

**Ordinary General Meeting
&
Extraordinary General
Meeting of the
Shareholders of Aluminium
Bahrain B.S.C. (Alba)**



Thursday 07 March 2024 – 11:00 AM

Al Dana Hall

Kingdom of Bahrain



The Agenda of the Annual General Meeting

1. Review and approve the Minutes of the Previous Ordinary General Meeting held on 26 February 2023.
2. Approve the appointment of Mr. Khalid Al Rumaihi as the Chairman of the Board.
3. Discuss and approve the Report of the Board of Directors for the Company's business/activities for the year ended 31 December 2023.
4. Listen to the External Auditors' Report for the Financial Statements for the year ended 31 December 2023.
5. Discuss and approve the Financial Statements for the year ended 31 December 2023.
6. The approval of the Board's recommendation to allocate the Net Profit for the year ended 31 December 2023 as follows:
 - a. The distribution of cash dividends to shareholders at Fils 29.18 per share or 29.18% of the paid-up capital (inclusive of the interim dividends of Fils 13.28 per share which was already distributed to the shareholders on 31 August 2023), which is BD41,314,159 for the year ended 31 December 2023.

Below are the key dates to be taken note of:

Event	Date
Annual General Meeting	07 March 2024
Cum-Dividend Date (Last day of trading with entitlement to dividends)	13 March 2024
Ex-Dividend Date (First day of trading without entitlement to dividends)	14 March 2024
Record Date (The Day on which all shareholders whose names are on the share register will be entitled to dividends)	17 March 2024
Payment Date (The Day on which the dividends will be paid to the entitled shareholders subject to CBB approvals)	31 March 2024

- b. Transfer of BD76,710,841 to the Retained Earnings.
7. Approve the recommendation of the Board of Directors' total remuneration of BD 420,000 for the year ended 31 December 2023 and subject to the approval of the Ministry of Industry and Commerce.
8. Discuss the Corporate Governance Report for 2023 and comply with the requirements of the Central Bank of Bahrain and the Ministry of Industry and Commerce in accordance with the sample prepared by the Ministry of Industry and Commerce -Annex No. 5 of the Corporate Governance Code.
9. Notify and approve the transactions carried-out during the financial year ended 31 December 2023 with any of the related parties as described in note # 25 of the financial statements in line with Article 189 of the Commercial Companies Law (If any).
10. Absolve the Board of Directors from their actions/activities for the year ended 31 December 2023.
11. Reappoint the External Auditors for the fiscal year 2024 and authorize the Board of Directors to specify their remuneration.
12. Re-appoint SICO B.S.C. © to provide Market-Making services to Aluminium Bahrain B.S.C. (Alba) by utilizing at any given time a maximum of 3% of Alba's issued share capital for 3-years period and subject to the approval of Central Bank of Bahrain.
13. Any concerns that may arise in accordance with Article 207 of the Companies' Commercial Law.



- 1. Review and approve the Minutes of the Previous Ordinary General Meeting held on Thursday 26 February 2023.**



Aluminium
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Aluminium Bahrain B.S.C. (Alba)
CR. No. 999



ألنيوم
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ألنيوم البحرين ش.م.ب (البا)
سجل تجاري رقم: ٩٩٩

**MINUTES OF THE ANNUAL GENERAL MEETING (AGM) OF THE SHAREHOLDERS OF ALUMINIUM
BAHRAIN B.S.C. ("ALBA") HELD ON SUNDAY 26 FEBRUARY 2023, 01:00 PM.
AL DANA HALL, KING HAMAD HIGHWAY, KINGDOM OF BAHRAIN**

With the attendance of the representative from the Ministry of Industry and Commerce, Mr. Ali S. Taqi Alalawi, and after duly establishing a quorum of 93.03% and 1,317,284,983 votes, the Chairman of the Board, Shaikh Daij Bin Salman Bin Daij Al Khalifa, joined the meeting via a conference call (MS Teams) and the meeting was called to order at 01:10 PM. Also in attendance were the following:

The Board Directors of Alba: Mr. Yousif A. Taqi, Mrs. Suha Karzoon, Mrs. Rasha Sabkar, Shaikh Isa bin Khalid Al Khalifa, Mr. Ahmed Al Durian, Mr. Iyad Al Garawi and Mr. Omar Al Amoudi. Two of the Board Directors Mr. Mutlaq H Al Morished and Mr. Tim Murray joined the meeting via MS Teams.

Alba Executive Management comprising the Chief Executive Officer - Mr. Ali Al Baqali, Director Investor Relations, Insurance and Corporate Secretary - Ms. Eline Hilal as well as Manager Finance - Mr. Ahmed A. Qader were present at the meeting. The representatives of the External Auditors 'KPMG Fakhro' (Mr. Jamal Fakhro), Central Bank of Bahrain (Mr. Hussain Mohamed) and Bahrain Bourse (Ms. Maryam Al-Kawari) were also present at the meeting.

Shaikh Daij Bin Salman Bin Daij Al Khalifa chaired the meeting and welcomed all shareholders, proxies, and other attendees to the AGM. The Chairman of the Board spoke briefly on the major highlights that made 2022 another great year despite the challenges: Alba has achieved the highest ever Finished Production of 1,600,111 MT, highest ever Sales' volume of 1,568,134 MT, with Value Added Products Sales of 67% and delivered a near-record Net Profit of US\$1.107 Billion. The Chairman of the Board, Shaikh Daij Bin Salman also stated that Alba has achieved a record breaking 31 million hours without lost time injury in September 2022. The Chairman of the Board thanked Alba Board of Directors and Alba Management for closing 2022 strong.

The Chairman of the Board, Shaikh Daij Bin Salman Bin Daij Al Khalifa, read through the following agenda items of the meeting and the agenda items were unanimously approved by the Shareholders.

1. Reviewed and approved the minutes of the Annual General Meeting held on 10 March 2022.

Mr. Ali Jaafer Ali Abdulla Tareef, one of Alba's shareholders [# 810111527] tabled few observations on the previous AGM minutes as follows:

**

Introduction

The Chairman of the Board's speech should not have been included in the Minutes as it was not part of the AGM Agenda. In principle, Mr. Tareef expressed that he has no reservations on the Chairman of the Board giving an opening speech; however, he objects to have it included in the Minutes.

Agenda Item 1 sub-point 2 & Agenda Item 4

The Chairman of the Board insisted on using the term investor instead of a shareholder in the Minutes without giving a proper justification. Mr. Tareef noted that the heading of the Minutes paragraph # 4 states that the Chairman of the Board welcomed the shareholders; the same applied to the CEO's speech in Agenda 4 where he briefed the assembly by referring to shareholders (and not investors). Mr. Tareef

emphasised that the general meeting is known as the Shareholders' Assembly; hence, the Minutes should have reflected the term 'shareholder' rather than investor.

Agenda Item 1 sub-point 3 & Agenda Item 7

Mr. Tareef stated that it doesn't seem nice for the Chairman of the Board to consider his questions as statements based on his assumptions [for instance, 4.5x versus 3x for the Net Debt to EBITDA covenant which the Chairman of the Board thought that it was incorrect]. Mr. Tareef informed the Chairman of the Board that he has obtained 4.5x from the publicly available info (such as Financial Statements, Analyst Conference Calls, and Management verbal communications); so rather than thanking him at the time, the Chairman of the Board criticized him for bringing up this matter then corrected him by sharing for the first time that the Net Debt to EBITDA covenant was 3x. Mr. Tareef considers this a mistake which should not have been overlooked by the stakeholders: BoD, Executive management, lenders, and the auditors.

Agenda Item 5

Mr. Tareef remarked that he has asked a question on how did Mumtalakat appoint 6 directors without providing their names during the AGM in 2020? However, it was recorded in the Minutes that he has made a note when it was a question. Mr. Tareef requested for this to be properly reflected in the Minutes.

Agenda Item 6

Mr. Tareef stated that the Chairman of the Board changed his response to his query in respect to the cross-listing on 11 March 2021 (previous AGM's Minutes) to the Executive Management discussion in the quarterly analyst conference calls on 10 March 2022 and this sounded a bit confusing as it lacks consistency.

Agenda Item 9

Mr. Tareef questioned where and when he could discuss the dividend since Alba didn't have in place an approved Dividend Distribution Policy (DDP). The Chairman of the Board then referred me during the previous AGM to the Management/Corporate Secretary bearing in mind that I asked the same question to the Management in the Analyst Conference calls who in turn informed me to refer to the AGM. Mr. Tareef opined that these are conflicting responses to an important question.

Agenda Item 7

Mr. Tareef stated that the Chairman of the Board muted him when he has officially requested a clarification from CBB.

Agenda Items 8,9, and 10

Mr. Tareef said that he was kept on mute-mode while the Chairman of the Board was discussing Agenda items 8, 9 & 10. Mr. Tareef noted that he has raised his hand to be unmuted during the discussion and that was a disappointment for him.

Agenda Item 11

Mr. Tareef noted that he tried to explain to the Chairman of the Board that he was muted while discussing previous Agenda items 8,9 and 10; however, the Chairman of the Board muted him again and ended the meeting.

On this note, the Chairman of the Board responded to Mr. Tareef's observation on Agenda Item 11 that he has muted him as he was disrupting the meeting. In addition, the Chairman of the Board informed Mr. Tareef that the approved AGM minutes have been already included in the AGM Pack and emphasized that

the minutes were updated in 2022 based on the comments received, however his points will be noted and recorded in 2023 AGM Minutes.

2. The Report of the Board of Directors for the Company's business/activities for the year ended 31 December 2022 was read by the Chairman of the Board, Shaikh Daij Bin Salman Bin Daij Al Khalifa, and was approved.
3. Mr. Jamal Fakhro from KPMG Fakhro, Alba's External Auditors, read the Auditors' Report for the Financial Statements for the year ended 31 December 2022 [Page 6 of the 2022 Audited Financial Statements (Opinion)] and was approved.
4. The Audited Financial Statements for the year ended 31 December 2022 were approved.

Mr. Tareef had tabled some queries as follows:

- a. The reasons behind having Cash and Bank Balances of BD93,617,000 in the Balance Sheet when the Company should have more than this Cash Balance to which the Chairman of the Board advised that Alba keeps around US\$150 million to manage its working capital; however, the Cash Balance is higher thanks to the Company's good performance. The Chairman of the Board Shaikh Daij bin Salman bin Daij Al Khalifa indicated that this particular investor is entitled to his opinion which he disagrees with.
 - b. Consistency to pay dividend to the shareholders on a yearly basis to which the Chairman of the Board responded that the payout depends on Alba's profitability which is correlated to LME prices; in addition, it is up to the Board of Directors to decide on the appropriate level of dividend to be distributed to the shareholders in line with the Company's objective to increase shareholder value.
 - c. Note 15: Loans and Borrowings – para [1] Line 6 Refinancing Term Loan Facility. All facilities in this Note refers to the interest rate except the new term loan facility which only refers to the secured overnight financing rate (SOFR) to which the Chairman of the Board advised that the interest rate is 2.35% over the SOFR.
 - d. Note 15: Loans and Borrowings – para [9] Working Capital Revolving Credit. Mr. Tareef advised that Alba has access to competitive interest rates when compared to the Government's borrowings to which the Chairman of the Board noted that the Management has done a good job by negotiating the interest rates thanks to the Company's strong performance in 2022 while servicing the loans; and this has resulted in lower interest rates.
5. The Board of Directors' recommendations for the appropriation of the Net Profit and Retained Earnings for the year ended 31 December 2022 were approved as follows:
 - a. The distribution of cash dividends to shareholders at Fils 117.58 per share or 117.58% of the paid-up capital (inclusive of the interim dividends of Fils 31.88 per share which was already distributed to the shareholders by 01 September 2022) which is BD166,428,697 for the year ended 31 December 2022. The dividends will be paid from Monday 20 March 2023.

Event	Date
Annual General Meeting	26 February 2023
Cum-Dividend Date	02 March 2023
(Last day of trading with entitlement to dividends)	
Ex-Dividend Date	05 March 2023
(First day of trading without entitlement to dividends)	
Record Date	06 March 2023



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سجل تجاري رقم: ٩٩٩

(The Day on which all shareholders whose names are on the share register will be entitled to dividends)

Payment Date

20 March 2023

(The Day on which the dividends will be paid to the entitled shareholders subject to CBB approvals)

- b. Transfer of BD249,745,000 to the Retained Earnings.
6. Approved the recommendation of the Board of Directors' total remuneration of BD412,000 for the year ended 31 December 2022 and subject to the approval of the Ministry of Industry and Commerce.
 7. The 2022 Corporate Governance Report to the shareholders was approved and will be posted on the Company's official website immediately post the AGM meeting.
 8. Notified and approved the transactions carried-out during the financial year ended 31 December 2022 with any of the related-parties as described in note # 27 of the financial statements in line with Article 189 of the Commercial Companies' Law (If any).
 9. The Board of Directors were absolved from liability in connection with the transactions relating to the business and activities of the Company recorded in the 2022 Financial Statements.
 10. The appointment of the External Auditors, Ernst & Young, for the fiscal year 2023 was approved and the Board of Directors were authorised to specify the remunerations for Ernst & Young for 2023. The Chairman of the Board thanked KPMG for doing a fantastic job in the last 4 years.
 11. Election and Appointment of the members of the Board of Directors for the next term of three years (2023-2026):
The Shareholders approved the appointment of 6 Directors representing Bahrain Mumtalakat Holding Co. B.S.C. (c) (Mumtalakat) as per Alba's Article of Association # 24:
 - Shaikh Daij bin Salman bin Daij Al Khalifa
 - Shaikh Isa bin Khalid Al Khalifa
 - Mr. Tim Murray
 - Ms. Roselyne Renel
 - Mr. Omar Syed
 - Mr. Bruce Cox

The Shareholders approved the appointment of 2 Directors representing Sabic Industrial Investments Co. (SIIC) as per Alba's Article of Association # 24:

- Mr. Ahmed Al-Duriaan
- Mr. Al Waleed Al Senani

In line with Alba's Article of Association # 26, the General Assembly approved the appointment of Mr. Omar bin Abdulla Al Amoudi as an expert Director.

As for the 10% free float, the Chairman of the Board stated that Alba has received 16 nominations (enclosed in the AGM Pack - page 111). Mrs. Hala Abdul Hameed Mufeez was elected at the General Meeting (1.08% of the free float corresponding to 14,194,297 shares) [election results will be attached to the AGM Minutes of Meeting].

Mr. Ali Tareef thanked the previous Board Members for their contribution to Alba's success journey and welcomed the new members of the Board.

Alba

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12. No concerns were raised in accordance with Article 207 of the Commercial Companies' Law.



Dajj Bin Salman Bin Daij Al Khalifa
Chairman

Date: 26 February 2023



Eline Hilal
Director - Investor Relations, Insurance
& Corporate Secretary

Date: 26 February 2023



2. Approve the appointment of Mr. Khalid Al Rumaihi as the Chairman of the Board.

Further to Mumtalakat's letter on 09 October 2023, Alba's Board of Directors have approved the appointment of Mr. Al Rumaihi as the Chairman of the Board and to serve in the current Board team until 2026.



- 3. Discuss and approve the Report of the Board of Directors for the Company's business/activities for the year ended 31 December 2023.**

Aluminium Bahrain B.S.C. (Alba)
REPORT OF THE BOARD OF DIRECTORS

The Directors have the pleasure to submit their report together with the Audited Consolidated Financial Statements for the year-ended 31 December 2023.

Principal Activity

Aluminium Bahrain B.S.C. (Alba) ("the Company") was incorporated as a Bahrain Joint Stock Company (closed) in the Kingdom of Bahrain and registered with the Ministry of Industry and Commerce under Commercial Registration (CR) Number 999. The Company was converted into a Bahrain Public Joint Stock Company effective 23 November 2010 and its shares were listed on two exchanges: Ordinary Shares on the Bahrain Bourse and Global Depository Receipts (GDRs) on the London Stock Exchange - Alternative Investment Market (AIM).

The principal activities of the Company are to build and operate smelters for the production of aluminium, to sell aluminium within and outside the Kingdom of Bahrain and to carry on any related business to complement the Company's operations and/or to enhance the value or profitability of any of the Company's property or rights.

Registered Office

The official business address of the Company is located at Building 150, Road 94, Block 951, Askar, Kingdom of Bahrain.

Winterthur Branch

On 7 July 2011, the Company established and registered Aluminium Bahrain B.S.C. (Alba), Manama, Bahrain, Winterthur Branch in Zurich, Switzerland, with address at Theaterstrasse 17, 8400 Winterthur, Switzerland.

Hong Kong Branch

in Q1 2023, the Company closed its Hong Kong Sales Office (formerly located at 2210, Windsor House, 311 Gloucester Road, Causeway Bay, Hong Kong).

Bahrain Subsidiary (Alba Club WLL)

Following the Board's resolution on 30 December 2021, Alba Club WLL (formerly registered under CR 99789-1) has transitioned to become a branch of the Company (CR 999) effective 22 November 2023 (Application No. CR2022-3948).

U.S. Subsidiary

On 11 June 2014, the Board approved the incorporation of a U.S. entity and the creation of a Sales Office with address at Aluminium Bahrain US, Inc. 1175 Peachtree Road NE, Suite 1475, Atlanta, GA 30361.

Guernsey Subsidiary

On 07 February 2019, the Board approved the establishment of Alba's Captive Insurance Vehicle in Guernsey 'AlbaCap Insurance Limited' with address at Suite 1 North, 1st Floor, Albert House, South Esplanade, St Peter Port, GY1 1AJ.

Singapore Branch

On 27 September 2020, the Board approved the establishment of Alba's branch in Singapore with address at Level 35, The Gateway West, 150 Beach Road, #35-38 the Gateway West, Singapore 189720.

Share Capital Structure

Shareholders	2023 (%)	2022 (%)
Bahrain Mumtalakat Holding Company B.S.C. (c)	69.38	69.38
SABIC Industrial Investments Company	20.62	20.62
Others – Public	10.00	10.00
	100.00	100.00

Corporate Secretary

Ms. Eline Hilal has been the Corporate Secretary since February 2015.

Executive Management Team

Mr. Ali Al Baqali, Chief Executive Officer
Dr. Abdulla Habib, Chief Operations Officer
Mr. Amin Sultan, Chief Power Officer
Mr. Khalid Abdul Latif, Chief Marketing Officer
Mr. Waleed Tamimi, Chief Supply Officer
Mr. Ahmed A. Qader, Acting Chief Financial Officer

Alba Executives' Remuneration

Executive Management	Total Paid Salaries & Allowances	Total Paid Remuneration (Bonus)	Any Other Cash-in-Kind Remuneration	BD
				Aggregate Amount
Chief Executive Officer, Chief Marketing Officer, Chief Power Officer, Chief Operations Officer, Chief Supply Officer and Chief Financial Officer	1,126,034	780,792	136,070	2,042,896

Results and Retained Earnings

The Company made a Profit of **BD118.025 million** for the financial year of 2023 versus a Profit of **BD416.167 million** for the financial year of 2022.

The Movements in Retained Earnings of the Company were:

	BD '000
Balance as at 31 December 2022	1,588,831
Profit for the year 2023	118,025
Loss on resale of treasury shares	(33)
Final Dividend for 2022 approved and paid	(121,345)

Interim Dividend for 2023 approved and paid	(18,805)
Balance as at 31 December 2023	1,566,673

Appropriations

- On 09 August 2023, the Board of Directors of Aluminium Bahrain B.S.C. (Alba) recommended an interim dividend of Fils 13.28 per share (excluding treasury shares) totalling BD18,805,356 which was subsequently paid from 31 August 2023.
- At the Board meeting held on 14 February 2024, the Company's Board of Directors proposed to pay final dividend of Fils 15.9 per share (excluding Treasury Shares) totalling BD22,508,803.

The above appropriations are subject to the approvals of the Company's shareholders at the Annual General Meeting which will be held on 07 March 2024.

Directors of the Company [to note: all disclosures have been filed with Bahrain Bourse and MOIC]

The following Directors served on the Board of Alba from 26 February 2023 to-date:

Bahrain Mumtalakat Holding Company B.S.C. (c)

Mr. Khalid Al Rumaihi, Chairman from 09 October 2023
 Shaikh Daij Bin Salman Bin Daij Al Khalifa, Chairman until 08 October 2023
 Shaikh Isa bin Khalid Al Khalifa, Director
 Mr. Tim Murray, Director
 Mrs. Roselyne Renel, Director
 Mr. Bruce Cox
 Mr. Omar Syed

Sabic Industrial Investments Company

Mr. Ahmed Al Duriaan, Director
 Mr. Omar Al Amoudi, Director
 Mr. Alwaleed AlSenani

Elected Director

Mrs. Hala Mufeez

Alba Directors' Remuneration

The Board of Directors' Remuneration for the year-ended 31 December 2023 is as follows:

- Attendance Fees of BD113,000 were paid over the course of 2023 [2022: BD107,000].
- Sitting Fees of BD70,800 will be paid after the Board's meeting on 14 February 2024 [2022: BD72,000].
- The proposed Remuneration Fees of BD420,000 will be paid post the Annual General Meeting scheduled on 07 March 2024 [2022: BD412,000].

The breakdown of Alba Directors' Remuneration is as per the below table:

BD'000s

Name	Fixed Remunerations				Variable Remunerations				End-of-Service Award	Aggregate Amount (Does not include Expense allowance)	Expenses Allowance
	Remunerations ¹ of Chairman & BOD	Total Allowance for Board & Committee Meetings	Others ²	Total	Remunerations of Chairman & BOD	Incentive Plans	Others ³	Total			
First: Independent Directors											
Shaikh Daij bin Salman bin Daij Al Khalifa	48	24	-	72	-	-	-	-	-	72	-
Shaikh Isa bin Khalid Al Khalifa	40	18.6	-	58.6	-	-	-	-	-	58.6	-
Tim Murray	40	16	-	56	-	-	-	-	-	56	3.600
Bruce Cox	32	12.5	-	44.5	-	-	-	-	-	44.5	2.304
Roselyne Renel	32	11.6	-	43.6	-	-	-	-	-	43.6	0.900
Yousif Taqi	8	4.6	-	12.6	-	-	-	-	-	12.6	-
Mutlaq Al Morished	8	4.5	-	12.5	-	-	-	-	-	12.5	0.900
Second: Non-Executive Directors											
Khalid Al Rumaihi	12	7	-	19	-	-	-	-	-	19	-
Omar Syed	32	12.5	-	44.5	-	-	-	-	-	44.5	-

Omar Al Amoudi	40	16	-	56	-	-	-	-	-	56	3.600
Ahmed Alduriaan	40	16	-	56	-	-	-	-	-	56	4.373
Alwaleed AlSenani	32	13.8	-	45.8	-	-	-	-	-	45.8	1.800
Hala Mufeez	32	13.8	-	45.8	-	-	-	-	-	45.8	-
Iyad Al Garawi	8	4.2	-	12.2	-	-	-	-	-	12.2	0.900
Suha Karzoon	8	4.2	-	12.2	-	-	-	-	-	12.2	-
Rasha Sabkar	8	4.5	-	12.5	-	-	-	-	-	12.5	-
Third: Executive Directors (not Applicable)											
Total	420	183.8	-	603.8	-	-	-	-	-	603.8	18.377

¹ As per Policy for the Board Directors and Board Committee Members' Remuneration Fees, Attendance Fees and Per Diem Allowance

(Other remunerations):

² It includes in-kind benefits – specific amount - remuneration for technical, administrative, and advisory works (if any).

³ It includes the board member's share of the profits - Granted shares (insert the value) (if any).

By order of the Board,


Khalid Al Rumailfi
Chairman


Isa Al Khalifa
Director

14 February 2024



4. Listen to the External Auditors' Report for the Financial Statements for the year-ended 31 December 2023 (reference: page 7 of 2023 Audited Financial Statements).



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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
ALUMINIUM BAHRAIN B.S.C.**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Aluminium Bahrain B.S.C. ("the Company") and its subsidiaries (together "the Group"), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Kingdom of Bahrain, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The consolidated financial statements of the Group for the year ended 31 December 2022 were audited by another auditor, who expressed an unmodified audit opinion on those consolidated financial statements on 2 February 2023.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in audit of the consolidated financial statements for the year ended 31 December 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Report on Other Legal and Regulatory Requirements

We report that:

- a) As required by the Bahrain Commercial Companies Law,
 - i) the Company has maintained proper accounting records and the consolidated financial statements are in agreement therewith;
 - ii) the financial information contained in the Report of the Board of Directors is consistent with the consolidated financial statements; and
 - ii) satisfactory explanations and information have been provided to us by management in response to all our requests.
- b) we are not aware of any violations of the Bahrain Commercial Companies Law, the Central Bank of Bahrain (CBB) Rule Book (applicable provisions of Volume 6) and CBB directives, regulations and associated resolutions, rules and procedures of the Bahrain Bourse or the terms of the Company's memorandum and articles of association during the year ended 31 December 2023 that might have had a material adverse effect on the business of the Group or on its consolidated financial position.
- c) As required by Article 8 of section 2 of Chapter 1 of the Bahrain Corporate Governance Code, we report that the Company:
 - i) has appointed a Corporate Governance Officer; and
 - ii) has a board approved written guidance and procedures for corporate governance.



5. Discuss and approve the Financial Statements for the year ended 31 December 2023.

Aluminium Bahrain B.S.C.

**REPORT OF THE BOARD OF DIRECTORS,
INDEPENDENT AUDITOR'S REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS**

31 DECEMBER 2023

Aluminium Bahrain B.S.C. (Alba)
REPORT OF THE BOARD OF DIRECTORS

The Directors have the pleasure to submit their report together with the Audited Consolidated Financial Statements for the year-ended 31 December 2023.

Principal Activity

Aluminium Bahrain B.S.C. (Alba) ("the Company") was incorporated as a Bahrain Joint Stock Company (closed) in the Kingdom of Bahrain and registered with the Ministry of Industry and Commerce under Commercial Registration (CR) Number 999. The Company was converted into a Bahrain Public Joint Stock Company effective 23 November 2010 and its shares were listed on two exchanges: Ordinary Shares on the Bahrain Bourse and Global Depository Receipts (GDRs) on the London Stock Exchange - Alternative Investment Market (AIM).

The principal activities of the Company are to build and operate smelters for the production of aluminium, to sell aluminium within and outside the Kingdom of Bahrain and to carry on any related business to complement the Company's operations and/or to enhance the value or profitability of any of the Company's property or rights.

Registered Office

The official business address of the Company is located at Building 150, Road 94, Block 951, Askar, Kingdom of Bahrain.

Winterthur Branch

On 7 July 2011, the Company established and registered Aluminium Bahrain B.S.C. (Alba), Manama, Bahrain, Winterthur Branch in Zurich, Switzerland, with address at Theaterstrasse 17, 8400 Winterthur, Switzerland.

Hong Kong Branch

in Q1 2023, the Company closed its Hong Kong Sales Office (formerly located at 2210, Windsor House, 311 Gloucester Road, Causeway Bay, Hong Kong).

Bahrain Subsidiary (Alba Club WLL)

Following the Board's resolution on 30 December 2021, Alba Club WLL (formerly registered under CR 99789-1) has transitioned to become a branch of the Company (CR 999) effective 22 November 2023 (Application No. CR2022-3948).

U.S. Subsidiary

On 11 June 2014, the Board approved the incorporation of a U.S. entity and the creation of a Sales Office with address at Aluminium Bahrain US, Inc. 1175 Peachtree Road NE, Suite 1475, Atlanta, GA 30361.

Guernsey Subsidiary

On 07 February 2019, the Board approved the establishment of Alba's Captive Insurance Vehicle in Guernsey 'AlbaCap Insurance Limited' with address at Suite 1 North, 1st Floor, Albert House, South Esplanade, St Peter Port, GY1 1AJ.

Singapore Branch

On 27 September 2020, the Board approved the establishment of Alba's branch in Singapore with address at Level 35, The Gateway West, 150 Beach Road, #35-38 the Gateway West, Singapore 189720.

Share Capital Structure

Shareholders	2023 (%)	2022 (%)
Bahrain Mumtalakat Holding Company B.S.C. (c)	69.38	69.38
SABIC Industrial Investments Company	20.62	20.62
Others – Public	10.00	10.00
	100.00	100.00

Corporate Secretary

Ms. Eline Hilal has been the Corporate Secretary since February 2015.

Executive Management Team

Mr. Ali Al Baqali, Chief Executive Officer
Dr. Abdulla Habib, Chief Operations Officer
Mr. Amin Sultan, Chief Power Officer
Mr. Khalid Abdul Latif, Chief Marketing Officer
Mr. Waleed Tamimi, Chief Supply Officer
Mr. Ahmed A. Qader, Acting Chief Financial Officer

Alba Executives' Remuneration

Executive Management	Total Paid Salaries & Allowances	Total Paid Remuneration (Bonus)	Any Other Cash-in-Kind Remuneration	BD
				Aggregate Amount
Chief Executive Officer, Chief Marketing Officer, Chief Power Officer, Chief Operations Officer, Chief Supply Officer and Chief Financial Officer	1,126,034	780,792	136,070	2,042,896

Results and Retained Earnings

The Company made a Profit of **BD118.025 million** for the financial year of 2023 versus a Profit of **BD416.167 million** for the financial year of 2022.

The Movements in Retained Earnings of the Company were:

	BD '000
Balance as at 31 December 2022	1,588,831
Profit for the year 2023	118,025
Loss on resale of treasury shares	(33)
Final Dividend for 2022 approved and paid	(121,345)

Interim Dividend for 2023 approved and paid	(18,805)
Balance as at 31 December 2023	1,566,673

Appropriations

- On 09 August 2023, the Board of Directors of Aluminium Bahrain B.S.C. (Alba) recommended an interim dividend of Fils 13.28 per share (excluding treasury shares) totalling BD18,805,356 which was subsequently paid from 31 August 2023.
- At the Board meeting held on 14 February 2024, the Company's Board of Directors proposed to pay final dividend of Fils 15.9 per share (excluding Treasury Shares) totalling BD22,508,803.

The above appropriations are subject to the approvals of the Company's shareholders at the Annual General Meeting which will be held on 07 March 2024.

Directors of the Company [to note: all disclosures have been filed with Bahrain Bourse and MOIC]

The following Directors served on the Board of Alba from 26 February 2023 to-date:

Bahrain Mumtalakat Holding Company B.S.C. (c)

Mr. Khalid Al Rumaihi, Chairman from 09 October 2023
 Shaikh Daij Bin Salman Bin Daij Al Khalifa, Chairman until 08 October 2023
 Shaikh Isa bin Khalid Al Khalifa, Director
 Mr. Tim Murray, Director
 Mrs. Roselyne Renel, Director
 Mr. Bruce Cox
 Mr. Omar Syed

Sabic Industrial Investments Company

Mr. Ahmed Al Duriaan, Director
 Mr. Omar Al Amoudi, Director
 Mr. Alwaleed AlSenani

Elected Director

Mrs. Hala Mufeez

Alba Directors' Remuneration

The Board of Directors' Remuneration for the year-ended 31 December 2023 is as follows:

- Attendance Fees of BD113,000 were paid over the course of 2023 [2022: BD107,000].
- Sitting Fees of BD70,800 will be paid after the Board's meeting on 14 February 2024 [2022: BD72,000].
- The proposed Remuneration Fees of BD420,000 will be paid post the Annual General Meeting scheduled on 07 March 2024 [2022: BD412,000].

