ABG H1 profit jumps 86% to US$85m

Our new strategic approach towards our investments and our swift decision making have contributed to our solid results for this quarter. Currently, we are finalising implementation of the last internal organisational steps related to the conversion of our licence to a Category 1 Investment Firm licence, and we look forward in the coming period to a more efficient and resourceful Group structure that will benefit all stakeholders

ACTING GROUP CHIEF EXECUTIVE OFFICER OF AL BARAKA GROUP, HOUSSEM BEN HAJ AMOR

The global economic operating environment and current geo- political situation in some parts of the world still pose challenges, especially in a number of markets in which we operate. However, our results have been very good so far, and we plan to continue our focus on achieving even better results throughout the Group and its subsidiaries. We also look forward to achieving better efficiencies under our new licence

CHAIRMAN OF THE BOARD OF DIRECTORS OF ABG, SHAIKH ABDULLAH SALEH KAMEL

TDT | Manama

Al Baraka Group yesterday posted 2022 Q2 and H1 profits that surged from a year ago thanks to contributions from investment and financing income, despite facing headwinds in a number of markets ABG operates.

Net income attributable to shareholders of the parent company surged 126% to US$ 45 million from US$ 20 m in the second quarter of 2021 (restated).

Earnings per share were US$ 2.42 Cents compared to US$ 0.35 Cents in the year-ago quarter (restated).

Total net income jumped 128% to US$ 74 m from US$ 33 m in the prior-year quarter (restated).

Net operating income rose 110% to US$ 227 m helped largely by broad-based with contributions from investment and financing income.

During the quarter ended 30 June 2022, the Group re-assessed, in terms of the requirements of FAS 23 – Consolidation, its relationship with Al Baraka Bank Syria, in which it holds directly and indirectly 29% of the ordinary share capital. Based on the reassessment, the Group concluded that it does not have control over the ABS. As a result, the management has restated the comparative figures to correct the consolidation error in the interim condensed financial statements for the period ended 30 June 2022 as prior year restatements.

Semi-Annual Results

Net income attributable to the shareholders of the Group rose 86% to US$ 85 m from US$ 46 m in the prior-year period. (restated).

Earnings per share were US Cents 5.68 compared to US Cents 2.46 a year ago. (restated).

Foreign currency translation has led to a 6% reduction in total assets to reach US$ 26 billion at the end of June 2022, compared to US$ 28 bn as of end of December 2021 (restated).

Total operating income grew 44% to US$ 669 m from US$ 465 m for the same period in 2021 (restated).

Total net income increased 92% to US$ 137 m during the first six months of 2022, compared to US$ 72 m for the same period of 2021 (restated).

Bahrain Flour Mills Company announces Q2 and H1 results

TDT | Manama

Marwan Khaled Tabbara, Chairman of the Board of Directors

Bahrain Flour Mills Company (Al-Matahin) yesterday announced its 2022 quarterly and half-yearly results, which the company said were impacted by a decrease in market valuation of equity investment.

The results were announced in a board meeting chaired by Marwan Khaled Tabbara, Chairman of the Board of Directors. For the second quarter of 2022, Al-Matahin reported a net loss of BD(1,509,857), down by 214%, compared to a net profit of BD1,325,172 in the same quarter a year ago.

The company attributed the decrease in net profit to a decline in market valuation of equity investment.

Quarterly loss per share was fils (61) compared to earnings per share of fils 53 in the year-ago quarter.

Operating profit increased by 1203% to BD123,639 from BD 9,486 in the prior-year quarter.

Sales rose 15% to BD1,762,214 from BD1,528,270 in the same-quarter a year ago.

H1 results

BFM reported an H1 profit of BD 1,382,021 versus BD 2,436,117 for the same period in 2021.

Earnings per share were fils 56 versus fils 98 for the same period in 2021.

Operating profit was BD 261,802 versus BD 163,683 for the same period in 2021 – an increase of 60%, due to an increase in sales value and improved profitability from retail products.

Sales rose 10% to BD 3,792,157 from BD 3,456,616 a year ago.

Total equity increased by 3% to BD25,180,326 compared with BD 24,438,925 as recorded on 31 December 2021.

The total assets for the period reached BHD 35,473,274 compared to BD 32,338,602 at the end of the same period in 2021, being an increase of 10%.

