

## BUSINESS

# Inovest profit up 139pc

## Recommends cash dividend distribution of 5pc

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Inovest yesterday reported a 139 per cent jump in its 2018 consolidated net profit attributable to parent shareholders to US\$14.01 million from US\$5.86m for the same period last year.

Earnings Per Share attributable to the equity shareholders of the parent company amounted to US cents 4.95 as compared to US cents 2.06 in 2017.

Net Operating Profit increased by 3pc, reaching US\$12.52m, up from US\$ 12.17m in 2017.

The improvement, according to Inovest, is primarily due to recoveries from provisions of US\$1.54m in comparison to provisions of US\$ (6.12m) in 2017, as well as an increase in revenues from real estate investments, equity investments, and construction contracts.

Consolidated operating income for 2018 increased by 2pc from US\$23.21m to US\$23.73m. Consolidated net profit increased by 132pc, reaching US\$14.06m in comparison to US\$6.05m for the same period of 2017.

Operating expenses stood at US\$11.22m in comparison to US\$11.04m for 2017, reflecting a marginal increase of 2pc.

The board said it recommended a cash dividend distribution



Dr Omar Al Mutawa, Inovest Chairman



Yasser Al Jar, CEO of Inovest

of 5pc of paid-up capital subject to the approval of Central Bank of Bahrain and the Ministry of Industry and Commerce and Tourism.

For the quarter ended 31st December 2018, Consolidated net profit attributable to the parent shareholders of US\$1.70m in comparison to a loss of (US\$13.05)m for the same quarter of last year, which represents an increase of 113pc.

Earnings Per Share attributable to the equity shareholders of the parent company for the last quarter of 2018 amounted to US cents 0.60 as compared to Loss Per Share of US cents (4.58) in 2017.

Consolidated operating in-

come declined by 24pc to reach US\$4.22m in comparison to US\$5.58m for the same quarter of 2017.

Commenting on the results, Inovest's Chairman Dr Omar Al Mutawa said, "Inovest's achievements this year come in continuation of over three years of consistent profitability; a testament to the Group's strategies and the capabilities of the team members within the organization.

"More importantly, we have within the year established two critical building blocks for our future development. First and foremost, we established Inovest's core executive team and secondly, we have determined

Inovest's strategic direction, formalized in our recently announced three-year plan for 2019-2021. Our strategy will focus on the principles of sustainability, growth, and diversity, to be achieved through our perseverance in maintaining profitability, improving the performance of investments, as well as diversifying risk through exploring new investment sectors."

From his end, Yasser Al Jar, CEO of Inovest, said Inovest would actively be looking to increase its operating revenues in a sustainable manner, whilst maintaining a balanced view of associated operational expenses.



MIKE ORLOV

## Control in Organisations

When in South Africa recently I was talking to a business-owner about his need for greater control of the micro-activity in his medium-sized enterprise, down to the level of wanting to control conversations between employees; as he said; "in the interests of efficiency". We explored what lay behind this need and came to the conclusion he did not like being unaware of what was going on between his people; he wanted to manage the space in-between individuals who are working in his organisation to maximise his investment in his labour-force.

I have experienced such need before in enterprise-owners in both the UK and the Middle East. Perhaps the most extreme example was a particular business-owner wanting to track and plot where his employees were by tracking the location of their mobile phones at all times. He even recruited more people to conduct the tracking; a case of sacrificing effectiveness in a vain-search for efficiency and control.

In our attempts to exercise control, in the search for optimum-efficiency, we often damage effectiveness. And if we think our employees do not know they are being monitored then we are only fooling ourselves. They know and they will not trust you if you do not trust them.

The qualities of our relating with each other and the interactions between us are a result of complex political, social, chaotic and, more often than not, uncontrollable activities. These dynamics relationships shift every day; often every hour. Human relations are fluid; forming and re-forming, changing over time.

Patterns emerge and these patterns are the actual culture of a group of people; be it overall organisational culture or specific sub-cultures in teams, departments or divisions. The art of leadership can transform and shift cultures, but management dictat or intrusive micro-management practices will not be successful.