The breakdown of Alba Directors' Remuneration is as per the below table:

BD'000s

Name	Fixed Remunerations				Variable Remunerations				End-of-Service Award	Aggregate Amount (Does not include Expense allowance)	Expenses Allowance
	Remunerations ¹ of Chairman & BOD	Total Allowance for Board & Committee Meetings	Others ²	Total	Remunerations of Chairman & BOD	Incentive Plans	Others ³	Total			
First: Independent Directors											
Shaikh Daij bin Salman bin Daij Al Khalifa	48	24	-	72	-	-	-	-	-	72	-
Shaikh Isa bin Khalid Al Khalifa	40	18.6	-	58.6	-	-	-	-	-	58.6	-
Tim Murray	40	16	-	56	-	-	-	-	-	56	3.600
Bruce Cox	32	12.5	-	44.5	-	-	-	-	-	44.5	2.304
Roselyne Renel	32	11.6	-	43.6	-	-	-	-	-	43.6	0.900
Yousif Taqi	8	4.6	-	12.6	-	-	-	-	-	12.6	-
Mutlaq Al Morished	8	4.5	-	12.5	-	-	-	-	-	12.5	0.900
Second: Non-Executive Directors											
Khalid Al Rumaihi	12	7	-	19	-	-	-	-	-	19	-
Omar Syed	32	12.5	-	44.5	-	-	-	-	-	44.5	-

Omar Al Amoudi	40	16	-	56	-	-	-	-	-	56	3.600
Ahmed Alduriaan	40	16	-	56	-	-	-	-	-	56	4.373
Alwaleed AlSenani	32	13.8	-	45.8	-	-	-	-	-	45.8	1.800
Hala Mufeez	32	13.8	-	45.8	-	-	-	-	-	45.8	-
Iyad Al Garawi	8	4.2	-	12.2	-	-	-	-	-	12.2	0.900
Suha Karzoon	8	4.2	-	12.2	-	-	-	-	-	12.2	-
Rasha Sabkar	8	4.5	-	12.5	-	-	-	-	-	12.5	-
Third: Executive Directors (not Applicable)											
Total	420	183.8	-	603.8	-	-	-	-	-	603.8	18.377

¹ As per Policy for the Board Directors and Board Committee Members' Remuneration Fees, Attendance Fees and Per Diem Allowance

(Other remunerations):

² It includes in-kind benefits – specific amount - remuneration for technical, administrative, and advisory works (if any).

³ It includes the board member's share of the profits - Granted shares (insert the value) (if any).

By order of the Board,


Khalid Al Rumailfi
Chairman


Isa Al Khalifa
Director

14 February 2024



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manama@bh.ey.com
C.R. No. 29977-1

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ALUMINIUM BAHRAIN B.S.C.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Aluminium Bahrain B.S.C. (“the Company”) and its subsidiaries (together “the Group”), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Kingdom of Bahrain, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The consolidated financial statements of the Group for the year ended 31 December 2022 were audited by another auditor, who expressed an unmodified audit opinion on those consolidated financial statements on 2 February 2023.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in audit of the consolidated financial statements for the year ended 31 December 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
ALUMINIUM BAHRAIN B.S.C. (CONTINUED)**

Report on the Audit of the Consolidated Financial Statements (continued)

Key audit matters (continued)

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Impairment assessment of property, plant and equipment

Refer to note 2 for impairment policy, note 3 for estimate and judgment and note 4 on disclosure of property, plant and equipment in the consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
<p>As at 31 December 2023, the Group held property, plant and equipment (PPE) of BD 1,899,031 thousand in the consolidated statement of financial position.</p> <p>This area was important to our audit due to the size of the carrying value of the PPE (74% of the total assets as at 31 December 2023) as well as the judgement involved in the assessment of the recoverability of the carrying value of the assets.</p> <p>The recoverability of the carrying value of the PPE is in part dependent on the Group's ability to generate sufficient future profits. This assessment requires management to make assumptions in the underlying cash flow forecasts in respect of factors such as future production and sales levels, LME prices, input prices and overall market and economic conditions.</p>	<p>Our audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> i) We evaluated the Group's basis of developing forecasts and cashflow projections on the basis of management's expectation of the performance of the Group's business considering the prevailing economic conditions in general and the aluminium industry in particular; ii) With the support of our specialist, we: <ul style="list-style-type: none"> - evaluated the appropriateness of the methodology used by the Group to assess impairment of PPE; and - evaluated management assumptions used in cash flow models used by the Group against external data including adjustments for risks specific to the Group, in particular its revenue forecasts based on forward estimates of LME prices, discount rates and expected long-term growth rates; iii) We agreed the relevant financial and quantitative data used in the Discount Cash Flow (DCF) model to the production plans and approved budgets; and iv) We assessed whether the consolidated financial statements disclosures relating to key inputs and assumptions for impairment were appropriate.



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ALUMINIUM BAHRAIN B.S.C. (CONTINUED)

Report on the Audit of the Consolidated Financial Statements (continued)

Other information in the Group's 2023 annual report

Other information consists of the information included in the Group's 2023 Annual Report, other than the consolidated financial statements and our auditor's report thereon. The Board of Directors is responsible for the other information. Prior to the date of this auditors' report, we obtained the Report of the Board of Directors which form part of the annual report, and the remaining sections of the annual report are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ALUMINIUM BAHRAIN B.S.C. (CONTINUED)

Report on the Audit of the Consolidated Financial Statements (continued)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ALUMINIUM BAHRAIN B.S.C. (CONTINUED)

Report on the Audit of the Consolidated Financial Statements (continued)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

We report that:

- a) As required by the Bahrain Commercial Companies Law,
 - i) the Company has maintained proper accounting records and the consolidated financial statements are in agreement therewith;
 - ii) the financial information contained in the Report of the Board of Directors is consistent with the consolidated financial statements; and
 - ii) satisfactory explanations and information have been provided to us by management in response to all our requests.
- b) we are not aware of any violations of the Bahrain Commercial Companies Law, the Central Bank of Bahrain (CBB) Rule Book (applicable provisions of Volume 6) and CBB directives, regulations and associated resolutions, rules and procedures of the Bahrain Bourse or the terms of the Company's memorandum and articles of association during the year ended 31 December 2023 that might have had a material adverse effect on the business of the Group or on its consolidated financial position.
- c) As required by Article 8 of section 2 of Chapter 1 of the Bahrain Corporate Governance Code, we report that the Company:
 - i) has appointed a Corporate Governance Officer; and
 - ii) has a board approved written guidance and procedures for corporate governance.

The Partner in charge of the audit resulting in this independent auditor's report is Nader Rahimi.

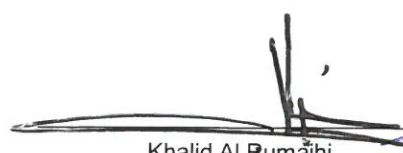
Partner's Registration No. 115
14 February 2024
Manama, Kingdom of Bahrain

Aluminium Bahrain B.S.C.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2023

	Note	2023 BD '000	2022 BD '000
ASSETS			
Non-current assets			
Property, plant and equipment	4	1,899,031	1,897,146
Derivative financial instruments	17	8,526	18,095
Trade and other receivables	6	5,422	7,619
Deferred tax assets	18	90	81
		<u>1,913,069</u>	<u>1,922,941</u>
Current assets			
Inventories	5	349,797	359,276
Trade and other receivables	6	225,688	234,230
Derivative financial instruments	17	5,375	7,120
Bank balances and cash	7	59,632	93,617
		<u>640,492</u>	<u>694,243</u>
TOTAL ASSETS		<u>2,553,561</u>	<u>2,617,184</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	8	142,000	142,000
Treasury shares	9	(4,591)	(4,831)
Statutory reserve	10	71,000	71,000
Capital reserve	11	249	249
Cash flow hedge reserve	17	13,901	25,209
Retained earnings		1,566,673	1,588,831
TOTAL EQUITY		<u>1,789,232</u>	<u>1,822,458</u>
Non-current liabilities			
Loans and borrowings	13	383,184	505,098
Lease liabilities	14	7,607	4,752
Employees' end of service benefits	15	1,643	1,401
		<u>392,434</u>	<u>511,251</u>
Current liabilities			
Loans and borrowings	13	202,654	124,115
Lease liabilities	14	904	615
Trade and other payables	16	167,229	158,745
Derivative financial instruments	17	1,108	-
		<u>371,895</u>	<u>283,475</u>
TOTAL LIABILITIES		<u>764,329</u>	<u>794,726</u>
TOTAL EQUITY AND LIABILITIES		<u>2,553,561</u>	<u>2,617,184</u>



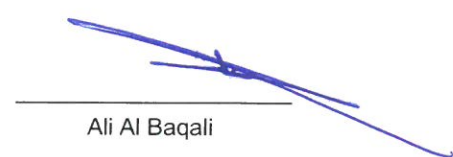
Khalid Al Rumāihī

Chairman



Isa Bin Khalid
Bin Abdulla Al Khalifa

Director



Ali Al Baqali

Chief Executive Officer

The attached notes 1 to 30 form part of these consolidated financial statements.



Aluminium Bahrain B.S.C.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

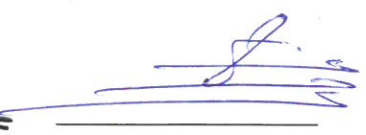
For the year ended 31 December 2023

	Note	2023 BD '000	2022 BD '000
Revenue from contracts with customers	19	1,543,908	1,840,924
Cost of revenue	21	(1,290,417)	(1,295,314)
GROSS PROFIT		253,491	545,610
Other income	20	7,054	5,030
Gain on foreign exchange		2,954	9,378
General and administrative expenses	21	(39,064)	(38,555)
Selling and distribution expenses	21	(55,778)	(83,788)
Finance costs	22	(62,230)	(33,003)
Realised gain on settlement of cash flow hedge for interest rate swap (IRS)	17	13,299	12,227
Directors' remuneration	25	(420)	(412)
Changes in fair value of derivative financial instruments	17	(1,114)	85
PROFIT FOR THE YEAR BEFORE TAX		118,192	416,572
Tax	18	(167)	(405)
PROFIT FOR THE YEAR		118,025	416,167
Basic and diluted earnings per share (fils)	23	83	294



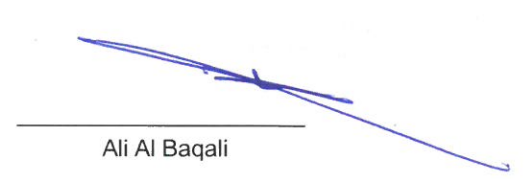
Khalid Al Rumaihi

Chairman



Isa Bin Khalid Bin Abdulla
Al Khalifa


Director



Ali Al Baqali

Chief Executive Officer

The attached notes 1 to 30 form part of these consolidated financial statements.




Aluminium Bahrain B.S.C.

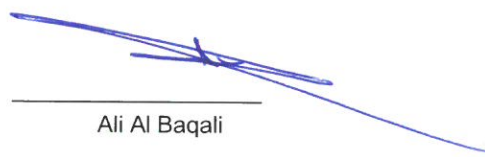
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

	2023	2022
Note	BD '000	BD '000
PROFIT FOR THE YEAR	118,025	416,167
Other comprehensive income		
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i>		
Effective portion of changes in fair value of cash flow hedge	17 1,991	36,492
Net gains on interest rate swap (IRS) reclassified to the profit or loss	17 (13,299)	(12,227)
	<u>(11,308)</u>	<u>24,265</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>106,717</u>	<u>440,432</u>


 Khalid Al Romaihi
 Chairman


 Isa Bin Khalid Bin Abdulla
 Al Khalifa
 Director


 Ali Al Baqali
 Chief Executive Officer

The attached notes 1 to 30 form part of these consolidated financial statements.

Handwritten initials: H, KN

Aluminium Bahrain B.S.C.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

	Note	Share capital BD '000	Treasury shares BD '000	Statutory reserve BD '000	Capital reserve BD '000	Cash flow hedge reserve BD '000	Retained earnings BD '000	Total Equity BD '000
Balance at 31 December 2021		142,000	(3,742)	71,000	249	944	1,292,569	1,503,020
Profit for the year		-	-	-	-	-	416,167	416,167
Other comprehensive income	17	-	-	-	-	24,265	-	24,265
Total comprehensive income for the year		-	-	-	-	24,265	416,167	440,432
Net movement in treasury shares		-	(1,089)	-	-	-	534	(555)
Final dividend approved and paid for 2021	12	-	-	-	-	-	(75,316)	(75,316)
Interim dividend approved and paid for 2022	12	-	-	-	-	-	(45,123)	(45,123)
Balance at 31 December 2022		142,000	(4,831)	71,000	249	25,209	1,588,831	1,822,458
Profit for the year		-	-	-	-	-	118,025	118,025
Other comprehensive income	17	-	-	-	-	(11,308)	-	(11,308)
Total comprehensive income for the year		-	-	-	-	(11,308)	118,025	106,717
Net movement in treasury shares		-	240	-	-	-	(33)	207
Final dividend approved and paid for 2022	12	-	-	-	-	-	(121,345)	(121,345)
Interim dividend approved and paid for 2023	12	-	-	-	-	-	(18,805)	(18,805)
Balance at 31 December 2023		142,000	(4,591)	71,000	249	13,901	1,566,673	1,789,232

The attached notes 1 to 30 form part of these consolidated financial statements.

Aluminium Bahrain B.S.C.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	Note	2023 BD '000	2022 BD '000
OPERATING ACTIVITIES			
Profit for the year before tax		118,192	416,572
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Depreciation and amortisation	4	133,885	126,695
Provision for employees' end of service benefits	15 (a)	1,454	1,552
Provision for slow moving inventories	5	532	3,100
Allowance for expected credit losses	6	2,516	1,552
Changes in fair value of derivative financial instruments	17	1,114	(85)
Interest income	20	(3,383)	(1,081)
Loss on disposal of property, plant and equipment		659	751
Realised gain on settlement of cash flow hedge for interest rate swap (IRS)	17	(13,299)	(12,227)
Forex gain on revaluation of loans and borrowings and bank balances - net		2,171	(17,887)
Finance costs	22	62,230	33,003
Operating profit before working capital changes		306,071	551,945
Working capital changes:			
Inventories		8,947	(60,117)
Trade and other receivables		8,680	73,992
Trade and other payables		7,022	(41,376)
Net cash generated from operations		330,720	524,444
Employees' end of service benefits paid	15 (a)	(1,212)	(1,855)
Income tax paid		(835)	(998)
Net cash flows from operating activities		328,673	521,591
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(132,527)	(109,182)
Proceeds from disposal of property, plant and equipment		129	820
Interest received		3,585	824
Net cash flows used in investing activities		(128,813)	(107,538)

The attached notes 1 to 30 form part of these consolidated financial statements.

Handwritten initials: JP MN

Aluminium Bahrain B.S.C.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2023 (continued)

	Note	2023 BD '000	2022 BD '000
FINANCING ACTIVITIES			
Proceeds from loans and borrowings	26	484,980	543,303
Repayment of loans and borrowings	26	(549,352)	(808,167)
Interest on loans and borrowings and leases paid		(43,329)	(31,150)
Transaction costs related to loans and borrowings		-	(10,204)
Payment of lease liabilities		(887)	(706)
Dividends paid	12	(140,150)	(120,439)
Settlement of derivatives	17	13,299	12,227
Purchase of treasury shares		(7,796)	(10,153)
Proceeds from resale of treasury shares		8,003	9,598
Net cash flows used in financing activities		(235,232)	(415,691)
NET DECREASE IN CASH AND CASH EQUIVALENTS			
		(35,372)	(1,638)
Cash and cash equivalents at 1 January		93,617	93,311
Effect of movement in exchange rates on cash held		1,387	1,944
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	7	59,632	93,617

Non-cash items:

i) Remeasurement of loan to employees amounting to BD 1,146 (2022: BD Nil) has been excluded from movement in trade and other receivables.

ii) Amortisation of deferred cost amounting to BD 17,439 thousand (2022: BD 4,229 thousand) has been excluded from the movement of finance cost paid.

The attached notes 1 to 30 form part of these consolidated financial statements.

Aluminium Bahrain B.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

1 CORPORATE INFORMATION

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 and Commerce (MOIC) under commercial registration (CR) number 999.

Subsequent to the Initial Public Offering ("IPO") on 23 November 2010, the Company became a Bahrain Public Joint Stock Company with a dual listing on the Bahrain Bourse (primary listing) as well as the Global Depository Receipts on the London Stock Exchange - Alternative Investment Market ("AIM"). The Company has its registered office at 150 Askar Road, Askar 951, Kingdom of Bahrain.

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

The Company is engaged in manufacturing and sale of 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 the Company and the following significant subsidiaries:

Name	Country of incorporation	Effective ownership		Principal activities
		2023	2022	
Aluminium Bahrain US, Inc.	United States of America (USA)	100%	100%	Selling and distribution of aluminium throughout the South and North America.
AlbaCap Insurance Limited	Guernsey	100%	100%	Captive insurance entity to insure risks of the Group.

During the year ended 31 December 2023, Alba Club W.L.L. registered under Commercial Registration No. 99789-1, is converted to branch under Aluminium Bahrain B.S.C. (Alba) Commercial Registration No. 999-1.

The Group also has representative branch offices in Kingdom of Bahrain, Zurich (Switzerland) and Singapore.

The consolidated financial statements of the Group were authorized for issue in accordance with a resolution of the Directors on 14 February 2024.

2 MATERIAL ACCOUNTING POLICIES

Basis of preparation

The consolidated financial statements are prepared on historical cost basis modified to include the measurement at fair value of derivative financial instruments.

Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and in conformity with the Bahrain Commercial Companies Law.

2 MATERIAL ACCOUNTING POLICIES (continued)

Functional and presentation currency

The consolidated financial statements have been presented in Bahraini Dinars (BD), which is also the Company's functional currency. Unless otherwise stated, all financial information presented has been rounded off to the nearest thousand dinar.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- i) Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- ii) Exposure, or rights, to variable returns from its involvement with the investee; and
- iii) The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- a) The contractual arrangement with the other vote holders of the investee;
- b) Rights arising from other contractual arrangements; and
- c) The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiaries begins when the Group obtains control over the subsidiaries and ceases when the Group loses control of the subsidiaries.

Assets, liabilities, income and expenses of a subsidiaries acquired or disposed of during the year are included in the consolidated statement of other comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiaries.

The financial statements of the subsidiaries are prepared for the same reporting period as the Group using consistent accounting polices. Adjustments are made to ensure the financial statements of the subsidiaries conform to the accounting policies of the Group.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it: derecognises the related assets, liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2 MATERIAL ACCOUNTING POLICIES (continued)

New and amended standards and interpretations

The accounting policies adopted in the preparation of these consolidated financial statements are consistent with those used in the previous year, except for certain amendments to standards adopted by the Group as of 1 January 2023. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

- *Definition of Accounting Estimates - Amendments to IAS 8: The amendments to IAS 8 clarify the distinction between changes in accounting estimates, and changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates;*
- *Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2: The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures;*
- *Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12: The amendments to IAS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities; and*
- *International Tax Reform – Pillar Two Model Rules - Amendments to IAS 12: The amendments clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organisation for Economic Cooperation and Development (OECD), including tax law that implements qualified domestic minimum top-up taxes. Such tax legislation, and the income taxes arising from it, are referred to as 'Pillar Two legislation' and 'Pillar Two income taxes', respectively.*

The adoption of these standards and amendments did not have any effect on the Group's consolidated financial statements.

Standards and interpretations issued but not yet effective

Standards and interpretations issued but not yet effective up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these standards and interpretations, if applicable, when they become effective:

- *Amendments to IAS 1: Classification of Liabilities as Current or Non-current: In January 2020, the IASB issued amendments to IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively;*
- *Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback: In September 2022, the IASB issued amendments to IFRS 16 to specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively; and*

2 MATERIAL ACCOUNTING POLICIES (continued)

Standards and interpretations issued but not yet effective (continued)

- *Amendments to IAS 7 and IFRS 7 – Disclosures - Supplier Finance Arrangements: In May 2023, the IASB issued these amendments to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments will be effective for annual reporting periods beginning on or after 1 January 2024.*

Management is currently assessing the impact of the above standards on the consolidated financial statements of the Group.

Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification.

An asset is classified as current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies all other assets as non-current.

A liability is classified as current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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2 MATERIAL ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Financial instruments comprise of financial assets, financial liabilities and derivative financial instruments.

Financial assets comprise of FVTPL investments, loans and receivables, certain portion trade and other receivables, derivative financial instruments and bank balances. Financial liabilities comprise of import loans, certain portion of trade and other payables, lease liabilities and derivative financial instruments.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements 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:

Level 1 : Quoted (unadjusted) market prices in active markets 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.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Revenue from contracts with customers

The Group is in the business of manufacturing and selling aluminium in liquid form as well as in the form of billets, slabs and ingots. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgements relating to revenue from contracts with customers are provided in note 3.

The following specific recognition criteria must also be met before revenue is recognised:

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2 MATERIAL ACCOUNTING POLICIES (continued)

Revenue from contracts with customers (continued)

Sale of goods

Revenue from sale of goods is recognised at the point in time when control is transferred to the customer, generally on delivery of the goods. The normal credit term is 30 to 90 days upon delivery. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration and consideration payable to the customer (if any).

(i) *Variable consideration*

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(ii) *Significant financing component*

Generally, the Group receives short-term advances from its customers. Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Where the Group receives an advance from a customer in consideration for the sale of aluminium over a period exceeding 12 months, the transaction price for such contracts is discounted, using the rate that would be reflected in a separate financing transaction between the Group and its customers at contract inception, to take into consideration the significant financing component.

Interest income

Interest income is recorded using the effective interest rate (EIR) method, which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

Other income

Other income is recognised on an accrual basis when income is earned.

Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity and not in the consolidated statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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2 MATERIAL ACCOUNTING POLICIES (continued)

Taxes (continued)

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences cannot be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside consolidated statement of profit or loss is recognised outside consolidated statement of profit or loss. Deferred tax is recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxation authority and the same taxable entity.

2 MATERIAL ACCOUNTING POLICIES (continued)

Taxes (continued)

Value added tax (VAT)

Expenses and assets are recognised net of the amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of VAT included.

The gross amount of VAT recoverable from, or payable to, the taxation authority are included as part of receivables and payables in the consolidated statement of financial position.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period when they are incurred. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

Property, plant and equipment

Recognition and measurement

Property, plant and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are recognised in the consolidated statement of profit or loss as incurred.

Capital Spares

The Group capitalises the spare parts of machines that are high in value, critical to the plant operations and have a life equal to the life of the machine. These spare parts are depreciated over the life of the related machine.

Capital work-in-progress

The capital work-in-progress is stated at cost less any identified impairment loss and comprises expenditure incurred on the acquisition and installation of property, plant and equipment which is transferred to the appropriate category of asset and depreciated as and when assets are available for use. These include assets that are periodically refurbished.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. If subsequent expenditure is related to a previously capitalised project, it is depreciated over the remaining useful life.

Depreciation

Depreciation is calculated on a straight line basis over the estimated useful lives of property, plant and equipment as follows:

2 MATERIAL ACCOUNTING POLICIES (continued)

Property, plant and equipment (continued)

Depreciation (continued)

Freehold buildings	3 - 45 years
Power generating plant	3 - 40 years
Plant, machinery and other equipment	3 - 30 years
Steel pot relining	4 - 5 years

Land and assets in the process of completion are not depreciated. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Land and buildings	3-45 years
Plant, machinery and other equipment	3-30 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment assessment using the policies discussed under "impairment of non-financial assets".

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

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2 MATERIAL ACCOUNTING POLICIES (continued)

Leases (continued)

Lease liabilities (continued)

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials	Purchase cost on a weighted average basis.
Finished goods and work in process	Cost of direct materials, labour plus attributable overheads based on normal level of activity, but excluding borrowing costs, on weighted average basis
Spares	Purchase cost calculated on a weighted average basis after making due allowance for any obsolete items.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that non-financial asset (except inventories and deferred tax assets) may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2 MATERIAL ACCOUNTING POLICIES (continued)

Impairment of non-financial assets (continued)

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit or loss.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade and other receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies of revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

2 MATERIAL ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

i) Financial assets (continued)

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost include trade receivables (not subject to provisional pricing), other receivables, bank balances and short-term deposits.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in the consolidated statement of profit or loss.

The Group's financial asset carried at fair value through profit and loss cost include trade receivables (subject to provisional pricing).

Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - (a) the Group has transferred substantially all the risks and rewards of the asset, or
 - (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

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2 MATERIAL ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

i) Financial assets (continued)

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all of its debt instruments. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there have not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL).

For those credit exposures for which there have been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include loans and borrowings, lease liabilities and trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Trade and other payables

Liabilities for trade and other payables are carried at the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Group.

Loans and borrowings

In respect of interest bearing loans, after initial recognition, these are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit or loss. This category generally applies to interest-bearing loans.



2 MATERIAL ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

ii) Financial liabilities (continued)

Derecognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments and hedging activities

The Group uses derivative financial instruments, such as interest rate swaps and commodity futures, options and swap, to hedge its interest rate risks and commodity price risks, respectively.

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. The fair value of a derivative is the equivalent to its prevailing market rates or is based on broker quotes. Derivatives with positive market values are disclosed as assets and derivatives with negative market values are disclosed as liabilities in the consolidated statement of financial position.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The Group's criteria for a derivative financial instrument to be accounted for as a hedge include:

- at the inception of the hedge there is formal documentation of the hedging relationship and the Group's risk management objective and strategy for undertaking the hedge. That documentation should include identification of the hedging instrument, the related hedged item or transaction, the nature of the risk being hedged, and how the Group will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or the hedged transaction's cash flows that is attributable to the hedged risk;
- the hedge is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk, consistent with the originally documented risk management strategy for that particular hedging relationship;

2 MATERIAL ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Derivative financial instruments and hedging activities (continued)

- for cash flow hedges, a forecasted transaction that is the subject of the hedge must be highly probable and must present an exposure to variations in cash flows that could ultimately affect reported net profit or loss;
- the effectiveness of the hedge can be reliably measured, that is, the fair value or cash flows of the hedged item and the fair value of the hedging instrument can be reliably measured; and
- the hedge must be assessed on an ongoing basis and determined to have actually been highly effective throughout the financial reporting period.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

The change in the fair value of a hedging instrument is recognised in the consolidated statement of profit or loss as other expense. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the consolidated statement of profit or loss as other expense.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. The EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

The changes in fair values of derivative financial instruments that are designated, and qualify, as cash flow hedges and prove to be highly effective in relation to the hedged risk, are recognised as a separate component in equity as a cash flow hedge reserve. Unrealised gains or losses on any ineffective portion of cash flow hedging transactions are recognised in the consolidated statement of profit or loss.

The Group uses interest rate swap as hedges of its exposure to its interest rate on loans. The realised loss or gain arising on settlement of IRS at the time of interest payment relating to hedged portion of borrowings is transferred to consolidated statement of profit or loss from cash flow hedge reserve upon settlement.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

2 MATERIAL ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Derivative financial instruments and hedging activities (continued)

Discontinuation of hedge accounting

If the hedge no longer meets the criteria for hedge accounting or the hedge instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedge reserve remains in equity until it is reclassified to consolidated statement of profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedge cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to the consolidated statement of profit or loss.

Employee benefits

For Bahraini nationals, the Group makes contributions to the Social Insurance Organisation (SIO). This is a funded defined contribution scheme and the Group's contributions are charged to the consolidated statement of profit or loss in the year to which they relate. The Group's obligations are limited to the amounts contributed to the Scheme.

For non-Bahraini employees, the Group provides for end of service benefits in accordance with the Bahrain Labour Law based on their salaries at the time of end of contract period of two years service. Provision for this unfunded commitment, which represents a defined benefit scheme, has been made by calculating the liability had all employees left at the reporting date.

Further, adequate provision is created for staff entitlements in accordance with the labour laws prevailing in the respective countries in which the subsidiaries operate.

Alba Savings Benefit Scheme

The Group operates a compulsory savings scheme for its Bahraini employees. The Group's obligations are limited to the amounts to be contributed to the scheme. This saving scheme represents a funded defined contribution scheme.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash in hand, bank balances and short term deposits with maturities of three months or less, excluding short term deposits pledged against short term borrowings as they are considered an integral part of the Group's cash management.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2 MATERIAL ACCOUNTING POLICIES (continued)

Treasury shares

Treasury shares are stated at acquisition cost and are shown as a deduction to equity. No gain or loss is recognised in the consolidated statement of profit or loss on the purchase, sale, issue or cancellation of the treasury shares. Gain or loss arising from the subsequent resale of treasury shares is included in the retained earnings in the consolidated statement of changes in equity. Net movement from repurchase and resales of treasury shares is booked under the treasury shares.

Foreign currencies

The Group's consolidated financial statements are presented in Bahraini Dinars (BD) which is also the Company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and has elected to recycle to profit or loss the gain or loss that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange at the reporting date.

All differences arising on settlement or translation of monetary items are taken to the profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on retranslation of non-monetary items is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into BD at the rate of exchange prevailing at the reporting date and their statements of income are translated at the weighted average exchange rates for the year. The exchange differences arising on the translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component recognised in the consolidated statement of changes in equity relating to that particular foreign operation is recognised in profit or loss.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires the Board of Directors to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Group's accounting policies, the Board of Directors has made the following judgments, which have the most significant effect on the amounts recognised in the consolidated financial statements:

3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Judgements (continued)

Going concern

The Group's Board of Directors has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, the Board of Directors is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on the going concern basis.

Determining the lease term of contracts with renewal and termination options – the Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has entered into commercial leases in respect of plots of land on which its plants, buildings and staff accommodation are located. The Group's lease contracts include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Revenue from contracts with customers

The Group applies the judgements in determination of effects of variable consideration that could significantly affect the determination of the amount and timing of revenue from contracts with customers.

The Group determined that the expected value method is the appropriate method to use in estimating the variable consideration for the sale of goods, given the large number of customer contracts that have similar characteristics. The selected method that better predicts the amount of variable consideration was primarily driven by the number of volume thresholds contained in the contract. During the year ended 31 December 2023, the Group has not entered into any contract for sales of goods that include volume discount.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Useful lives of property, plant and equipment

The Group's Board of Directors determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Estimates and assumptions (continued)

Impairment of property, plant and equipment and right of use assets

The Group assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Key assumptions used in value in use calculations

The calculation of value in use is most sensitive to the following assumptions:

- Estimated use of the plant by annual MT of finished goods produced;
- LME prices and premium;
- Amount and timing of revenue relating to capacity of the plant and inflation rate used to extrapolate cash flows;
- Capital expenditure;
- Discount rate;
- Growth rate; and
- Terminal value of property, plant and equipment.

Sensitivity to changes in assumptions

With regard to the assessment of value in use, management believes that reasonably possible changes in the weighted average cost of capital would cause a material change to the recoverable amount. An increase in weighted average cost of capital by 7.02% (702 basis point) (31 December 2022: 13.80% (1380 basis point)) (with all other variables remain unchanged) throughout the forecast period could result in the recoverable amount of the CGU to be lower than its carrying value.

Similarly, an increase in alumina index by 6.02% (31 December 2022: 9.65%) (with all other variables remain unchanged) throughout the forecast period and a reduction in LME price by USD 502/MT (31 December 2022: USD 810/MT) (with all other variables remain unchanged) throughout the forecast period could result in the recoverable amount of the CGU to be lower than its carrying value.

Although the LME price assumption has decreased slightly compared to the previous year, however, the net carrying value of CGU is greater than its recoverable amount even with the assumption of premium considered zero (31 December 2022: zero) (with all other variables remain unchanged) throughout the forecast period. The sensitivity to changes in assumptions will not impact the net carrying value of CGU for the year ended 31 December 2023.

