

Trafco Group profits surge

TDT | Manama

Trafco Group yesterday reported a more than 55% jump in its second-quarter profit, which the company attributed to "good gross margin of the parent company and some other subsidiary companies as well as other exceptional income reported due to the acquisition of balance stakes of an associate company."

Quarterly results

Second quarter net profit jumped 55.10% to BD 339k from BD 219k in the year-ago quarter.

Earnings per share were 5 fils compared to 3 fils in the



Azzam Moutragi, Group CEO

previous year quarter.

Total comprehensive income related to Trafco Group shareholders was BD 264k



Ebrahim Zainal, Chairman

compared to BD 285k in the year-ago quarter, a decrease of 7.16%.

Ebrahim Zainal, Chairman

of Trafco Group stated that the increase in the net profit for the second quarter of 2022 was mainly due to the good gross margin of the parent company and some other subsidiary companies as well as other exceptional income reported due to the acquisition of balance stakes of an associate company. This is the first period's financials, after the full acquisition of Bahrain Livestock Co., that accounts are consolidated.

H1 results

Net profit related to Trafco Group shareholders in H1 rose 33.54% to BD 1,155k from BD 865k a year ago. Earnings per share were 16 fils compared

with 12 fils in the same period of the previous year.

Total comprehensive income related to Trafco Group shareholders was BD 1,980k compared to BD 1,632k of the same period of the previous year, with an increase of 21.33%.

Azzam Moutragi, Group CEO of Trafco Group stated that the increase in the net profit for the half year of 2022 was due to decent operational performance of parent and some of the subsidiary companies. The consolidation of financials due to the acquisition of Bahrain Livestock company had a positive impact of total group assets.

CAPTAINS CORNER

Challenging climate change



CAPTAIN MAHMOOD AL MAHMOOD

Against the colourful photo of flowers in the foreground, a news agency yesterday announced the dire news that England had declared some areas as drought-stricken. Hearing this about a land of a million umbrellas seems to confirm our worst fears that climate change is here and prowling in our midst like a hungry tiger with its fangs bared. To get everybody to fight climate change, we must first convince them that this affects you and me and our children, our neighbourhood – not just the polar bears in the Arctic Circle.

Shortly this month, the Indian community's Malayalees will be celebrating their harvest festival of Onam – it is a joyful occasion but one that is playing out this year against the backdrop of severe weather change in India as in the rest of the world. Did you know that the reason you got to eat fewer delicious mangoes this summer was because climate change played havoc with the 2022 mango crop?

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Infracorp achieves \$37.5 million in revenue

TDT | Manama

Infracorp announced yesterday a net profit of \$13.6 million on revenue of \$37.5 m during the six months ended 30 June 2022 with steady growth in its financials.

Currently managing a portfolio of around \$3 billion of assets, Infracorp aims to accelerate the growth of sustainable infrastructure development across MENA and South Asia regions.

Majed Al-Khan, CEO of Infracorp, commented: "We entered quarter two with a clear strategy based on diversifying our investment portfolio and increasing revenue. We are fully committed to carrying over the momentum of quarter one as a foundation for the rest of



Majed Al-Khan, CEO of Infracorp

the year. Through investing in short and medium-term market instruments and new partnerships in the infrastructure development sector, we anticipate further improvement in our

liquidity position."

He also added: "We are pleased to see a steady and continued positive performance with equally favorable projections for our first year in operation. These results clearly provide a promising outlook for us to continue using as a foundation for our vision of a sustainable global community."

Infracorp has initiated the construction of a sustainable ecosystem in part of its ongoing green vision through investments in a social infrastructure portfolio solution that comprises building materials, logistics and technologies that support climate change goals, as well as social infrastructure assets across the education and healthcare sectors.

Russia could buy yuan, rupees, Turkish lira for rainy day fund, central bank says

Reuters | Moscow

Russia is considering buying the currencies of "friendly" countries such as China, India and Turkey to hold in its National Wealth Fund (NWF), having lost the ability to buy dollars or euros due to sanctions, the central bank said on Friday.

The bank said it was sticking to the policy of a free-floating rouble exchange rate but highlighted that it was important to reinstate a budget rule which diverts excess oil revenues into the country's rainy day fund.

In a report on its monetary policy for 2023-2025, the central bank said various options on how to return to the fiscal

rule and replenish the NWF are now being discussed, taking into account the Western sanctions against Russia over its actions in Ukraine.

"The Russian Ministry of Finance is working on the possibility of implementing an operational mechanism of the budget rule mechanism for the replenishment/spending of the NWF in currencies of friendly countries (yuan, rupees, Turkish lira and others)," the central bank said.

Experts have voiced concerns about insufficient liquidity in such currencies and about the possible risks. Inflation in Turkey, for example, jumped to nearly 80% in June, a 24-year high.

Alexei Zabotkin, the central bank first deputy governor who presented the monetary policy report on Friday, said the parameters of the new budget rule were still under consideration. He pointed out that liquidity in yuan-rouble trading has approached the levels of the euro-rouble currency pair on the Moscow Exchange.

