

**Aluminium Bahrain B.S.C.**  
**CONDENSED CONSOLIDATED INTERIM**  
**FINANCIAL STATEMENTS**

30 JUNE 2019 (REVIEWED)

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KPMG Fakhro  
Audit  
12<sup>th</sup> Floor, Fakhro Tower  
PO Box 710, Manama  
Kingdom of Bahrain

Telephone +973 17 224807  
Fax +973 17 227443  
Website: www.kpmg.com/bh  
CR No. 6220

## Independent auditors' report on review of condensed consolidated interim financial information

The Board of Directors  
Aluminium Bahrain B.S.C.  
Kingdom of Bahrain

28 July 2019

### Introduction

We have reviewed the accompanying 30 June 2019 condensed consolidated interim financial information of Aluminium Bahrain B.S.C. ("the Company") and its subsidiaries (together "the Group"), which comprises:

- the condensed consolidated interim statement of financial position as at 30 June 2019;
- the condensed consolidated interim statement of comprehensive income for the three-month and six-month periods ended 30 June 2019;
- the condensed consolidated interim statement of changes in equity for the six-month period ended 30 June 2019;
- the condensed consolidated interim statement of cash flows for the six-month period ended 30 June 2019; and
- notes to the condensed consolidated interim financial information.

The Board of Directors of the Company is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

### Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2019 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

### Other Matter

The consolidated financial statements of the Group as at and for the year ended 31 December 2018, and the condensed consolidated interim financial information for the period ended 30 June 2018, from which the corresponding figures of the condensed consolidated interim statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows have been derived, were audited and reviewed by another auditor who issued an unmodified audit opinion and review conclusion on those financial statements and financial information respectively.

Aluminium Bahrain B.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

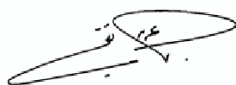
At 30 June 2019 (Reviewed)

	30 June 2019 Reviewed (*) BD '000	31 December 2018 Audited BD '000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,876,058	1,702,117
Other asset	3,840	3,936
Derivative financial instruments	-	1,725
Deferred tax assets	34	34
	<u>1,879,932</u>	<u>1,707,812</u>
<b>Current assets</b>		
Inventories	267,329	266,229
Trade and other receivables	145,795	130,522
Derivative financial instruments	-	471
Bank balances and cash	91,195	103,684
	<u>504,319</u>	<u>500,906</u>
<b>TOTAL ASSETS</b>	<u><u>2,384,251</u></u>	<u><u>2,208,718</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	142,000	142,000
Treasury shares	(4,572)	(4,800)
Statutory reserve	71,000	71,000
Capital reserve	249	249
Retained earnings	845,447	865,021
<b>Total equity</b>	<u>1,054,124</u>	<u>1,073,470</u>
<b>Non-current liabilities</b>		
Borrowings	794,046	785,877
Employees' end of service benefits	1,816	1,677
Other payable	27,572	47,000
Derivative financial instruments	2,410	-
	<u>825,844</u>	<u>834,554</u>
<b>Current liabilities</b>		
Borrowings	225,808	74,504
Trade and other payables	277,088	225,332
Derivative financial instruments	1,387	858
	<u>504,283</u>	<u>300,694</u>
<b>Total liabilities</b>	<u>1,330,127</u>	<u>1,135,248</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>2,384,251</u></u>	<u><u>2,208,718</u></u>

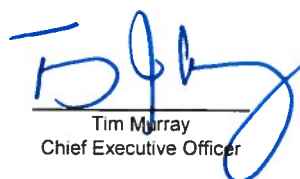
(\*) The Group has adopted IFRS 16 Leases on its effective date of 1 January 2019. Prior period accounts have not been re-stated. Refer to Note 2(b).



Dajj Bin Salman Bin Dajj Al Khalifa  
Chairman



Yousif Taqi  
Director



Tim Murray  
Chief Executive Officer

The attached notes 1 to 10 form part of this condensed consolidated interim financial information.