Allowance for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by customer types).

3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Estimates and assumptions (continued)

Allowance for expected credit losses of trade receivables (continued)

The provision matrix is initially based on the Group's historical observed loss rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e. Gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the consumer sector, the historical loss rates are adjusted. At every reporting date, the historical observed loss rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed loss rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual loss in the future.

At 31 December 2023, gross trade and other receivables were BD 240,503 thousand (2022: BD 249,217 thousand), and the allowance for impairment was BD 11,277 thousand (2022: BD 8,761 thousand). Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the consolidated statement of comprehensive income.

Impairment of inventories

Inventories are held at the lower of cost and net realisable value. When inventories of spares become old or obsolete or if their selling prices have declined, an estimate is made of their net realisable values. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on anticipated realisable value.

At 31 December 2023, gross inventories were BD 354,549 thousand (2022: BD 364,186 thousand) with provisions for slow moving spares of BD 4,752 thousand (2022: BD 4,910 thousand). Any difference between the amounts actually realised in future periods and the amounts expected will be recognised in the consolidated statement of comprehensive income.

Deferred taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

Leases - estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Provisional pricing adjustments

Adjustments to sale price occur based on the movements in market prices from the date of sale to the end of the period agreed with the customer. The period can range between 1-2 months. Estimates are made on likely price adjustments using available market rates of underlying commodity price benchmarks. Actual results are determined on the date of price confirmation with the customers.

Aluminium Bahrain B.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

4 PROPERTY, PLANT AND EQUIPMENT

	<i>Land and buildings BD '000</i>	<i>Power generating plant BD '000</i>	<i>Plant, machinery and other equipment BD '000</i>	<i>Assets in process of completion BD '000</i>	<i>Total BD '000</i>
Cost:					
At 1 January 2023	669,585	811,489	2,010,886	120,445	3,612,405
Additions	1,571	67	18,309	116,611	136,558
Transfers	4,535	2,943	62,590	(70,068)	-
Written off	(58)	(51)	(1,133)	(112)	(1,354)
Disposal	(10)	(637)	(9,072)	-	(9,719)
Reclassification*	22,060	(13,688)	(8,372)	-	-
At 31 December 2023	697,683	800,123	2,073,208	166,876	3,737,890
Depreciation and amortization:					
At 1 January 2023	169,627	376,564	1,169,068	-	1,715,259
Charge for the year	16,243	26,665	90,977	-	133,885
Relating to written off assets	(35)	(21)	(967)	-	(1,023)
Relating to disposals	(7)	(465)	(8,790)	-	(9,262)
Reclassification*	1,716	(1,065)	(651)	-	-
At 31 December 2023	187,544	401,678	1,249,637	-	1,838,859
Net carrying value:					
At 31 December 2023	510,139	398,445	823,571	166,876	1,899,031

	<i>Land and buildings BD '000</i>	<i>Power generating plant BD '000</i>	<i>Plant, machinery and other equipment BD '000</i>	<i>Assets in process of completion BD '000</i>	<i>Total BD '000</i>
Cost:					
At 1 January 2022	508,820	798,472	2,127,837	74,962	3,510,091
Additions	4,166	2,473	5,669	98,132	110,440
Transfers	13,577	13,612	25,460	(52,649)	-
Written off	-	-	(3,158)	-	(3,158)
Disposals	(2,143)	(248)	(2,577)	-	(4,968)
Reclassification*	145,165	(2,820)	(142,345)	-	-
At 31 December 2022	669,585	811,489	2,010,886	120,445	3,612,405
Depreciation and amortization:					
At 1 January 2022	160,061	350,163	1,084,893	-	1,595,117
Charge for the year	15,816	25,754	85,125	-	126,695
Relating to written off assets	-	-	(2,407)	-	(2,407)
Relating to disposals	(1,420)	(197)	(2,529)	-	(4,146)
Reclassification*	(4,830)	844	3,986	-	-
At 31 December 2022	169,627	376,564	1,169,068	-	1,715,259
Net carrying value:					
At 31 December 2022	499,958	434,925	841,818	120,445	1,897,146

*Property, plant and equipment reclassified under same captions with no impact on depreciation.

Aluminium Bahrain B.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

4 PROPERTY, PLANT AND EQUIPMENT (continued)

Land and buildings

Land and buildings include freehold land at a cost of BD 453 thousand as at 31 December 2023 (2022: BD 453 thousand).

Right-of-use assets

As at 31 December 2023, the net carrying value of land and buildings include right-of-use assets of BD 4,246 thousand (2022: BD 4,178 thousand) and amortisation of BD 176 thousand (2022: BD 176 thousand).

As at 31 December 2023, the net carrying value of plant, machinery and other equipment include right-of-use assets of BD 3,493 thousand (2022: BD 587 thousand) and amortisation of BD 881 thousand (2022: BD 711 thousand).

The Group is using land leased from the Government of Bahrain for the operations of lines 3, 4, 5 and land leased from BAPCO Refining B.S.C. (c) (BAPCO) for its calciner operations. These leases are free of rent. The land used for Line 6 is also leased from the Government of Bahrain for 25 years effective 1 July 2014. The rate is subject to change every five years based on the circular issued by the Government. This lease has been presented as part of a right-of-use asset - property, plant and equipment.

Assets in process of completion

This mainly includes Power Station 5 (PS5) Block 4 relating to combined cycle power plant and an expansion of the existing PS5 and hot gas path project.

Capitalised borrowing cost

The construction of power generation facility PS5 project is expected to be completed in January 2025. The carrying amount of the PS5 project at 31 December 2023 included under assets in process of completion was BD 80,962 thousand (2022: BD 37,630). The project is financed by a syndicated term loan facility and short term loan. The amount of borrowing costs capitalised during the year ended 31 December 2023 was BD 3,054 thousand (2022: BD nil). The rate used to determine the amount of borrowing costs eligible for capitalisation was 5.65% which is the Effective Interest Rate (EIR) of the specific borrowing.

Depreciation and amortisation

The depreciation and amortisation charge including write offs has been included in the consolidated statement of profit or loss (note 21) as follows:

	2023	2022
	BD '000	BD '000
Cost of revenue	131,771	124,049
General and administrative expenses	2,083	2,621
Selling and distribution expenses	31	25
	<u>133,885</u>	<u>126,695</u>

Aluminium Bahrain B.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

5 INVENTORIES

	2023 BD '000	2022 BD '000
Raw materials	57,507	65,955
Work-in-process	91,422	109,492
Goods in transit	53,053	50,237
Finished goods	111,277	99,701
Spares (net of provision of BD 4,752 thousand (2022: BD 4,910 thousand))	36,538	33,891
Total inventories at the lower of cost and net realisable value	349,797	359,276

Set out below is the movement in the provision for slow moving inventories:

	2023 BD '000	2022 BD '000
At 1 January	4,910	1,810
Charged for the year in cost of revenue	532	3,100
Write off during the year	(690)	-
At 31 December	4,752	4,910

6 TRADE AND OTHER RECEIVABLES

	2023 BD '000	2022 BD '000
Trade receivables - others [net of allowance for ECL of BD 4,218 thousand (2022: BD 1,846 thousand)] (note 26)	176,615	186,155
Trade receivables (subject to provisional pricing) - fair value (note 27)	18,940	25,649
Trade receivables - related parties [net of allowance for ECL of BD Nil (2022: Nil)] (note 25)	6,566	6,396
	202,121	218,200
Advances to suppliers	5,519	287
Prepayments	1,884	1,393
Other receivables [net of allowance for ECL of BD 819 thousand (2022: BD 118 thousand)]	3,984	7,250
Other receivables - related parties [net of allowance for expected credit losses of BD 6,240 thousand (2022: BD 6,797 thousand)] (i)	2,674	3,473
VAT receivable	14,928	11,246
	231,110	241,849
Less: Non-current portion	(5,422)	(7,619)
	225,688	234,230

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Aluminium Bahrain B.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

6 TRADE AND OTHER RECEIVABLES (continued)

Set out below are the movements in the allowances for expected credit losses of trade receivables and other receivables:

	<i>Trade receivables</i>		<i>Other receivables</i>	
	2023	2022	2023	2022
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
At 1 January	1,846	8,251	6,915	118
Transfer of provision of trade receivables to Other receivables	-	(7,944)	-	7,944
Reversal / write off of other receivables	-	-	(557)	(1,147)
Provision during the year	2,372	1,552	701	-
Write off against provision	-	(13)	-	-
At 31 December	4,218	1,846	7,059	6,915

During 2022, the Group had transferred the old trade receivable from a related party based on the restructuring plan approved by the Court, to other receivables along with the associated provision.

- (i) As part of restructuring plan, the existing receivable have been restructured to (i) Interest free debt of BD 2,127 thousand, (ii) Interest bearing debt of BD 6,270 thousand and (iii) subordinate debt of BD 3,020 thousand with a semi-annual repayment schedule up to 31 December 2033, commenced from 31 December 2022.

For the interest bearing debt, the interest rate will be calculated based on screen rate along with Credit Adjustment Spread (CAS) plus margin of 2% per annum on the outstanding amount. If the related party fails to pay any amount payable by it as per restructuring plan, the interest will be calculated at a rate of Screen Rate along with CAS plus margin of 3% per annum on the overdue instalment for the period starting 1 month from the payment due date until the date of full payment of the overdue instalment.

The Group has a gross amount of other receivable from a related party of BD 8,914 thousand (2022: BD 10,270 thousand) against which the Group is carrying a provision of BD 6,240 thousand (2022: BD 6,797 thousand).

7 CASH AND CASH EQUIVALENTS

	2023	2022
	<i>BD '000</i>	<i>BD '000</i>
Cash at banks (i):		
- <i>Current accounts</i>	33,574	25,786
- <i>Call accounts (ii)</i>	23,105	32,986
- <i>Short-term deposits (iii)</i>	2,919	34,793
Cash in hand	34	52
Cash and cash equivalents	59,632	93,617

- (i) Cash at banks are held with financial institutions in the Kingdom of Bahrain, Hong Kong, Switzerland and Singapore. These balances are denominated in Bahraini Dinars, US Dollars, Euros, Hong Kong Dollars, Swiss Franc and Singapore Dollars.

- (ii) The call accounts earn interest and the effective interest rate as of 31 December 2023 is 0.1% to 5.07% (2022: 0.1% to 3.5%).

Aluminium Bahrain B.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

7 CASH AND CASH EQUIVALENTS (continued)

- (iii) Short-term deposits are placed with commercial banks in the Kingdom of Bahrain. The deposits have an original maturity of less than three months. The deposits are denominated in US Dollars and Euros and earn interest at 5.59% and 3.16% per annum respectively (2022: 5.68% and 1.7% per annum).

8 SHARE CAPITAL

	2023 BD '000	2022 BD '000
Authorised shares		
2,000,000,000 shares of 100 fils each (2022: 2,000,000,000 shares of 100 fils each)	<u>200,000</u>	<u>200,000</u>
Issued and fully paid		
1,420,000,000 shares of 100 fils each (2022: 1,420,000,000 shares of 100 fils each)	<u>142,000</u>	<u>142,000</u>

- i) The distribution of shareholdings (excluding treasury shares) is as follows:

Categories	2023			2022		
	Number of shares	Number of shareholders	% of total outstanding share capital	Number of shares	Number of shareholders	% of total outstanding share capital
Less than 1%	123,472,034	2,863	8.72%	86,024,079	2,864	6.08%
1% up to less than 5%	14,175,966	1	1%	51,448,921	2	3.63%
5% up to less than 20%	-	-	-	-	-	-
20% up to less than 50%	292,804,000	1	20.68%	292,804,000	1	20.69%
50% and above	985,196,000	1	69.60%	985,196,000	1	69.60%
	<u>1,415,648,000</u>	<u>2,866</u>	<u>100%</u>	<u>1,415,473,000</u>	<u>2,868</u>	<u>100%</u>

- ii) The Company has only one class of equity shares and the holders of these shares have equal voting rights.
- iii) There are no shares owned by the directors of the Company as at 31 December 2023 (2022: 1,281,000 shares).
- iv) As at 31 December 2023, Bahrain Mumtalakat Holding Company B.S.C. (c) held 69.38% (31 December 2022: 69.38%) of the total share capital of the Company.
- v) As at 31 December 2023, Sabic Industrial Investment Co. held 20.62% (31 December 2022: 20.62%) of the total share capital of the Company.

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Aluminium Bahrain B.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

9 TREASURY SHARES

	2023		2022	
	Number of shares	BD '000	Number of shares	BD '000
Treasury shares	4,352,000	4,591	4,527,000	4,831

- i) Included in treasury shares are 697,000 shares (2022: 697,000) that were an excess in the Employees' Stock Incentive Plan [note 15 (c)].
- ii) The Board of Directors authorised the Company to purchase its own shares for a total cost amounting to BD 10,000 thousand (2022: BD 10,000 thousand).

10 STATUTORY RESERVE

As required by the Bahrain Commercial Companies Law and the Company's articles of association, 10% of the profit for the year is to be transferred to statutory reserve every year. The Company may resolve to discontinue such annual transfers when the reserve totals 50% of the issued and paid-up share capital. The Company discontinued further transfer of profit to statutory reserve as the reserve equals 50% of the paid-up capital of the Company.

The statutory reserve may not be distributed among shareholders, but may be used to guarantee the distribution of profits among shareholders of not more than five percent (5%) of the paid-up capital in the years when the company's profits do not allow payment of profits of this percentage.

11 CAPITAL RESERVE

This reserve was created from the surplus on disposal of property, plant and equipment in prior years. This reserve is distributable subject to the approval of the shareholders.

12 DIVIDEND

At the Annual General Meeting held on 26 February 2023, the Company's shareholders approved the final dividend of BD 0.0857 per share, excluding treasury shares, totaling to BD 121,345,267 for the year ended 31 December 2022 which has been fully paid during the year (31 December 2022: final dividend of BD 0.05314 per share, excluding treasury shares, totaling BD 75,316,440 for the year ended 31 December 2021 and interim dividend of BD 0.03188 per share, excluding treasury shares, totaling BD 45,122,697 for the year ended 31 December 2022 approved and paid during the year).

The Board of Directors of Aluminium Bahrain B.S.C at the meeting held on 9 August 2023 approved to pay an interim dividend of BD 0.01328 per share excluding treasury shares amounting to BD 18,801,617. Based on the outstanding shares at the 'Record Date' of 17 August 2023, a total of BD 18,805,356 has been paid as of 31 December 2023.

The Board of Directors of Aluminium Bahrain B.S.C at the meeting held on 14 February 2024 recommended a final dividend of BD 0.01590 per share excluding treasury shares amounting to BD 22,508,803. Final dividend payment would be based on outstanding shares at record date. The final dividend is subject to the approval of the Company's shareholders at the Annual General Meeting to be held on 7 March 2024.

Aluminium Bahrain B.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

13 LOANS AND BORROWINGS

	2023 BD '000	2022 BD '000
<i>Unsecured loans and borrowings</i>		
Line 6 Refinancing Term Loan Facility (i)	318,727	351,560
Line 6 Euro SERV Loan (ii)	-	87,510
Line 6 USD SERV Loan (ii)	72,268	81,920
Line 6 Hermes 1 Covered Facility (iii)	-	11,216
Line 6 Hermes 2 Covered Facility (iv)	10,826	12,287
Line 6 BPAI Covered Facility (v)	6,260	32,993
Line 6 EDC Covered Facility (vi)	25,322	30,386
Sinosure USD ECA Facility (vii)	31,207	3,303
Working capital revolving credit (viii)	149,673	63,920
Total loans and borrowings	614,283	675,095
Less: unamortised transaction costs	(20,899)	(34,341)
Less: Deferred cost of IRS	(7,546)	(11,541)
Net loans and borrowings	585,838	629,213
	2023 BD '000	2022 BD '000
Current	202,654	124,115
Non-current	383,184	505,098
	585,838	629,213

(i) Line 6 Refinancing Term Loan Facility

On 26 April 2022, the Group entered into a term loan agreement with a syndicate of financial institutions for BD 469.05 million (USD 1,247.48 million) comprising two tranches; BD 202.09 million (USD 537.475 million) as a conventional credit facility and BD 266.96 million (USD 710 million) as an Islamic Ijara facility. Gulf International Bank B.S.C. is the global facility agent and investment agent for this facility. This loan was utilized to repay all amounts borrowed by the Group under the old term loan facility. The loan is repayable in sixteen semi-annual instalments starting from October 2022. The new term loan facility carries interest linked to secured overnight financing rate (SOFR).

(ii) Euro and USD Serv loan

On 25 April 2017, the Group entered into an Export Credit Financing (SERV-covered facilities) with a syndicate of financial institutions for Euro 314 million and USD 310 million. Commerzbank Finance & Covered Bond S.A. is the agent for this facility. This loan was obtained to finance capital expenditure requirements for Line 6 Expansion Project. The loan is repayable in twenty-four semi-annual instalments started from December 2019. Euro SERV loan and USD SERV loan carry interest at EURIBOR plus 0.65% (2022: EURIBOR plus 0.65%) and SOFR plus 0.90% (2022: SOFR plus 0.90%) respectively. During current year, the Group has fully repaid the Euro SERV loan.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

13 LOANS AND BORROWINGS (continued)

- (iii) Line 6 Hermes 1 Covered Facility
On 30 April 2017, the Group entered into an Export Credit Financing (Euler Hermes covered facilities) with Citibank N.A London for Euro 50 million. Commerzbank Finance & Covered Bond S.A. is the agent for this facility. This loan was obtained to finance capital expenditure requirements for Line 6 Expansion Project. The loan was repayable in twenty-four semi-annual instalments which started from October 2019. Hermes 1 Covered Facility carried interest at EURIBOR plus 0.55% (2022: EURIBOR plus 0.55%). During the current year, the Group has fully repaid the loan.
- (iv) Line 6 Hermes 2 Covered Facility
On 24 October 2017, the Group entered into an Export Credit Financing (Euler Hermes covered facilities) with Commerzbank for Euro 47 million. Commerzbank Finance & Covered Bond S.A. is the agent for this facility. This loan was obtained to finance capital expenditure requirements for Line 6 Expansion Project. The loan is repayable in twenty semi-annual instalments which started from July 2019. Hermes 2 Covered Facility carries interest at EURIBOR plus 0.55% (2022: EURIBOR plus 0.55%).
- (v) Line 6 BPAI Covered Facility
On 2 January 2018, the Group entered into an Export Credit Financing agreement amounting to Euro 156 million. Standard Chartered Bank is the agent for this facility and the lenders are Citibank N.A London, Credit Agricole Corporate Investment Bank and Standard Chartered Bank. This loan was obtained to finance capital expenditure requirements for Line 6 Expansion Project. The loan is repayable in twenty semi-annual instalments which started from July 2019. BPAI Covered Facility carries interest at EURIBOR plus 0.60% (2022: EURIBOR plus 0.60%).
- (vi) Line 6 EDC Covered Facility
On 17 October 2018, the Group entered into an Export Credit Financing with Citibank N.A., Canadian branch for USD 136 million. Citibank N.A. is the agent for this facility. This loan was obtained to finance capital expenditure requirements for Line 6 Expansion Project. The loan is repayable in twenty semi-annual instalments which started from October 2019. EDC Covered Facility carries interest at SOFR plus 0.725% (2022: SOFR plus 0.725%).
- (vii) Sinosure USD ECA Facility
On 10 August 2022, the Group entered into an Export Credit Financing agreement amounting to USD 225 million. BNP PARIBAS S.A. is the agent for this facility and the lenders are BNP Paribas S.A., HSBC Bank Middle East Limited and Citibank, N.A.. This loan was obtained to finance capital expenditure requirements for Power Station 5 block 4 Project. The loan is repayable in twenty four semi-annual instalments which will start from December 2025. Sinosure Covered Facility carries interest at SOFR plus 1.35% (2022: SOFR plus 1.35%). During the year, Group has further availed USD 74.2 million from this facility.
- (viii) Working capital revolving credit
The working capital revolving credit facilities are subject to periodic renewal and repricing. The working capital revolving facilities allow the Group to issue promissory notes for up to 12 month terms. It is the Group's policy to maintain the current level of borrowings under these facilities by issuing new promissory notes in place of maturing notes. Working capital revolving credit carries interest at rates ranging from (0.7% to 0.9%) plus SOFR (2022: (0.9% to 1.2%) plus SOFR). The Group has availed USD 228 million during the year ended 31 December 2023 from these facilities.

Aluminium Bahrain B.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

14 LEASES

The Group as a lessee

The Group leases industrial land, vehicles and apartments. The leases typically run for a period ranging from 5 years to 25 years, with an option to renew the lease after that date except for vehicles, where there are no renewable options. Lease payments are renegotiated every 5 years for industrial land to reflect market rentals whereas lease rentals for apartments and vehicles are fixed with no escalation clauses. For certain leases, the Group is restricted from entering into any sub-lease arrangements.

Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment. Set out below are the movements in right-of-use assets during the year:

	<i>Land and buildings</i>	<i>Plant, machinery and other equipment</i>	<i>Total</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
2023			
As at 1 January	4,178	587	4,765
Depreciation charge for the year	(176)	(881)	(1,057)
Additions	244	3,787	4,031
As at 31 December	4,246	3,493	7,739
2022			
As at 1 January	4,354	775	5,129
Depreciation charge for the year	(176)	(711)	(887)
Additions	-	523	523
As at 31 December	4,178	587	4,765

Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	2023	2022
	BD '000	BD '000
As at 1 January	5,367	5,550
Additions	4,031	523
Payments	(1,178)	(894)
Accretion of interest	291	188
	8,511	5,367

The Group had total cash outflows for leases of BD 1,178 thousand in 2023 (2022: BD 894 thousand). The Group also had non-cash additions to right-of-use assets and lease liabilities of BD 4,031 thousand (2022: BD 523 thousand).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

14 LEASES (continued)

	2023 BD '000	2022 BD '000
Non-current portion	7,607	4,752
Current portion	904	615
	<u>8,511</u>	<u>5,367</u>

Effective interest on lease liabilities ranges from 1.99% to 6.00% (2022: 1.99% to 6.00%).

The following are the amounts recognised in the consolidated statement of profit or loss:

	2023 BD '000	2022 BD '000
Interest expense	291	188
Depreciation	1,057	887
Short-term leases	945	938
	<u>2,293</u>	<u>2,013</u>

15 EMPLOYEE BENEFITS

(a) Defined benefit scheme - leaving indemnity

The movements in the provision recognised in the consolidated statement of financial position are as follows:

	2023 BD '000	2022 BD '000
Provision as at 1 January	1,401	1,704
Provided during the year (note 21.2)	1,454	1,552
Employees' end of service benefits paid	(1,212)	(1,855)
Provision as at 31 December	<u>1,643</u>	<u>1,401</u>

(b) Defined contribution schemes

The movements in liabilities recognised in the consolidated statement of financial position are as follows:

	Alba Savings Benefit Scheme		Social Insurance Organisation	
	2023 BD '000	2022 BD '000	2023 BD '000	2022 BD '000
Provision as at 1 January	2,442	1,858	704	902
Expense recognised in the consolidated statement of profit and loss (note 21.2)	5,848	5,549	8,936	7,528
Contributions paid	(3,852)	(4,965)	(9,127)	(7,726)
Provision as at 31 December (note 16)	<u>4,438</u>	<u>2,442</u>	<u>513</u>	<u>704</u>

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Aluminium Bahrain B.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

15 EMPLOYEE BENEFITS (continued)

(c) Employees' Stock Incentive Plan

In accordance with an Employees' Stock Incentive Plan approved by the Board of Directors, the Group purchased 3,000,000 of its shares to be allocated to all of its employees on the Group's payroll as of 1 December 2010. The Group allocated 1,000 shares each to its 2,714 employees as of 1 December 2010 and these shares vested after a period of three years. In 2015, the shares allocated to the employees had been fully vested and the excess of 697,000 shares is held as Treasury Shares as of 31 December 2023 (2022: 697,000 shares).

16 TRADE AND OTHER PAYABLES

	2023 BD '000	2022 BD '000
Trade payables - related parties (note 25)	22,102	21,231
Trade payables - others	81,558	79,985
	<u>103,660</u>	<u>101,216</u>
Employee related accruals (i)	31,617	33,821
Accrued expenses	25,777	16,846
Alba Savings Benefit Scheme [note 15 (b)]	4,438	2,442
Social Insurance Organisation [note 15 (b)]	513	704
Advances from customers	1,224	3,716
	<u>167,229</u>	<u>158,745</u>

- i) Employee related accruals include accruals for wages and salaries, bonus, sick leave and annual leave.

17 DERIVATIVE FINANCIAL INSTRUMENTS

	2023 BD '000	2022 BD '000
<i>Classified in the consolidated statement of financial position as follows:</i>		
- Positive fair values - assets arising from IRS	(13,901)	(25,209)
Less: Non-current portion	8,526	18,095
	<u>(5,375)</u>	<u>(7,114)</u>
- Positive fair values - assets current portion arising from commodity derivatives	-	(6)
	<u>(5,375)</u>	<u>(7,120)</u>
- Negative fair values - liabilities current portion arising from commodity derivatives	1,108	-
	<u>1,108</u>	<u>-</u>
<i>Recognised in consolidated statements of profit or loss and other comprehensive income:</i>		
<i>Changes in fair value of derivative financial instruments related to:</i>		
- Commodity derivatives (FVTPL) recognised in consolidated statement of profit or loss (iii)	(1,114)	85
	<u>(1,114)</u>	<u>85</u>
- Interest rate swap cashflow hedge (i)	1,991	36,492
	<u>1,991</u>	<u>36,492</u>
- Realised gain on settlement of IRS (ii)	13,299	12,227
	<u>13,299</u>	<u>12,227</u>

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17 DERIVATIVE FINANCIAL INSTRUMENTS (continued)

- (i) This represent the difference between the Mark-to-Market (MTM) value of IRS as at 31 December 2023 and 31 December 2022.

The Group does not engage in proprietary trading activities in derivatives. However, the Group enters into derivative transactions under its risk management guidelines and holds derivative financial instruments, such as interest rate swaps to hedge its interest rate risks and commodity futures and forward swaps to meet customer pricing requirement.

(ii) Interest rate swaps

On 22 February 2023, the Group entered into new amortising interest rate swap contract with National Bank of Bahrain B.S.C., to hedge USD floating interest rate (SOFR) cash flows attributable to term loan, for the notional amount of BD 175,780 thousand out of total refinancing amount of BD 351,560 thousand. Derivative contract expires on 29 April 2030.

The Group has designated this derivative as cash flow hedging instrument and it qualifies for hedge accounting under IFRS 9 and consequently effective portion of the gains or losses resulting from the re-measurement of fair value of derivative are recognised in the consolidated statement of comprehensive income as other comprehensive income (loss).

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of the variable rate loan (i.e., notional amount, maturity, payment and reset dates). The Group has established a hedge ratio of 2:1 for the hedging relationships as the underlying risk of the interest rate swap is identical to the hedged risk component. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instrument against the changes in fair value of the hedged item attributable to the hedged risk.

The hedge ineffectiveness can arise from:

- i) Different interest rate curve applied to discount the hedged item and hedging instrument.
- ii) Differences in timing of cash flows of the hedged item and hedging instrument.
- iii) The counterparties' credit risk differently impacting the fair value movements of the hedging instrument and hedged item.

The amortised notional amount outstanding as at 31 December 2023 was BD 159,363 thousand (31 December 2022: BD 232,180 thousand) over the term of the contract.

During the year ended 31 December 2023, certain interest rate swap contract designated as cash flow hedging instrument related to term loan facility has been settled and related realised cumulative fair value gain of BD 13,299 thousand, was reclassified to consolidated statement of profit or loss, from cash flow hedge reserve.

On 28 April 2022, the previous interest rate swap contract designated as cash flow hedging instrument related to old term loan facility has been reclassified to trading instrument and related cumulative fair value gain of BD 14,410 thousand, was reclassified to consolidated statement of profit or loss, from cash flow hedge reserve. The net gain amounting to BD 12,590 thousand as at 26 May 2022 from the old derivative financial instruments is recognised as deferred cost which will be adjusted with cash settlement over the term of new interest rate swap contract.

In addition, this includes realised loss of BD 2,183 thousand arising on settlement of IRS at the time of interest payment relating to hedged portion of borrowings during the year ended 31 December 2022.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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17 DERIVATIVE FINANCIAL INSTRUMENTS (continued)

(ii) Interest rate swaps (continued)

In the periods during which interest expense relating to hedge borrowings is recognised or paid, the realised gain or loss is reclassified from cash flow hedge reserve to consolidated statement of profit or loss as a reclassification adjustment upon settlement of IRS.

The table below summarises the maturities of the Group's interest rate swap contract at 31 December, based on notional amount:

	<i>Less than 6 months BD '000</i>	<i>6 to 12 months BD '000</i>	<i>1 to 5 years BD '000</i>	<i>Over 5 years BD '000</i>	<i>Total BD '000</i>
2023					
<i>Notional amount</i>	8,208	8,208	65,667	77,280	159,363
	<i>Less than 6 months BD '000</i>	<i>6 to 12 months BD '000</i>	<i>1 to 5 years BD '000</i>	<i>Over 5 years BD '000</i>	<i>Total BD '000</i>
2022					
<i>Notional amount</i>	64,608	8,208	65,667	93,697	232,180

(iii) Commodity derivatives

These derivatives are entered into to reduce the price risk on behalf of its customers. These are initially measured at fair value and do not qualify for hedge accounting. Subsequent to initial recognition, these derivatives are measured at fair value, and the changes therein are recognised in the consolidated statement of profit or loss.

During the year, the Group entered into commodity futures and forward swap contracts to reduce the price risk on behalf of its customers for 110,500 metric tonnes (2022: 31,600 metric tonnes). Outstanding contracts of 23,475 metric tonnes (31 December 2022: 4,250 metric tonnes) mature between one to six months from the year ended 31 December 2023.

During the year, Alba entered into derivative transactions as a partial hedge (for a very small percentage of production) against LME price movements. For the current year, these are being measured at fair value. Therefore changes therein are recognised in the consolidated statement of profit or loss. Commodity derivative contracts were entered into for a total volume of 74,000 metric tonnes out of which 38,500 metric tonnes were outstanding as at 31 December 2023 (31 December 2022: 7,500 metric tonnes) and these mature between one to twelve months from the year ended 31 December 2023.

18 TAXATION

Taxation pertains to the Group's subsidiary in the United States of America and the normalised tax rate was 22.80% as of 31 December 2023 (2022: 23.59%). The actual provision for income taxes differs from the amounts computed by applying statutory income taxes primarily due to state income taxes and non-deductible items.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

18 TAXATION (continued)

	2023	2022
	BD '000	BD '000
<i>Current liability (asset)</i>		
Current year	<u>(1,395)</u>	<u>(736)</u>
<i>Recognised in consolidated statement of profit or loss</i>		
Current year expense	176	387
Deferred tax (benefit) expense	(9)	18
	<u>167</u>	<u>405</u>

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of taxes and liabilities for financial reporting purposes and the amounts used for income tax purposes.

	2023	2022
	BD '000	BD '000
Deferred tax asset	147	84
Deferred tax liability	(57)	(3)
Deferred tax asset - net	<u>90</u>	<u>81</u>

	2023	2022
	BD '000	BD '000
Reconciliation of deferred tax asset - net		
As of 1 January	81	99
Tax (benefit) expense during the year	9	(18)
As at 31 December	<u>90</u>	<u>81</u>

	2023	2022
	BD '000	BD '000
The deferred tax asset comprises the following temporary differences:		
Deductible temporary differences	645	354
Taxable temporary differences	(250)	(13)
	<u>395</u>	<u>341</u>

19 OPERATING SEGMENT INFORMATION

For management reporting 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 are provided as this disclosure will be identical to the consolidated statement of financial position and consolidated statement of profit or loss of the Group.

