

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

**30 JUNE 2018 (REVIEWED)**

## **REPORT ON THE REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF ALUMINIUM BAHRAIN B.S.C.**

### ***Introduction***

We have reviewed the accompanying interim consolidated statement of financial position of Aluminium Bahrain B.S.C. ('the Company') and its subsidiaries (together "the Group") as at 30 June 2018, and the related interim consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended and explanatory notes. The Company's Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 ("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. Consequently, it 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.



23 July 2018  
Manama, Kingdom of Bahrain

# Aluminium Bahrain B.S.C.


## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2018 (Reviewed)

	30 June 2018 Reviewed BD '000	31 December 2017 Audited BD '000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,504,646	1,242,073
Other assets	4,032	4,128
Derivative financial instruments	3,503	-
Deferred tax asset	19	19
	<u>1,512,200</u>	<u>1,246,220</u>
<b>Current assets</b>		
Inventories	235,182	198,577
Trade and other receivables	158,730	163,924
Derivative financial instruments	840	-
Bank balances and cash	45,099	77,459
	<u>439,851</u>	<u>439,960</u>
<b>TOTAL ASSETS</b>	<u>1,952,051</u>	<u>1,686,180</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	142,000	142,000
Treasury shares	(2,346)	(2,690)
Statutory reserve	71,000	71,000
Capital reserve	249	249
Retained earnings	868,207	805,029
Proposed dividend	-	36,806
<b>Total equity</b>	<u>1,079,110</u>	<u>1,052,394</u>
<b>Non-current liabilities</b>		
Borrowings	620,259	453,611
Employees' end of service benefits	1,402	1,564
Derivative financial instruments	-	412
	<u>621,661</u>	<u>455,587</u>
<b>Current liabilities</b>		
Borrowings	-	22,050
Trade and other payables	251,141	156,058
Derivative financial instruments	139	91
	<u>251,280</u>	<u>178,199</u>
<b>Total liabilities</b>	<u>872,941</u>	<u>633,786</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,952,051</u>	<u>1,686,180</u>



Daij Bin Salman Bin Daij Al Khalifa  
Chairman



Yousif Taqi  
Director



Tim Murray  
Chief Executive Officer

The attached notes 1 to 9 form part of these interim condensed consolidated financial statements.

# Aluminium Bahrain B.S.C.

## INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2018 (Reviewed)

	Note	Three months ended		Six months ended	
		30 June	30 June	30 June	30 June
		2018	2017	2018	2017
		BD '000	BD '000	BD '000	BD '000
Revenue from contracts with customers	6	243,985	179,316	465,244	369,731
Cost of sales		(209,610)	(156,577)	(390,909)	(310,641)
<b>GROSS PROFIT</b>		<b>34,375</b>	<b>22,739</b>	<b>74,335</b>	<b>59,090</b>
Other income		(201)	5,751	5,118	6,484
Gain on foreign exchange		7,172	326	4,516	412
Selling and distribution expenses		(5,022)	(2,482)	(9,827)	(6,709)
General and administrative expenses		(7,817)	(6,565)	(14,736)	(13,052)
Finance costs		(347)	(637)	(643)	(1,214)
Changes in fair value of derivative financial instruments		965	(944)	4,845	(1,215)
<b>PROFIT FOR THE PERIOD BEFORE TAX</b>		<b>29,125</b>	<b>18,188</b>	<b>63,608</b>	<b>43,796</b>
Tax		(25)	(534)	(642)	(541)
<b>PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>29,100</b>	<b>17,654</b>	<b>62,966</b>	<b>43,255</b>
Basic and diluted earnings per share (fils)	3	21	12	44	31

Daij Bin Salman Bin Daij Al Khalifa  
Chairman

Yousif Taqi  
Director

Tim Murray  
Chief Executive Officer

The attached notes 1 to 9 form part of these interim condensed consolidated financial statements.

# Aluminium Bahrain B.S.C.

## INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2018 (Reviewed)

	Share capital BD '000	Treasury shares BD '000	Statutory reserve BD '000	Capital reserve BD '000	Retained earnings BD '000	Proposed dividend BD '000	Total BD '000
Balance at 1 January 2018	142,000	(2,690)	71,000	249	805,029	36,806	1,052,394
Total comprehensive income for the period	-	-	-	-	62,966	-	62,966
Net movement in treasury shares	-	344	-	-	-	-	344
Gain on resale of treasury shares	-	-	-	-	126	-	126
Final dividend for 2017 approved and paid (note 8)	-	-	-	-	-	(36,720)	(36,720)
Excess of final dividend for 2017 reversed	-	-	-	-	86	(86)	-
<b>Balance at 30 June 2018</b>	<b>142,000</b>	<b>(2,346)</b>	<b>71,000</b>	<b>249</b>	<b>868,207</b>	<b>-</b>	<b>1,079,110</b>