Aluminium Bahrain B.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2019 (Reviewed)

	Note	Three months ended		Six months ended	
		30 June	30 June	30 June	30 June
		2019	2018	2019	2018
		BD '000	BD '000	BD '000	BD '000
Revenue from contracts with customers	6	245,070	243,985	448,584	465,244
Cost of sales		(229,672)	(209,610)	(432,336)	(390,909)
<b>GROSS PROFIT</b>		<b>15,398</b>	<b>34,375</b>	<b>16,248</b>	<b>74,335</b>
Other (expenses) / income		(471)	(201)	548	5,118
Gain on foreign exchange		2,272	7,172	3,517	4,516
Selling and distribution expenses		(7,200)	(5,022)	(15,031)	(9,827)
General and administrative expenses		(8,234)	(7,817)	(16,841)	(14,736)
Finance costs		(728)	(347)	(1,804)	(643)
Changes in fair value of derivative financial instruments and others		(4,148)	965	(5,899)	4,845
<b>(LOSS)/PROFIT FOR THE PERIOD BEFORE TAX</b>		<b>(3,111)</b>	<b>29,125</b>	<b>(19,262)</b>	<b>63,608</b>
Tax		(223)	(25)	119	(642)
<b>(LOSS)/PROFIT AND TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD</b>		<b>(3,334)</b>	<b>29,100</b>	<b>(19,143)</b>	<b>62,966</b>
Basic and diluted earnings per share (fils)	3	(2)	21	(14)	44



Daij Bin Salman Bin Daij Al Khalifa  
Chairman



Yousif Taqi  
Director



Tim Murray  
Chief Executive Officer

The attached notes 1 to 10 form part of this condensed consolidated interim financial information.

Aluminium Bahrain B.S.C.

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY**

For the six months ended 30 June 2019 (Reviewed)

	Share capital BD '000	Treasury shares BD '000	Statutory reserve BD '000	Capital reserve BD '000	Retained earnings BD '000	Proposed dividend BD '000	Total BD '000
Balance at 1 January 2019	142,000	(4,800)	71,000	249	865,021	-	1,073,470
Total comprehensive loss for the period	-	-	-	-	(19,143)	-	(19,143)
Net movement in treasury shares	-	228	-	-	(431)	-	(203)
<b>Balance at 30 June 2019</b>	<b>142,000</b>	<b>(4,572)</b>	<b>71,000</b>	<b>249</b>	<b>845,447</b>	<b>-</b>	<b>1,054,124</b>
	Share capital BD '000	Treasury shares BD '000	Statutory reserve BD '000	Capital reserve BD '000	Retained earnings BD '000	Proposed dividend BD '000	Total BD '000
Balance at 1 January 2018	142,000	(2,690)	71,000	249	805,029	36,806	1,052,394
Total comprehensive income for the period	-	-	-	-	62,966	-	62,966
Net movement in treasury shares	-	344	-	-	126	-	470
Final dividend for 2017 approved and paid (note 8)	-	-	-	-	-	(36,720)	(36,720)
Excess of final dividend for 2017 reversed	-	-	-	-	86	(86)	-
<b>Balance at 30 June 2018</b>	<b>142,000</b>	<b>(2,346)</b>	<b>71,000</b>	<b>249</b>	<b>868,207</b>	<b>-</b>	<b>1,079,110</b>

The attached notes 1 to 10 form part of this condensed consolidated interim financial information.

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Aluminium Bahrain B.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the six months ended 30 June 2019 (Reviewed)

	<i>Six months ended</i>	
	<b>30 June</b>	<b>30 June</b>
	<b>2019</b>	<b>2018</b>
<i>Note</i>	<b>BD '000</b>	<b>BD '000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss)/profit for the period before tax	<b>(19,262)</b>	63,608
<i>Adjustments for:</i>		
Depreciation	<b>33,890</b>	32,305
Amortisation of other asset	<b>96</b>	96
Provision for employees' end of service benefits	<b>892</b>	731
Provision for slow moving inventories	<b>40</b>	54
Provision for impairment of trade receivables - <i>net</i>	<b>-</b>	1
Loss on disposal of property, plant and equipment	<b>1,303</b>	877
Changes in fair value of derivative financial instruments	<b>5,899</b>	(4,845)
Interest income	<b>(505)</b>	(177)
Forex gain on revaluation of borrowings	<b>(3,517)</b>	(5,935)
Interest on borrowings and leases	<b>1,804</b>	502
Operating profit before working capital changes	<b>20,640</b>	87,217
Working capital changes:		
Inventories	<b>(1,140)</b>	(36,659)
Trade and other receivables	<b>(15,273)</b>	5,193
Trade and other payables	<b>28,399</b>	97,675
Cash generated from operations	<b>32,626</b>	153,426
Employees' end of service benefits paid	<b>(753)</b>	(893)
Tax benefit/(paid)	<b>119</b>	(642)
Net cash flows generated from operating activities	<b>31,992</b>	151,891
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	<b>(181,098)</b>	(295,825)
Proceeds from disposal of property, plant and equipment	<b>48</b>	71
Interest received	<b>505</b>	177
Net cash flows used in investing activities	<b>(180,545)</b>	(295,577)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Borrowings availed - <i>net</i>	<b>641,033</b>	172,566
Borrowings repaid	<b>(489,762)</b>	(22,033)
Interest on borrowings paid	<b>(15,004)</b>	(2,957)
Dividends paid	<b>-</b>	(36,720)
Purchase of treasury shares	<b>(1,095)</b>	(2,662)
Proceeds from resale of treasury shares	<b>892</b>	3,132
Net cash flows generated from financing activities	<b>136,064</b>	111,326
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(12,489)</b>	(32,360)
Cash and cash equivalents at 1 January	<b>103,684</b>	77,459
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE</b>	<b>91,195</b>	45,099