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Aluminium Bahrain B.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

19 OPERATING SEGMENT INFORMATION (continued)

Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

a) Type of goods

	2023	2022
	BD '000	BD '000
Billet	520,325	752,213
Slab	133,872	220,482
Foundry	439,511	328,720
Liquid	263,664	290,414
Ingots	188,703	253,036
	<u>1,546,075</u>	<u>1,844,865</u>
Pricing adjustments*	(2,167)	(3,941)
Revenue from contracts with customers	<u>1,543,908</u>	<u>1,840,924</u>

*Pricing adjustments represent mark-to-market adjustments on initial estimate of provisionally priced

b) Geographical markets

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

	2023	2022
	BD '000	BD '000
Kingdom of Bahrain	367,707	417,232
Europe	378,980	397,471
Rest of the Middle East and North Africa	322,053	386,394
Asia	228,220	281,888
Americas	246,948	357,939
	<u>1,543,908</u>	<u>1,840,924</u>

(c) Customers

Revenue from sale of aluminium to the three major customer of the Group amounted to BD 364,232 thousand with one customer accounting for more than 10% of the total revenue from contracts with customers for the year ended 31 December 2023 (three major customers of the Group amounted to BD 581,692 thousand with two customers accounting for more than 10% of the total revenue from contracts with customers for the year ended 31 December 2022).

20 OTHER INCOME

	2023	2022
	BD '000	BD '000
Sale of water	1,279	1,237
Interest income	3,383	1,081
Recovery from written off bad debts	-	1,422
Miscellaneous income	2,392	1,290
	<u>7,054</u>	<u>5,030</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

21 EXPENSES BY NATURE

		2023 BD '000	2022 BD '000
Changes in inventories of finished goods and work in progress		13,551	(4,925)
Inventories recognised as an expense in cost of revenue		970,546	1,022,276
Depreciation and amortisation	4	133,885	126,695
Staff costs	21.2	113,406	98,187
Spares and consumables		48,177	41,607
Contracted Repairs		28,824	26,601
Impairment loss on trade and other receivables	6	2,516	1,552
Insurance		15,895	14,024
Freight		48,907	77,276
Other expenses (net of export of electricity)		9,552	14,364
Total cost of revenue, general and administrative expenses and selling and distribution expenses	21.1	1,385,259	1,417,657

21.1 Break-down of expenses is as follows:		2023 BD '000	2022 BD '000
Cost of revenue		1,290,417	1,295,314
General and administrative expenses		39,064	38,555
Selling and distribution expenses		55,778	83,788
		1,385,259	1,417,657

21.2 Break-down of staff costs is as follows:		2023 BD '000	2022 BD '000
Wages and salaries		86,791	73,332
Social Insurance Organisation [note 15(b)]		8,936	7,528
Alba Savings Benefit Scheme [note 15(b)]		5,848	5,549
Payments to contractors		7,926	7,701
Employees' end of service benefits [note 15(a)]		1,454	1,552
Indirect benefits (housing, education)		1,571	2,313
Others		880	212
		113,406	98,187

The staff costs have been allocated in the consolidated statement of profit or loss as follows:

		2023 BD '000	2022 BD '000
Cost of revenue		93,949	80,730
General and administrative expenses		17,065	15,283
Selling and distribution expenses		2,392	2,174
		113,406	98,187

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At 31 December 2023

22 FINANCE COSTS

	2023 BD '000	2022 BD '000
Interest on loans and borrowings	59,777	32,507
Interest on advances received from customers	-	4
Remeasurement of loan to employees	1,146	-
Interest on lease liabilities	291	188
Bank charges	1,016	304
	<u>62,230</u>	<u>33,003</u>

23 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit or loss for the year attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year, excluding the average number of ordinary shares purchased by the Group and held as treasury shares and is as follows:

	2023	2022
Profit for the year - BD '000	<u>118,025</u>	<u>416,167</u>
Weighted average number of shares, net of treasury shares - thousands of shares	<u>1,415,747</u>	<u>1,416,113</u>
Basic and diluted earnings per share (fils)	<u>83</u>	<u>294</u>

Basic and diluted earnings per share are the same since the Group has not issued any instruments that would have a dilutive effect.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these consolidated financial statements.

24 COMMITMENTS AND CONTINGENCIES

a) Commitments

	2023 BD '000	2022 BD '000
<i>Physical metal commitments</i>		
Sales commitments : 23,475 metric tonnes (2022: 4,250 metric tonnes)	<u>19,738</u>	<u>3,821</u>

Raw material supply agreements

In the ordinary course of business the Group has entered into long-term commitments to purchase raw materials. These contracts are based on the market price of the raw material at the time of delivery.

Capital expenditure

Estimated capital expenditure contracted for at the reporting date amounted to BD 95,826 thousand (2022: BD 115,823 thousand). The commitments are expected to be settled within 1 to 5 years from the reporting date.

Letters of credit

At 31 December 2023, the Group has outstanding letters of credit to counterparties of BD 4,439 thousand (2022: Nil).

At 31 December 2023

24 COMMITMENTS AND CONTINGENCIES (continued)**b) Contingencies**

Under an employee scheme, the Group has issued guarantees to financial institutions in the Kingdom of Bahrain in relation to the mortgage loans of its employees to the extent of their cumulative balance in the Alba Saving Benefit Scheme. The total value of these letters of guarantee is BD 14,820 thousand (2022: BD 16,346 thousand).

At 31 December 2023, the Group had contingent liabilities in respect of the bank guarantees amounting to BD 15,420 thousand (2022: BD 12,921 thousand) from which it is anticipated that no material liabilities will arise.

25 RELATED PARTY TRANSACTIONS AND BALANCES

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 Group's management and Board of Directors.

The Group purchases gas and receives from various Government and semi-government organisation and companies in the Kingdom of Bahrain. Other than purchase of natural gas, such other transactions are in the normal course of business and are not considered to be individually significant in terms of size.

Transactions with other commercial non-government related parties related to the controlling shareholder and significant transaction with Government related entities included in the consolidated statement of profit or loss are as follows:

Transactions with related parties

	2023	2022
	BD '000	BD '000
Other related parties		
<i>Revenue and other income</i>		
Sale of aluminium	90,173	116,924
Sale of water	1,183	1,126
Interest income	429	230
Realised gain on settlement of cash flow hedge	13,299	12,227
	105,084	130,507

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

25 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

	2023 BD '000	2022 BD '000
Other related parties		
<i>Cost of revenue and expenses</i>		
Purchase of natural gas and diesel	258,871	249,007
Purchase of aluminium scrap	7,887	11,024
Net power exchange import	2,465	4,490
Interest on loans and borrowings	2,850	1,114
Purchase of raw materials	1,544	1,575
Amortisation of deferred cost on IRS	3,995	1,049
Others	512	619
	<u>278,124</u>	<u>268,878</u>

Balances with related parties

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

	2023 BD '000	2022 BD '000
Other related parties		
Assets		
Trade receivables (note 6)	6,566	6,396
Other receivables - net of allowance for expected credit loss of BD 6,240 thousand (2022: BD 6,797 thousand) (note 6)	2,674	3,473
Bank balances	1,195	1,104
Derivative financial instruments - Interest rate swap (note 17)	13,901	25,209
	<u>24,336</u>	<u>36,182</u>
Liabilities		
Trade payables (note 16)	22,102	21,231
Loans and Borrowings	34,492	38,045
Interest payable on loans and borrowings	440	426
	<u>57,034</u>	<u>59,702</u>

Except for other receivables from a related party balance as disclosed in note 6, all outstanding balances at year-end arise in the normal course of business are interest free, unsecured and payable on demand. During the year ended 31 December 2023, the Group has recorded a reversal of provision against amounts due from a related party amounting to BHD 557 thousand (2022: BD Nil).

Compensation of key management personnel

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

	2023 BD '000	2022 BD '000
Short term benefits	2,063	1,697
End of service benefits	144	143
Contributions to Alba Savings Benefit Scheme	102	99
	<u>2,309</u>	<u>1,939</u>

At 31 December 2023

25 RELATED PARTY TRANSACTIONS (continued)**Compensation of key management personnel (continued)**

Director compensation during the year included Directors' remuneration of BD 420 thousand (2022: BD 412 thousand), attendance fees of BD 113 thousand (2022: BD 107 thousand), sitting fees of BD 71 thousand (2022: BD 72 thousand) and other reimbursement of BD 18 thousand (2022: BD 8 thousand).

26 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities, other than derivative financial instruments, comprise loans and borrowings and certain portion of trade and other payables. The Group is exposed to credit risk, liquidity risk and market risk from its financial instruments. The Group is also exposed to commodity price risk. The Group's financial assets include certain portion of trade and other receivables, cash and cash equivalents that arise directly from its operations. The Group also holds balances with related parties and derivative financial instruments.

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's executive management oversees the management of these risks. The Group's executive management is supported by a risk management team that advises on financial risks and the appropriate financial risk governance framework for the Group. The risk management team provides assurance to the Group's executive management that the Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Group policies and Group risk appetite.

The Group's Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below:

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities and from its financing activities, including from its trade receivables, deposits with banks and other financial institutions, and derivative financial instruments.

The maximum exposure to credit risk at the reporting date is the carrying amount of financial assets and is as follows:

	2023 BD '000	2022 BD '000
Cash at bank (note 7)	59,598	93,565
Trade receivables (note 6)	202,121	218,200
Other receivables (note 6)	6,658	10,723
	<u>268,377</u>	<u>322,488</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

26 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Bank balances and financial instruments

Credit risk from bank balances and derivative contracts is managed by the Group's treasury department in accordance with the Group's policy. The Group limits credit risk from bank balances and derivatives contracts by only dealing with reputable banks and brokers. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

Trade and other receivables

The Group manages credit risk with respect to receivables from customers by receiving payments in advance from customers, obtaining letters of credit and other forms of credit insurance, by monitoring the exposure to customers on an ongoing basis. For trade receivables (other than those from related parties), an impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses on outstanding receivables balances net of advances. The credit risk on receivables from related parties is considered to be low by the Group based on historical trends as previously there have been no or minimal write-offs.

31 December 2023	Current	Past due			Total
		Less than 30 days	31 to 360 days	Over 360 days	
Expected credit loss rate (%)	0.01%	0.08%	4.92%	100.00%	
Carrying amount of trade receivable at default (BD'000)	136,961	43,419	11,576	3,599	195,555
Expected credit losses (BD'000)	14	36	569	3,599	4,218

31 December 2022	Current	Past due			Total
		Less than 30 days	31 to 360 days	Over 360 days	
Expected credit loss rate (%)	0.01%	0.08%	12.11%	100.00%	
Carrying amount of trade receivable at default (BD'000)	146,302	55,990	8,787	725	211,804
Expected credit losses (BD'000)	15	42	1,064	725	1,846

All exports are backed by letter of credits, insurance or cash against documents, which constitute 99% of the trade receivables balance (excluding related parties). The Group has been transacting with most of its export customers for a long period of time.

Derivative contracts are entered into with approved counterparties and the Group is not subject to significant credit risk on these contracts. Also since derivative assets and trade receivables with provisional pricing arrangements are classified as assets measured fair value through profit or loss, no separate ECL is required to be recognized for such contracts.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

26 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Credit risk concentration

The maximum credit risk exposure at the reporting date is equal to the carrying value of the financial assets shown in the consolidated statement of financial position, which are net of provisions for impairment.

The Group sells its products to a large number of customers. Its five largest customers, account for 30% of the outstanding trade receivables at 31 December 2023 (2022: 27%).

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group limits its liquidity risk by ensuring bank facilities are available. The Group's terms of sale require amounts to be paid within 30 to 90 days of the date of sale. Trade payables are non-interest bearing and are normally settled within 45 days terms.

The table below summarises the maturities of the Group's financial liabilities at 31 December, based on undiscounted contractual payment dates.

	<i>Less than 3 months BD '000</i>	<i>3 to 12 months BD '000</i>	<i>1 to 5 years BD '000</i>	<i>Over 5 years BD '000</i>	<i>Total BD '000</i>
31 December 2023					
Loans and borrowings (including interest payable)	169,827	64,429	305,601	189,263	729,120
Derivative financial instruments	1,108	-	-	-	1,108
Trade and other payables	166,005	-	-	-	166,005
Lease liabilities	292	924	4,162	5,013	10,391
Total	337,232	65,353	309,763	194,276	906,624
	<i>Less than 3 months BD '000</i>	<i>3 to 12 months BD '000</i>	<i>1 to 5 years BD '000</i>	<i>Over 5 years BD '000</i>	<i>Total BD '000</i>
31 December 2022					
Loans and borrowings (including interest payable)	80,439	85,344	352,498	300,545	818,826
Trade and other payables	155,029	-	-	-	155,029
Lease liabilities	165	541	1,175	5,282	7,163
Total	235,633	85,885	353,673	305,827	981,018

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

26 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

Changes in liabilities arising from financing activities

	As at	Cash flows			As at
	1 January	Receipts	Payments	Others	31 December
	2023	BD '000	BD '000	BD '000	2023
	BD '000	BD '000	BD '000	BD '000	BD '000
Loans and borrowings	629,215	484,980	(549,352)	20,997	585,840
Lease liabilities	5,367	4,031	(1,178)	291	8,511
Derivative financial instruments	-	-	-	1,108	1,108
	634,582	489,011	(550,530)	22,396	595,459
	As at	Cash flows			As at
	1 January	Receipts	Payments	Others	31 December
	2022	BD '000	BD '000	BD '000	2022
	BD '000	BD '000	BD '000	BD '000	BD '000
Loans and borrowings	927,150	543,303	(808,167)	(33,071)	629,215
Lease liabilities	5,550	523	(894)	188	5,367
	932,700	543,826	(809,061)	(32,883)	634,582

Others include the effect of foreign exchange movement, transactional and related costs on loans and borrowings and impact on new leases during the year.

Capital management

Capital includes share capital, treasury shares, statutory reserve, capital reserve, cash flow hedge reserve and retained earnings.

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholders' value.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current year.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes during the years ended 31 December 2023 and 31 December 2022.

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26 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management (continued)

The Group monitors capital on the basis of the debt-to-equity ratio. This ratio is calculated as net debt divided by equity. Net debt is calculated as total debt (i.e. loans and borrowings and trade and other payables) less net cash and cash equivalents. Equity comprises all components of equity (i.e. share capital, treasury shares, statutory reserve, capital reserve, cash flow hedge reserve and retained earnings).

	2023 <i>BD '000</i>	2022 <i>BD '000</i>
Loans and borrowings	585,838	629,213
Trade and other payables	167,229	158,745
Less: cash and cash equivalents	<u>(59,632)</u>	<u>(93,617)</u>
Net debt	<u>693,435</u>	<u>694,341</u>
Total equity	<u>1,789,232</u>	<u>1,822,458</u>
Debt-to-equity ratio	<u>39%</u>	<u>38%</u>

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, commodity price risk and foreign currency risk. Financial instruments affected by market risk include loans and borrowings, current and fixed deposits and derivative financial instruments.

The Group uses derivatives to manage interest rate market risks. All such transactions are carried out within the guidelines set by the risk management committee. Generally, the Group seeks to apply hedge accounting to manage volatility in profit or loss.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group is exposed to interest rate risk on its interest bearing assets and liabilities (receivable balance, call accounts and loans and borrowings). The Group uses interest rate swap transaction for floating rate borrowing as hedge of the variability in cash flows attributable to movements in interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	2023		2022	
	<i>100 basis point increase</i>	<i>100 basis point decrease</i>	<i>100 basis point increase</i>	<i>100 basis point decrease</i>
Variable-rate instrument (BD '000)	(4,234)	4,234	(3,688)	3,688

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

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At 31 December 2023

26 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**Commodity price risk**

Commodity price risk is the risk that future profitability is affected by changes in commodity prices. The Group is exposed to commodity price risk, as the selling prices for aluminium are generally based on aluminium prices quoted on the London Metal Exchange (LME). The Group hedges its selling price using commodity contracts, on behalf of customers, if agreed and risk management. The forecast is deemed to be highly probable.

The following table demonstrates the sensitivity of the consolidated statement of profit or loss to reasonably possible changes in the LME price on derivatives outstanding as of 31 December, with all other variables held constant.

	% Increase/ decrease in LME price	Effect on results for the year BD '000
2023	+30%	332.4
	-30%	(332.4)
2022	+30%	1.80
	-30%	(1.80)

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's presentation currency).

The Group's financial instruments are mainly denominated in Bahraini Dinars, US Dollars, Euros, Swiss Francs and Great Britain Pounds. The Group sometimes uses forward foreign exchange contracts to hedge against foreign currency payables. As of 31 December 2023 and 31 December 2022 there were no outstanding forward foreign exchange contracts.

As the Bahraini Dinar is pegged to the US Dollar, balances in US Dollars are not considered to represent significant currency risk.

The table below indicates the Group's unhedged foreign currency exposures at 31 December 2023 and 31 December 2022, as a result of its monetary assets and liabilities. As of 31 December, the following financial instruments are denominated in currencies other than Bahraini Dinars and US Dollars, which were unhedged:

Financial instruments	Currency	2023 BD '000	2022 BD '000
Bank balances	Euro	17,733	24,231
	Hong Kong Dollar	10	28
	Singapore Dollar	53	40
Receivables	Euro	34,993	41,179
Loans and Borrowings	Euro	17,086	144,006

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26 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk (continued)

<i>Financial instruments</i>	<i>Currency</i>	2023	2022
		<i>BD '000</i>	<i>BD '000</i>
Payables	Euro	1,203	1,514
	Great Britain Pounds	230	278

The analysis calculates the effect of a reasonably possible movement of the Bahraini Dinar's currency rate against currencies which are exposed to currency risk, with all other variables held constant, on the consolidated statement of comprehensive income (due to the fair value of currency sensitive monetary assets and liabilities).

The effect of decreases in currency rate is expected to be equal and opposite to the effect of the increases shown.

<i>Currency</i>	2023		2022	
	<i>Increase in currency rate</i>	<i>Effect on results for the year BD '000</i>	<i>Increase in currency rate</i>	<i>Effect on results for the year BD '000</i>
<i>Euro</i>	+10%	3,444	+10%	(8,011)
<i>Hong Kong Dollar</i>	+10%	1	+10%	3
<i>Singapore Dollar</i>	+10%	(5)	+10%	(4)
<i>Great Britain Pounds</i>	+10%	(23)	+10%	(28)
		<u>3,417</u>		<u>(8,040)</u>

27 FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise of financial assets, financial liabilities and derivative financial instruments.

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

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

27 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

Set out below is an overview of financial instruments held by the Group as at 31 December 2023:

	<i>Financial assets at amortised cost</i>		<i>Financial assets at fair value through profit or loss</i>	
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Financial assets				
Cash at bank	59,598	93,565	-	-
Trade and other receivables	189,839	203,274	18,940	25,649
Derivative financial instruments	-	-	13,901	25,215
	249,437	296,839	32,841	50,864
	<i>Financial liabilities at amortised cost</i>		<i>Financial liabilities at fair value through profit or loss</i>	
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Financial liabilities				
Loans and borrowings	614,283	675,095	-	-
Trade and other payables	166,005	155,029	-	-
Derivative financial instruments	-	-	1,108	-
	780,288	830,124	1,108	-

The management assessed that bank balances and cash and short-term deposits, trade receivables, other receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 31 December 2023, the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values, except for the trade receivable (subject to provisional pricing).
- The Group's derivative financial instruments are measured at fair value using Level 2 inputs. The Group enters into derivative financial instruments with various counterparties, principally financial institutions. Derivatives valued using valuation techniques with market observable inputs are mainly interest rate swaps and commodity option, future and forward swap contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties and forward rates, interest rate curves and forward rate curves of the underlying commodity. All derivative contracts are fully cash collateralised, thereby eliminating both counterparty and the Group's own non-performance risk.

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27 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

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:

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 31 December 2023 and 31 December 2022, the Group's derivative financial instruments and trade receivables (subject to provisional pricing) that were measured at fair value were Level 2 as per the hierarchy. The Group does not have financial instruments qualifying for Level 1 or Level 3 classification.

During the years ended 31 December 2023 and 31 December 2022, 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 (2022: same).

The fair values of other financial instruments are not materially different from their carrying values as of the reporting date.

28 ALBA SAVINGS BENEFIT SCHEME

The Group operates a compulsory savings benefit scheme for its Bahraini employees ('the Scheme').

The Scheme's assets, which are not incorporated in these consolidated financial statements, consist principally of deposits with banks, equity shares and bonds.

The Scheme is managed by a committee of employees called the Board of Representatives (the 'BoR') representing the Group and the employees. The BoR manages the risks relating to the Scheme's assets by approving the entities in which the Scheme can invest and by setting limits for investment in individual entities.

29 INTERNATIONAL TAX REFORM – PILLAR TWO MODEL RULES - AMENDMENTS TO IAS 12

In December 2021, the Organisation for Economic Co-operation and Development (OECD) issued model rules for a new global minimum tax framework (Pillar Two), and various Governments around the world have issued, or are in the process of issuing, legislation on this. In Kingdom of Bahrain, the Government has not yet issued any legislation on Pillar Two, announcement is expected to legislation in this regard in due course. The Group is in the process of assessing the impact on the consolidated financial statements.

30 COMPARATIVE INFORMATION

The comparative information for the previous year has been reclassified, where necessary, in order to conform to the current year's presentation. Such reclassification does not affect the reported net profit and equity.

Aluminium Bahrain B.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2023

30 COMPARATIVE INFORMATION (continued)

	31 December 2022		
	As previously reported BD'000	Reclassification BD'000	Reclassified BD'000
Consolidated statement of financial position			
Property, plant and equipment	1,880,527	16,619	1,897,146
Inventories	371,542	(12,266)	359,276
Trade and other receivables - Current	243,189	(8,959)	234,230
Trade and other receivables - Non-current	3,013	4,606	7,619
Consolidated statement of profit or loss			
Finance costs	18,956	14,047	33,003
Realised gain on settlement of cash flow hedge for interest rate swap (IRS)	-	12,227	12,227
Trading loss on MTM of derivative financial instruments	1,820	(1,820)	-



6. The approval of the Board's recommendation to allocate the Net Profit for the year ended 31 December 2023 as follows:

- The distribution of cash dividends to shareholders at Fils 29.18 per share or 29.18% of the paid-up capital (inclusive of the interim dividends of Fils 13.28 per share which was already distributed to the shareholders on 31 August 2023), which is BD41,314,159 for the year ended 31 December 2023.

Below are the key dates to be taken note of:

Event	Date
Annual General Meeting	07 March 2024
Cum-Dividend Date (Last day of trading with entitlement to dividends)	13 March 2024
Ex-Dividend Date (First day of trading without entitlement to dividends)	14 March 2024
Record Date (The Day on which all shareholders whose names are on the share register will be entitled to dividends)	17 March 2024
Payment Date (The Day on which the dividends will be paid to the entitled shareholders subject to CBB approvals)	31 March 2024

- Transfer of BD 76,710,841 to the Retained Earnings [which is calculated as 2023 Net Profit (BD118,025,000) minus 2023 Dividend BD41,314,159]



7. Approve the recommendation of the Board of Directors' total remuneration of BD420,000 for the year ended 31 December 2023 and subject to the approval of the Ministry of Industry and Commerce (Reference page 12 of 2023 CG Report and page 86 of the AGM Pack).

BD'000s

Name	Fixed Remunerations				Variable Remunerations				End-of-Service Award	Aggregate Amount (Does not Include Expense)	Expenses Allowance
	Remunerations of the Chairman and	Total Allowance for Attending Board and Committee Meetings	Others	Total	Remunerations of the Chairman and	Incentive Plans	Others	Total			
First: Independent Directors											
Shaikh Daij bin Salman bin Daij Al Khalifa	48	24	-	72	-	-	-	-	-	72	
Shaikh Isa bin Khalid Al Khalifa	40	18.6	-	58.6	-	-	-	-	-	58.6	
Tim Murray	40	16	-	56	-	-	-	-	-	56	3.6
Bruce Cox	32	12.5	-	44.5	-	-	-	-	-	44.5	2.304
Roselyne Renel	32	11.6	-	43.6	-	-	-	-	-	43.6	0.9
Yousif Taqi	8	4.6	-	12.6	-	-	-	-	-	12.6	-
Mutlaq Al Morished	8	4.5	-	12.5	-	-	-	-	-	12.5	0.9
Second: Non-Executive Directors											
Khalid Al Rumaihi	12	7	-	19	-	-	-	-	-	19	-
Omer Syed	32	12.5	-	44.5	-	-	-	-	-	44.5	-
Omar Al Amoudi	40	16	-	56	-	-	-	-	-	56	3.6
Ahmed AlDuriaan	40	16	-	56	-	-	-	-	-	56	4.373
AlWaleed AlSenani	32	13.8	-	45.8	-	-	-	-	-	45.8	1.8
Hala Mufeez	32	13.8	-	45.8	-	-	-	-	-	45.8	-
Iyad Al Garawi	8	4.2	-	12.2	-	-	-	-	-	12.2	0.9
Suha Karzoon	8	4.2	-	12.2	-	-	-	-	-	12.2	-
Rasha Sabkar	8	4.2	-	12.5	-	-	-	-	-	12.5	-
Third: Executive Directors (Not Applicable)											
Total	420	183.8	-	603.8	-	-	-	-	-	603.8	18.377



- 8. Discuss the Corporate Governance Report for 2023 and comply with the requirements of the Central Bank of Bahrain and the Ministry of Industry and Commerce in accordance with the sample prepared by the Ministry of Industry and Commerce – Annex No. 5 of the Corporate Governance Code.**

CORPORATE GOVERNANCE



This Statutory Corporate Governance Report covers the period 1 January 2023 to 31 December 2023 and is prepared pursuant to the Kingdom of Bahrain's Corporate Governance Code 2022 [resolution no. (19) of 2018 and resolution no. (91) of 2022] and the Central Bank of Bahrain (CBB) Module.

The Corporate Governance Report of Aluminium Bahrain B.S.C. (Alba) is an element of the Management's review as included in the Annual Report for 2023. The Corporate Governance Report for 2023 and for prior years can be viewed by visiting Alba website at Corporate Governance | Kingdom of Bahrain (albasmelter.com).

Description of Actions Taken to Comply with the Corporate Governance Code

As a Bahrain-based public joint-stock company, Alba prioritizes robust corporate governance by adhering to multiple governance frameworks to include Bahrain Commercial Companies' Law (the foundation of our governance practices), the Ministry of Industry and Commerce (MOIC's) Corporate Governance Code of 2022 (guiding principles for responsible business conduct) in addition to Central Bank of Bahrain Volume 6 – Capital Markets High Level Controls (ensuring operational efficiency and shareholder protection).

The Board of Directors diligently ensures compliance with the MOIC's Corporate Governance Code through regular review of governance policies and practices to ensure they remain aligned with local regulations while the Management is constantly striving to improve, implement initiatives that bolster the Company's governance framework and align with best practices.

During the Annual General Meeting (AGM) in 2023, the Company's shareholders approved the amendment and restatement of the Memorandum and Articles of Association in accordance with the amendments to Article 5 relating to the activities of Alba.

In addition, on the recommendation of the Nomination, Remuneration and Corporate Governance Committee, the Policy of the Board of Directors (BoDs') Remuneration Fees and Allowances was revised following the shareholders' approvals during the AGM in March 2022 on the BoDs' remuneration fees. The Board of Directors has also endorsed the changes made to the Company's Memorandum and Articles of Association which will be then tabled for the shareholders' approvals in AGM on 07 March 2024.

Board Composition

Name	Age	Appointment and Term of Directorship	Current Work & Directorship in other Boards	Position
Shaikh Daij Bin Salman Bin Daij Al Khalifa (Former Chairman)	54	Appointed by Mumtalakat since March 2014 Retired on 08 October 2023	Masafat Travel & Tourism S.P.C.	Owner
Khaled Omar Mohamed Al Rumaihi (Chairman)	54	Appointed by Mumtalakat on 09 October 2023	Amriya Group	Executive Chairman
			Mumtalakat Holding Company	Board Director
			McLaren Group	Board Director
			Bapco Energies	Board Director
			Bahrain Economic Development	Board Director
Shaikh Isa Bin Khalid Al Khalifa (Director)	44	Appointed by Mumtalakat since March 2020	Seaspring W.L.L.	Founder and Managing Director
Roselyne Renel (Director)	56	Appointed by Mumtalakat since February 2023	Lloyds Banking Group (LBG)	Group Chief Credit Officer
Omar Ali Syed (Director)	49	Appointed by Mumtalakat since February 2023	McLaren Group	Board Director
			McLaren Racing	Board Director
			Gulf Cryo	Board Director
			ProDrive	Board Director
			Mumtalakat Holding Company	Chief Investment Officer
Tim Murray (Director)	52	Appointed by Mumtalakat since March 2020	Cardinal Virtues Consulting	CEO/Owner
Omar Abdullah Al Amoudi (Director)	61	Appointed since March 2019	PETROKEMYA	Chairman
			Hadeed	Chairman
			Tatweer Building Co.	Chairman
Ahmed Al Duriaan (Director)	58	Appointed by Sabic Industrial Investments Co. (SIIC) since March 2020	GARMCO	Board Director and Vice Chairman
			SABIC Investment Company	Executive General Manager
			HADEED	Chairman – Board Audit Committee
			Ma'aden Phosphate Company (MPC)	Board Director
			Divestment at Merger & Acquisition unit at SABIC	General Manager
Bruce Cox (Director)	61	Appointed by Mumtalakat since February 2023	Ajlan & Bros Mining and Mineral Processing Investments	Advisory Board
			Aurelia Metals	Chairman of the Audit Committee
AlWaleed AlSenani (Director)	43	Appointed by Sabic Industrial Investments Co. (SIIC) since February 2023	Global Corporate Governance at SABIC	General Manager
			Algerian and Saudi Investment Company	Board Director
			Corporate Governance Center (owned by PIF)	Board Director
Hala Mufeez (Director)	51	Elected since February 2023	Bapco Upstream WLL	Chief Financial Officer

Transactions by Directors and their Connected Persons in 2023: Nil

CORPORATE GOVERNANCE

Directors' Classification Based Upon Disclosures

Board Members	Board	Audit Committee	NRCGC Committee	Executive & ESG Committee	Classification	Reference to Corporate Governance Code
Shaikh Daij Bin Salman Bin Daij Al Khalifa	✓ Former Chairman		✓ Former Chairman	✓ Former Chairman	Independent Non-executive	
Khalid Al Rumaihi	✓ Chairman		✓ Chairman	✓ Chairman	Non-Independent, Non-Executive	Waiver granted from CBB
Shaikh Isa Bin Khalid Al Khalifa	✓	✓ Chairman			Independent Non-executive	
Roselyne Renel	✓	✓			Independent Non-executive	
Omar Ali Syed	✓		✓		Non-Independent, Non-Executive	Appendix (1) for Independence of Board Member Invalidation Case (e)
Tim Murray	✓			✓	Independent Non-executive	
Bruce Cox	✓			✓	Independent Non-executive	
Ahmed Al Duriaan	✓		✓		Non-Independent, Non-executive	Appendix (1) for Independence of Board Member Invalidation Case (b)
AlWaleed AlSenani	✓	✓			Non-Independent, Non-executive	Appendix (1) for Independence of Board Member Invalidation Case (b)
Omar Abdullah Al Amoudi	✓			✓	Non-Independent, Non-executive	Appendix (1) for Independence of Board Member Invalidation Case (b)
Hala Mufeez (Elected Director)	✓	✓			Non-Independent Non-executive	Appendix (1) for Independence of Board Member Invalidation Case (f)

Directors' Classification



CORPORATE GOVERNANCE



KHALID AL RUMAIHI

Chairman of the Board of Directors of Aluminium Bahrain B.S.C. (Alba)

Chairman of the Board Executive & ESG Committee

Chairman of the Nomination, Remuneration and Corporate Governance Committee

Non-Executive / Non-Independent Member since October 2023



EXPERIENCE

- Currently, the Executive Chairman of Amriya Group since May 2023.
- Currently, a Board member of Mumtalakat since 2015, the McLaren Group since 2019, the Bahrain Economic Development since 2014, and Bapco Energies since 2019.
- Currently, a member of the Advisory Board of Harvard Business School Middle East and North Africa since 2021.
- Former Chief Executive Officer of Mumtalakat (2009-2023).
- Former Chief Executive Officer of Bahrain Economic Development (2015-2019).
- Former Managing Director of Investcorp (2002-2012).
- Former Head of Private Client Group at JP Morgan (1993-2002).
- Former Chairman of Bahrain Real Estate Investment Company (2017-2023), Bahrain Development Bank (2016-2022), and Bahrain Airport Company (2011-2015). He also held Board positions at the National Bank of Bahrain, Gulf Air and Securities Investment Company.