	Share capital BD '000	Treasury shares BD '000	Statutory reserve BD '000	Capital reserve BD '000	Retained earnings BD '000	Proposed dividend BD '000	Total BD '000
Balance at 1 January 2017	142,000	(4,965)	71,000	249	779,813	-	988,097
Total comprehensive income for the period	-	-	-	-	43,255	-	43,255
Net movement in treasury shares	-	3,685	-	-	-	-	3,685
Loss on resale of treasury shares	-	-	-	-	(976)	-	(976)
Final dividend for 2016 approved and paid (note 8)	-	-	-	-	(29,658)	-	(29,658)
Balance at 30 June 2017	142,000	(1,280)	71,000	249	792,434	-	1,004,403

The attached notes 1 to 9 form part of these interim condensed consolidated financial statements.

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# Aluminium Bahrain B.S.C.

## INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2018 (Reviewed)

	Six months ended	
	30 June	30 June
	2018	2017
Note	BD '000	BD '000
<b>OPERATING ACTIVITIES</b>		
Profit for the period before tax	63,608	43,796
Adjustments for:		
Depreciation	32,305	33,345
Amortisation of other asset	96	96
Provision for employees' end of service benefits	731	732
Provision (reversal of provision) for slow moving inventories	54	(159)
Provision (reversal of provision) for impairment of trade receivables - net	1	(160)
Loss on disposal of property, plant and equipment	877	743
Changes in fair value of derivative financial instruments	(4,845)	1,215
Interest income	(177)	(186)
Forex (gain) loss on revaluation of borrowings	(5,935)	515
Interest on borrowings	502	1,447
Operating profit before working capital changes	87,217	81,384
Working capital changes:		
Inventories	(36,659)	(34,707)
Trade and other receivables	5,193	(57,352)
Trade and other payables	97,675	33,251
Cash from operations	153,426	22,576
Employees' end of service benefits paid	(893)	(620)
Tax paid	(642)	(541)
Net cash flows from operating activities	151,891	21,415
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(295,825)	(144,375)
Proceeds from disposal of property, plant and equipment	71	43
Interest income received	177	186
Net cash flows used in investing activities	(295,577)	(144,146)
<b>FINANCING ACTIVITIES</b>		
Borrowings availed	172,566	206,800
Borrowings repaid	(22,033)	(73,757)
Interest on borrowings paid	(2,957)	(1,541)
Dividends paid	(36,720)	(29,658)
Purchase of treasury shares	(2,662)	(2,040)
Proceeds from resale of treasury shares	3,132	4,749
Net cash flows from financing activities	111,326	104,553
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents at 1 January	77,459	66,413
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE</b>		
	45,099	48,235

### Non-cash item

1) Movements in unpaid finance costs of BD 2,455 thousand (2017: BD 94 thousand) have been excluded from the movement of trade and other payables.

The attached notes 1 to 9 form part of these interim condensed consolidated financial statements.

# Aluminium Bahrain B.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED

### FINANCIAL STATEMENTS

At 30 June 2018 (Reviewed)

#### 1 ACTIVITIES

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

Subsequent to the Initial Public Offering (IPO) on November 23, 2010, the Company became a Bahrain Public Joint Stock Company and had 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), a company wholly owned by the Government of the Kingdom of Bahrain through the Ministry of Finance, which holds 69.38% of the Company's share capital.

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

The Group comprises of the Company and the following subsidiaries:

Name	<u>Effective ownership</u>		Country of incorporation	Principal activity
	30 June 2018	31 December 2017		
Aluminium Bahrain US, Inc.	100%	100%	United States of America (USA)	Selling and distribution of aluminium throughout the Americas
ALBA Club S.P.C.	100%	100%	Kingdom of Bahrain	Provider of recreational and sports facilities

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

The interim condensed consolidated financial statements were authorised for issue by the Board of Directors on 23 July 2018.

#### 2 SIGNIFICANT ACCOUNTING POLICIES

##### Basis of preparation

The interim condensed consolidated financial statements of the Group for the six month period ended 30 June 2018 have been prepared in accordance with International Accounting Standard 34 ("IAS 34"), "Interim Financial Reporting".

The interim condensed consolidated financial statements do not contain all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2017. In addition, the results for the six month period ended 30 June 2018 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2018.

##### New and amended standards and interpretations

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 2017 except for the adoption of new standards and interpretations effective as of 1 January 2018. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS

At 30 June 2018 (Reviewed)

**2 SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

The Group applies, for the first time, IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments.

Several other amendments and interpretations apply for the first time in 2018, but do not have a significant impact on the interim condensed consolidated financial statements of the Group.

