

Aluminium Bahrain B.S.C.

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

31 MARCH 2025 (Reviewed)

REPORT ON THE REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF ALUMINIUM BAHRAIN B.S.C.

Introduction

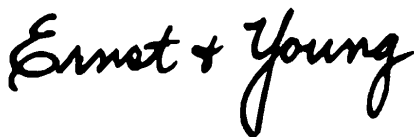
We have reviewed the accompanying interim condensed consolidated financial statements of Aluminium Bahrain B.S.C. ("the Company") and its subsidiaries (together "the Group") as at 31 March 2025, comprising of the interim consolidated statement of financial position as at 31 March 2025 and the related interim consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended and explanatory notes. The Group's Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard (IAS) 34 "*Interim Financial Reporting*". Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.



Partner's Registration No. 115
13 May 2025
Manama, Kingdom of Bahrain

Aluminium Bahrain B.S.C.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2025

		31 March 2025 (Reviewed) BD '000	31 December 2024 (Audited) BD '000
	Note		
ASSETS			
Non-current assets			
Property, plant and equipment		1,854,849	1,865,839
Derivative financial instruments	4	7,476	8,897
Trade and other receivables		4,364	4,805
Deferred tax assets		76	76
		<u>1,866,765</u>	<u>1,879,617</u>
Current assets			
Inventories		460,173	405,263
Trade and other receivables		301,519	270,300
Derivative financial instruments	4	4,273	4,372
Bank balances and cash		74,166	113,800
		<u>840,131</u>	<u>793,735</u>
TOTAL ASSETS		<u>2,706,896</u>	<u>2,673,352</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		142,000	142,000
Treasury shares		(5,325)	(4,939)
Statutory reserve		71,000	71,000
Capital reserve		249	249
Cash flow hedge reserve	4	11,453	12,782
Retained earnings		1,683,319	1,702,849
TOTAL EQUITY		<u>1,902,696</u>	<u>1,923,941</u>
Non-current liabilities			
Loans and borrowings		340,308	339,440
Lease liabilities		9,010	6,796
Employees' end of service benefits		1,215	1,113
		<u>350,533</u>	<u>347,349</u>
Current liabilities			
Loans and borrowings		226,311	189,209
Lease liabilities		1,604	1,018
Trade and other payables		225,752	211,835
		<u>453,667</u>	<u>402,062</u>
TOTAL LIABILITIES		<u>804,200</u>	<u>749,411</u>
TOTAL EQUITY AND LIABILITIES		<u>2,706,896</u>	<u>2,673,352</u>



Khalid Al Rumaihi
Chairman



Isa Bin Khalid Bin Abdulla Al Khalifa
Director



Ali Al Baqali
Chief Executive Officer

The attached notes 1 to 12 form part of these interim condensed consolidated financial statements.



Aluminium Bahrain B.S.C.

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three months ended 31 March 2025 (Reviewed)

		Three-month period ended		
		31 March	31 March	
		2025	2024	
		BD '000	BD '000	
Note				
	Revenue from contracts with customers	6	408,952	334,564
	Cost of revenue		(358,156)	(277,310)
	GROSS PROFIT		50,796	57,254
	Other income		2,011	1,288
	Foreign exchange gain (loss) - net		1,707	(1,086)
	General and administrative expenses		(12,043)	(12,169)
	Selling and distribution expenses		(13,692)	(11,194)
	Finance costs		(9,317)	(9,980)
	Changes in fair value of derivatives financial instruments	4	(191)	337
	PROFIT FOR THE PERIOD BEFORE TAX		19,271	24,450
	Income tax		(1,153)	-
	PROFIT FOR THE PERIOD		18,118	24,450
	BASIC AND DILUTED EARNINGS PER SHARE (FILS)	8	13	17



Khalid Al Rumaihi
Chairman



Isa Bin Khalid Bin Abdulla Al Khalifa
Director



Ali Al Baqali
Chief Executive Officer

The attached notes 1 to 12 form part of these interim condensed consolidated financial statements.