QUALIFICATION

- Master in Public Policy specializing in Economic Development from Harvard University, US.
- Bachelor of Science in Foreign Service from Georgetown University, US.



SHAIKH ISA BIN KHALID AL KHALIFA

Member of the Board of Directors of Aluminium Bahrain B.S.C. (Alba)

Chairman of the Board Audit Committee

Non-Executive / Independent Member since March 2020



EXPERIENCE

- Founder and Managing Director of Seaspring W.L.L., a Bahrain-based international investment consultancy firm with a strategic focus on bringing distinct investment solutions from various sectors including, but not limited to healthcare, biotech, technology, and cybersecurity to the Gulf region.
- Oversaw the growth equity financing of Biotricity Inc., a leading remote cardiac telemetry company based in Redwood City, California, and My Next Health which is a genomic-based AI and quantum platform healthcare company in Toronto, Ontario.
- Prior to establishing Seaspring W.L.L., he was a private equity associate with Oasis Capital Bank B.S.C.© in Bahrain where he helped raise over US\$245 million in paid up capital and set-up a clean tech-focused fund.
- Formerly an Assistant Manager of the Corporate Banking & Finance at Citigroup Inc. where he played a key role in arranging the refinancing for Alba's Potline 5 Expansion.



QUALIFICATION

- Master of Science in Global Financial Analysis from Bentley University, Waltham, MA.



OMAR AL AMOUDI

Member of the Board of Directors of Aluminium Bahrain B.S.C. (Alba)

Member of the Board Executive & ESG Committee

Non-Executive / Non-Independent Member since March 2019



EXPERIENCE

- Chairman of the Board of Directors of PETROKEMYA since 2023.
- Chairman of the Board of Directors of HADEED since 2021.
- Chairman of TATWEER Building Company since 2023.
- Former Executive Vice President, SABIC Global Engineering & Project Management (2016).
- Former Executive Vice President, SABIC Shared Services (2013).
- Former Chairman of the Board of Directors of SPECIALTY CHEM, Gas & Arrazi and Saudi Kayan.
- Former Board Member of SHARQ, PETROKEMYA, IBN RUSHD, SADAFA, Ibn Sina and MARAFIQ.
- Former Board Member of Gulf Coast Growth Ventures.
- Former President of PETROKEMYA and Ibn Zahr (2006 – 2013).



QUALIFICATION

- Bachelor of Science in Chemical Engineering from the King Fahd University of Petroleum and Minerals (KFUPM), Saudi Arabia.
- Masters in Chemical Engineering from Drexel University, USA.



AHMED ALDURIAAN

Member of the Board of Directors of Aluminium Bahrain B.S.C. (Alba)

Member of the Nomination, Remuneration and Corporate Governance Committee

Non-Executive / Non-Independent Member since March 2020



EXPERIENCE

- Currently, General Manager of Divestment at Merger & Acquisition unit at SABIC since September 2023 & Executive General Manager of SABIC Industrial Investment.
- He is also the Executive General Manager of SABIC Investment Company since July 2018.
- Currently, Board Member of Ma'aden Phosphate Company (MPC) since January 2023.
- Currently, Chairman of HADEED Board Audit Committee since October 2019.
- Currently, Board Member of Gulf Aluminium Rolling Mill Company B.S.C. (c) (GARMCO) since March 2016.
- Currently, Executive General Manager of SABIC Investment Company since July 2018.
- Formerly, Board Member of HADEED from June 2017 till June 2021.
- Prior to his current role, he was Director of Mergers & Acquisitions Execution Department in SABIC and Board member of SABIC Polymer in Turkey from 2007-2011.



QUALIFICATION

- Bachelor's in Mining Engineering from King AbdulAziz University, Kingdom of Saudi Arabia.

CORPORATE GOVERNANCE



TIM MURRAY

Member of the Board of Directors of Aluminium Bahrain B.S.C. (Alba)

Member of the Board Executive & ESG Committee

Non-Executive / Independent Member since March 2020



EXPERIENCE

- CEO of Cardinal Virtues Consulting Inc. with over 20 years of executive leadership experience.
- Recently published his first book "CEO Words of Wisdom (WoWs)". The WoWs deliver practical life lessons to help you survive and thrive in the Post COVID world.
- Spent 12 years with Aluminium Bahrain B.S.C. (Alba) where he was since 2012 till August 2019. During his tenure at Alba, he was also Chief Financial Officer, Chief Marketing Officer, Chief Supply Chain Officer and General Manager of Finance.
- Played an instrumental role in the US\$3 billion Line 6 Expansion Project, which was commissioned on-time and significantly under budget.
- An expert in Safety Management and played a key role in the transformation of Alba's Safety culture.
- 10 years with ARC Automotive Inc. where in his last role, he was Vice President and Chief Financial Officer.
- Key role in the building of greenfield manufacturing facilities in both Mexico and China.
- Tim is an avid reader and an Adjunct Professor at Susquehanna University teaching classes on the impact of CEO leadership.



QUALIFICATION

- MBA from Vanderbilt University, USA
- Degree in Accounting from Susquehanna University, USA.
- A member of the American Institute of CPAs.



ROSELYNE RENEL

Member of the Board of Directors of Aluminium Bahrain B.S.C. (Alba)

Member of the Board Audit Committee

Non-Executive / Independent Member since February 2023



EXPERIENCE

- Currently, she is the Group Chief Credit Officer at Lloyds Banking Group (LBG) since 2020 overseeing credit risk globally.
- Formerly at Standard Chartered Bank (SCB) for 6 years where she was the Group Chief Credit Officer and led the SCB Enterprise Risk Management (ERM) Function.
- Formerly the Chief Risk Officer at the Standard Bank of South Africa for 2.5 years for the Corporate and Investment Banking division.
- Formerly the Chief Credit Officer for Emerging Markets, Global Markets and Global Banking at Deutsche Bank for over 16 years.



QUALIFICATION

- Senior Executive Advanced Management Program - University of Columbia, USA.
- Credit Graduate Program from JP Morgan.
- Advanced Certification in Accounting and Bookkeeping from London Chamber of Commerce.



OMER SYED

Member of the Board of Directors of Aluminium Bahrain B.S.C. (Alba)

Member of the Nomination, Remuneration and Corporate Governance Committee

Non-Executive / Non-Independent Member since February 2023



EXPERIENCE

- Currently, the Chief Investment Officer at Mumtalakat since 2021.
- Formerly, Senior Vice President at DICO Group focused on the Group's Private Equity investments (January 2020 - January 2021).
- Raised, deployed and managed Abraaj Turkey Fund since its inception in 2015 and was previously evaluating regional opportunities for Abraaj across global emerging markets since 2007.
- Started his Private Equity career in 2001 at American Capital with a major focus on US Private Equity across sectors.
- Began his career in Financial Services at Price Waterhouse Coopers (PwC) in 1998 focused on Audit and Business Advisory Services before moving to Transaction Services.
- Currently, he serves on the Boards of McLaren Group, McLaren Racing, Gulf Cryo & ProDrive.



QUALIFICATION

- Masters in Accounting from Concordia University, Canada.
- Bachelor of Science in Chemical Engineering with a minor in Management from McGill University, Canada.
- A Chartered Accountant (CA) and Chartered Financial Accountant (CFA).
- International Board / Corporate Governance Certification from INSEAD, France.



BRUCE COX

Member of the Board of Directors of Aluminium Bahrain B.S.C. (Alba)

Member of the Board Executive & ESG Committee

Non-Executive / Independent Member since February 2023



EXPERIENCE

- Currently, on the Advisory Board for Ajlan & Bros Mining and Mineral Processing Investments since December 2021.
- Currently, he serves as a Non-Executive Director and Chairman of the Audit Committee for Aurelia Metals (ASX listed company) since August 2022.
- Former CFO of Rio Tinto Aluminium (2019-2020).
- Former Managing Director of Pacific Operations for Rio Tinto Aluminium (2016-2018).
- Former CEO Pacific Aluminium (2013-2016) and Managing Director of Rio Tinto Diamonds (2009-2013).
- Former Chairman and Director of the Australian Aluminium Council (2013-2018).
- Former Chairman and Director of Tomago Smelter (2013-2018).
- Former Chairman of Queensland Alumina Refinery (2016-2018) and a non-executive director of the listed company ER (2014-2016).



QUALIFICATION

- Bachelor of Commerce and Master of Business Administration from the University of Wollongong, Australia.
- Graduate of the Australian Institute of Company Directors.

CORPORATE GOVERNANCE



ALWALEED ALSENI

Member of the Board of Directors of Aluminium Bahrain B.S.C. (Alba)

Member of the Board Audit Committee

Non-Executive / Non-Independent Member since February 2023



EXPERIENCE

- Currently, the General Manager of Global Corporate Governance at SABIC since 2015, where he is responsible for enhancing the enterprise Corporate Governance framework, and its effective implementations.
- Currently, he serves as Board member at the Algerian and Saudi Investment Company as well as Corporate Governance Center (owned by PIF).
- Prior joining SABIC in 2015, Alwaleed had a long career in the Capital Market Authority (CMA) where he served in different leading governance positions, including Head of Risk Management Department and Head of Corporate Governance Department where he played a significant role in enhancing the compliance with the Corporate Governance Regulation.
- In 2013, Alwaleed had worked as Governance Adviser at the OECD in France (seconded from CMA). He also represented Saudi Arabia in the OECD Corporate Governance Committee and participated in updating the OECD Principles of Corporate Governance (adopted by the G-20).
- Alwaleed started his career at Prince Sultan University as a faculty member of Accounting from 2002 – 2009.



QUALIFICATION

- Master of Accounting from University of Melbourne, Australia.
- Master of Commerce from University of Western Australia.
- Bachelor of Accounting from King Saud University.
- Completed a number of executive education programs at Harvard Business School, MIT Sloan, Wharton Business School, INSEAD and IMD.



HALA MUFEENZ

Member of the Board of Directors of Aluminium Bahrain B.S.C. (Alba)

Member of the Board Audit Committee

Non-Executive / Independent Member since February 2023



EXPERIENCE

- Chief Financial Officer at Bapco Upstream since October 2023 and responsible for overseeing the Finance, Supply Chain and Management Accounting functions. Mrs. Mufeez joined Bapco Upstream in 2010, leading the Finance function where her role focused on financial planning as well as analyzing the Company's financial strengths and weaknesses.
- Former Principal – Risk Management and Compliance Officer & Money Laundering Reporting Officer in First Investment Bank (2007-2010).
- Former Senior Manager – Risk Management and Compliance Officer at Bahrain Islamic Bank (2005-2007).
- Former Manager Planning Control at Bank of Bahrain and Kuwait (2000-2005).
- Started her career at Ernst & Young by managing external audits across various industries (1996-2000).
- Board member at Bapco Gas and Bapco Gas Expansion where she is also the Chairperson of the Audit Committee (2022 till date).



QUALIFICATION

- Bachelor of Science in Accounting from University of Bahrain.
- Certified Public Account licensed in the State of Illinois, USA.

Appointment of the Board of Directors, Election, Term and Orientation

As per Article 24 of Alba's Articles of Association, Alba is administered by a Board of Directors consisting of 10 directors who are appointed and/or elected in accordance with Article 175 of the Commercial Companies Law for a 3-year renewable term. Alba's recent Board term started on 26 February 2023 and will end in February 2026.

During the Annual General Meeting on 26 February 2023, Bahrain Mumtalakat Holding Co. B.S.C. (c) (Mumtalakat) appointed 6 Directors: Shaikh Daij bin Salman bin Daij Al Khalifa (retired on 08 October 2023), Shaikh Isa bin Khalid Al Khalifa, Mr. Tim Murray, Mrs. Roselyne Renel, Mr. Omar Syed, and Mr. Bruce Cox while Sabic Industrial Investments Co. (SIIC) appointed 2 Directors: Mr. Ahmed Al Duriaan & Alwaleed Alsenani. Mr. Omar Al Amoudi was also appointed at the General Meeting in line with Article 26 of Alba's Article of Association. In addition, Mrs. Hala Mufeez was elected during the Annual General Meeting [out of 16 candidates who have nominated themselves for the elected director membership as per the regulatory filing on 12 February 2023] by the shareholders to represent the 10% free float.

* To note: Alba announced the opening for the elected director candidacy on 12 January 2023 and the nomination process closed on 26 January 2023.

On 09 October 2023, Bahrain Mumtalakat Holding Co. B.S.C. (c) (Mumtalakat) appointed a new Chairman of the Board Mr. Khalid Omar Al Rumaihi to serve in the current Board term (until 2026) and subject to CBB and the shareholders' approvals in the Annual General Meeting on 07 March 2024.

In line with the Corporate Governance Code: Principle 4 and HC High Level Control Volume 6 by CBB, an induction session was arranged on 21 March 2023 for the newly appointed and elected Directors for familiarization about Alba and its operations as well as the Corporate Governance in practice. In addition, all appointed/elected Directors have received a Handbook consisting of key policies and other contexts on the Directors' responsibilities.

Termination of Directors

The membership of the Directors concludes upon the expiry of the current term (2026) upon which the Director will be subject to appointment or re-appointment as well as election or re-election. The termination of directorship can also take effect if any Director is in breach of the conditions set out in Article 27 of the Alba's Articles of Association.

Performance Evaluation

In line with Chapter Two: Section One: Principle Eight of the Corporate Governance Code, the Board and its Committees conduct an annual performance assessment (including individual evaluation) to determine whether the Board, its Committees and its Directors can provide high level of judgement. For the year-ended 2023, all Directors have completed the Board and Committees' questionnaires, and the outcomes were satisfactory.

In addition, the Board of Directors is of the opinion that the qualifications represented in the Board matches the competencies that the Board should possess collectively and individually.

Board Independency Evaluation

The Company conducts an independency evaluation on the members of the Board of Directors to determine their independency status during the year. This evaluation is done pursuant to the criteria set out in Appendix 1 of the Corporate Governance Code and is conducted in the fourth quarter of each year. The outcomes of the evaluation are disclosed to Central Bank of Bahrain via General Information Report.

Directors' Remunerations, Sitting and Attendance Fees

The Board of Directors are remunerated fairly and responsibly for fulfilling the duties of the Board and its Committees. For 2022, Remuneration Fees were BD412,000 [BD60,000 for the Chairman and BD40,000 per Director] excluding Sitting Fees (BD72,000) and Attendance Fees (BD1,000 per Director per meeting) of BD107,000. In total, the aggregate amount for 2022 was BD591,000 in addition to Expense Allowances of BD7,800 [refer to Note 27 in Alba's Consolidated Financial Statements of 2022].

CORPORATE GOVERNANCE

For 2023, Attendance Fees (BD1,000 per Director per meeting) and Allowance Fees* were paid to the Directors for attending the Board and Committee meetings during 2023. Sitting fees of BD70,800 for 2023 (part of Total Allowance for Attending Board and Committee Meetings) will be paid after the Board's meeting on 14 February 2024 (to refer to the below table for the full breakdown of 2023 Remunerations).

(BD'000s)

Names	Fixed Remunerations				Variable Remunerations				End-of-Service Award	Aggregate Amount (Does not include Expense allowance)	Expenses Allowance
	Remunerations ¹ of the Chairman and BOD	Total Allowance for Attending Board and Committee Meetings	Others ²	Total	Remunerations of the Chairman and BOD	Incentive Plans	Others ³	TOTAL			
First: Independent Directors											
Shaikh Dajj Bin Salman Bin Dajj Al Khalifa	48	24	-	72	-	-	-	-	-	72	-
Shaikh Isa bin Khalid Al Khalifa ²	40	18.6	-	58.6	-	-	-	-	-	58.6	-
Tim Murray	40	16	-	56	-	-	-	-	-	56	3.6
Bruce Cox	32	12.5	-	44.5	-	-	-	-	-	44.5	2.304
Roselyne Renel	32	11.6	-	43.6	-	-	-	-	-	43.6	0.9
Yousif Taqi	8	4.6	-	12.6	-	-	-	-	-	12.6	-
Mutlaq Al Morished	8	4.5	-	12.5	-	-	-	-	-	12.5	0.9
Second: Non-Executive Directors											
Khalid Al Rumaihi	12	7	-	19	-	-	-	-	-	19	-
Omar Syed	32	12.5	-	44.5	-	-	-	-	-	44.5	-
Omar Al Amoudi	40	16	-	56	-	-	-	-	-	56	3.6
Ahmed Al Duriaan	40	16	-	56	-	-	-	-	-	56	4.373
AlWaleed AlSenani	32	13.8	-	45.8	-	-	-	-	-	45.8	1.8
Hala Mufeez	32	13.8	-	45.8	-	-	-	-	-	45.8	-
Iyad Al Garawi	8	4.2	-	12.2	-	-	-	-	-	12.2	0.9
Suha Karzoon	8	4.2	-	12.2	-	-	-	-	-	12.2	-
Rasha Sabkar	8	4.5	-	12.5	-	-	-	-	-	12.5	-
Third: Executive Directors (Not Applicable)											
Total	420	183.8	-	603.8	-	-	-	-	-	603.8	18.377

(¹ as per policy for the Board of Directors and Board Committee Members' Remuneration Fees, Attendance Fees and Per Diem Allowance)

Other remunerations:

² It includes in-kind benefits – specific amount – remuneration for technical, administrative and advisory works (if any).

³ It includes the board member's share of the profits – Granted shares (insert the value) (if any).

The proposed Remuneration Fees for 2023 will be paid post the AGM which is scheduled to be held on 07 March 2024 and subject to the shareholders' approvals.

Board Meetings in 2023 [in-person and/or virtual attendance]

Meetings of the Company's Board of Directors are held at least quarterly or more frequently as deemed necessary. There were 5 Board Meetings in 2023 which were held on 02 February, 04 May, 09 August, 28 September, and 08 November. Board meetings in Q1, Q2 and Q4 of 2023 (3 meetings) were held in person while meetings in Q3 of 2023 (2 meetings) were held via Microsoft Teams.

Director	02-Feb-23
Shaikh Dajj Bin Salman Bin Dajj Al Khalifa	
Yousif A. Taqi	
Suha S. Karzoon	
Shaikh Isa Bin Khalid Al Khalifa	
Rasha M. Sabkar	
Tim Murray	
Mutlaq H. Al Morished	
Omar Al Amoudi	
Iyad Al Garawi	
Ahmed Al Duriaan	

 Video Conferencing

 Physical Meeting

CORPORATE GOVERNANCE

Director	04-May-23	09-Aug-23	28-Sep-23	08-Nov-23
Shaikh Daij Bin Salman Bin Daij Al Khalifa				-
Khalid Al Rumaihi	-	-	-	
Roselyne Renel				
Omar Syed				
Shaikh Isa bin Khalid Al Khalifa				
Bruce Cox				
Tim Murray				
Hala Mufeez				
Omar A. Al-Amoudi				
Alwaleed AlSenani				
Ahmed Al Duriaan				

Video Conferencing Physical Meeting

Chairman's Duties and Responsibilities

Pursuant to Chapter 2 -- Corporate Governance Principles, Section One, Principle 1: the Company Shall be Headed by an Effective, Qualified and Expert Board -- in the Corporate Governance Code 2022, the Chairman of the Board's responsibilities include but not limited to:

- Representing Alba before others;
- Ensuring that the directors have access to complete and accurate info in a timely manner;
- Ensuring that the Board discussed all info as stated in the agendas for each meeting;

- Encouraging effective communication between Alba's shareholders and BoD;
- Encouraging all directors to effectively exercise their roles in the best interest of Alba;
- Preparing agendas for the Board meetings and General Assembly meetings (AGM and EGM); and
- Holding meetings with non-executive and independent directors without the attendance of the executives to take their views on matters related to the company's activity.



Board's Duties and Responsibilities

Pursuant to Chapter 2 -- Corporate Governance Principles, Section One, Principle 1: the Company Shall be Headed by an Effective, Qualified and Expert Board -- in the Corporate Governance Code 2022 and in addition to Alba's Memorandum and Articles of Association of the Company (the "Articles"), the Board's duties include but not limited to:

- Setting and monitoring the overall business strategy and business plan for the Company;
- Ensuring that the operations run smoothly to achieve the company's objectives and that they do not conflict with the applicable Laws and Regulations;
- Reviewing and approving financial statements which accurately disclose the Company's financial position;
- Monitoring management performance;
- Convening and preparing the agenda for shareholders' meetings;
- Monitoring conflicts of interest and preventing abusive related-party transactions;
- Assuring equitable treatment of shareholders including minority shareholders;
- Exercising all powers and performing necessary acts for the management of the Company in conformity with its objectives, within the bounds of the Law, the Articles of Association, and resolutions of the General Meetings;
- Setting and reviewing key Company policies;
- Determining the remuneration for Directors, subject to the approval of the shareholders' Annual General Meeting, taking into consideration the provision of Article 188 of the Commercial Companies' Law;
- Setting the Management structure; appointing or removing key/senior executives and employees, determining their duties, setting their remuneration and incentive programmes, (ensuring that these are aligned with the long-terms interests of the Company and shareholders), and overseeing succession planning;
- Forming Executive and ESG, Audit and other Committees, appointing their members and specifying their powers, as well

- as ensuring a formal board nomination and election process;
- Ensuring the integrity of the Company's accounting and financial reporting systems, and that appropriate systems of control are in place, particularly for risk management, financial and operational control as well as compliance with the law and relevant standards; and
- Approving matters reserved to the Board in the 'Levels of Authority' document reviewed by the Board from time to time.

Types of Materials Transactions Requiring Board's Approvals

The Levels of Authority (LoA) summarizes areas relating to strategies, long-term commitments, and policies where approval of the Board is necessary. These include:

- Investment and expansion projects above monetary thresholds in accordance with capital expenditure policy approved by the Board and as set out in the LoA;
- Sales and purchase contracts (materials and services) greater than 5-years and, in some instances, above certain monetary thresholds and contract quantities;
- Equity and dividend related recommendations for Shareholders' approval;
- Recommendation of acquisitions, mergers, diversification, divestment, expansions, and other business combination related decisions for Shareholders' approval;
- Strategic hedging strategies;
- Cumulative short-term borrowing limits;
- Annual Operating Plan and Annual Marketing Plan; and
- Key policies such as the Levels of Authority (LoA), Code of Conduct, Tender Policy, Risk Management Policy, Capital Expenditure Policy, Board and Committee Charters, and key HR Policies.

CORPORATE GOVERNANCE

Conflict of Interest

Alba empowers its Board members to uphold the highest standards of ethical conduct by emphasizing the absolute need for prompt disclosure of any conflicts of interest, whether stemming from the Board and Committees' agenda items or external appointments, that

could impair their judgment. Prior to every Board and Committee meeting, the members are notified of their obligation to disclose any potential conflicts of interest.

In 2023, the Board members set a strong example by actively declaring conflicts and abstaining from voting in relevant matters.

Date	Meeting	Conflict of Interest	Declared By
28 SEPTEMBER	Board Meeting	Alba's Customer, GARMCO	Ahmed Al Duriaan AlWaleed AlSenani
08 NOVEMBER	Board Meeting	Alba's Customer, GARMCO	Ahmed Al Duriaan AlWaleed AlSenani

Details of Transactions with Related-Parties (Nature of Relationship and Transaction Type)

Alba undertakes transactions with related parties as part of its ordinary course of business. As per the definitions by the International Accounting Standards (IAS) 14, the Company qualifies as a government related entity. The Company purchases gas and receive services from various government and semi-government

organizations and companies in the Kingdom of Bahrain. Other than the purchase of natural gas, other conducted transactions for the normal course of business are not considered to be individually significant in terms of size. Related party transactions of material nature are discussed by the Board and are as follows:

Bapco Upstream W.L.L.	Sole supplier of all-natural gas used as fuel in the Company's power stations. Bapco Upstream W.L.L. is wholly owned by Bapco Energies B.S.C. °, which is owned by the Government of Bahrain, which in turn directly owns and controls Bahrain Mumtalakat Holding Company B.S.C.° (the Company's single-largest shareholder)
Bapco Refining B.S.C. °	Supplies diesel to Alba. Bapco Refining B.S.C. ° has the same ownership of Bapco Upstream W.L.L.
National Bank of Bahrain B.S.C. (NBB)	The Company has overall banking transactions with NBB, an associated company of Bahrain Mumtalakat Holding Company B.S.C.°, including an open credit facility to avail any short-term Borrowings, non-funding limits, participation in the Syndicated Corporate Loan Facility and in an associated Interest Rate Swap hedging transaction
Bahrain International Circuit Company S.P.C. (BIC)	The Company extends sponsorship to BIC for Formula 1 Race. BIC is a subsidiary of Bahrain Mumtalakat Holding Company B.S.C. °
Gulf Aluminium Rolling Mill Company B.S.C.° (GARMCO)	The Company sells its products to GARMCO which is an associated company of Bahrain Mumtalakat Holding Company B.S.C. °
Asturiana de Aleaciones S.A.	The Company sells its aluminium products to, as well as purchase raw materials (Alloys) from Asturiana de Aleaciones S.A. which is one of the associates of Bahrain Mumtalakat Holding Company B.S.C. °
Aleastur Bahrain	The Company sells its aluminium products to Aleastur Bahrain, which is also one of the associates of Bahrain Mumtalakat Holding Company B.S.C. °
Bahrain Telecommunications Company B.S.C. (Batelco)	The Company also conducts regular transactions with Bahrain Telecommunications Company B.S.C. (Batelco) which is an associated company of Bahrain Mumtalakat Holding Company B.S.C. °
Electricity and Water Authority (EWA)	Under the terms of a water supply-agreement dated to 5 August 2002, the Company sells more than half of the water produced in Calciner to the Government of Bahrain through EWA. This contract is for a period of 25-years and the water is sold at a rate of 225 fils per cubic meter. The electricity required by the Company's Calciner is supplied by the national grid which is operated by EWA

In addition, around 50% of the land housing Alba's various facilities is licensed or leased to the Company by the Government of Bahrain or entities directly or indirectly owned/controlled by the Government of Bahrain. Further information can be found in Note 25 – Transactions with Related Parties in Alba's Consolidated Financial Statements of 2023.





To note, all transactions with Related Parties and/or intra-company are done on arms' length and audited by the Company's External Auditors.

The Board Audit Committee

The Board Audit Committee is responsible to review financial reporting, internal controls, and legal adherence in addition to recommending and overseeing the external audit process.
















The Board Audit Committee comprises four Directors all of whom are non-executive and half of them are independent. The Board Audit Committee (BAC) consists of: Shaikh Isa bin Khalid Al Khalifa (the Chairman of BAC who is independent), Mrs. Roselyne Renel (independent), Mrs. Hala Mufeez (non-independent), Mr. AlWaleed AlSenani (non-independent). To note, Mrs. Suha Karzoon, Mr. Iyad Al Garawi, and Mr. Yousif A. Taqi (former members of the BAC) retired from Alba's Board at the expiry of the term on 25 February 2023.

As per the Charter of the Board Audit Committee (last version was approved on 01 December 2021), the Directors are required to meet at least 4 times a year and/or when necessary. In 2023, the Board Audit Committee met 5 times on 01 February, 03 May, 08 August, 26 September, and 07 November. BAC meetings in Q1, Q2 and Q3 of 2023 (4 meetings) were held via Microsoft Teams while the meeting in Q4 of 2023 was held in person.

Director	01-Feb-23
Yousif A. Taqi	
Suha S. Karzoon	
Shaikh Isa Bin Khalid Al Khalifa	
Iyad Al Garawi	

 Video Conferencing

 Physical Meeting

Director / Member	03-May-23	08-Aug-23	26-Sep-23	07-Nov-23
Shaikh Isa bin Khalid Al Khalifa				
Roselyne Renel				-
Hala Mufeez				
AlWaleed AlSenani				

 Video Conferencing

 Physical Meeting

External Auditors

Auditor's Profile & Overview of its Professional Performance
Ernst & Young has been appointed as External Auditors for 2023 further to Alba shareholders' approval during the Annual General Meeting which was held on 26 February 2023 [as per Section 10 – Principle, 10 First E of the Code: an external auditor shall be appointed for a term of one financial year, to be renewed for similar periods not exceeding five (5) consecutive financial years].

EY has been in Bahrain since 1928, making it the oldest and most prominent professional service firm operating in Bahrain for more than 90 years. With around 350 employees and 12 partners in Bahrain, Ernst & Young aligned its service offerings to better understand market needs and service client requirements.

CORPORATE GOVERNANCE

Fees & Charges for the Audit and/or Services Provided in 2023

Name of the Audit Firm	Ernst & Young
Years of Service as Alba's External Auditors	Since 2023
Name of the Partner in Charge of Alba's Audit	Nader Rahimi
Total Audit Fees for the Financial Statements	BD60,600 [BD39,000 for Year-End Audit and BD21,600 for Three Quarterly Reviews]
Audit Related Services	BD5,000 [BD2,500 for Group Reporting to Shareholder's Auditor and BD2,500 for ASBS Audit]
Other Special Fees and Charges for Non-Audit Services other than Financial Statements for 2023 if any (as approved by the Board Audit Committee). In the Absence of such Fees, this Shall be Expressly Stated	BD6,750 [BD5,000 for FRC Fees and BD1,750 towards Professional Services Related to Corporate Governance Report]

The Nomination, Remuneration and Corporate Governance Committee (NRCGC)

The responsibilities of the Nomination, Remuneration and Corporate Governance Committee revolve around three core areas: - Board Nominations/Appointments: ensuring independence, qualifications, and diversity of board members in compliance with regulations; - Compensation: establishing and overseeing fair and responsible compensation packages for C-suite levels in addition to directors' remuneration; - Corporate Governance: monitoring compliance with legal and ethical standards.

The Nomination, Remuneration and Corporate Governance Committee comprises three Directors - all of whom are non-independent and non-executive Directors. The NRCGC consists of Mr. Khalid Al Rumaihi (who chairs this Committee) and two

other Directors Mr. Omar Syed and Mr. Ahmed Al Duriaan. To note, Mrs. Rasha Sabkar (a former member of this Committee) retired from Alba's Board at the expiry of the term on 25 February 2023; in addition, Shaikh Daij bin Salman bin Daij Al Khalifa (the former Chairman of the Board) retired from Alba's Board on 08 October 2023.