The attached notes 1 to 10 form part of this condensed consolidated interim financial information.

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## Aluminium Bahrain B.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2019 (Reviewed)

#### 1 REPORTING ENTITY

Aluminium Bahrain B.S.C. ("the Company") was incorporated as a Bahrain Joint Stock Company (closed) in the Kingdom of Bahrain and registered with the Ministry of Industry, Commerce and Tourism under commercial registration (CR) number 999.

Subsequent to the Initial Public Offering (IPO), the Company became a Bahrain Public Joint Stock Company effective 23 November 2010 and its shares are listed on Bahrain Bourse and Global Depositary Receipts are listed on the London Stock Exchange. The Company has its registered office at 150 Askar Road, Askar 951, Kingdom of Bahrain.

The majority shareholder of the Company is Bahrain Mumtalakat Holding Company B.S.C. (c) (Mumtalakat), a company wholly owned by the Government of the Kingdom of Bahrain through the Ministry of Finance & National Economy, which holds 69.38% of the Company's share capital.

The Company is engaged in manufacturing aluminium and aluminium related products. The Company owns and operates a primary aluminium smelter and the related infrastructure in the Kingdom of Bahrain.

The Group comprises of the Company and the following subsidiaries:

<i>Name</i>	<i>Effective ownership</i>		<i>Country of incorporation</i>	<i>Principal activity</i>
	<i>2019</i>	<i>2018</i>		
Aluminium Bahrain US, Inc.	100%	100%	United States of America (USA)	Selling and distribution of aluminium throughout the Americas
ALBA Club S.P.C.	100%	100%	Kingdom of Bahrain	Provider of recreational and sports facilities

The Group also has representative sales branch offices in Zurich, Switzerland and Hong Kong.

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 28 July 2019.

#### 2 SIGNIFICANT ACCOUNTING POLICIES

##### a) Basis of accounting

The condensed consolidated interim financial statements of the Group for the three-month and six-month periods ended 30 June 2019 have been prepared in accordance with International Accounting Standard 34 ("IAS 34"), "Interim Financial Reporting".

The condensed consolidated interim financial statements do not contain all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2018. In addition, the results for the three-month and six-month periods ended 30 June 2019 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2019.

##### b) New and amended standards and interpretations

The accounting policies adopted in the preparation of the condensed consolidated interim financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2018 except for the adoption of new standards and interpretations effective as of 1 January 2019. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Aluminium Bahrain B.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM  
FINANCIAL INFORMATION

For the six months ended 30 June 2019 (Reviewed)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

**b) New and amended standards and interpretations (continued)**

The Group applies, for the first time, IFRS 16 Leases.

**IFRS 16 Leases**

The Group has applied IFRS 16 with a transition date of 1 January 2019 which resulted in changes in accounting policies and adjustments to the amounts from those previously recognised in the financial statements as at 31 December 2018.

As permitted by the transitional provisions of IFRS 16, the Group elected to use the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 'Leases' and IFRIC 4 'Determining whether an arrangement contains a lease'.

Set out below are the details of the specific IFRS 16 accounting policies applied in the current period and the IFRS 16 transition impact disclosures for the Group.

*(i) Changes in accounting policies*

At the inception of the contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for the period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset, this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
  - the Group has the right to operate the asset; or
  - the Group designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after 1 January 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and to account for the lease and non-lease components as a single lease component.

**(A) Measurement**

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises:

- the amount of the initial measurement of the lease liability;
- any lease payment made at or before the commencement date, less any lease incentives received;
- any initial direct cost incurred by the lessee; and
- estimated cost to dismantle and to remove the underlying asset, or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined based on the lease term.

