

# business

## Barclays rebounds into profit in 2018

London, United Kingdom

Barclays rebounded sharply into profit in 2018, as a vast hit from the previous year on the sale of its African business was not repeated, the British bank announced yesterday.

The lender's performance came despite vast litigation costs and a new charge on the impact of mounting economic uncertainty over Brexit.

Net profit, or earnings after tax, reached £1.4 billion (\$1.8 billion, 1.6 billion euros) last year, Barclays said in a results statement.

That contrasted with a large loss of £1.9 billion in 2017, when it had taken a vast £2.5-billion hit on the sale of Barclays Africa Group Limited.

The lender nevertheless faced litigation and conduct charges in 2018 of £2.2 billion.

## \$400 billion climate investment plan for Sahel region

Niamey, Niger

Heads of state of 17 countries in the Sahel region of Africa will hold a summit on Monday in Niamey to approve a climate investment plan worth \$400 billion over 12 years, the Niger government said Wednesday.

The "ambitious" plan for the period 2018-30 will involve "17 nations from the Atlantic Ocean to the Horn of Africa" and will represent the "translation (into actions) of our nations' commitments through the Paris agreement on climate change", Environment Minister Almoustapha Garba told reporters.

The \$400 billion (350 billion euro) plan focuses on six projects aiming to limit greenhouse gas emissions and to help people adapt to climate change, he added.

The 2015 Paris Agreement on climate change aims to limit global temperature rises to well below two degrees Celsius (3.6 Fahrenheit).

The Sahel, home to more than 500 million people, is considered especially vulnerable to climate change.

# Batelco Q4 profit jumps 119pc

● **Broadband customers increase 13pc**

● **To build a second Data Centre for Batelco at its Hamala headquarters**

● **Recommends a full year cash dividend of BD45.7m (US\$121.2m)**

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Mohamed Bubashait, Batelco Bahrain CEO



Ihab Hinnawi, Batelco Group CEO



Shaikh Abdulla bin Khalifa Al Khalifa, Batelco Chairman

Batelco (BATELCO), the regional telecommunications group with operations across 14 countries, yesterday reported a 119 per cent jump in its fourth-quarter net profit attributable to equity holders of the company to BD4.1 million (US\$10.9m) from a BD21.7m (US\$57.6m) net loss in the same quarter a year ago.

The 2017 net profit, according to Batelco, was mainly impacted by impairment losses related to the Group's investments in Yemen and Jordan.

The board recommended a full year cash dividend of BD45.7m (US\$121.2m), at a value of 27.5 fils per share to be agreed at the Group's Annual General Meeting, of which 10 fils per share was already paid during the third quarter of 2018 with the remaining 17.5 fils to be paid following the AGM in

March 2019.

Total comprehensive income attributable to equity holders of the company was BD4.6m (US\$12.2m), an increase of 120pc from BD22.7m (US\$60.2m) loss in Q4 2017. Earnings per share (EPS) is 2.4 fils for Q4 2018 compared to -13.1 fils in Q4 2017.

Operating profit decreased by 29pc to BD12.3m (US\$32.6m) from BD17.2m (US\$45.6m) in Q4 2017. Operating profit is hurt mainly due to increased amortization charges on intangible assets.

Revenues increased by 2pc over Q4 2017 from BD101.9m (US\$270.3m) to BD104.4m (US\$276.9m). Revenues have been positively bolstered by strong performance at Batelco Bahrain, Ummiah in Jordan and Dhiraagu, the Group's operation in the Maldives.

For the full year 2018, Net

profits attributable to equity holders of the company stand at BD50.1m (US\$132.9m) up from BD3.5m (US\$9.3m) for the corresponding period in 2017, an increase of 1,335pc. Full year EPS was 30.1 fils compared to 2.1 fils for the corresponding period of 2017.

Total comprehensive income attributable to equity holders of the company was BD43.3m (US\$114.9m), an increase of 275pc from BD11.5m (US\$30.5m) in 2017.

Year-on-year operating profits have increased by 25pc to BD72.7m (US\$192.8m) for 2018.

