherin Sultan, Head of Voice and Next Generation Network at FASTtelco; subsidiary of Ooredoo Kuwait, said: "We are very pleased to have found a reliable partner in Communi5, a company whose future-oriented technology we can trust. This solution allows us to perfectly fulfil the needs of our business customer segment."

Communi5 offers a platform for enterprise communications services, ranging from a PBX PSTN trunking, to cloud trunking for Microsoft Teams, to a fully convergent Unified Communications Service. The solution is multi-client capable and highly scalable. The implementations are supported by a highly-qualified team with almost twenty years' experience in this segment, meaning that not only are they technically savvy but very well-versed in market trends and movements. Communi5 has helped telephony providers all over the world to turn opportunities into wins.



Sherin Sultan



MUMBAI: Men walk past a logo of the Life Insurance Corporation of India (LIC) in Mumbai on April 27, 2022. — AFP

## India slashes size of the biggest IPO

MUMBAI: India has slashed the size of an initial public offering by insurance giant LIC but the share issue will still be the country's largest to date, with a targeted windfall of \$2.7 billion, regulatory filings showed Wednesday. Prime Minister Narendra Modi's government is desperate for proceeds from the IPO by Life Insurance Corporation of India and the sale of other state assets to help fix tattered public finances.

The long-awaited IPO—originally slated for March—will open next week, the filing seen by AFP showed, after the government chose to wait out recent market volatility triggered by the Russian invasion of Ukraine. "While global sentiments are weak, Indian markets are resilient," finance ministry official Tuhin Kanta Pandey told reporters. "This is an opportunity for the Indian consumer to participate in the wealth creation of one of India's most valuable corporations," he said. But the adverse market conditions did force the government to substantially cut its stake sale to 3.5 percent, down from five percent. The government will sell 221 million shares within a price band of 902 to 949 rupees, the prospectus showed. This implies an IPO size of between 200 and 210 billion rupees (\$2.61 billion to \$2.74 billion), overtaking that of payments firm Paytm, which raised \$2.5 billion in November in India's largest public share sale to date.

The offer values LIC at \$78 billion, and follows a years-long effort by bankers and bureaucrats to appraise the mammoth insurer and ready it for listing. Founded in 1956 by nationalizing and combining 245 insurers, LIC was for decades synonymous with life insurance in post-independence India, until the entry of private companies in 2000. It continues to lead the pack with a 61 percent share of the life insurance market in a country of 1.4 billion people, with its army of 1.3 million "LIC agents" giving it huge reach, especially in rural India.

LIC's market share has, however, declined steadily in the face of competition from net-savvy private insurers offering specialized products. The firm warned in its regulatory filing that "there can be no assurance that our corporation will not lose further market share" to private companies. The insurer is also India's largest asset manager, with 39.55 trillion rupees under management as of September 30, including significant stakes in Indian blue chips like Reliance and Infosys.—AFP

## Google-parent Alphabet sees quarterly profit slip

SAN FRANCISCO: Shares in Google's parent company Alphabet sank Tuesday after the internet giant reported that earnings in the recently ended quarter missed market expectations, with profit down from a year earlier. Alphabet reported net income of \$16.4 billion in the first quarter on revenue that climbed 23 percent to \$68 billion when compared to the same period last year. Alphabet profit was \$17.9 billion in the first quarter of 2021.

Shares sank nearly five percent to \$2,257 on the news. The quarter brought strong growth in Alphabet's search and cloud computing businesses while the company continued to invest heavily in products and services, chief executive Sundar Pichai said in an earnings release.

While Alphabet saw revenue from online ads climb to more than \$46 billion, the cost of acquiring online "traffic" that helps fuel that income was up some \$2 billion from the same period a year ago, the earnings report showed. Alphabet's ranks of employees grew to just shy of 164,000 people from 140,000 people in the same quarter last year.—AFP