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## Aluminium Bahrain B.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2019 (Reviewed)

#### 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

##### New and amended standards and interpretations (continued)

Lease liability is measured as the present value of the future lease payments that are not paid at the commencement date. The lease payments are discounted based on the Group's incremental borrowing rate. Lease liability comprises the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option;
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

##### (B) Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and for leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

##### (ii) Impact of adopting IFRS 16

The impact from the adoption of IFRS 16 as at 1 January 2019 is set out below:

	Property, Plant and equipment	Trade and Other Payables
Closing balance under IAS 17 (31 December 2018)	-	-
<u>Impact on remeasurements:</u>		
Right-of-use asset	5,279	-
Lease liability	-	5,279
<b>Opening balance under IFRS 16 on date of initial application of 1 January 2019</b>	<b>5,279</b>	<b>5,279</b>

##### c) Seasonability

The Group does not have significant income of seasonal nature.

##### d) Judgements and estimates

In preparing these condensed consolidated interim financial statements, management make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2018.

## Aluminium Bahrain B.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2019 (Reviewed)

#### 3 EARNINGS PER SHARE

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June (Reviewed)</i>		<i>30 June (Reviewed)</i>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
(Loss) / profit for the period - BD '000	<b>(3,334)</b>	29,100	<b>(19,143)</b>	62,966
Weighted average number of shares outstanding - thousands of shares	<b>1,412,806</b>	1,416,943	<b>1,412,731</b>	1,415,725
Basic and diluted earnings per share – fils	<b>(2)</b>	21	<b>(14)</b>	44

No separate figure for diluted earnings per share has been presented as the Group has not issued financial instruments which may have a dilutive effect.

#### 4 DERIVATIVE FINANCIAL INSTRUMENTS

The Group does not engage in proprietary trading activities in derivatives. However, the Group enters into derivative transactions to hedge economic risks as described in note 25 to the Group's Annual financial statements for the year ended 31 December 2018, that may not qualify for hedge accounting under IFRS 9. Consequently, gains or losses resulting from the re-measurement to fair value of these derivatives are taken to the condensed consolidated interim statement of comprehensive income.

##### Interest rate swaps

The Group entered into interest rate swap transactions for BD 282,000 thousand floating rate borrowings for financing the line 6 project to manage overall financing costs. These contracts expire on 20 September 2023. The notional amount outstanding as at 30 June 2019 was BD 282,000 thousand (30 June 2018: BD 282,000 thousand).

##### Commodity futures

The Group entered into commodity futures contracts to reduce the price risk on behalf of its customers for 2,300 metric tonnes (30 June 2018: 7,950 metric tonnes).

#### 5 FINANCIAL INSTRUMENTS

##### Fair values

Financial instruments comprise of financial assets, financial liabilities and derivative financial instruments. Financial assets consist of bank balances, cash and trade and other receivables. Financial liabilities consist of borrowings and trade and other payables. Derivative financial instruments consist of interest rate swaps and commodity futures.

The Group assessed that the fair values of bank balances and cash, trade receivables, other receivables, trade payables, other current liabilities and borrowings approximate their carrying amounts, largely due to the short term maturities of these financial instruments. The Group also assessed that the fair value of the non-current portion of borrowings approximate their carrying amounts.

##### Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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Aluminium Bahrain B.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM  
FINANCIAL INFORMATION

For the six months ended 30 June 2019 (Reviewed)

**5 FINANCIAL INSTRUMENTS (continued)**

**Fair value hierarchy (continued)**

Level 1 : Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities;

Level 2 : Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable); and

Level 3 : Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable).

As at 30 June 2019, the Group's derivative financial instruments are measured at fair value using Level 2 as per the hierarchy. The Company does not have financial instruments qualifying for Level 1 or Level 3 classification.

During the three-month and six-month periods ended 30 June 2019, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements (31 December 2018: none).

**6 OPERATING SEGMENT INFORMATION**

For management purposes, the Group has a single operating segment which is the ownership and operation of a primary aluminium smelter and related infrastructure. Hence no separate disclosure of profit or loss, assets and liabilities is provided as this disclosure will be identical to the condensed consolidated interim statement of financial position and condensed consolidated interim statement of comprehensive income of the Group.

**a) Product**

An analysis of the revenue from contracts with customers by product is as follows:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June (Reviewed)</i>		<i>30 June (Reviewed)</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Sale of aluminium	245,022	232,742	448,152	452,287
Sale of alumina	48	11,243	432	12,954
Sale of calcined coke	-	-	-	3
<b>Total revenue from contracts with customers</b>	<b>245,070</b>	<b>243,985</b>	<b>448,584</b>	<b>465,244</b>

**b) Geographic information**

An analysis of the revenue from contracts with customers by geographic location is as follows:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June (Reviewed)</i>		<i>30 June (Reviewed)</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Kingdom of Bahrain	61,567	75,336	120,884	160,960
Europe	54,490	47,098	95,613	101,747
Rest of the Middle East and North Africa	43,844	51,011	77,897	76,079
Asia	46,548	30,117	80,530	56,774
Americas	38,621	40,423	73,660	69,684
<b>Total revenue from contracts with customers</b>	<b>245,070</b>	<b>243,985</b>	<b>448,584</b>	<b>465,244</b>

The revenue information above is based on the location of the customers.