Aluminium Bahrain B.S.C.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 31 March 2025 (Reviewed)

	Note	Three-month period ended	
		31 March 2025 BD '000	31 March 2024 BD '000
PROFIT FOR THE PERIOD		18,118	24,450
OTHER COMPREHENSIVE (LOSS) / INCOME			
<i>Other comprehensive (loss) / income that may be reclassified to profit or loss in subsequent periods:</i>			
Effective portion of changes in fair values of cash flow hedge	4	(1,329)	3,235
		(1,329)	3,235
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		16,789	27,685



Khalid Al Rumaihi
Chairman



Isa Bin Khalid Bin Abdulla Al Khalifa
Director



Ali Al Baqali
Chief Executive Officer

The attached notes 1 to 12 form part of these interim condensed consolidated financial statements.



Aluminium Bahrain B.S.C.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2025 (Reviewed)

	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 1 January 2025		142,000	(4,939)	71,000	249	12,782	1,702,849	1,923,941
Profit for the period		-	-	-	-	-	18,118	18,118
Effective portion of changes in fair values of cash flow hedge	4	-	-	-	-	(1,329)	-	(1,329)
Total comprehensive (loss) income for the period		-	-	-	-	(1,329)	18,118	16,789
Net movement in treasury shares		-	(386)	-	-	-	(19)	(405)
Final dividend for 2024 approved and paid	5	-	-	-	-	-	(37,629)	(37,629)
Balance at 31 March 2025		142,000	(5,325)	71,000	249	11,453	1,683,319	1,902,696
Balance at 1 January 2024		142,000	(4,591)	71,000	249	13,901	1,566,673	1,789,232
Profit for the period		-	-	-	-	-	24,450	24,450
Effective portion of changes in fair values of cash flow hedge	4	-	-	-	-	3,235	-	3,235
Total comprehensive income for the period		-	-	-	-	3,235	24,450	27,685
Net movement in treasury shares		-	(58)	-	-	-	529	471
Final dividend for 2023 approved and paid	5	-	-	-	-	-	(22,516)	(22,516)
Balance at 31 March 2024		142,000	(4,649)	71,000	249	17,136	1,569,136	1,794,872

The attached notes 1 to 12 form part of these interim condensed consolidated financial statements.

Aluminium Bahrain B.S.C.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended 31 March 2025 (Reviewed)

		Three-month period ended	
		31 March 2025	31 March 2024
	Note	BD '000	BD '000
OPERATING ACTIVITIES			
Profit for the period before tax		19,271	24,450
Adjustments for:			
Depreciation and amortisation		37,610	33,374
Provision for employees' end of service benefits		444	442
(Reversal of provision) provision for slow moving inventories		(112)	26
Allowance for expected credit losses		796	-
Loss on disposal of property, plant and equipment		253	298
Changes in fair value of derivative financial instruments	4	191	(337)
Interest income		(844)	(248)
Forex loss (gain) on revaluation of loans and borrowings and bank balances - net		8	(583)
Finance costs		9,317	9,980
Operating profit before changes in working capital		66,934	67,402
Working capital changes:			
Inventories		(54,798)	(23,886)
Trade and other receivables		(31,487)	12,043
Trade and other payables		11,292	(126)
Net cash (used in) generated from operations		(8,059)	55,433
Employees' end of service benefits paid		(342)	(453)
Net cash flows (used in) generated from operating activities		(8,401)	54,980
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(27,610)	(18,956)
Proceeds from disposal of property, plant and equipment		2	2
Interest received		757	442
Net cash flows used in investing activities		(26,851)	(18,512)
FINANCING ACTIVITIES			
Proceeds from loans and borrowings		315,022	201,803
Repayment of loans and borrowings		(277,921)	(192,577)
Interest on loans and borrowings paid		(2,928)	(2,026)
Payment of lease liabilities		(513)	(216)
Dividends paid	5	(37,629)	(22,516)
Purchase of treasury shares		(1,725)	(3,457)
Proceeds from resale of treasury shares		1,320	3,928
Net cash flows used in financing activities		(4,374)	(15,061)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(39,626)	21,407
Cash and cash equivalents at 1 January		113,800	59,632
Effect of movement in exchange rates on bank balances and cash		(8)	360
CASH AND CASH EQUIVALENTS AT 31 MARCH		74,166	81,399

The attached notes 1 to 12 form part of these interim condensed consolidated financial statements.

Aluminium Bahrain B.S.C.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

For the three months ended 31 March 2025 (Reviewed)

	<i>Three-month period ended</i>	
	31 March	31 March
	2025	2024
	BD '000	BD '000
Cash and cash equivalents comprise:		
Bank balances	50,972	78,411
Short term deposits with maturities of three months or less	23,033	2,957
Cash in hand	161	31
Bank balances and cash in interim consolidated statement of financial position	74,166	81,399

The attached notes 1 to 12 form part of these interim condensed consolidated financial statements.