As per the Charter of the Nomination, Remuneration & Corporate Governance Committee (last version was approved on 10 June 2020), the Directors are required to meet at least 4 times a year and/or when necessary. In 2023, the Nomination, Remuneration & Corporate Governance Committee met 4 times on 26 January, 01 May, 24 September, and 01 November. NRCGC meetings in Q1, Q2, Q3 and Q4 of 2023 (4 meetings) were held via Microsoft Teams.

Director	26-Jan-23	01-May-23	24-Sep-23	01-Nov-23
Shaikh Daij Bin Salman Bin Daij Al Khalifa				-
Khalid Al Rumaihi	-	-	-	
Omar Syed	-			
Ahmed Al Duriaan				
Rasha Sabkar		-	-	-

Video Conferencing

Physical Meeting

The Board Executive and ESG Committee

The Board Executive and ESG Committee acts as the Board's strategic compass, guiding long-term and mid-term planning, vetting projects, and optimizing resources. It also ensures efficient execution with strong governance and ESG principles while aligning with the Kingdom of Bahrain's Net Zero Emissions by 2060.

The Board Executive and ESG Committee comprises four Directors - half of whom are independent, and all are non-executive Directors. The Board Executive and ESG Committee consists of Mr. Khalid Al Rumaihi (who chairs this Committee and is non-independent) and three other Directors Mr. Omar Al Amoudi (non-independent), Mr. Tim Murray (independent) and Mr. Bruce Cox (independent). To

note, Mr. Mutlaq Al Morished (a former member of this Committee) retired from Alba's Board at the expiry of the term on 25 February 2023; in addition, Shaikh Daij bin Salman bin Daij Al Khalifa (the former Chairman of the Board) retired from Alba's Board on 08 October 2023.

As per the Charter of the Board Executive and ESG Committee (last version was approved on 28 September 2022), the Directors are required to meet at least 4 times a year and/or when necessary. In 2023, the Board Executive Committee met 4 times on 30 January, 02 May, 25 September, and 05 November. The Executive and ESG Committee meetings in Q1, Q2, Q3 and Q4 of 2023 (4 meetings) were held via Microsoft Teams.

Director	30-Jan-23	02-May-23	25-Sep-23	05-Nov-23
Shaikh Daij Bin Salman Bin Daij Al Khalifa				-
Khalid Al Rumaihi	-	-	-	
Mutlaq H. Al Morished		-	-	-
Omar Al Amoudi				
Tim Murray				
Bruce Cox	-			

Video Conferencing

Physical Meeting

Corporate Governance Officer's Details

Effective September 1, 2018, Ms. Eline Hilal assumed the role of Corporate Governance Officer for Aluminium Bahrain B.S.C. (Alba). Below are the contact details:

Office No.: +973 1783 5100

Mobile No.: +973 39907255

Email address: eline.hilal@alba.com.bh

Risk Management

Alba Enterprise risk management enables the Board and the Management to effectively deal with uncertainty across the organization. It enhances value by maximizing opportunities, and minimizing the consequences and likelihood of threats, ensuring that risks are kept within an acceptable level across the entity. Risk management is a central part of Alba's governance process and management system.

CORPORATE GOVERNANCE

The process starts in the decentralized teams within each of the Executive Management areas who is extensively knowledgeable of the risks within their areas of responsibility. They systematically identify, quantify, respond to and monitor risks at process and departmental level. With this decentralization, teams are placed to mitigate Alba's risk exposure in the first instance. Based on understanding the business and its objectives, the risks are categorized into four areas: (1) Strategic (2) Operations (3) Compliance (4) Financial.

Different risk treatment options are utilized by the risk owners to ensure that risks are managed within the business context, business objectives, performance targets, and the Company's risk appetite.

Our risk management processes are continuously updated and adapted to match internal and external requirements. While, the Board of Directors has the overall responsibility to ensure that Alba has implemented necessary procedures for risk management, the oversight of compliance within the established Enterprise Risk Management Framework is delegated to the Board Audit Committee.

Risk Reporting & Assessment

Our corporate risk profile provides a consolidated picture of our risk exposure by detailing each risk, risk category and type, as well as level of inherent and residual risks. Our reporting process defines six risk dashboards to include Operational, Financial (Liquidity/Credit/Covenants), Market/Commodity, Cybersecurity, Compliance, and ESG. The risk descriptions provide details of the event, its status, threshold and an assessment of its likelihood and potential impact. Post discussion with the Executive Management, the Head of Risk consolidates the main risks in a two-dimensional risk 'heat map' which is reviewed by the Board Audit Committee on a quarterly basis and if any material updates occur on an ad hoc basis, after which it is shared with the Board of Directors.

Principal Risks and Uncertainties Faced by Alba

The following risks must be carefully considered as their occurrence could have a material/ adverse impact on Alba's business operations, financial condition, and could ultimately result in a decline in the Alba's share price. Our processes of governance, control and risk management identify and provide responses to key risks through rigorous internal controls. Any failure of these systems could lead to the occurrence, or re-occurrence, of any of the risks described below:

- The cyclical nature of the Company has historically meant that there is significant Aluminium price and demand volatility as well as a relative overproduction/surplus in the industry. The Company has no control over several factors that would affect the price of Aluminium.

- The Company operates in an industry that gives potential rise to health, safety, security and environmental risks: fire, equipment breakdown, attack on the physical or IT infrastructure, civil strike or unrest, or loss of gas, power or other utilities which may result in loss of operational capability or shutdowns for significant periods; hence, resulting in a significant adverse impact on the Company's operations and financial condition.
- The loss of either of the Company's three largest customers, or its inability to recover the receivables' dues from one of them, may have a material adverse effect on its financial condition and prospects.
- The Company relies on third-party suppliers for certain raw materials, and any disruption in its supply chain or failure to renew these contracts at competitive prices may have an adverse impact on the Company's financial condition, operations, and outlook.
- The Company's competitive position in the global aluminium industry is dependent on continued access to uninterrupted natural gas supply. Further increase in the price of natural gas, or interruption in its supply, could have a material adverse effect on the Company's business, financial condition, operations, and outlook.
- The Company's business may be affected by shortages of skilled employees (including management), labour cost inflation and increased rates of attrition.
- The Company depends on the provision of uninterrupted transportation of raw materials and finished products across significant distances. Interruption of these activities could have a material adverse impact on the Company especially as prices for shipping/transportation services (particularly for sea transport) have increased over more than a year.
- The Company has interest rate hedging contracts in connection to its c.US\$847.677 million Syndicated Commercial Loan that is exposed to periodic mark-to-market evaluation.
- The Company is exposed to foreign currency fluctuations which may affect its financial condition.
- There is a high level of competition in the GCC aluminium market, and the Company may lose its market share in the GCC as its peers increase their production levels.
- The Company does not insure against certain risks, and some of its insurance coverage may be insufficient to cover actual losses incurred.
- Changes in laws or regulations, or a failure to comply with any laws or regulations, may adversely affect the Company's business operations.

Alba Executive Management

The Company's Executive Management oversees the day-to-day operations and executes the strategic directives set forth by the Board.

Name	Age	Position	Date of First Appointment	Appointment Date of Current Position
Ali Al Baqali	54	Chief Executive Officer (CEO)	May 1998	February 2020
Amin Sultan	55	Chief Power Officer (CPO)	May 1997	May 2017
Khalid Abdul Latif	52	Chief Marketing Officer (CMO)	September 1989	September 2015
Abdulla Habib	52	Chief Operations Officer (COO)	March 1995	February 2018
Waleed Tamimi	49	Chief Supply Officer (CSO)	May 2011	September 2017
Bryan Harris	53	(Former) Chief Financial Officer (CFO)	October 2009	December 2018 till 30 September 2023
Ahmed A. Qader	41	Acting Chief Financial Officer (A.CFO)	July 2010	01 October 2023

CORPORATE GOVERNANCE



ALI AL BAQALI
Chief Executive Officer

Chief Executive Officer of Aluminium Bahrain B.S.C. (Alba)
Joined Alba in May 1998



EXPERIENCE

- Appointed as the CEO on 13 February 2020, Al Baqali has been part of the Alba family for more than 2-decades and brings years of thought leadership and honed experience from within the Company. Al Baqali joined Alba as a Purchasing Officer in 1998 then moved further up the ranks to become Manager for Procurement (2010), Chief Financial Officer (2013), Deputy CEO and Chief Supply Chain Officer (2017) and Acting CEO (2019). In his Executive Management roles, Al Baqali has been instrumental in Alba's landmark Line 6 Expansion Project, especially in securing the US\$3 billion financing for the Project and formulating the sourcing strategies for key raw materials.
- As a Bahraini who grew from within Alba, Al Baqali believes that Alba's growth and success depend heavily on the Company's entrenched principles on Safety, Development of Human Capital, Social and Civic Responsibility as well as Community Development. Al Baqali places Environmental, Social, and Governance (ESG) matters at the top of his priorities; his beliefs have translated into Alba establishing c.US\$40 million first-of-its-kind Spent Pot Lining Treatment Plant Project, achieving the Aluminium Stewardship Initiative (ASI) Performance Certification, setting-up a Fish Farm at the Calciner & Marine Operations amongst many other initiatives.

International Memberships & Positions

- Vice-Chairman & Director of the International Aluminum Institute (IAI) - 2019.
- Member of the Board, Gulf Aluminium Council (GAC) - 2019.
- Member of GCC Board Directors Institute - 2021.
- Member of Italia Bahrain Business Council - 2021.

Bahrain Memberships & Positions

- Member of the Board, Tenmou - 2014.
- Member of the Board, INJAZ - 2016.
- Deputy Chairman of the Board of Trustees, Bahrain Polytechnic - 2021.
- Board member of Saint Christopher's School - 2020-2021.



QUALIFICATION

- Executive MBA from Darden School of Business, University of Virginia, USA - 2018.
- MBA from Arabian Gulf University (AGU) in collaboration with ESSEC - 2014.
- B.Sc. in Accounting from the University of Bahrain - 2005.
- Chartered Institute of Purchasing & Supply (CIPS), UK - 1998.



KHALID ABDUL LATIF
Chief Marketing Officer

Chief Marketing Officer of Aluminium Bahrain B.S.C. (Alba)
Joined Alba in September 1989



EXPERIENCE

- Appointed as Chief Marketing Officer in September 2015, Khalid heads the following departments: Casthouse (Maintenance & Operations), Customer Service & Marketing Operations, Sales (all regions) and Alba Americas.
- Khalid leads the Company's global marketing strategies to drive innovation across its business divisions, depending on the deep knowledge he has in both marketing and operations fields. He continuously increases Alba's existing business and develops new markets to meet the Company's growth targets.
- Prior to his current Executive role, in 2012, he was promoted to Manager of Engineering and then to Alba's Marketing Manager for Customer Services & Marketing Operations.
- Khalid joined Alba as an apprentice in 1989 and worked in various operational areas including Power Station, Reduction Lines and Carbon Plant. He rose through the ranks and was promoted from Supervisor to Engineer followed by Superintendent.



QUALIFICATION

- MBA from Arabian Gulf University (AGU) in collaboration with ESSEC - 2014.
- Completion certificate for the Executive Education Programme in Strategic Sales Management from University of Chicago, USA.
- Bachelor's in Electrical Engineering from Gulf University in Bahrain.
- HND in Electrical & Electronics from Bahrain Training Institute BETTEC Bahrain.
- Higher Diploma in Mechatronics from Abertay University, Dundee, UK.



AMIN SULTAN
Chief Power Officer

Chief Power Officer of Aluminium Bahrain B.S.C. (Alba)
Joined Alba in May 1997



EXPERIENCE

- Currently, he oversees Alba's 3,665 MW ISO Power & Utilities and Power Station 5 new Block 4 680 MW (using J-class gas turbine technology) combined cycle construction project.
- Oversaw the new 1,800 MW Power Station 5 (using H-class gas turbine technology), which was part of Alba's Line 6 Expansion Project.
- In charge of Environment, Social and Governance ESG at ALBA in addition to overseeing ALBA wide property and business interruption all risks insurance.
- Played an instrumental role in Alba's organization restructuring process in 2010, implementation of Lean & Six Sigma tools during STAR project 2012-2011 and cost saving Project Titan.
- Prior to Alba, he spent 5 years at the leading Japanese control and instrumentation firm, Yokogawa Middle East & Africa B.S.C.(c), wherein his role covered engineering, maintenance, and projects experiences in vast industries such power & utilities, refineries, and petrochemicals.



QUALIFICATION

- MBA from Arabian Gulf University (AGU) in collaboration with ESSEC - 2014.
- M.Sc. in Electrical Engineering from University of Bahrain.
- Attended various Executive Management Programs at University of Chicago Business School and University of Cranfield School of Management.

CORPORATE GOVERNANCE



WALEED TAMIMI
Chief Supply Officer

Chief Supply Officer of Aluminium Bahrain B.S.C. (Alba)
Joined Alba in May 2011



EXPERIENCE

- In his current position as a Chief Supply Officer, Waleed oversees the departments of Procurement & Warehousing, Strategic Supply & Planning, Engineering and Operational Excellence.
- He held the position of Chief Administration & Supply Officer since August 2019, prior to which he was the Chief Administration Officer and before that, the Director of Administration.
- He has held the position of Senior Manager of Strategic Supply & Planning, in charge of Alba's procurement requirement of major raw material and corresponding logistics, responsible for the management and development of Alba's raw material and freight suppliers' network in addition to managing all trading and selling initiatives for excess procured Alumina and surplus production of Calcined Petroleum Coke.
- In 2013, Waleed served as Manager - Operational Excellence where he led the operational excellence initiatives alongside the continuous improvement strategy and roadmap. In this role, he was responsible for the development, establishment and initiation of an Enterprise Continuous Improvement and Cost Cutting Programme (Project Titan), which aimed at improving quality, reducing lead time, and bringing in sizable cost reduction levels.
- Prior to his tenure in Alba, he was General Manager of Business Improvement Group at Rezayat Group of Companies in Khobar, Saudi Arabia where he led a strategy building initiative at Rezayat Group, resulting ultimately in the establishment and direct utilization of Balance Score Cards. He also led the development, establishment and initiation of an Enterprise Excellence Program. The developed system was called Rezayat Achieving Competitive Excellence (RACE) and is a mix of the Six Sigma philosophy, the Lean Manufacturing methodology and Continuous Improvement principles.
- Waleed has served for 27 years in different capacities for a number of companies in USA and in the Middle East ranging from an Implementation Consultant in a software start-up company in San Jose, California to a Six Sigma Black Belt in a world-class Aircraft Manufacturer (Lear-Jet, Bombardier).



QUALIFICATION

- MBA from Arabian Gulf University (AGU) in collaboration with ESSEC - 2016.
- BS and MS degrees in Industrial Engineering from Wichita State University, US.
- Certified Six Sigma and Lean Manufacturing Master Black Belt.



DR. ABDULLA HABIB AHMED
Chief Operations Officer

Chief Operations Officer of Aluminium Bahrain B.S.C. (Alba)
Joined Alba in March 1995



EXPERIENCE

- Currently, the Chief Operations Officer since 02 December 2018.
- Formerly, he was the Director of Reduction Line 6 Start-up (2017) in charge of commissioning and startup of Line 6, and he was Director of Reduction Lines and Services. (2015-2018).
- Joined Alba as Trainee Engineer and during the last 27 years, Dr. Habib has held the roles of Superintendent Reduction Line, R&D Manager, Reduction Lines Manager, and Customers Technical Support Manager.
- Played a vital role in improving safety performance across Alba Operations.
- In-charge of Line 5-recovery in 2017, after a long power outage, and led it as one of the safest and faster recoveries in the world.
- Member of many international committees related to Aluminium Industry like The Minerals, Metals & Material Society (TMS) and The International Committee for Study of Bauxite, Alumina and Aluminium (ICSOBA)
- Previous advisor to the College of Engineering in University of Bahrain.



QUALIFICATION

- PhD in Chemical Engineering & Masters in Aluminium Smelting from University of New South Wales, Australia.
- B.Sc. in Chemical Engineering with first honor from University of Bahrain.
- MBA from Arabian Gulf University (AGU) in collaboration with ESSEC - 2016.



AHMED A. QADER
Acting Chief Financial Officer

Acting Chief Financial Officer of Aluminium Bahrain B.S.C. (Alba)
Joined Alba in July 2010



EXPERIENCE

- Appointed as Acting CFO on 28 September 2023. Prior to his present role, Ahmed was the Finance Manager of Aluminium Bahrain B.S.C (Alba) overseeing the divisions of Treasury, Management Reporting, Compliance, Payroll, Credit Management and Account Payable.
- Joined Alba in 2010 as the Senior Internal Auditor.
- Ahmed played instrumental roles in raising the fund for Line 6 Expansion Project, overseeing the project cash management, development of hedging program, and finally the establishment of VAT framework.
- Prior joining Alba, he spent over 5 years at PricewaterhouseCoopers, wherein his role covered auditing, financial advisory and project management experiences in vast industries such financial institution, ministries, and petrochemicals.



QUALIFICATION

- CPA in public accounting from Colorado Board of Accountancy.
- MBA from Arabian Gulf University (AGU) in collaboration with ESSEC - 2018.
- He has also attended various Executive Management Programs and members at various academic university program in Banking and Finance.



ELINE HELAL
Corporate Governance Officer

Director - Investor Relations, Insurance & Corporate Secretary
Joined Alba in March 2011



EXPERIENCE

- Currently, she is the Director of Investor Relations, Insurance and Corporate Secretary since February 2020.
- Brings with her years of honed experience across matrixed functions namely Investor Relations, Corporate Communications, Corporate Secretariat, Corporate Governance, Insurance as well as Strategy & Business Development.
- Joined Alba as Manager Investor Relations (IR) in March 2011 to build the IR function from the ground, develop & lead the IR team. In her 10+ years career in Alba, she also held on top of her IR role, Public Relations for 5 years and was acting as Strategy and Business Development Manager since July 2018.
- Has a well-versed experience in corporate governance, compliance, and regulatory skills for working in Debt and Equity markets, especially on Emerging Markets and in particular the Middle East.
- Renowned as a media relator as well as financial communication advisor for C-levels in the region.
- Started as a financial analyst at the Middle East mobile operator Zain Group in early 2007, then joined Investor Relations as senior IR analyst till January 2011.



QUALIFICATION

- Completed Senior Executive Leadership Program (SELP12) from Harvard Executive Business School - 2023.
- MBA from Arabian Gulf University (AGU) in collaboration with ESSEC - 2015.
- MSc in International Finance from University of New South Wales, Australia - 2006.
- Bachelor of Science in Banking & Finance from Lebanese American University (LAU) - 2003.

CORPORATE GOVERNANCE

Shareholding by Executive Management

Name	Position	Shares Held at 31 Dec'22	Shares Held at 31 Dec'23
Ali Al Baqali	CEO	1,000	1,000
Amin Sultan	CPO	3,000	3,000
Khalid Abdul Latif	CMO	1,000	1,000
Abdulla Habib	COO	3,777	3,777
Waleed Tamimi	CSO	-	-
Bryan Harris	Former CFO	1,000	1,000
Ahmed A. Qader	Acting CFO	3,000	3,000

Total Remunerations Paid to Key Executives

The Company's well-defined performance system -- guided by the Nomination, Remuneration & Corporate Governance Committee (NRCGC) -- fosters transparency in performance evaluation as well as rewarding employees and key Executives. The top six key Executives' compensation -- including salaries, benefits, and allowances -- amounted to BD2,042,896 (full breakdown is tabled below):

Executive Management	Total Paid Salaries & Allowances	Total Paid Remuneration (Bonus)	Any Other Cash-in-Kind Remuneration	Aggregate Amount
Chief Executive Officer, Chief Marketing Officer, Chief Power Officer, Chief Operations Officer, Chief Supply Officer, and Chief Financial Officer	1,126,034	780,792	136,070	2,042,896

Details of any Irregularities During the Financial Year

The Company recognizes that the current composition of the Board, Audit Committee and its Nomination, Remuneration, and Corporate Governance Committee (NRCGC) may not fully comply with the director independence requirements set forth in the Central Bank of Bahrain (CBB) High-Level Controls Module (HC-1.4.5) and the Ministry of Industry and Commerce (MOIC) Corporate Governance Code. The Company has promptly notified its major shareholders of this non-compliance and is actively engaged in discussions with them to seek appropriate remedial measures.

In the interim, the Company has secured a temporary waiver from CBB with respect to the independence requirements. This waiver is subject to ongoing review as the Company undertakes to diligently pursue mitigation strategies including potential Board and NRCGC composition changes to achieve full compliance with CBB regulations and MOIC Code by the new Board term in 2026.

The Board believes the specific circumstances surrounding the Directors' classification as non-independent do not pose actual conflicts of interest or hinder their ability to exercise independent judgment.

Cash and in-Kind Contribution Made by the Company

Community-driven impact: the Company spent c.BD2.076 million to touch diverse aspects of local and community life, driving positive change through educational programs, fostering healthy living through sports, conservation of local heritage, and impactful ESG-led activities in line with the Company's ESG Roadmap.

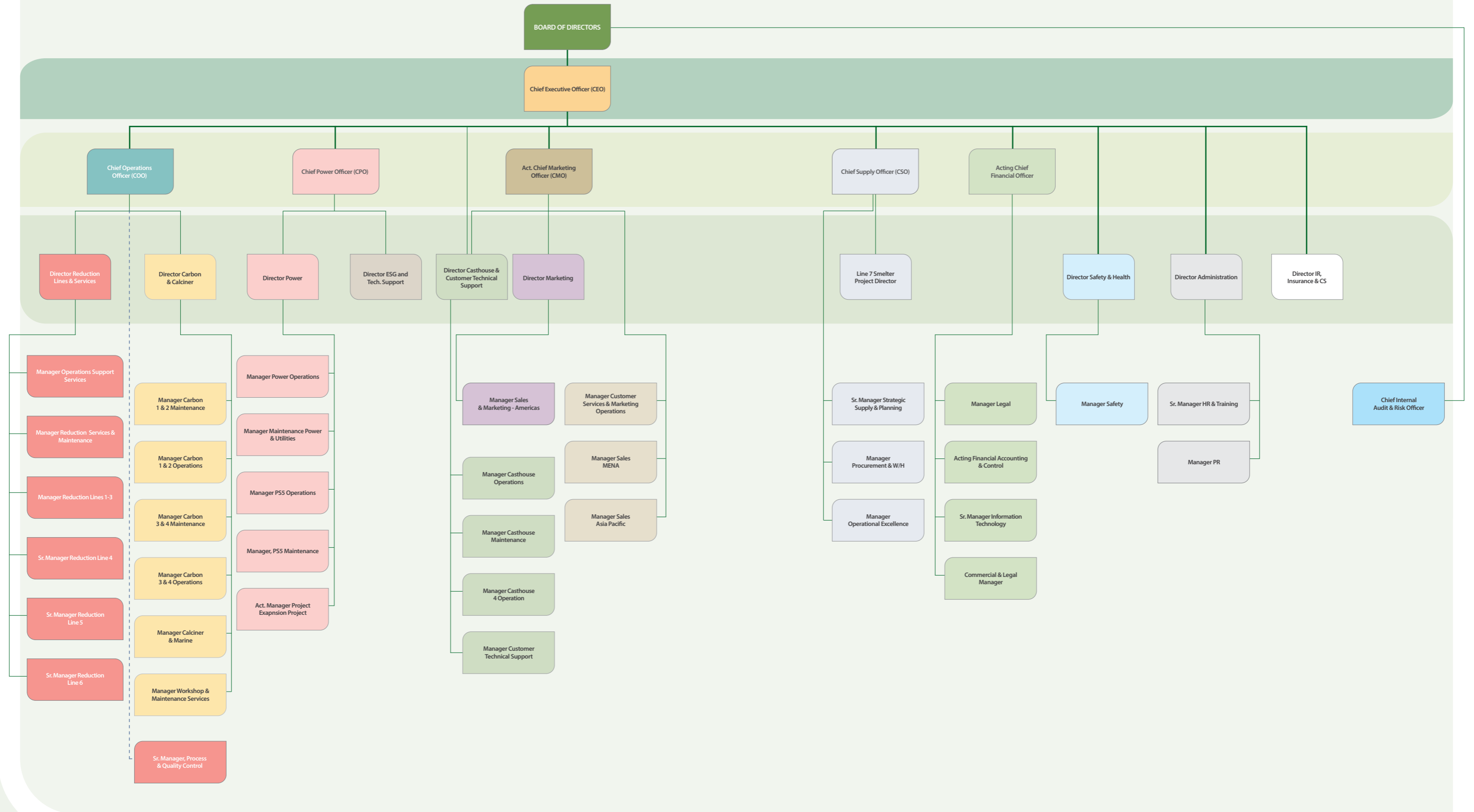
Significant Events

- Streamlining operations to simplify the Company's structure and enhance its operational efficiency: following the Board's resolution on 30 December 2021, Alba Club (formerly registered under CR 99789-1) has transitioned to become a branch of the Company (CR 999) effective 22 November 2023 (Application No. CR2022-3948).
- Optimizing Alba's global footprint: in Q1 2023, the Company closed its Hong Kong Sales Office [formerly located at 2210, Windsor House, 311 Gloucester Road, Causeway Bay, Hong Kong] and is now relying on its Singapore branch [address at Level 35, The Gateway West, 150 Beach Road, #35-38 the Gateway West, Singapore 189720] to serve its clientele in that region.



CORPORATE GOVERNANCE

Alba Management Structure



CORPORATE GOVERNANCE

Means of Communications with Shareholders & Investors

Alba engages with its shareholders and investors on a regular basis and as required as follows:

Stakeholders Category	Methods of Engagement	Frequency of Engagement
Shareholders & Investors Bahrain Mumtalakat Holding Co. BSC °, SABIC Industrial Investments Co. (SIIC) & the General Public	<ul style="list-style-type: none"> Investor Relations Presentation Sustainability Report Annual Report Press Releases & Alba Social Media Platforms Investor Relations Toolkit Integrity Line 	Quarterly basis and as required

Ownership Structure (31 December 2023)



- Alba was converted into a Bahrain Public Joint Stock Company on 23 November 2010.
 - Alba shares are listed on two exchanges: Ordinary Shares on Bahrain Bourse and Global Depository Receipts (GDRs) on the London Stock Exchange – Alternative Investment Market.
 - Alba Ticker [Bahrain Bourse: ALBH, BD1.145 on 31 December 2023].
- The below detailed tables outlines shareholders' equity and distribution, offering insights in the Company's ownership in terms of local, Arab, Foreign in addition, to distribution by size of ownership:

Shareholder Classification	Shareholding %			
	Individuals	Corporates	Government or Organizations	Total
Local	0.628%	71.963%	0.012%	72.603%
Arab	0.426%	24.331%	-	24.756%
Foreign	0.038%	2.602%	-	2.641%
Total	1.092%	98.896%	0.012%	100.00%

Shareholding (Share)	No. of Shareholders	Number of Shares Held	Shareholding %
<50,000	2,714	7,230,491	0.509%
50,000 to 500,000	83	14,230,072	1.002%
500,000 to 5,000,000	41	72,861,237	5.131%
>5,000,000	6	1,325,678,200	93.358%
Total	2,844	1,420,000,000	100.00%

Compliance with the Provisions of the Code

Principle	Non-compliant	Partially Compliant	Fully Compliant	Explanation in case of non-compliance
Principle 1: The Company shall be headed by an effective, qualified and expert board.			✓	
Principle 2: The directors and executive management shall have full loyalty to the company.			✓	
Principle 3: The Board shall have rigorous controls for financial audit and reporting, internal control, and compliance with law.			✓	
Principle 4: The Company shall have effective procedures for appointment, training, and evaluation of the directors			✓	
Principle 5: The Company shall remunerate directors and senior officers fairly and responsibly.			✓	
Principle 6: The Board shall establish a clear and efficient management structure for the Company and define the job titles, powers, roles, and responsibilities.			✓	
Principle 7: The Company shall communicate with shareholders, encourage their participation, and respect their rights.			✓	
Principle 8: The Company shall disclose its corporate governance.			✓	
Principle 9: Companies which offer Islamic services shall adhere to the principles of Islamic Shari'a*			N/A	
Principle 10: The Board shall ensure the integrity of the financial statements submitted to shareholders through appointment of external auditors.			✓	
Principle 11: The Company shall seek through social responsibility to exercise its role as a good citizen.			✓	

* Applicable only to the companies offering Islamic services



9. Notify and approve the transactions carried-out during the financial year-ended 31 December 2022 with any of the related parties as described in note # 25 of the financial statements in line with Article 189 of the Commercial Companies' Law (If any) (further reference can be found in 2023 Corporate Governance Report on page 16).

25 RELATED PARTY TRANSACTIONS AND BALANCES

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 Group's management and Board of Directors.

The Group purchases gas and receives from various Government and semi-government organisation and companies in the Kingdom of Bahrain. Other than purchase of natural gas, such other transactions are in the normal course of business and are not considered to be individually significant in terms of size.

Transactions with other commercial non-government related parties related to the controlling shareholder and significant transaction with Government related entities included in the consolidated statement of profit or loss are as follows:

Transactions with related parties

	2023	2022
	<i>BD '000</i>	<i>BD '000</i>
<i>Other related parties</i>		
<i>Revenue and other income</i>		
Sale of aluminium	90,173	116,924
Sale of water	1,183	1,126
Interest income	429	230
Realised gain on settlement of cash flow hedge	13,299	12,227
	105,084	130,507



25 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

	2023 BD '000	2022 BD '000
Other related parties		
<i>Cost of revenue and expenses</i>		
Purchase of natural gas and diesel	258,871	249,007
Purchase of aluminium scrap	7,887	11,024
Net power exchange import	2,465	4,490
Interest on loans and borrowings	2,850	1,114
Purchase of raw materials	1,544	1,575
Amortisation of deferred cost on IRS	3,995	1,049
Others	512	619
	278,124	268,878

Balances with related parties

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

	2023 BD '000	2022 BD '000
Other related parties		
Assets		
Trade receivables (note 6)	6,566	6,396
Other receivables - net of allowance for expected credit loss of BD 6,240 thousand (2022: BD 6,797 thousand) (note 6)	2,674	3,473
Bank balances	1,195	1,104
Derivative financial instruments - Interest rate swap (note 17)	13,901	25,209
	24,336	36,182
Liabilities		
Trade payables (note 16)	22,102	21,231
Loans and Borrowings	34,492	38,045
Interest payable on loans and borrowings	440	426
	57,034	59,702

Except for other receivables from a related party balance as disclosed in note 6, all outstanding balances at year-end arise in the normal course of business are interest free, unsecured and payable on demand. During the year ended 31 December 2023, the Group has recorded a reversal of provision against amounts due from a related party amounting to BHD 557 thousand (2022: BD Nil).



Aluminium Bahrain B.S.C. (Alba) المنيوم البحرين ش.م.ب. (البا)

10. Absolve the Board of Directors from their actions/activities for the year-ended 31 December 2023.



Aluminium Bahrain B.S.C. (Alba) المنيوم البحرين ش.م.ب. (البا)

11. Re-appointment of the External Auditors for the fiscal year 2024 and authorize the Board of Directors to specify their remuneration.



Aluminium Bahrain B.S.C. (Alba) المنيوم البحرين ش.م.ب. (البا)

12. Re-appoint SICO B.S.C. © to provide Market-Making services to Aluminium Bahrain B.S.C. (Alba) by utilizing at any given time a maximum of 3% of Alba's issued share capital for 3-years period and subject to the approval of Central Bank of Bahrain.