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## Aluminium Bahrain B.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2019 (Reviewed)

#### 6 OPERATING SEGMENT INFORMATION (continued)

##### c) Customers

Revenue from sale of aluminium to the two major customers of the Group amounted to BD 114,605 thousand with one of the customers accounting for more than 10% of total revenue from contracts with customers for the six months period ended 30 June 2019 (30 June 2018: two major customers accounted for BD 124,554 thousand with one of the customers accounting for more than 10% of the total revenue from contracts with customers for the six months period).

#### 7 COMMITMENTS

As of 30 June 2019, the Group had commitments amounting to BD 67,225 thousand relating to the capital expenditure contracted for at the reporting date (31 December 2018: BD 93,635 thousand).

#### 8 DIVIDEND

At the Annual General Meeting held on 7 March 2019, the Company's shareholders approved the Board of Directors' proposal for not distributing any cash dividends to shareholders for the year 2018.

At the Annual General Meeting held on 7 March 2018, the Company's shareholders approved the Board of Directors' proposal to pay a final dividend of BD 0.026 per share (excluding treasury shares) totaling BD 36,806 thousand relating to 2017, out of which BD 36,720 thousand was paid as of 31 March 2018 and the excess of BD 86 thousand was reversed.

#### 9 RELATED PARTY TRANSACTIONS

Related parties represent major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Board of Directors.

In the ordinary course of business, the Group purchases supplies and services from parties related to the Government of the Kingdom of Bahrain, principally natural gas and public utility services at mutually agreed terms.

Transactions with related parties included in the condensed consolidated interim statement of comprehensive income are as follows:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June (Reviewed)</i>		<i>30 June (Reviewed)</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
<b><i>Other related parties</i></b>				
<b>Revenue and other income</b>				
Sale of metal	9,608	9,456	18,513	28,597
Sale of water	220	171	449	361
Interest on receivable	148	-	370	-
	<b>9,976</b>	<b>9,627</b>	<b>19,332</b>	<b>28,958</b>
<b>Cost of sales and expenses</b>				
Purchase of natural gas and diesel	50,201	38,509	102,334	72,568
Purchase of electricity	408	626	1,234	2,380
Sponsorship	7	-	302	-
Telecommunication expenses	98	-	171	-
Royalty	-	1,045	-	2,120
	<b>50,714</b>	<b>40,180</b>	<b>104,041</b>	<b>77,068</b>

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM  
FINANCIAL INFORMATION

For the six months ended 30 June 2019 (Reviewed)

**9 RELATED PARTY TRANSACTIONS (continued)**

Balances with related parties included in the condensed consolidated interim statement of financial position are as follows:

	<b>30 June 2019 Reviewed BD '000</b>	<b>31 December 2018 Audited BD '000</b>
<b>Other related parties</b>		
<b>Assets</b>		
Trade receivables (net of impairment)	8,993	13,938
Bank balances	6,093	1,556
	<u>15,086</u>	<u>15,494</u>
<b>Liabilities</b>		
Trade payables	36,489	25,737
Borrowings	53,875	32,595
Other payables	1,057	234
	<u>91,421</u>	<u>58,566</u>

Outstanding balances at the end of the period arise in the normal course of business. For the six-month period ended 30 June 2019, the Group has not recorded any additional impairment on amounts due from related parties (31 December 2018: BD 3,413 thousand).

**Compensation of key management personnel**

The remuneration of members of key management during the period was as follows:

	<i>Three months ended 30 June (Reviewed)</i>		<i>Six months ended 30 June (Reviewed)</i>	
	<b>2019 BD '000</b>	<b>2018 BD '000</b>	<b>2019 BD '000</b>	<b>2018 BD '000</b>
Short term benefits	396	779	826	1,195
End of service benefits	17	18	35	36
Contributions to Alba Savings Benefit Scheme	26	27	52	51
	<u>439</u>	<u>824</u>	<u>913</u>	<u>1,282</u>

**10 COMPARATIVES**

Certain prior period/year amounts have been regrouped to conform to the presentation in the current period. Such regroupings did not affect previously reported net profit for the period, comprehensive income or total equity.

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