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Aluminium Bahrain B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025

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 - Main Market. The Company has its registered office at Building 150, Road 94, Block 951, Askar Kingdom of Bahrain.

The Company's majority shareholder is Bahrain Mumtalakat Holding Company B.S.C. (c) ("Mumtalakat"), a company wholly owned by the Government of the Kingdom of Bahrain through the Ministry of Finance 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.

During the period ended 31 March 2025, SABIC Industrial Investments Company (SIIC) sold its total 20.62% shareholding in the Company to Saudi Arabian Mining Company (Ma'aden) which then became a shareholder in Alba.

The Group comprises the Company and the following subsidiaries:

Name	Country of incorporation	Ownership interest		Principal activities
		31 March 2025	31 December 2024	
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 period ended 31 March 2025, the Company and Daiki Aluminium Industry Co. Limited ("Daiki") signed a joint venture shareholder's agreement, wherein it was agreed to establish a new subsidiary. On 6 March 2025, 'Alba-Daiki Sustainable Solutions W.L.L.' was registered. This new company will be engaged in Aluminium dross processing, with the Company and Daiki holding 70% and 30% of the shares, respectively.

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

The interim condensed consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 13 May 2025.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS

At 31 March 2025

2 MATERIAL ACCOUNTING POLICIES

Basis of preparation

The interim condensed consolidated financial statements for the three-month period ended 31 March 2025 have been prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting".

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024. In addition, results for the three months ended 31 March 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

New amendment in standard adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new amendment effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

One amendment applies for the first time in 2025, but does not have an impact on the interim condensed consolidated financial statements of the Group.

- *Lack of exchangeability - Amendments to IAS 21 - The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.*

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.

Seasonality of operations

The Group does not have significant income of seasonal nature.

Contingencies

The Group discloses its contingent liabilities for the pending litigations and claims against the Group based on its judgment and the advice of the legal advisors for the estimated financial outcome. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognised at the balance sheet date. However, based on the best judgment of the Group and the likely outcome of these litigations and claims as at 31 March 2025, there is no need to recognise any liability at the balance sheet date.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The significant accounting judgements and estimates used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024.



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025

4 DERIVATIVE FINANCIAL INSTRUMENTS

	31 March 2025 (Reviewed) BD '000	31 December 2024 (Audited) BD '000
<i>Classified in the interim consolidated statement of financial position:</i>		
- Positive fair values - assets arising from IRS		
Non-current portion	7,476	8,897
Current portion (a)	3,977	3,885
	<u>11,453</u>	<u>12,782</u>
- Positive fair values - asset arising from commodity derivatives - current portion (b)	<u>296</u>	<u>487</u>
Positive fair values - assets arising from IRS and commodity derivatives - current portion (a+b)	<u>4,273</u>	<u>4,372</u>
<i>Three-month period ended</i>		
	31 March 2025 (Reviewed) BD '000	31 March 2024 (Reviewed) BD '000
<i>Recognised in interim consolidated statements of profit or loss and other comprehensive income:</i>		
<i>Changes in fair value of derivative financial instruments related to:</i>		
- Interest rate swap cash flow hedge (note i)	<u>(1,329)</u>	<u>3,235</u>
- Commodity derivatives (FVTPL) recognised in statement of profit or loss (note ii)	<u>(191)</u>	<u>337</u>

(i) This represents the difference between the Mark-to-Market (MTM) value of IRS as at 31 March 2025 and 31 December 2024.

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, commodity futures and forward swaps to meet customer pricing requirement.

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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS

At 31 March 2025

4 DERIVATIVE FINANCIAL INSTRUMENTS (continued)

Interest rate swaps (continued)

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 interim consolidated statement of comprehensive income as other comprehensive (loss) / income.

The amortised notional amount outstanding as at 31 March 2025 was BD 144,119 thousand with fixed rate of 1.483% (31 December 2024: BD 144,119 thousand with fixed rate of 1.483%) over the term of the contract.

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 interim consolidated statement of profit or loss as a reclassification adjustment upon settlement of IRS.

(ii) Commodity derivatives

The Group enters into derivative contracts to reduce the price risk on behalf of its customers and a portion of its production. 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 interim consolidated statement of profit or loss.