In the first half of 2022, average daily trade turnover for the yuan rose more than 12-fold, according to the exchange.

Under the budget rule, Russia previously bought dollars and euros for the NWF, but not the other currencies. It stopped daily purchases of forex for the fund in early 2022 amid increased volatility in the rouble.

The NWF is managed by the finance ministry but is part of the central bank's international reserves, which also include yuan. These totalled around \$640 billion as of February, of which nearly half was frozen under Western sanctions.

The Russian economy will return to growth in 2024 after two years of contraction, according to the central bank.

"Economic contraction in Russia will bottom out in the first half of 2023," Zabotkin said.

I believe that Bahrain has taken the right step by encouraging more solar power options because green energy is the future. It is high time that we in Bahrain looked to D.I.Y. power generation - if your home has its own roof, consider fitting solar panels to generate some of your electricity.

Households generate roughly a quarter of all direct CO2 emissions produced in the world today. Simple everyday measures will go a long way towards fixing the holes in the climate change net. Learn to take ownership of this global problem. It is our world, after all!

Our Crown Prince and PM has made a commitment to guide Bahrain towards a net-zero carbon emissions economy by 2050. The journey to reach that goal begins today – it begins with you!

(Captain Mahmood Al Mahmood is the Editor-in-Chief of The Daily Tribune and the President of the Arab-African Unity Organisation for Relief, Human Rights and Counterterrorism)

 الشركة المتحدة للتأمين ش.م.ب (مقفلة) United Insurance company B.S.C (closed)		
SUMMARY FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2022		
STATEMENT OF FINANCIAL POSITION AS AT	30 JUN 2022	31 DEC 2021
Amounts are in Bahraini Dinars	Reviewed	Audited
ASSETS		
Non-current assets		
Property Plant and equipment	318,988	261,812
Investment property	538,357	538,357
Non-Current portion of available for sale investments	10,409,302	9,517,230
Total assets	11,266,647	10,317,399
Current assets		
Current portion of available-for-sale-investments	490,948	691,795
Reinsurance contract receivables	892,581	897,718
Other receivables and prepayments	437,124	252,676
Statutory deposit	96,016	95,052
Mudaraba deposit	1,000,000	500,000
Cash and Bank Balances	10,363,812	11,151,143
Total assets	13,280,481	13,588,384
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	5,000,000	5,000,000
Statutory reserve	2,500,000	2,500,000
Investment Fair value reserve	1,075,861	1,442,835
Retained earnings	5,121,872	4,789,790
Total equity and liabilities	13,697,733	13,732,625
Current liabilities		
Insurance liabilities	9,650,837	8,901,860
Other liabilities and provisions	1,198,558	1,271,298
Total equity and liabilities	10,849,395	10,173,158
Total equity and liabilities	24,547,128	23,905,783

These financial statements have been reviewed by BDO.

STATEMENT OF PROFIT OR LOSS FOR THE SIX MONTH PERIOD ENDED	30 JUN 2022	30 JUN 2021
Amounts are in Bahraini Dinars	Reviewed	Reviewed
Income		
Gross premiums written	3,765,829	1,052,482
Insurance premiums ceded	(156,282)	(87,150)
Net insurance premiums written	3,609,547	965,332
Change in unearned premiums	(136,296)	(31,253)
Other Insurance Income	363,833	39,800
Total income from insurance operations	3,837,084	973,879
Expenses from insurance operations		
Gross claims paid	(810,875)	(1,069,697)
Claims recovered from reinsurers	23,237	27,841
Net claims paid	(787,638)	(1,041,856)
Change in provision for O/S Claims	(578,020)	1,081,941
Commissions paid	(188,098)	(61,074)
Motor compensation fund contribution	(24,111)	(3,926)
Staff costs	(740,615)	(585,599)
General and Administrative expenses	(302,164)	(242,665)
Depreciation	(12,552)	(23,150)
Total expenses from insurance operations	(2,633,198)	(876,329)
Net Income from insurance operations	1,203,886	97,550
Investment income	703,212	580,908
Other Income	2,371	48,215
Impairment Loss on available-for-sale investments	(87,387)	(4,995)
Directors' remuneration	(100,000)	(59,000)
Charity expense	(15,000)	(5,000)
NET PROFIT FOR THE PERIOD	1,707,082	657,678
Earnings per Share - Basic	341 Fils	132 Fils
Statement of Comprehensive Income		
Net Profit for the Period	1,707,082	657,678
Other Comprehensive Income		
Net gain/(Loss) on revaluation of available for sale investments	(366,974)	(212,124)
Total comprehensive Income for the period	1,340,108	445,554

The interim condensed financial information were approved and authorised for issue by the Board of Directors and signed on their behalf by:

Sameer Ebrahim Al-Wazzan Chairman	Waleed AbdulRahman Al-Eisa Vice Chairman
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