Revenues increased by 7pc from BD379.4m (US\$1,006.4m) in 2017 to BD405.9m (US\$1,076.7m) in 2018.

Batelco Chairman Shaikh Abdulla bin Khalifa Al Khalifa said, "The results reflect the effectiveness of the Group's overall

strategic initiatives and we are delighted to witness the strong year-on-year growth in digital, Datacom and fixed broadband services across the Group."

Batelco Group CEO Ihab Hinnawi said that 2018 was a turnaround year for the Batelco Group supported by the ongoing rollout of the Group's transformation strategy and key investments in targeted services, leading to a significant increase in shareholder return.

"We diversified our revenue sources to address the relentless impact of competition in our markets, particularly focusing on the acceleration of fibre implementation and data penetration and are pleased to report that Fixed Broadband is up by 10 per cent and Datacom services are up by 18pc across our markets of operation."

Batelco Bahrain Chief Executive Officer Mohamed Bubashait said: "Our successful investment strategy with a focus on crucial in-demand services has resulted in a significant improvement in performance over 2017 for Datacom and fixed Broadband services, with revenue growth up by 27pc for Datacom and by 15pc for fixed Broadband, fuelled by our fibre rollout. Meeting the demand for faster internet services remains high on the agenda and the success of our fibre delivery has also attributed to a 13pc increase in Broadband customers in the Kingdom of Bahrain."

Looking ahead, Bubashait said Batelco will open a new Data Centre very soon, and plans are already in place to build a second Data Centre for Batelco at its Hamala headquarters.

## Aero India 2019



A foreign delegate poses for a picture next to a floral model of an aeroplane on the inaugural day of the five-day Aero India airshow at the Velahanka Air Force station, in Bangalore. The Aero India 2019 airshow began on February 20 and ends on February 24.

## Brexit breakthrough possible within days, says UK minister

London, United Kingdom

Britain's finance minister Philip Hammond said yesterday there had been "some movement" by the European Union that could lead to a breakthrough in Brexit talks in "the next few days".

Hammond said progress in the ongoing negotiations could result in a fresh vote next week on prime minister Theresa May's EU divorce deal, which was rejected by lawmakers last month.

"There may be an opportunity to bring a vote back to the House of Commons," he told the BBC.

"But that will depend on progress that's made over the next few days. These discussions are ongoing."



Philip Hammond

May and the other 27 EU leaders approved a Brexit withdrawal agreement at a summit on November 25 last year, but the British parliament voted against it overwhelmingly on January 15.

Since then, she and her ministers have repeatedly urged EU leaders and their negotiator Michel Barnier to revise a "backstop" clause in the text on the Irish border that is hated by eurosceptic MPs.

# US couple in cannabis business owed taxman \$3 million

Los Angeles, United States

A US couple who operated a lucrative marijuana business in the western state of Colorado are in hot water with federal authorities for failing to pay the taxman more than \$3 million.

According to authorities, Andrew Poarch and his wife

Shuntay opened "Lazy Lion," a cash-only marijuana club, in Colorado Springs in January 2013 -- earning more than \$10 million over three years.

But the couple failed to properly declare their income during that period and even claimed they were due a refund in 2014 because they had earned just \$19,292 -- when in fact their in-

come stood at nearly \$3 million, officials say.

Poarch pleaded guilty in the case last week, prosecutors announced Wednesday, and charges are pending against his wife.

The case illustrates the tax pitfalls of owning a cannabis business in the United States, where the drug has been legalized in many states but remains

**Poarch faces up to three years in prison and a \$250,000 fine. He has also agreed to pay tax authorities a little over \$3 million in restitution, according to his plea deal.**

illegal at the federal level.

That has translated to a cash-only marijuana industry as business owners are unable to deposit the money they earn into banks, which refuse to open accounts for cannabis-related businesses.

According to the charge sheet against Poarch and his wife, Lazy Lion obtained its supply

of cannabis from a series of grow operations that they controlled.

Their customers could purchase the marijuana at the club and consume it on the premises.

Authorities determined the scale of the business by reviewing records from a sale program the couple, both aged 31, used to record all transactions.