13. Any concerns that may arise in accordance with Article 207 of the Commercial Companies' Law.

Reference: Article 207 of the Commercial Companies' Law

- a) The general assembly may not deliberate matters other than those listed on the agenda except where:
1. It is of an urgent nature that arose after the agenda was prepared.
 2. Arose during the course of the meeting.
 3. If requested in writing to be included in the agenda by the competent government authority responsible for overseeing the company, any of the public juridical person which is a shareholder in the company, the company's auditor or a number of shareholders who own at least five (5%) of the shares of those in attendance at the meeting.
- b) If, in the course of discussion, it became apparent that the information related to certain matters before the assembly are not adequate, the meeting shall be adjourned for no more than ten (10) business days if so requested by a number of shareholders owning one fourth (25%) of the shares which represented the quorum of the meeting.
- c) The resolution passed by the general assembly in the urgent matters that had arisen shall be submitted to the competent Ministry for commerce affairs, or to the Central Bank of Bahrain in respect of its licenses, within five (5) business days following the meeting of the general assembly.



The Agenda of the Extraordinary General Meeting

- 1. Review and approve the minutes of the previous Extraordinary General Meeting held on Thursday 26 February 2024.**
- 2. Approve the amendment and restatement of the Memorandum and Articles of Association in accordance with Legislative decrees no. (3) of the year 2022, no. (20), (63), and (64) of the year 2021, and no. (28) of the year 2020 and subject to the approval of regulatory authorities [for more information, all shareholders are requested to download the AGM/EGM Pack which will be available on www.albasmelter.com and the website of Bahrain Bourse].**
- 3. Authorize the Board of Directors to allow who is deemed fit for making the necessary arrangements to amend and document the Memorandum and Articles of Association.**



Aluminium Bahrain B.S.C. (Alba) المنيوم البحرين ش.م.ب. (البا)

The Agenda of the Extraordinary General Meeting

- 1. Review and approve the minutes of the previous Extraordinary General Meeting held on Thursday 26 February 2024.**



Aluminium
for the world

Aluminium Bahrain B.S.C. (Alba)
CR. No. 999



ألمنيوم
للعالم

ألمنيوم البحرين ش.م.ب (البا)
سجل تجاري رقم: ٩٩٩

**MINUTES OF THE EXTRAORDINARY GENERAL MEETING (EGM) OF THE SHAREHOLDERS OF
ALUMINIUM BAHRAIN B.S.C. ("ALBA") HELD ON SUNDAY 26 FEBRUARY 2023 at 01:00 PM
AL DANA HALL, KING HAMAD HIGHWAY, KINGDOM OF BAHRAIN**

With the attendance of the representative from the Ministry of Industry and Commerce, Mr. Ali S. Taqi Alalawi, and after duly establishing a quorum of 93.03% and 1,317,284,983 votes, the Chairman of the Board, Shaikh Daij Bin Salman Bin Daij Al Khalifa, joined the meeting via a conference call (MS Teams) and the meeting was called to order at 01:10 PM. Also in attendance were the following:

The Board Directors of Alba: Mr. Yousif A. Taqi, Mrs. Suha Karzoon, Mrs. Rasha Sabkar, Shaikh Isa bin Khalid Al Khalifa, Mr. Ahmed Al Durian, Mr. Iyad Al Garawi and Mr. Omar Al Amoudi. Two of the Board Directors Mr. Mutlaq H Al Morished and Mr. Tim Murray joined the meeting via MS Teams.

Alba Executive Management comprising the Chief Executive Officer - Mr. Ali Al Baqali, Director Investor Relations, Insurance and Corporate Secretary - Ms. Eline Hilal as well as Manager Finance - Mr. Ahmed A. Qader were present at the meeting. The representatives of the External Auditors 'KPMG Fakhro' (Mr. Jamal Fakhro), Central Bank of Bahrain (Mr. Hussain Mohamed) and Bahrain Bourse (Ms. Maryam Al-Kawari) were also present at the meeting.

The Chairman of the Board, Shaikh Daij Bin Salman Bin Daij Al Khalifa, read through the following agenda items of the Extraordinary General Meeting and the agenda items were unanimously approved by the Shareholders.

1. Reviewed and approved the minutes of the previous Extraordinary General Meeting held on 08 March 2020.
2. Approved to transfer the registration of Alba Club WLL, currently registered under Commercial Registration No. 99789-1, and to register it as a branch of Aluminium Bahrain B.S.C. (Alba) under Commercial Registration No. 999-1.
3. Approved the amendment and restatement of the Memorandum and Articles of Association in accordance with the amendments to Article 5 relating to the activities of the Company.
4. Authorized the Board of Directors to allow who is deemed fit for making the necessary arrangements to amend and document the Memorandum and Articles of Association.

Daij Bin Salman Bin Daij Al Khalifa
Chairman

Date: 26 February 2023

Eline Hilal
Director - Investor Relations, Insurance & Corporate Secretary

Date: 26 February 2023



Aluminium Bahrain B.S.C. (Alba) المنيوم البحرين ش.م.ب. (البا)

- 2. Approve the amendment and restatement of the Memorandum and Articles of Association in accordance with Legislative decrees no. (3) of the year 2022, no. (20), (63), and (64) of the year 2021, and no. (28) of the year 2020 and subject to the approval of regulatory authorities (for more information, all shareholders are requested to download the AGM/EGM Pack which will be available on www.albasmelter.com and the website of Bahrain Bourse].**

Insights about the additions/changes in **Alba's Articles of Association** in connection with **Agenda no. 2** of the **Extraordinary General Meeting**

معلومات حول الإضافات/التغييرات في النظام الأساسي لشركة البا فيما يتعلق بالمادة رقم 2 من جدول أعمال اجتماع الجمعية العامة غير العادية

<p>2. Approve the amendment and restatement of the Memorandum and Articles of Association in accordance with Legislative decrees no. (3) of the year 2022, no. (20), (63), and (64) of the year 2021, and no. (28) of the year 2020. The additions/changes are as follows:</p>	<p>2. الموافقة على تعديل وإعادة صياغة عقد التأسيس والنظام الأساسي للشركة بما يتوافق والقرارات التشريعية رقم (3) لعام 2022، ورقم (20) و(63) و(64) لعام 2021، ورقم (28) لعام 2020 وذلك خاضع لموافقة الجهات الرقابية () ، حيث تمت هذه الإضافات/التغييرات وفق ما يلي:</p>
<p>Article (11): Shareholders' Rights</p>	<p>المادة (11): حقوق المساهمين</p>
<p>Each share entitles its owner to equal rights and obligations. Each shareholder will particularly enjoy the following rights:</p>	<p>كل سهم يخول لصاحبه الحقوق والواجبات المتساوية. ويتمتع كل مساهم على وجه الخصوص بالحقوق الآتية:</p>
<p>1. To receive his share of dividends in the event a resolution is passed to distribute the same to the shareholders.</p>	<p>1. قبض حصته المستحقة من الأرباح عند اتخاذ قرار بتوزيع الأرباح على المساهمين.</p>
<p>2. To receive his share of the Company's assets upon liquidation.</p>	<p>2. قبض حصته المستحقة من موجودات الشركة في حالة تصفيتها.</p>
<p>3. To take part in the management of the Company's business according to the provisions hereof.</p>	<p>3. المساهمة في إدارة أعمال الشركة طبقاً لأحكام هذا النظام.</p>
<p>4. To receive a printed report, following each financial year, containing the Balance Sheet, Profit and Loss account, Board of Directors Report and the Auditor's report.</p>	<p>4. الحصول على كراس مطبوع بعد نهاية كل سنة مالية للشركة يحتوي على الميزانية العامة وحساب الأرباح والخسائر وتقرير مجلس الإدارة ومدققي الحسابات.</p>
<p>5. To file a nullification suit against any resolution passed by the General Meeting or the Board of Directors which is inconsistent with the Law, its Implementing Regulations, public order, the Company's Memorandum of Association or to these Articles of Association.</p>	<p>5. إقامة دعوى بطلان أي قرار صدر من الجمعية العامة أو مجلس الإدارة مخالفاً لأحكام القانون ولائحته التنفيذية أو النظام العام أو لعقد التأسيس أو لهذا لنظام الأساسي.</p>

<p>6. To dispose of the shares he owns and to have a priority in subscribing for new shares in accordance with the provisions of the law, taking into consideration the provisions and decisions governing the rules, conditions and procedures for acquisitions and mergers issued by Central Bank of Bahrain with regards to listed joint stock companies or companies regulated by them.</p>	<p>6. التصرف في الأسهم المملوكة له وألويته في الإكتتاب بالأسهم الجديدة وفقاً لأحكام القانون، ومع الأخذ بالاعتبار الأحكام والقارارت ذات الصلة وكذلك الشروط والإجراءات الصادرة من بنك البحرين المركزي بشأن الاندماج والاستحواذ والتي تخص شركات المساهمة والشركات الخاضعة لتنظيم بنك البحرين المركزي.</p>
<p>7. The right to examine the company's records and to obtain copies thereof according to the conditions and procedures defined in the articles of association, provided that the use thereof shall not prejudice the company's interests or financial position or third-parties.</p>	<p>7. حق الاطلاع على سجلات الشركة والحصول على نسخ منها وفقاً للشروط والإجراءات المحددة في النظام الأساسي، شريطة ألا يخل ذلك باستخدام مصالح الشركة أو مركزها المالي أو أطراف ثالثة.</p>
<p>8. To file a lawsuit against the Company for the court's judgement as it deems appropriate if its affairs are being conducted in an unfair manner towards the interests of one and/or more shareholders in accordance with the provisions of the Commercial Companies' Law.</p>	<p>8. إقامة دعوى على الشركة لتحكم المحكمة بما تراه مناسباً إذا كانت شئونها تسيروا أو تم تسييرها بشكل يضر على نحو غير عادل بمصالح مساهم أو أكثر وفقاً لأحكام قانون الشركات التجارية.</p>
<p>9. Any other right provided for in accordance with the laws of the Kingdom of Bahrain.</p>	<p>9. أي حق آخر وفقاً للحقوق المكفولة بقوانين مملكة البحرين.</p>
<p>Article (16): Increase of Capital</p>	<p>المادة (16): زيادة رأس المال</p>

<p>The Company's authorised capital, by a resolution to be passed by the Extraordinary General Meeting, may be increased. The issued capital of the Company, by a resolution to be adopted by the Ordinary General Meeting, may also be increased within the authorised capital amount, provided that the issued capital must be paid in full before the increase. The approved increase in the issued capital must be made within three years following the date on which a resolution authorising the increase is issued, The issuance of new shares shall be approved by the Central Bank of Bahrain in accordance with Article 81 to 85 of the Central Bank of Bahrain and Financial Institutions' Law and the regulations issued to its effect. Provided that the nominal value of the new shares shall be equivalent to the nominal value of the original shares.</p>	<p>يجوز بقرار من الجمعية العامة غير العادية زيادة رأس مال الشركة المصرح به، كما يجوز بقرار من الجمعية العامة العادية زيادة رأس مال الشركة الصادر في حدود رأس مال الشركة المصرح به، بشرط تمام سداد قيمة رأس مال الشركة الصادر قبل الزيادة بالكامل، ويجب أن تتم زيادة رأس المال الصادر فعلاً خلال الثلاث سنوات التالية لصدور القرار المرخص بالزيادة. ويتم إصدار الأسهم الجديدة بعد الحصول على موافقة مصرف البحرين المركزي وفقاً للمواد 81 الى 85 من قانون مصرف البحرين المركزي والمؤسسات المالية واللوائح الصادرة تنفيذاً لأحكامه. ويجب أن تكون القيمة الاسمية للسهم الجديد معادلة للقيمة الاسمية للسهم الأصلية.</p>
<p>The Extraordinary General Meeting may, however, resolve to issue shares at a premium to be added to the nominal value and may fix the value of such premium. The net total of the said premium shall be added, after deduction of expenses of the share issue, to the Legal Reserve Account even if it amounts to half the capital.</p> <p>The Ministry of Industry and Commerce shall be furnished with reports and reasons necessitating an increase in all cases of increase of capital.</p> <p>The capital may be increased in one of the following methods:</p>	<p>يجوز للجمعية العامة غير العادية أن تقرر إضافة علاوة إصدار إلى القيمة الاسمية للأسهم وأن تحدد مقدارها، ويضاف صافي هذه العلاوة بعد تنزيل مصروفات الإصدار إلى الاحتياطي القانوني ولو بلغ نصف رأس المال.</p> <p>وتخطر وزارة الصناعة والتجارة بالتقارير والأسباب الموجبة للزيادة في جميع حالات زيادة رأس المال.</p> <p>وتتم زيادة رأس مال الشركة بإتباع إحدى الطرق التالية:</p>
<p>1. Issuing new shares to cover the required increase, the value of which must be fully paid in cash or in kind.</p>	<p>1. إصدار أسهم جديدة تغطي المبالغ المطلوبة للزيادة ويكون ذلك واجب السداد بالكامل نقدا او عينا.</p>
<p>2. Transfer of reserve funds to capital either by:</p>	<p>2. تحويل الاحتياطي إلى رأس مال بإحدى طريقتين:</p>
<p>a. Increasing the nominal value of the original shares without the Company requiring the shareholders to pay the difference but the difference to be recovered from the reserve funds and the new share shall be marked with its new value.</p>	<p>أ. زيادة القيمة الاسمية للأسهم الأصلية، دون أن تطلب الشركة من المساهمين دفع الفرق بل يدفع من الاحتياطي ويؤشر على الأسهم بقيمتها الجديدة.</p>

b. Issuance of new shares for the value of the increase and the new shares to be distributed to the original shareholders, without any consideration, in proportion to the number of original shares they are holding.	ب. إصدار أسهم جديدة بقيمة الزيادة، وتوزع الشركة هذه الأسهم على المساهمين الأصليين دون مقابل، كل بقدر نسبة ما يملكه من الأسهم الأصلية.
3. Converting the loan bonds issued by the Company to shares.	3. تحويل سندات القروض الصادرة من الشركة إلى أسهم.
4. Converting the Company's debt into shares in favor of the debtor.	4. تحويل ديون الشركة إلى أسهم لصالح المدين.
5. Contributing in kind shares in the Company; or	5. المساهمة بأسهم عينية في الشركة؛ أو
6. Converting the reserve or part of the distributable profits into capital through one of the following methods.	6. تحويل الاحتياطي أو جزء من الأرباح القابلة للتوزيع إلى رأسمال من خلال إحدى الطرق التالية.
Article (17): Issuance of New Shares	المادة (17): طرح أسهم جديدة
1. In the event new shares are issued in accordance with Article 16 above:	1. في حالة زيادة رأس مال الشركة وفقاً للمادة 16 أعلاه:
a) Priority to subscribe to the new shares shall be given to existing shareholders in the manner specified in Articles (128) and (129) of the Commercial Companies' Law and the Company shall follow the procedures set out in the said two Articles. The shareholders have the right to waive their priority right to these shares in accordance with a resolution of the extraordinary general meeting. The shareholders shall not have the pre-emption right subscribe into any of the following: 1. Shares issued by the Company for the purposes of employee incentive schemes. 2. Shares issued by the Company to admit a strategic partner in accordance with the provisions of CCL 127 (bis). 3. Shares issued by the Company against its debt in accordance with the provisions of CCL 127 (bis 1).	أ) يكون للمساهمين المستحقين أولوية الاكتتاب في الأسهم الجديدة على النحو المنصوص عليه في المادتين (128) و(129) من قانون الشركات التجارية ويجب على الشركة إتباع الإجراءات المنصوص عليها في المادتين المذكورتين. ويجوز للمساهمين التنازل عن حق الأولوية للغير من الأسهم الجديدة بقرار من الجمعية العامة الغير عادية. لا يكون للمساهمين الحق الاستباقي في الاكتتاب في أي مما يلي: 1. الأسهم الصادرة عن الشركة لأغراض حوافر الموظفين. 2. الأسهم الصادرة عن الشركة لقبول شريك استراتيجي وفقاً لأحكام المادة 127 (مكرر) من قانون الشركات التجارية. 3. الأسهم الصادرة عن الشركة مقابل ديونها وفقاً لأحكام المادة 127 (مكرر) من قانون الشركات التجارية.

<p>b) If the new shares are offered for public subscription, a subscription prospectus shall be prepared and shall include in particular the information required by Article (82) of the Central Bank of Bahrain and Financial Institutions' Law and the regulations issued to its effect. The prospectus shall be signed by the Chairman of the Board of Directors who shall be responsible for the accuracy of the details stated therein.</p>	<p>ب) في حالة طرح الأسهم الجديدة للاكتتاب العام يجب تحرير نشرة اكتتاب تشتمل بوجه خاص على البيانات المنصوص عليها طبقاً للمادة 82 من قانون مصرف البحرين المركزي والمؤسسات المالية واللوائح الصادرة تنفيذاً لأحكامه ويوقع النشرة رئيس مجلس الإدارة، ويكون مسئولاً عن صحة البيانات الواردة فيها.</p>
<p>2. In respect to underwriters:</p>	<p>2. حول المتعهدين:</p>
<p>a) In the event of a capital increase, the Company may have one or more underwriters to subscribe to the remaining unsubscribed shares in accordance with the provisions of the Central Bank of Bahrain and Financial Institutions Law and in line with Article (93) of the Commercial Companies' Law.</p>	<p>أ) يجوز أن يكون للشركة عند زيادة رأسمالها متعهد أو أكثر لتغطية ما يتبقى من أسهم الاكتتاب طبقاً لأحكام قانون من قانون مصرف البحرين المركزي والمؤسسات المالية وطبقاً للمادة (93) من قانون الشركات التجارية.</p>
<p>b) If the shares have not been fully subscribed for during the subscription period, the underwriters shall purchase the unsubscribed shares and may re-offer these shares to the public without complying with the procedures and restrictions of dealing in shares provided for in the Commercial Companies' Law.</p>	<p>ب) إذا لم يتم الاكتتاب في الأسهم بالكامل خلال فترة الاكتتاب، يجب على المتعهدين شراء الأسهم غير المكتتب بها ويجوز إعادة عرض هذه الأسهم على الاكتتاب العام دون الامتثال لإجراءات وقيود التعامل في الأسهم المنصوص عليها في قانون الشركات التجارية.</p>
<p>3. The Board of Directors shall publish the resolution issued in approval of the capital increase in the Official Gazette and one local daily newspaper. Such resolution shall be registered with the Commercial Register within one month from the date of increase. The resolution of increasing the share capital shall be published on the website of the Ministry of Industry and Commerce after endorsing the increase in the Commercial Registry.</p>	<p>3. يجب على مجلس الإدارة القيام بنشر القرار الصادر بزيادة رأس المال في الجريدة الرسمية وإحدى الجرائد اليومية المحلية، ويقيّد هذا القرار في السجل التجاري وذلك خلال شهر من تاريخ تحقق الزيادة. ينشر قرار زيادة رأسمال الشركة على موقع وزارة الصناعة والتجارة الإلكتروني بعد إقرار الزيادة في سجل الشركة التجاري.</p>
<p>Article (24): Board of Directors</p>	<p>المادة (24): مجلس الإدارة</p>
<p>1. The Company shall be administered by a Board of Directors consisting of 10 (ten) directors to be appointed and/or elected respectively in accordance with the provisions of these Articles of Association and Article (175) of the Law. The number of directors may be varied according to paragraph 5 of this Article (24) subject to the provisions of the Commercial Companies' Law and the Central Bank of Bahrain and</p>	<p>1. يتولى إدارة الشركة مجلس إدارة مؤلف من عشرة أعضاء يتم تعيينهم أو انتخابهم على التوالي وفق أحكام النظام الأساسي المائل وأحكام المادة (175) من قانون الشركات التجارية. وقد يتغير عدد الأعضاء وفقاً للفقرة 5 من هذه المادة (24) مع مراعاة أحكام قانون الشركات التجارية وقانون مصرف البحرين المركزي والمؤسسات المالية واللوائح الصادرة تنفيذاً له.</p>

<p>Financial Institutions' Law and the regulations issued to its effect.</p>	
<p>2. A shareholder who owns 10% or more of the capital may appoint his representative on the Board of Directors proportionately to the total number of members of the Board of Directors in accordance with Article (175) of the Commercial Companies Law, so that one member shall be appointed for each 10% shareholding in the share capital, and the shareholder shall forfeit his right of voting to elect the remaining number of Board of Directors to the extent of the percentage or percentages of shares for which an appointment is made. If the shareholder still holds a percentage that is not enough to make him eligible for appointment of another member, he may use such percentage in voting with the other shareholders who have the right to elect members of the Board of Directors (other than the appointed members) in accordance with the provisions of paragraph 3 of this Article.</p>	<p>2. يجوز للمساهم الذي يملك 10% أو أكثر من رأس المال بتعيين من يمثله في مجلس الإدارة بنفس تلك النسبة من عدد أعضاء المجلس وفقاً لأحكام المادة (175) من قانون الشركات التجارية بحيث يعين عضواً واحداً عن كل نسبة مساهمة مقدارها 10 % من رأس المال ويسقط حقه في التصويت لانتخاب العدد المتبقي من أعضاء مجلس الإدارة في النسبة أو النسب التي يتم التعيين عنها، فإذا بقي بعد ذلك نسبة من الأسهم لا تؤهله لتعيين عضو آخر جاز له استخدام تلك النسبة بالتصويت مشتركاً مع المساهمين الآخرين الذين يكون لهم الحق في انتخاب أعضاء مجلس الإدارة (غير المعينين) وفق أحكام الفقرة (3) من هذه المادة.</p>
<p>3. After making the appointments for membership of the Board of Directors by eligible shareholders through the application of the provisions of paragraph 2 above, the Ordinary General Meeting shall elect the remaining number of members of the Board of Directors by secret ballot. The election shall be by simple majority of eligible votes subject to the provisions of paragraph 2 above with respect to eligibility for voting in the election which shall be based on a list or lists of qualified nominees presented to the Ordinary General Meeting by the Board of Directors before the date of the General Meeting at which elections are scheduled to take place.</p>	<p>3. بعد إجراء التعيينات لعضوية مجلس الإدارة من قبل المساهمين المؤهلين لذلك عملاً بالفقرة (2) أعلاه، تنتخب الجمعية العامة العادية العدد المتبقي من أعضاء المجلس بالتصويت التراكمي السري. ويكون الانتخاب بالأغلبية البسيطة للأصوات المؤهلة مع مراعاة الأحكام الواردة في الفقرة (2) أعلاه فيما يتعلق بأهلية التصويت بالانتخاب والذي يتم استناداً إلى قائمة أو قوائم المرشحين المؤهلين تكون قد قدمت من مجلس الإدارة إلى الجمعية العامة العادية قبل الموعد المحدد لاجتماع الجمعية العامة العادية المقرر إجراء الانتخابات فيه.</p>
<p>4. The ordinary General Meeting may from time to time determine the number of members of the Board of Directors otherwise than specified in paragraph 1 above, provided the number of members shall at no time be less than five. The purpose of determining the number of members in this matter is to include the number of members appointed pursuant to paragraph 2 and those members elected pursuant to paragraph 3 of this Article as well as the expert members of the Board of Directors who are not shareholders but</p>	<p>4. يجوز للجمعية العامة العادية أن تحدد من وقت لآخر عدد أعضاء مجلس الإدارة غير ذلك المنصوص عليه في الفقرة (1) أعلاه من هذه المادة شريطة أن لا يقل العدد في أي وقت عن خمسة أعضاء. ويكون الغرض من تحديد عدد الأعضاء على هذا النحو شمول ذلك عدد الأعضاء المعينين بموجب الفقرة (2) والأعضاء المنتخبين بموجب الفقرة (3) أعلاه من هذه المادة وكذلك الأعضاء الذين تعينهم من وقت لآخر للجمعية العامة العادية من ذوي الخبرة ومن غير المساهمين.</p>

<p>appointed from time to time by the Ordinary General Meeting.</p>	
<p>5. Members of the Board of Directors shall be elected for a three-year renewable term. A corporate person who has appointed one or more members of the Board of Directors may replace them by others whether during the said period or on its expiry.</p>	<p>5. تكون مدة مجلس الإدارة ثلاث سنوات قابلة للتجديد. ويجوز للشخص المعنوي الذي عين عضواً أو أكثر في المجلس أن يستبدل من عينهم بغيرهم سواء كان ذلك أثناء المدة المذكورة أو في نهايتها.</p>
<p>The Company must make the following information about every candidate standing for board elections available on its website or send it to each of the shareholders separately by an approved means, starting from the date of dispatching the invitation of the general meeting:</p> <ul style="list-style-type: none"> - Curriculum vitae, including academic and professional qualifications. - Any act performed by the candidate directly or indirectly that is competitive with the Company. - Names of the companies and entities in which he/she works in or is a member of their board of directors. - Any position he/she occupies which requires an excessive amount of time. - Any other information specified by the implementing regulations. <p>The Company is required to send all the information to the Company's shareholders in any way it seems appropriate and to publish this information on all social media accounts of the Company, if any. The Company shall also include the information related to the Chairman and members of the Board of Directors in its annual report and on its website.</p>	<p>على الشركة إتاحة المعلومات التالية المتعلقة بجميع المرشحين لانتخابات مجلس الإدارة في موقعها الإلكتروني أو إرسالها لجميع المساهمين بشكل مستقل بوسيلة معتمدة، وذلك ابتداءً من تاريخ توجيه دعوة اجتماع الجمعية العمومية:</p> <ul style="list-style-type: none"> - السيرة الذاتية، متضمنة المؤهلات الأكاديمية والاحترافية. - أي عمل منافس للشركة يقوم به المرشح بشكل مباشر أو غير مباشر. - أسماء الشركات والمؤسسات التي يكون المرشح عضواً في مجلس إدارتها. - أي منصب يتطلب وقت زائد يشغله المرشح. - أي معلومات أخرى تشرطها اللوائح التنفيذية. <p>تلتزم الشركة بإرسال كافة المعلومات للمساهمين بأي طريقة تراها الشركة مناسبة ونشر هذه المعلومات على جميع حسابات الشركة في وسائل التواصل الاجتماعي إن وجدت. تدرج الشركة أيضاً المعلومات المتعلقة برئيس وأعضاء مجلس الإدارة في تقريرها السنوي وموقعها الإلكتروني.</p>
<p>An elected member of the Board of Directors may be re-elected upon the expiry of his term of office, and this shall be considered to be a new nomination which requires satisfaction by such member of all the terms and conditions required to be satisfied by a person nominated for membership of the Board of Directors for the first time as set-out in Article (25) of these Articles of Association.</p> <p>The term of office of the Board of Directors may be extended by a Resolution of the Minister of Industry and Commerce for a period not exceeding six months at the request of the Board of Directors.</p>	<p>كما يجوز إعادة انتخاب العضو المنتخب لدى انتهاء المدة التي انتخب لها ويعتبر ذلك ترشيحاً جديداً يستلزم كافة الأحكام والشروط المطلوبة للعضوية لأول مرة والمنصوص عنها في المادة (25) من هذا النظام الأساسي.</p> <p>يجوز تمديد مدة عضوية مجلس الإدارة بقرار من وزير الصناعة والتجارة لمدة لا تتجاوز ستة أشهر بناءً على طلب مجلس الإدارة.</p>

Article (31): Powers of the Board of Directors	المادة (31): صلاحيات مجلس الإدارة
<p>The Board of Directors may exercise all the powers and do all the acts necessary for the management of the Company in accordance with its objects, save to the extent limited by the Commercial Companies' Law, the Central Bank of Bahrain regulations, these Articles of Association, the resolutions of the General Meeting or any other applicable law.</p>	<p>يجوز لمجلس الإدارة ممارسة جميع الصلاحيات والقيام بكافة الإجراءات اللازمة لإدارة الشركة وفقاً لأهدافها، ما عدا ما يحدده قانون الشركات التجارية، ولوائح مصرف البحرين المركزي، والنظام الأساسي المائل، وقرارات الجمعية العامة أو أي قانون آخر معمول به.</p>
<p>The Board of Directors shall in particular have the power to establish the necessary regulations for the organization of work and management of the Company's business, appoint manager(s), officers or employees and remove them, determine their duties and fix their remuneration. The Board of Directors is empowered to form Executive, Audit, Remuneration, Corporate Governance and other Committees, appoint their members and specify their powers.</p>	<p>يتمتع مجلس الإدارة على وجه التحديد بصلاحيات وضع اللوائح اللازمة لتنظيم أعمال الشركة وإدارة نشاطاتها اليومية، وتعيين الأعضاء أو المسؤولين أو الموظفين وعزلهم وتحديد مهامهم وتحديد مكافآتهم. وللمجلس السلطة في تشكيل اللجنة التنفيذية ولجنة التدقيق ولجنة حوكمة الشركات ولجنة الأجور وغيرها من اللجان وتعيين أعضائها وتحديد صلاحياتهم.</p>
<p>The Board of Directors is empowered to purchase, sell and mortgage movables, properties and all rights and privileges, rent and lease, transfer and sell, withdraw funds and securities owned by the Company, borrow funds for a tenor exceeding three years, issue securities, give guarantees to third parties, give authorization to institute all actions and defend the interests of the Company before the judiciary whether as plaintiff or defendant, enter into agreements for gift, conciliation, arbitration and receipt and release and assign the Company's priority rights whether for consideration or otherwise and to decide on the manner of utilizing the Company's funds.</p>	<p>يحق لمجلس الإدارة صلاحية شراء وبيع ورهن المنقولات والعقارات وجميع الحقوق والامتيازات والإيجارات والتأجير والنقل والبيع وسحب الأموال والأوراق المالية المملوكة للشركة، واقتراض الأموال لمدة تزيد على ثلاث سنوات، وإصدار الأوراق المالية، إعطاء الضمانات للأطراف الأخرى، وإعطاء تفويض لاتخاذ جميع الإجراءات والدفاع عن مصالح الشركة أمام المحاكم سواء كمدع أو مدعى عليه، وإبرام اتفاقيات للحصول على المنح، والتصلح، والتحكيم، واستلامها أو إبرائها، وتعيين حقوق أولوية الشركة سواء بمقابل أو بدون مقابل أو خلاف ذلك والبت في طريقة الاستفادة من أموال الشركة.</p>
<p>The Board of Directors may pass on such power, or any part thereof, within the limits of authority, to the Chief Executive Officer and/or senior management of the Company, by adoption of a Board Resolution. Such delegation of power shall not absolve the directors of any liability in connection thereto.</p>	<p>يجوز لمجلس الإدارة نقل جميع تلك الصلاحيات أو بعضها، مع مراعاة حدود صلاحياتها، إلى الرئيس التنفيذي و / أو الإدارة التنفيذية العليا للشركة، بعد موافقة وقرار يصدر عن مجلس الإدارة. ولا يعني تفويض تلك الصلاحيات الأعضاء من أي مسؤولية فيما يتعلق بذلك.</p>