***IFRS 15 Revenue from Contracts with Customers***

IFRS 15 supersedes IAS 11 Construction Contracts, IAS 18 Revenue and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

**Sale of goods**

The Group's contracts with customers for the sale of goods generally include one performance obligation. The Group has concluded that revenue from sale of goods should be recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of goods. Therefore, the adoption of IFRS 15 did not have an impact on the timing of revenue recognition.

**Variable consideration**

Some contracts for the sale of goods provide customers with volume discounts. Under IFRS 15, volume discounts give rise to variable consideration. The variable consideration is estimated at contract inception and constrained until the associated uncertainty is subsequently resolved. The application of the constraint on variable consideration increases the amount of revenue that will be deferred.

**a) Volume discounts**

The Group provides retrospective volume discounts to certain customers on the products purchased by the customer once the quantity of products purchased during the period exceeds a threshold specified in the contract.

Under IFRS 15, retrospective volume discounts give rise to variable consideration. To estimate the variable consideration, the Group applied the 'expected value method'. The selected method that best predicts the amount of variable consideration was primarily driven by the number of volume thresholds contained in the contract. The Group then applies the requirements on constraining estimates of variable consideration. The Group has not recognised any liabilities for the expected future discounts during the six months ended 30 June 2018.

***IFRS 9 Financial Instruments***

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement, impairment and hedge accounting.



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NOTES TO THE INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS  
At 30 June 2018 (Reviewed)

**2 SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

**IFRS 9 Financial Instruments (continued)**

**(a) Classification and measurement**

Under IFRS 9, 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.

Under IFRS 9, debt financial instruments are subsequently measured at fair value through profit or loss (FVPL), amortised cost or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion').

The new classification and measurement of the Group's debt financial assets are, as follows:

Debt instruments at amortised cost for financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. This category includes the Group's trade and other receivables.

The assessment of the Group's business models was made as of the date of initial application, 1 January 2018, and then applied retrospectively to those financial assets that were not derecognised before 1 January 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The accounting for the Group's financial liabilities remains largely the same as it was under IAS 39. The adoption of the classification and measurement requirements of IFRS 9 did not have any effect on the Group's interim condensed consolidated financial statements.

**(b) Impairment**

The adoption of IFRS 9 has changed the Group's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach.

IFRS 9 requires the Group to record an allowance for ECLs for all loans and other debt financial assets not held at FVPL.

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. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For trade and other receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's 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.

The adoption of the ECL requirements of IFRS 9 did not have any material effect on the Group's interim condensed consolidated financial statements as the Group has no historical credit loss experience except for an isolated case and forward-looking factors do not indicate any default.

# Aluminium Bahrain B.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2018 (Reviewed)

### 3 EARNINGS PER SHARE

	<i>Three months ended 30 June (Reviewed)</i>		<i>Six months ended 30 June (Reviewed)</i>	
	<b>2018</b>	2017	<b>2018</b>	2017
Profit for the period - BD '000	<b>29,100</b>	17,654	<b>62,966</b>	43,255
Weighted average number of shares outstanding - thousands of shares	<b>1,416,943</b>	1,417,259	<b>1,415,725</b>	1,412,691
Basic and diluted earnings per share – fils	<b>21</b>	12	<b>44</b>	31

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

### 4 DERIVATIVE FINANCIAL INSTRUMENTS

The Group does not engage in proprietary trading activities in derivatives. However, the Group enters into derivative transactions to hedge economic risks under its risk management guidelines that may not qualify for hedge accounting under IFRS 9. Consequently, gains or losses resulting from the re-measurement to fair value of these derivatives are taken to the interim condensed consolidated statement of comprehensive income.

#### Interest rate swaps

The Group entered into interest rate swap transactions for US\$ 0.75 billion floating rate borrowings for financing the line 6 project to manage overall financing costs. These contracts expire on 20 September 2023. The notional amount outstanding as at 30 June 2018 was US\$ 750,000 thousand (2017: US\$ 550,000 thousand).

#### Commodity futures

The Group entered into commodity futures contracts to reduce the price risk on behalf of its customers for 7,950 metric tonnes (2017: 32,400 metric tonnes).

### 5 FINANCIAL INSTRUMENTS

#### Fair values

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

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

Set out below is an overview of financial instruments, other than bank balances, held by the Company as at 30 June 2018 and 31 December 2017:

#### 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:

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2018 (Reviewed)

## 5 FINANCIAL INSTRUMENTS (continued)

### Fair value hierarchy (continued)

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

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

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

As at 30 June 2018, the Group's derivative financial instruments are measured at fair value. These are Level 2 as per the hierarchy above for the six months ended 30 June 2018. The Company does not have financial instruments qualifying for Level 1 or Level 3 classification.