During the period ended 31 March 2025, the Group entered into commodity future and forward swap contracts to reduce the price risk on behalf of its customers for a total volume of 30,550 metric tonnes (31 March 2024: 20,150 metric tonnes). Outstanding contracts as of 31 March 2025 were 18,850 metric tonnes (31 December 2024: 9,775 metric tonnes) and these mature between one to six months from the period ended 31 March 2025.

During the period ended 31 March 2025, the Group entered into derivative transactions as a strategic hedge (for a very small percentage of production) against LME price for a total volume of 8,000 metric tonnes (31 March 2024: 6,000 metric tonnes). Outstanding contracts as of 31 March 2025 were 37,500 metric tonnes (31 December 2024: 45,500 metric tonnes) and these mature within twelve months from the period ended 31 March 2025.

5 DIVIDEND

At the Annual General Meeting held on 12 March 2025, the Company's shareholders approved the final dividend of BD 0.02658 per share, excluding treasury shares, totaling to BD 37,633,403 for the year ended 31 December 2024. Based on the outstanding shares at the 'Record date' of 20 March 2025, a total of BD 37,629,258 has been fully paid as of 31 March 2025 to Bahrain Clear B.S.C. (c) (31 December 2024: final dividend of BD 0.01590 per share, excluding treasury shares, totaling BD 22,516,433 for the year ended 31 December 2023 approved and paid during the year).



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025

6 REVENUE FROM CONTRACTS WITH CUSTOMERS

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

	<i>Three-month period ended</i>	
	<i>31 March</i>	<i>31 March</i>
	<i>2025</i>	<i>2024</i>
	<i>BD '000</i>	<i>BD '000</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
a) Type of goods		
Billet	144,967	110,099
Slab	56,312	32,651
Foundry	97,059	93,725
Liquid	81,143	64,136
Ingots	28,241	29,230
Alumina trading	-	4,467
	407,722	334,308
Pricing adjustments *	1,230	256
	408,952	334,564

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

	<i>Three-month period ended</i>	
	<i>31 March</i>	<i>31 March</i>
	<i>2025</i>	<i>2024</i>
	<i>BD '000</i>	<i>BD '000</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
b) Geographical markets		
Kingdom of Bahrain	115,980	95,995
Europe	95,305	86,161
Rest of the Middle East and North Africa	73,187	59,165
Asia	51,100	50,471
Americas	73,380	42,772
	408,952	334,564

c) Customer concentration

Revenue from sale of aluminium to the three major customers of the Group amounted to BD 101,379 thousand with one of the customers individually accounting for more than 10% of the total revenue from contracts with customers for the three month period ended 31 March 2025 (the three major customers amounted to BD 93,729 thousand with one of the customers individually accounting for more than 10% of the total revenue from contracts with customers for the three month period ended 31 March 2024).

7 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 disclosures of profit or loss, assets and liabilities are provided as this disclosure will be identical to the interim consolidated statement of financial position and interim consolidated statement of profit or loss of the Group.



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025

8 EARNINGS PER SHARE

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

	<i>Three-month period ended</i>	
	31 March	31 March
	2025	2024
	(Reviewed)	(Reviewed)
Profit for the period (BD '000)	18,118	24,450
Weighted average number of shares net of treasury shares - thousands of shares	1,415,532	1,415,947
Basic and diluted earnings per share (fils)	13	17

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 this interim condensed consolidated financial statements.

9 COMMITMENTS AND CONTINGENCIES**a) Commitments***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 59,475 thousand (31 December 2024: BD 74,828 thousand). The commitments are expected to be settled within 1 to 5 years from the reporting date.

Letters of credit

At 31 March 2025, the Group has outstanding letters of credit to counterparties of BD 1,686 thousand (31 December 2024: BD 4,077 thousand).

b) Contingencies

- i) 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 scheme. The total value of these letters of guarantee is BD 13,077 thousand as at 31 March 2025 (31 December 2024: BD 13,415 thousand).
- ii) At 31 March 2025, the Group had contingent liabilities in respect of the bank guarantees amounting to BD 25,566 thousand (31 December 2024: BD 25,566 thousand) from which it is anticipated that no material liabilities will arise.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025

10 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent shareholders, directors, 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 services 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 interim consolidated statement of profit or loss are as follows:

	<i>Three-month period ended</i>	
	31 March	31 March
	2025	2024
	BD '000	BD '000
	(Reviewed)	(Reviewed)
Other related parties		
<i>Revenue and other income</i>		
Sale of aluminium	43,337	28,083
Sale of water	267	216
Interest income	103	112
	43,707	28,411
	<i>Three-month period ended</i>	
	31 March	31 March
	2025	2024
	BD '000	BD '000
	(Reviewed)	(Reviewed)
Other related parties		
<i>Cost of revenue and expenses</i>		
Purchase of natural gas and diesel	56,394	61,398
Net power exchange import	6,687	4,443
Interest on loans and borrowings	513	662
Purchase of raw materials	175	190
Amortisation of deferred cost on IRS	298	298
Others	368	146
	64,435	67,137

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025

10 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Balances with related parties

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

	31 March 2025 BD '000 (Reviewed)	31 December 2024 BD '000 (Audited)
Other related parties		
Assets		
Trade receivables	20,081	6,662
Other receivables - net of allowance for expected credit loss of BD 5,894 thousand (31 December 2024: BD 5,894 thousand)	2,510	2,510
Bank balances	1,492	1,346
Derivative financial instruments - interest rate swap (note 4)	11,453	12,782
	35,536	23,300
	31 March 2025 BD '000 (Reviewed)	31 December 2024 BD '000 (Audited)
Liabilities		
Trade payables	25,644	21,540
Loans and borrowings	31,193	31,193
Interest payable on loans and borrowings	892	379
	57,729	53,112

Outstanding trade payables balances at period/ year end arise in the normal course of business are interest free, unsecured and payable on demand.

Compensation of key management personnel

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

	Three-month period ended	
	31 March 2025 BD '000 (Reviewed)	31 March 2024 BD '000 (Reviewed)
Short term benefits	944	968
End of service benefits	28	23
Contributions to Alba Savings Benefit Scheme	27	24
SIO Contribution (ALBA share)	12	11
	1,011	1,026

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS

At 31 March 2025

11 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.

Fair value of financial instruments

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

Financial assets consist of bank balances and cash, short term deposits and trade and other receivables. Financial liabilities consist of trade and other payables, loans and borrowings and lease liabilities. Derivative financial instruments consist of the interest rate swaps and commodity future.

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 March 2025 and as at 31 December 2024, the Group's derivative financial instruments, related to interest rate swaps and commodity and trade receivables (subject to provisional pricing) are measured at fair value and categorised as Level 2 as per the hierarchy. The Group does not have any financial instruments categorised as Level 1 or Level 3.

The fair values of other financial instruments are not materially different from their carrying values as of the reporting date largely due to the short term maturities and floating rate of borrowings which are similar to observed market rate of the group's liabilities.

During the period/ year ended 31 March 2025 and 31 December 2024, 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.

12 DOMESTIC MINIMUM TOP-UP TAX

The Global Anti-Base Erosion Pillar Two Model Rules ("GloBE rules") established by the Organization for Economic Cooperation and Development ("OECD") apply to multinational enterprise ("MNE") groups with total annual consolidated revenue exceeding EUR 750 million in at least two of the four preceding fiscal years.

In line with the requirements of GloBE rules, the Kingdom of Bahrain has issued and enacted Decree Law No. (11) of 2024 ("Bahrain DMTT law") on 1 September 2024 introducing a domestic minimum top-up tax ("DMTT") of up to 15% on the taxable income of the Bahrain resident entities within the Group for fiscal years beginning on or after 1 January 2025.



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS

At 31 March 2025

12 DOMESTIC MINIMUM TOP-UP TAX (continued)

The Company is domiciled and operates in the Kingdom of Bahrain and has assessed that it falls under the scope of the Bahrain DMTT law effective 1 January 2025. Under similar regulations enacted in other countries (based on GloBE rules), the Group's subsidiaries may also be subject to a top-up tax in 2025 in relation to its operations in United States and Guernsey. Based on the Group's assessment of applicability of the Bahrain DMTT law and GloBE rules, while it is within the scope of the DMTT law and GloBE rules, the tax liability for the fiscal year 2025 is expected to be nil, as the Group expects to meet the following conditions for a temporary relief - Exclusion for Initial Phase of International Activity:

- The Group shall be present in less than 6 jurisdictions.
- The net book value of tangible assets (outside of Bahrain) shall not exceed EUR 50 million.
- The Company ownership shall not be held in any jurisdiction applying OECD Income Inclusion Rule.

A handwritten signature, possibly 'PFO', with the letter 'H' written below it.