Oil rises as IEA hikes 2022 demand growth forecast

Reuters

99.8

Brent crude futures gained $2.39, or 2.5%, to $99.79 a barrel by 1348 GMT

Oil prices rose more than $2 yesterday after the International Energy Agency raised its oil demand growth forecast for this year as soaring natural gas prices lead some consumers to switch to oil.

Brent crude futures gained $2.39, or 2.5%, to $99.79 a barrel by 1348 GMT, while U.S. West Texas Intermediate crude futures rose $2.65, or 2.9%, to $94.58 .

"Natural gas and electricity prices have soared to new records, incentivising gas-to-oil switching in some countries," the Paris-based agency said in its monthly oil report. It raised its outlook for 2022 demand by 380,000 barrels per day (bpd).

By contrast, the Organization of the Petroleum Exporting Countries (OPEC) on Thursday cut its 2022 forecast for growth in world oil demand, citing the economic impact of Russia's invasion of Ukraine, high inflation and efforts to contain the pandemic.

OPEC expects 2022 oil demand to rise by 3.1 million bpd, down 260,000 bpd from the previous forecast. However, it still sees a higher overall global oil demand figure than the IEA for 2022.

Prices were also boosted by a weakening U.S. dollar, which extended its losses against other major currencies on Thursday after a report showed U.S. inflation was not as hot as anticipated in July, prompting traders to dial back expectations for rate hikes by the Federal Reserve going forward. A rise in U.S. oil inventories last week and the resumption of crude flows on a pipeline supplying central Europe capped further price gains.

El Al CEO sees approval for Saudi-Oman corridor within days

- **Approval would save time, money on Asian routes**
- **Q2 net profit $100 mln vs loss of $81 m a year ago**
- **Revenue up sharply, but still below Q2 in 2019**

Reuters | Jerusalem

An Israeli flag carrier El Al Airlines plane is seen on the tarmac as Israel's airport authority announced a pilot programme revealing what passengers leaving Israel should expect as air travel gradually returns to normal after weeks of bare minimum flights due to the coronavirus disease (COVID-19) outbreak, at Ben Gurion International Airport, in Lod, near Tel Aviv, Israel

Permission for El Al Israel Airlines (ELAL.TA) to fly over Oman is expected in "a matter of days", chief executive Dina Ben-Tal said yesterday, a move that would be a big boost for the flag carrier's Asian routes.

Ben-Tal, speaking to reporters after El Al issued second-quarter results, said the airline had already received approval to fly over Saudi Arabia but also needed to fly over Oman to skirt Iran and save time for journeys to Asia.

El Al and smaller Israeli rival Arkia later said they had applied for permission to fly over both Saudi Arabia and Oman.

"It's not just Saudi Arabia. We need the full route to be approved," Ben-Tal said.

Once fully approved, it would cut about 2-1/2 hours from flights to India and Thailand and save fuel costs. Present routes to those popular destinations bypass Saudi airspace by flying south over the Red Sea around Yemen.

"We are planning to reschedule our network around that new (shorter) route," Ben-Tal said, adding El Al was also looking into new non-stop routes to destinations such as Australia. "It definitely will have a huge efficiency (benefit) around our network."

El Al showed a strong improvement in the second quarter after it was hit hard in earlier periods by the coronavirus pandemic that largely closed Israel's borders to foreigners. Its shares fell 1% in Tel Aviv.

It said it had earned net profit of $100 million in April-June, versus a loss of $81 m a year earlier. Excluding a large one-time gain from the sale of its frequent flier club, El Al recorded a $15 m net loss on a jump in fuel costs.

Revenue rose to $516 m from $223 million a year before, although that was still below $584 m in the second quarter of 2019, before the COVID-19 crisis began. Load factor, a measure of seats filled, rose to 81.5% from 67% last year.

To meet demand on long-haul routes, El Al said it planned to add a 16th Boeing 787 in 2023 while it also began to restore older Boeing 777s to the skies.

Saudi Arabia allows Israeli carriers to overfly its territory on flights to and from the United Arab Emirates and Bahrain.

YOU KNOW WHAT

Last month, Saudi Arabia said it would open its airspace to all air carriers. Opening Saudi airspace to flights to and from Israel was a focus of US President Joe Biden's tour last month of the countries, which do not have formal ties.