During the six month period ended 30 June 2018, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements (31 December 2017: same).

## 6 OPERATING SEGMENT INFORMATION

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

### a) Product

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

	Three months ended 30 June (Reviewed)		Six months ended 30 June (Reviewed)	
	2018	2017	2018	2017
	BD '000	BD '000	BD '000	BD '000
Sale of aluminium	232,742	166,404	452,287	344,363
Sale of alumina	11,243	12,017	12,954	20,612
Sale of calcined coke	-	895	3	4,756
	<b>243,985</b>	<b>179,316</b>	<b>465,244</b>	<b>369,731</b>

### b) Geographic information

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

	Three months ended 30 June (Reviewed)		Six months ended 30 June (Reviewed)	
	2018	2017	2018	2017
	BD '000	BD '000	BD '000	BD '000
Kingdom of Bahrain	75,336	72,642	160,960	150,327
Europe	47,098	33,638	101,747	70,902
Rest of the Middle East and North Africa	51,011	32,954	76,079	64,692
Asia	30,117	16,341	56,774	39,333
Americas	40,423	23,741	69,684	44,477
<b>Total revenue from contracts with customers</b>	<b>243,985</b>	<b>179,316</b>	<b>465,244</b>	<b>369,731</b>

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

# Aluminium Bahrain B.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2018 (Reviewed)

### 6 OPERATING SEGMENT INFORMATION (continued)

#### c) Customers

Revenue from sale of aluminium to the two major customers of the Group amounted to BD 124,554 thousand with one of the customers accounting for more than 10% of total revenue from contracts with customers (30 June 2017: two major customers accounted for BD 120,900 thousand, each being more than 10% of the total revenue from contracts with customers for the period).

### 7 COMMITMENTS

As of 30 June 2018, the Group had commitments amounting to BD 125,939 thousand relating to the capital expenditure contracted for at the reporting date (31 December 2017: BD 157,076 thousand).

### 8 DIVIDEND

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

At the Annual General Meeting held on 21 March 2017, the Company's shareholders approved the Board of Directors' proposal to pay a dividend of BD 0.021 per share (excluding treasury shares) totalling BD 29,658 thousand relating to 2016, which was paid as of 30 June 2017.

### 9 RELATED PARTY TRANSACTIONS

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

In the ordinary course of business, the Group purchases supplies and services from parties related to the Government of the Kingdom of Bahrain, principally natural gas and public utility services. A royalty, based on production, is also paid to the Government of the Kingdom of Bahrain.

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

	<i>Three months ended</i> <i>30 June (Reviewed)</i>		<i>Six months ended</i> <i>30 June (Reviewed)</i>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>BD '000</b>	<b>BD '000</b>	<b>BD '000</b>	<b>BD '000</b>
<b>Other related parties</b>				
<b>Revenue and other income</b>				
Sale of metal	<b>9,456</b>	19,896	<b>28,597</b>	43,656
Sale of water	<b>171</b>	306	<b>361</b>	579
	<b>9,789</b>	20,202	<b>29,120</b>	44,235
<b>Cost of sales and expenses</b>				
Purchase of natural gas and diesel	<b>38,509</b>	20,772	<b>72,568</b>	52,042
Purchase (sale) of electricity	<b>626</b>	(604)	<b>2,380</b>	1,698
Royalty	<b>1,045</b>	848	<b>2,120</b>	1,879
	<b>40,180</b>	21,016	<b>77,068</b>	55,619

# Aluminium Bahrain B.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2018 (Reviewed)

### 9 RELATED PARTY TRANSACTIONS (continued)

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

	<b>30 June 2018 Reviewed BD '000</b>	<b>31 December 2017 Audited BD '000</b>
<b>Other related parties</b>		
<b>Assets</b>		
Trade receivables	15,348	13,808
Bank balances	368	1,175
	<b>15,716</b>	<b>14,983</b>
<b>Liabilities</b>		
Trade payables	61,529	24,663
Term loan	22,727	17,709
Other payables	202	471
	<b>84,458</b>	<b>42,843</b>

Outstanding balances at the end of the period arise in the normal course of business. For the six month period ended 30 June 2018, the Group has not recorded any impairment on amounts due from related parties (31 December 2017: nil).

### Compensation of key management personnel

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

	<b>Three months ended 30 June (Reviewed)</b>		<b>Six months ended 30 June (Reviewed)</b>	
	<b>2018 BD '000</b>	<b>2017 BD '000</b>	<b>2018 BD '000</b>	<b>2017 BD '000</b>
Short term benefits	779	354	1,195	687
End of service benefits	18	20	36	33
Contributions to Alba Savings Benefit Scheme	27	20	51	38
	<b>824</b>	<b>394</b>	<b>1,282</b>	<b>758</b>