<p>The Board of Directors may delegate one or more of its members to undertake the actual management of the Company. The Board of Directors shall set-out the jurisdiction of such managing director.</p>	<p>كما يجوز لمجلس الإدارة تفويض عضو واحد أو أكثر من أعضائه للقيام بالإدارة التنفيذية للشركة. وعلى مجلس الإدارة أن يحدد اختصاص هذا العضو المنتدب لذلك.</p>
<p>a. An audit committee shall be formed by a resolution of the board of directors to review the accounting and financial practices of company, the accounting auditing and associated works and to evaluate whether the provisions of law and company statute and policies are complied with or not. Companies Management and Governance Charter shall identify the requirements of forming the audit committee and its operating systems and its member's remuneration. The Corporate Governance Code defines the composition, specializations, scope of work and remuneration of its members.</p>	<p>أ. يتم تشكيل لجنة للتدقيق بقرار من مجلس الإدارة لمراجعة الممارسات المحاسبية والمالية للشركة، ومراجعة الحسابات والأعمال المرتبطة بها، والعمل على تقييم وضمان امتثال الشركة لأحكامها ودستورها وسياساتها. يحدد ميثاق إدارة وحوكمة الشركات متطلبات تكوين لجنة التدقيق وأنظمة التشغيل الخاصة بها وأجور أعضائها.</p> <p>تحدد مدونة حوكمة الشركة تكوين العمل وتخصصاته ونطاقه وأجور أعضائه.</p>
<p>Article (43): Remuneration of Members of the Board of Directors</p>	<p>المادة (43): مكافآت أعضاء مجلس الإدارة</p>
<p>1. The Ordinary General Meeting shall establish the remuneration of members of the Board of Directors, subject to the provisions of Article (188) of the Commercial Companies' Law and the decisions issued by the Minister of Industry and Commerce and the Central Bank of Bahrain law and regulations.</p>	<p>1. يحدد اجتماع الجمعية العامة العادية مكافأة أعضاء مجلس الإدارة، وتخضع للأحكام المنصوص عليها في المادة (188) من قانون الشركات التجارية، والقرارات الصادرة عن وزير الصناعة والتجارة وقانون ولوائح مصرف البحرين المركزي.</p>
<p>2. Total remuneration of the Board of Directors may not exceed 10% of the Company's net profits, after deducting statutory reserves and after distributing a profit of not less than 5% of the Company's paid capital, subject always to the approval of the General Meeting.</p> <p>The Board of Directors' report to the General Meeting shall include a comprehensive account of all payments to the Board members during the financial year, including salaries, profit shares, representation allowances, attendance allowances and expenses and the like. The report shall also include an account of the amounts paid to the members of the Board in their capacities as employees and administrators, and what they have received for technical, administrative or consulting services or any other business.</p>	<p>2. لا يجوز أن يتجاوز إجمالي مكافأة أعضاء مجلس الإدارة 10% من صافي أرباح الشركة بعد خصم الاحتياطات القانونية وبعد توزيع ربح لا يقل عن 5% من رأس مال الشركة المدفوع، بعد الحصول على موافقة الجمعية العامة.</p> <p>يتضمن تقرير مجلس الإدارة إلى الجمعية العامة بيان شاملاً لكل ما حصل عليه أعضاء مجلس الإدارة خلال السنة المالية من رواتب ونصيب في الأرباح وبدل حضور وبد تمثلي ومصروفات وغيرها كما يشتمل التقرير المذكور على بيان ما قبضه أعضاء المجلس بوصفهم موظفين أو إداريين أو ما قبضوه نظير أعمال فنية أو إدارية أو استشارية أو أية أعمال أخرى.</p>

<p>The aforementioned report shall also include the total remuneration of the executive management members, represented by all members who received during the fiscal year the six highest remunerations, including any salaries, privileges, benefits and shares and a share in the profits, which shall, in any case include the Chief Executive Officers and the Chief Financial Officer.</p>	<p>كما يجب أن يشتمل تقرير مجلس الإدارة على بيان إجمالي ما تحصيل عليه أعضاء الإدارة التنفيذية للشركة المتمثلة في جميع الأعضاء ممن تقاضوا خلال السنة المالية أعلى ست مكافآت متضمنة أية رواتب ومنافع ومزايا وأسهم ونصيب في الأرباح، على أن يكون من بينهم كل من الرئيس التنفيذي والمسؤول المالي الأعلى في الشركة في جميع الأحوال. ويجب تضمين كافة البيانات المذكورة في الفقرتين الأولى والثانية من هذه المادة في تقرير مجلس الإدارة وفقاً للنماذج التي تُعدها الوزارة.</p>
<p>3. Members of the Board of Directors may not take any benefits from any projects or investments which are managed by the Company or promoted to its existing or potential customers, except in cases where the conflict of interest is governed by the Commercial Companies' Law and the Corporate Governance Code.</p>	<p>3. لا يجوز لأعضاء مجلس الإدارة الاستفادة من أي مشاريع أو استثمارات تديرها الشركة أو تروج لعملائها الحاليين أو المحتملين، إلا في الحالات التي تنظم عملية تعارض المصالح المنصوص عليها في قانون الشركات التجارية وميثاق حوكمة الشركات.</p>
<p>5. In the years that the Company has not generated any profits, remuneration to the members of the Board of Directors shall be in compliance with Article (188) of the Commercial Companies Law.</p>	<p>5. في السنوات التي لم تحقق فيها الشركة أي أرباح، تكون مكافآت أعضاء مجلس الإدارة وفقاً للمادة (188) من قانون الشركات التجارية.</p>
<p>Article (45): General Provisions Applicable to Ordinary General Meeting</p>	<p>المادة (45): أحكام عامة بشأن الجمعيات العامة</p>
<p>1. Application</p>	<p>1. انطباقها</p>
<p>These provisions apply to General Meetings of Shareholders whether they are Ordinary or Extraordinary and shall be complementary to the provisions provided in these Articles of Association in respect of each of the two types of General Meetings.</p>	<p>تنطبق هذه الأحكام على الجمعيات العامة للمساهمين سواء كانت عادية أو غير عادية وتعتبر مكملة للأحكام الواردة في هذا النظام الأساسي بالنسبة لكل نوع من نوعي الجمعيات العامة.</p>
<p>2. Convening General Meetings</p>	<p>2. الدعوة إلى انعقاد الجمعيات العامة</p>

<p>(a) The ordinary general assembly of the shareholders shall convene at an invitation by the Chairman of the Board of Directors at the time and place (in-person and/or via electronic means of communications) to be determined by the Board of Directors subject to the provisions of the Commercial Companies' Law. The general assembly shall convene at least once a year during the three months following the end of Company financial year.</p>	<p>أ. تنعقد الجمعية العامة العادية للمساهمين بدعوة من رئيس مجلس الإدارة في المكان والزمان (شخصياً أو عن طريق الوسائل الإلكترونية للتواصل) اللذين يحددهما مجلس الإدارة مع مراعاة أحكام قانون الشركات التجارية. ويجب أن تعقد الجمعية مرة واحدة على الأقل في السنة، على أن يكون ذلك خلال الشهور الثلاثة التالية لنهاية السنة المالية للشركة.</p>
<p>(b) The Board of Directors shall invite the ordinary general assembly to convene upon a request by the auditor or by a number of shareholders representing at least 10% of company capital. The auditor may invite the ordinary general assembly to convene in the circumstances mentioned in these Articles and Article 218 of the Commercial Companies Law.</p>	<p>ب. على مجلس الإدارة دعوة الجمعية العامة العادية الى الانعقاد إذا طلب ذلك مدقق الحسابات أو عدد من المساهمين يمثل 10% من رأس مال الشركة. ولمدقق الحسابات أن يدعو الجمعية العامة العادية للانعقاد في الأحوال المذكورة في هذا النظام و المادة 218 من قانون الشركات التجارية.</p>
<p>c) The Ministry of Industry and Commerce may invite the general assembly to convene in the following cases: 1. If a period of one month has lapsed from the date specified to convene the general assembly without convening it. 2. If the number of the board members becomes less than the minimum number required for the meeting to be valid. 3. If the Board of Directors failed to invite the ordinary general assembly to convene within one month from the day following the date of the request submitted to it as per paragraph (b) of this article. 4. If the Minister of Industry and Commerce found that, it is necessary to invite the general assembly to convene and he issued a justified order thereof. 5. If requested by the entity concerned with supervising the company's activity in the cases in which Ministry of Industry and Commerce is not the entity concerned with that.</p>	<p>ج. يجوز لوزارة الصناعة والتجارة أن تدعو الجمعية العامة العادية إلى الانعقاد، في أي من الحالات التالية: 1. إذا انقضت فترة شهر واحد من التاريخ المحدد لعقد الجمعية العامة دون عقدها. 2. إذا أصبح عدد أعضاء مجلس الإدارة أقل من العدد الأدنى المطلوب للاجتماع ليكون صحيحاً. 3. في حال لم يقوم مجلس الإدارة بدعوة الجمعية العامة العادية للانعقاد خلال شهر واحد من اليوم التالي لتاريخ الطلب المقدم إليها وفق الفقرة (ب) من هذه المادة. 4. إذا ارتأى وزير الصناعة والتجارة أنه من الضروري دعوة الجمعية العامة للانعقاد وأصدر قراراً يبرر ذلك. 5. إذا طلبت الجهة المعنية بالإشراف على نشاط الشركة في الحالات التي لا تكون فيها وزارة الصناعة والتجارة هي الجهة المعنية بذلك.</p>

<p>(d) The invitation to the shareholders to convene the ordinary general assembly shall be published in at least two local daily newspapers; one in Arabic and the other in English. The publication shall be made at least 21 days before the meeting and shall include the agenda of the meeting.</p>	<p>د. تنشر الدعوة إلى المساهمين لعقد اجتماع الجمعية العامة العادية في ما لا يقل عن صحيفتين يوميتين محليتين: أحدهما باللغة العربية والآخر بالإنجليزية. وأن يسبق النشر الاجتماع بـ 21 يوماً على الأقل وأن يتضمن جدول أعمال الاجتماع.</p>
<p>3. Details of the Notice</p>	<p>3. بيانات الدعوة</p>
<p>Notice of convening General Meetings shall include in particular the following details a. Date, time and place of the General Meeting. b. Type of General Meeting. c. Agenda for the General Meeting.</p>	<p>يجب أن تتضمن الدعوة لاجتماع الجمعية العامة على الأخص البيانات الآتية: أ. تاريخ وزمن، ومكان انعقاد الجمعية العامة. ب. نوع الجمعية العامة. ج. جدول الأعمال.</p>
<p>4. The Agenda</p>	<p>4. جدول الأعمال</p>
<p>The Board of Directors shall prepare the agenda for the Ordinary or Extraordinary General Meetings. In cases where the General Meeting may be summoned by the shareholders or at the request of the Auditors or on a directive from the Ministry of Industry and Commerce, the agenda shall be prepared by those who summoned the meeting. No issues other than those stated on the agenda shall be debated, subject to provisions of Article (207) of the Commercial Companies Law.</p>	<p>يضع مجلس الإدارة جدول أعمال الجمعية العامة منعقدة بصفة عادية أو غير عادية. وفي الأحوال التي يجوز فيها عقد الجمعية العامة بناء على طلب المساهمين أو مدققي الحسابات أو وزارة الصناعة والتجارة، يضع جدول الأعمال من طلب انعقاد الجمعية، ولا يجوز بحث أية مسألة غير مدرجة في جدول الأعمال مع مراعاة أحكام المادة (207) من قانون الشركات التجارية.</p>
<p>5. Attendance, Representation & Proxy</p>	<p>5. الحضور، والتمثيل والوكالة</p>
<p>Each shareholder, regardless of the number of the shares he holds, shall have the right to attend the general assembly, and he shall have a number of votes equal to the number of shares he holds in the Company. Any provision or resolution to the contrary shall be null and void. A shareholder may delegate a person from among the shareholders or from non-shareholders to attend the general assembly on his behalf, provided that the proxy shall not be the chairman or from among the members of the Board of Directors or from among the Company's employees. However, this shall not prejudice the right to appoint a proxy for relatives to the first degree of relationship.</p>	<p>يغض النظر عن عدد الأسهم التي يملكها، يكون لكل مساهم الحق في حضور الجمعية العامة، ويكون لديه عدد من الأصوات مساو لعدد الأسهم التي يملكها في الشركة. يكون أي حكم أو قرار على خلاف ذلك لاغياً وباطلاً. يجوز للمساهم تفويض شخص من بين المساهمين أو من غير المساهمين لحضور الجمعية العامة نيابة عنه، شريطة ألا يكون الوكيل هو الرئيس أو من بين أعضاء مجلس الإدارة أو من بين موظفي الشركة. ومع ذلك، لا يمس هذا الحق في تعيين وكيل للأقارب إلى الدرجة الأولى من العلاقة. يكون ذلك بموجب توكيل خاص يتم إثباته كتابياً لهذا الغرض من قبل الشركة. بالنسبة للأشخاص الذي لا يملكون القدرة أو الأهلية القانونية فيتم تمثيلهم بواسطة ممثلهم القانونيين. تقوم الشركة بإعداد بطاقات خاصة لعدد الأسهم التي يملكها المساهم وللأسهم التي يمثلها نيابة عن المساهمين</p>

<p>This shall be by virtue of a special power of attorney evidenced in writing designated for this purpose by the Company. Persons lacking capacity or under legal incapacity shall be represented by their legal representatives. The Company shall prepare special cards for the number of shares a shareholder holds and for the shares he represents on behalf of other shareholders. Proxies and the capacity of the delegation with the Company must be made before at least twenty four (24) hours before the meeting. No member may vote for himself or on behalf of whoever he represents on issues in which he has personal interest or on a dispute existing between him and the Company.</p>	<p>الآخرين. يجب أن يتم إصدار التفويض أو الوكالة قبل (24) ساعة على الأقل من الاجتماع. لا يجوز لأي عضو التصويت لنفسه أو نيابة عن الشخص الذي يمثله في مسائل التي لها مصلحة شخصية أو في نزاع قائم بينه وبين الشركة.</p>
<p>6. Chairmanship of the Meeting</p>	<p>6. ترؤس الاجتماع</p>
<p>General Meetings shall be presided over by the Chairman of the Board of Directors, the Deputy Chairman or any other person appointed by resolution of the Board of Directors or the General Meeting for this purpose.</p>	<p>يتأثر اجتماعات الجمعية العامة العادية رئيس مجلس الإدارة أو نائبه أو أي شخص آخر يعين بقرار من مجلس الإدارة أو من الجمعية العامة لهذه الغاية.</p>
<p>7. Attendance Record</p>	<p>7. سجل الحضور</p>
<p>a. Shareholders shall enter their names in a special register to be prepared at the head office of the Company at least 24 hours before the time fixed for holding the General Meeting. The said register shall include the names of shareholders, the number of shares owned by them, and the number of shares they represent and the names of the owners of the said shares and the documents evidencing their appointment and proxies. The shareholder shall be given an attendance card wherein shall be indicated the number of votes to which he is entitled as a principal or proxy.</p>	<p>أ. يسجل المساهمون أسماءهم في سجل خاص يعد لذلك في مركز الشركة قبل الموعد المحدد لانعقاد الجمعية العامة بأربع وعشرين ساعة على الأقل. ويتضمن السجل أسماء المساهمين وعدد الأسهم التي يملكونها وعدد الأسهم التي يمثلونها وأسماء مالكيها مع تقديم سند التعيين أو الإنابة ويعطى المساهم بطاقة لحضور الاجتماع يذكر فيها عدد الأصوات التي يستحقها أصالة ووكالة .</p>
<p>b. The Chairman shall at the beginning of the Meeting nominate vote checkers who shall be appointed with the approval of the General Meeting. Vote checkers may be appointed from non-shareholders. The Chairman shall ask the Auditors and vote checkers to determine the percentage of attendance of</p>	<p>ب. يعين رئيس الجمعية في بداية الاجتماع أسماء جامعي أصوات المساهمين اللذين تقرر الجمعية العامة تعيينهم ويجوز تعيينهم من غير المساهمين. ويطلب الرئيس من مدققي الحسابات وجامعي الأصوات تحديد نسبة حضور المساهمين وإثبات ذلك في السجل الخاص بذلك والتوقيع عليه ثم يعلنه الرئيس للاجتماع.</p>

shareholders and to enter such percentage in the special register which shall be signed by them and then declared by the Chairman to the meeting.	
8. Minutes of the Meeting	8. محاضر الاجتماعات
a. The Chairman of the General Meeting shall appoint from among the shareholders or third parties a secretary who shall draw up minutes of the General Meeting in which there shall be entered the number of shares represented at the Meeting whether by the shareholder in person or by proxy, and the percentage thereof to the total issued and paid-up capital. The minutes shall also contain a full summary of all issues discussed at the General Meeting and resolutions adopted thereat as well as the number of votes cast for or against such resolutions. To the minutes shall be attached a list of the names of shareholders attending the General Meeting and the number of shares they represent by the shareholder in person or by proxy.	أ. على رئيس الجمعية العامة أن يعين من بين المساهمين أو من غيرهم أمين سر يتولى إعداد محضر بوقائع اجتماعات الجمعية العامة يثبت فيه عدد الأسهم الممثلة في الاجتماع أصالة أو وكالة ونسبتها إلى مجموع أسهم رأس المال الصادر والمدفوع. ويحتوي المحضر كذلك على خلاصة وافية لجميع مناقشات الجمعية العامة والقرارات التي اتخذت فيها مع ذكر نصاب التصويت مع أو ضد هذه القرارات. ويرفق بالمحضر جدولاً بأسماء الحاضرين للاجتماع وعدد الأسهم التي يمثلونها أصالة أو وكالة.
b. The minutes shall be co-signed by the Chairman of the meeting and the secretary appointed to draw up the minutes. The certified original copy of the minutes shall be taken as evidence of the details contained therein and as a source of producing true copies thereof by the Company.	ب. يتم التوقيع على المحضر بشكل مشترك من قبل رئيس الاجتماع وأمين السر الذي تم تعيينه لوضع محضر الاجتماع. تؤخذ النسخة الأصلية المعتمدة من المحضر كدليل على التفاصيل الواردة فيها وكصدر لإنتاج نسخ طبق الأصل لها من قبل الشركة.
Article (46): Quorum	المادة (46): صحة نصاب الاجتماعات
The Ordinary General Meeting shall not be valid unless attended by shareholders having voting rights and representing more than one half of the Company's share capital. If said quorum is not obtained, the Ordinary General Meeting shall be called to convene for a second meeting with the same agenda to be held within a period of not less than seven calendar days and not more than fifteen calendar days after the date of the first meeting. The second meeting shall be valid if attended by shareholders having the right to vote and representing more than 30% of the Company's share capital at least. If this quorum is not available,	لا يكون انعقاد الجمعية العامة العادية صحيحاً إلا إذا حضره مساهمون لهم حق التصويت ويمثلون أكثر من نصف رأس مال الشركة. فإذا لم يتوافر هذا النصاب وجب دعوة الجمعية العامة العادية إلى اجتماع ثانٍ لذات جدول الأعمال ذاته يعقد بعد مدة لا تقل عن سبعة أيام تقويمية ولا تزيد على خمسة عشر يوماً تقويمياً من تاريخ الاجتماع الأول. ولا يكون الاجتماع الثاني صحيحاً إلا إذا حضره مساهمون لهم حق التصويت يمثلون أكثر من 30% من رأس مال الشركة على الأقل. وإذا لم يتوافر هذا النصاب وجب دعوة الجمعية العامة العادية إلى اجتماع ثالث لذات جدول الأعمال يعقد بين سبعة وخمسة عشر يوم تقويمي بعد تاريخ الاجتماع الثاني، ويكون الاجتماع الثالث صحيحاً أي كان عدد الحاضرين. ويجوز ألا توجه دعوة جديدة للاجتماعين الثاني والثالث إذا كان قد حُد

<p>an invitation shall be sent for a third meeting to be held with the same agenda within seven to fifteen calendar days from the date fixed for the second meeting. The third meeting shall be valid irrespective of the number of shareholders present. New notices of the second and third meetings need not be sent, if their dates were fixed in the notice given in respect of the first meeting, provided that notice shall be published to the effect that these two meetings were not held in at least two local daily newspapers; one in Arabic and the other in English.</p>	<p>تاريخهما في الدعوة إلى الاجتماع الأول شريطة أن يتم نشر عدم انعقاد أي من هذين الاجتماعين في ما لا يقل عن صحيفتين يوميتين محليتين: أحدهما باللغة العربية والآخر بالإنجليزية.</p>
<p>Article (47): Voting</p>	<p>المادة (47): التصويت</p>
<p>1. Voting at the General Meeting shall be by show of hands or any manner approved by the General Meeting to include voting by virtual means of communication. Voting shall be by secret ballot if the resolution concerns the election or dismissal of a member of the Board of Directors or filing action against him or when the Chairman of the Board or a number of shareholders representing at least one tenth of the number of votes present at the Meeting request voting by secret ballot.</p>	<p>1. يكون التصويت في الجمعية العامة برفع الأيدي أو بأية طريقة أخرى تقرها الجمعية العامة لكي يتضمن التصويت بالوسائل الافتراضية للتواصل. ويجب أن يكون التصويت بطريق الاقتراع السري إذا كان القرار متعلقاً بانتخاب أعضاء مجلس الإدارة أو بعزلهم أو إقامة دعوى المسؤولية عليهم أو إذا طلب ذلك رئيس مجلس الإدارة أو عدد من المساهمين يمثلون عشر الأصوات الحاضرة في الاجتماع على الأقل.</p>
<p>2. Directors may not participate in voting on resolutions of the General Meeting pertaining to fixing their salaries, remuneration or their exemption from liability for their management.</p>	<p>2. لا يجوز لأعضاء مجلس الإدارة الاشتراك في التصويت على قرارات الجمعية العامة العادية في شأن تحديد رواتبهم ومكافآتهم أو إبراء ذمتهم أو إخلاء مسؤوليتهم عن الإدارة.</p>
<p>3. The resolutions of the Ordinary General Meeting shall be valid, if passed by an absolute majority of shares represented at the Meeting. In the event of of a tie, the Chairman of the meeting shall have the casting vote.</p>	<p>3. لا تكون قرارات اجتماع الجمعية العامة العادية نافذة إلا بموافقة الأغلبية المطلقة للأسهم الممثلة في الاجتماع. وفي حال تساوي الأصوات يكون صوت من ترأس الاجتماع مرجحاً.</p>
<p>Article (51): Invalidity of Resolutions</p>	<p>المادة (51): بطلان القرارات</p>
<p>Any shareholder may file an action of nullity and claim for compensation, when required, on any resolution passed by the ordinary or extraordinary general assembly in accordance with Article (215) and (215</p>	<p>يجوز لأي مساهم رفع دعوى بطلان ومطالبة بالتعويض، عند الاقتضاء، عن أي قرار يصدر عن الجمعية العامة العادية أو غير العادية وفقاً للمادة (215) و (215 مكرر) من قانون الشركات</p>

<p>repeated) of the CCL, or public order or the Company's Memorandum and Articles of Association.</p> <p>Each shareholder may bring the claim against the Company's Board of Directors separately if the Company fails to raise it and if the damage caused a direct harm to him as a shareholder after he notifies the Company by a registered letter at least 30 days prior filing the case. The shareholder may request during the proceedings the defendant or a third party to provide any documentation which are relevant to the subject matter without the need to specify each document separately.</p>	<p>التجارية بما يتعارض مع أحكام القانون، أو النظام العام أو عقد الشركة ونظامها الأساسي.</p> <p>لكل مساهم رفع دعوى ضد مجلس إدارة الشركة بشكل منفصل إذا فشلت الشركة في إثارتها وإذا تسببت أخطاء مجلس الإدارة في ضرر مباشر له كمساهم بعد أن يخطر الشركة بريد مسجل قبل 30 يوم (ثلاثون يوماً) على الأقل من رفع الدعوى. للمساهم أن يطلب من المدعى عليه أو من الغير أي مستندات مرتبطة بموضوع الدعوى طيلة فترة التقاضي والمرافعات دون الحاجة إلى تحديد كل مستند على حدة.</p>
<p>a. Without prejudice to the rights of bona fide third parties, the judgment of nullity shall lead to considering the resolution of the general assembly null and void as it was not existent. The Board of Directors should publish the nullity judgment in a daily local newspaper.</p>	<p>أ. دون الإخلال بحقوق الأطراف الأخرى بحسن النية، يؤدي حكم البطلان إلى اعتبار قرار الجمعية العامة لاغياً وباطلاً لأنه لم يكن. يجب على مجلس الإدارة نشر حكم البطلان في صحيفة محلية يومية.</p>
<p>b. Any shareholder may require, during the consideration of the nullity action referred to in the first paragraph of this article, to bind the defendant or third parties to submit any documents under their possession which are relevant to the action subject matter.</p>	<p>ب. يجوز لأي مساهم أن يطلب، أثناء النظر في دعوى البطلان المشار إليه في الفقرة الأولى من هذه المادة، إلزام المدعى عليه أو أطراف أخرى بتقديم أي وثائق تحت حيازتهم تكون ذات صلة بموضوع الإجراء.</p>
<p>c. The nullity action, referred to in paragraph (a) of this article shall be barred after the lapse of sixty (60) days from the date in which the shareholder became aware of the general assembly resolution or after the lapse of one year from the date of the resolution, whichever is lapsed earlier. Filing the nullity action shall not entail suspension of the implementation of the resolution unless otherwise ordered by the court.</p>	<p>ج. يحظر رفع دعوى البطلان المشار إليها في الفقرة الأولى من هذه المادة بعد مرور ستين (60) يوماً من تاريخ علم المساهم بقرار الجمعية العامة أو بعد انقضاء سنة واحدة من تاريخ القرار، أيًا كان قد انقضى سابقاً. لا يترتب على رفع دعوى البطلان تعليق تنفيذ القرار ما لم تأمر المحكمة بغير ذلك.</p>
<p>d. Any shareholder may file an action of nullity and claim for compensation, when required, on any resolution passed by the ordinary or extraordinary general assembly if such resolution is in favor of certain category of shareholders or bringing special benefit for the board members or any third parties, or issued to cause damage to specific category of</p>	<p>د. يجوز لأي مساهم رفع دعوى بطلان ومطالبة بالتعويض، عند الاقتضاء، عن أي قرار تتخذه الجمعية العامة العادية أو غير العادية إذا كان هذا القرار لصالح فئة معينة من المساهمين أو يحقق فائدة خاصة لأعضاء المجلس أو لأي طرف ثالث أو إصداره يلحق ضرر بفئة معينة من المساهمين، أو المساس بحقوق الأقلية دون اعتبار لمصلحة الشركة.</p>

shareholder, or prejudice to the rights of minority without considering the company's interest.	
e. Without prejudice to the rights of bona fide third parties, the judgment of nullity, pursuant to paragraph (a) of this article, shall lead to considering the resolution of the general assembly null and void as it was not existent. In the cases other than violating the law, the court may confirm, amend or cancel the resolution or postpone its execution until carrying out a proper analysis.	هـ. مع عدم الإخلال بحقوق الغير بحسن نية، فإن حكم البطلان، وفقا للفقرة (د) من هذه المادة، سوف يؤدي إلى اعتبار قرار الجمعية العامة لاغيا وباطلا كأنه لم يكن. في الحالات الأخرى غير مخالفة القانون، يجوز للمحكمة أن تؤكد أو تعدل أو تلغي القرار أو تأجيل تنفيذه الى أن يتم تعديل الوضع القائم بذلك الخصوص.
f. The names of the shareholders shall be entered in a special register to be prepared for this purpose at the Company's Head Office at least twenty-four (24) hours before the meeting. This register shall include the names of the shareholders, names of the proxies, the number of shares they own and the number of shares they represent whether directly or by proxy.	ف. تُدرج أسماء المساهمين في سجل خاص يتم إعداده لهذا الغرض في المكتب الرئيسي للشركة قبل 24 ساعة على الأقل من الاجتماع. يشمل هذا السجل أسماء المساهمين وأسماء الوكلاء وعدد الأسهم التي يمتلكونها وعدد الأسهم التي يمثلونها سواء بشكل مباشر أو بالوكالة.
Article (57): Distribution of Net Profits	المادة (57): كيفية توزيع الأرباح الصافية
The net profits of the Company shall be distributed in the following manner:	توزع أرباح الشركة الصافية على الوجه الآتي:
a. 10% of the net profits shall be set aside every year for the Statutory Reserve. Such deduction may be discontinued when such Statutory Reserve attains 50% of the paid up capital. If the Statutory Reserve falls below said proportion, deduction shall be resumed until it attains the abovementioned percentage. If the reserve exceeds 50% of the issued share capital, the general assembly may decide to distribute the excess amount to the shareholders in years in which the Company does not achieve any distributable profits.	أ. يتم تخصيص 10% من صافي الربح كل عام للاحتياطي القانوني. قد يتم إيقاف هذا الخصم عندما يصل هذا الاحتياطي القانوني إلى 50% من رأس المال المدفوع. إذا انخفض الاحتياطي القانوني عن النسبة المذكورة، يجب استئناف الخصم حتى يبلغ النسبة المذكورة أعلاه. إذا زاد الاحتياطي على 50% من رأسمال الشركة، للجمعية العمومية توزيع المبلغ الفائض على المساهمين في السنوات التي لا تحقق الشركة فيها أي أرباح قابلة للتوزيع.
b. The Statutory Reserve shall not be distributed among shareholders. However, it may be utilized as security for the distribution of dividends to the shareholders, not exceeding 5% of the paid up capital, when the net profits of the Company are insufficient	ب. ولا يجوز توزيع الاحتياطي الإجباري (القانوني) على المساهمين وإنما يجوز استعماله لتأمين توزيع أرباح على المساهمين لا تزيد على 5% من رأس المال المدفوع في السنوات التي لا تسمح فيها أرباح الشركة بتأمين هذا الحد.

to permit the distribution of dividends at the said percentage.	
c. Subject to the approval of the General Meeting, a percentage of the net profits realized by a sale of any of the Company's fixed assets or out of any compensation therefrom may be distributed, provided that this shall not prevent the Company from restoring its assets to their original condition or from buying new fixed assets.	ج. ويجوز بموافقة الجمعية العامة توزيع نسبة من الأرباح الصافية التي تحققها الشركة نتيجة بيع أصل من الأصول الثابتة أو التعويض عنه بشرط أن لا يترتب على ذلك عدم تمكين الشركة من إعادة أصولها إلى ما كانت عليه أو شراء أصول ثابتة جديدة.
d. The General Meeting may, on the recommendation of the Board of Directors, decide to allocate annually a percentage of the net profits to the voluntary reserve account. The voluntary reserve shall be used for the purposes determined by the General Meeting including such as the depreciation of Company's assets, making up for any fall in the value thereof or converting it into capital.	د. يجوز أن تقرر الجمعية العامة، بناءً على توصية مجلس الإدارة، تخصيص نسبة مئوية من الأرباح الصافية سنوياً لحساب الاحتياطي الاختياري. يستخدم الاحتياطي الاختياري للأغراض التي يحددها اجتماع الجمعية العامة بما في ذلك على سبيل المثال استهلاك ممتلكات الشركة، وتعويض أي انخفاض في قيمتها أو تحويلها إلى رأس مال.
e. The balance remaining of the profits shall be divided among the shareholders as additional dividends or carried over at the proposal of the Board of Directors to the following financial year or be utilized in building up contingency reserve or a reserve fund for unusual depreciation.	هـ. يوزع الباقي من الأرباح بعد ذلك على المساهمين كحصة إضافية للأرباح أو يرحل بناء على اقتراح مجلس الإدارة إلى السنة المقبلة أو يخصص لإنشاء احتياطي الطوارئ أو احتياطي الاستهلاك غير العادي.

To replace Ministry of Industry, Commerce and Tourism with Ministry of Industry & Commerce.	استبدال وزارة الصناعة والتجارة والسياحة بوزارة الصناعة والتجارة في جميع المواد (حيثما كان ذلك مناسباً).
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Aluminium Bahrain B.S.C. (Alba) المنيوم البحرين ش.م.ب. (البا)

3. Authorize the Board of Directors to allow who is deemed fit for making the necessary arrangements to amend and document the Memorandum and Articles of Association.