Gaining greater control within an organisation explicitly demands exhibiting leadership competencies; acting in an organisational context to change this context and definitely change yourself in the process. Gaining greater control implies surrendering control; a grand paradox for all leaders to get used to and enjoy.

No single agent or person can control an enterprise or change an organisation. Greater-control and transformational-change come about when people act differently together; numerous interacting agents producing overall different patterns of talking about things and doing things differently across their teams, divisions and the overall organisation.

These dynamic-processes, forming new-patterns, more often than not create anxiety, not only with employees but also with business-owners and senior management. Gaining greater control means living with this paradox of letting-go and releasing-control.

So often people sense meaning in their individual roles but they also sense meaninglessness when they lose focus on their purpose (what needs to be done) and just as importantly, how these things should be done.

In reality, this presence of anxiety is normal, healthy and essential for the emergence of novelty and change, through which greater control is released from different interactions between people rather than dictat from the owner or senior manager.

How we talk with each other and what is written, how things said both verbally and in writing are interpreted, affects our cognitive thinking, our attitudes and our behaviours. How we think and feel about things within organisations depends not on instructions from the boss but from our interactions with the people around us; it is these interactions which develop personal senses of reality.

Gain control by releasing control, aiding individuals to explore new senses of reality. From enriching work-lives through effective job-design, engagement-strategies, enlighten employees by articulating purpose and vision, empower people and enable individuals through effective devolution of power.

*(Mike Orlov is a Partner at Stepping Stone Global, a Bahrain-based boutique strategic management consultancy. He is also a Fellow of the Institute of Leadership and Management. Email: info@steppingstoneglobal.com)*

## Alba accelerates Line 6 ramp-up

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Aluminium Bahrain (Alba) announced that its flagship Line 6 Expansion Project is progressing as per schedule with the successful testing of 40 pots which are now fully operational.

The Chairman of Alba's Board of Directors, Shaikh Daij Bin Salman Bin Daij Al Khalifa, said: "We are delighted to have started Potline 6 ahead of schedule on 13 December 2018 and to have successfully started the first 40 pots. Alba is targeting Line 6 full ramp-up within Q3 2019 which will further position us to take advantage of the growing demand in global aluminium consumption."

We also look forward to finishing 2019 strong as Alba's total production will top 1,350,000



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SHAIKH DAIJ BIN SALMAN BIN DAIJ AL KHALIFA, CHAIRMAN OF ALBA'S BOARD OF DIRECTORS

metric tonnes with Potline 6. With 2019 Production Target, we will make a big step forward on the cost side which will bring us closer to achieve US\$40 Million savings (Phase IV of Project Titan) in 2019."

One of the most remarkable achievements for Alba on this landmark Project is the Extreme Ownership of Safety by Alba employees and contractors.

It is noteworthy that Line 6 Smelter clocked more than 32 million working-hours without Lost Time Injury (LTI), while Power Station 5 recorded more than 7 million working-hours without LTI and Power Distribution System achieved more than 2 million working-hours without LTI as of 31 January 2019.

## Lion Air plane skids off runway at Indonesian airport

Reuters

A Lion Air passenger plane skidded off a runway outside a city on the Indonesian island of Borneo yesterday during heavy rain, the airline said, adding no one was injured.

The aircraft was operating a Jakarta-Pontianak service, with 182 passengers and seven crew members onboard, Lion Air spokesman Danang Mandala Prihantoro said in a statement.

The Boeing 737-800NG plane skidded off the runway as it was trying to land at Supadio International Airport, a regional hub airport that services a small number of international flights.

## Batelco's Gulf network expands to Europe

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Batelco yesterday announced that its Gulf Network, an international cable system launched last year for the GCC region has been expanded into Europe and been transformed to Batelco Global Network (BGN).

The network, which runs

over a protected state-of-the-art optical transport network (OTN), meets the demand for high bandwidth connectivity and capacity.

Batelco said it has chosen Marseille to host its network where it has deployed multi-service nodes using high capacity optimized routes to provide the shortest



Adel Al Daylami

latency.

Batelco Chief Global Business Officer Adel Al-Daylami commented, "This step will facilitate the provision of new and innovative services for the growing digital economy, which will support the efforts of the Kingdom of Bahrain and the GCC in the field of communications."