



Aluminium
for the world

Aluminium Bahrain B.S.C.
C.R. No.999



ألمنيوم
للعالم

ألمنيوم البحرين ش.م.ب.
سجل تجاري رقم: ٩٩٩

Aluminium Bahrain B.S.C. REPORT OF THE BOARD OF DIRECTORS

The Directors have the pleasure to submit their report together with the Audited Financial Statements for the year ended 31 December 2016.

Principal Activity

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. 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 Depositary Receipts (GDRs) on the London Stock Exchange.

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 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., Manama, Bahrain, Winterthur Branch in Zurich, Switzerland, with office address at Merkurstrasse 25, CH-8400 Winterthur, Switzerland.

Hong Kong Branch

On 30 November 2011, the Board approved the establishment of a Sales Office in Hong Kong, with address at 2210, Windsor House, 311 Gloucester Road, Causeway Bay, Hong Kong.

US Branch

On 11th 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. 400 Colony Square, Suite 1001, 1201 Peachtree St. NE, Atlanta, GA 30361.

Share Capital Structure

Shareholders	2016 (%)	2015 (%)
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, is the Corporate Secretary since February 2015.

Chief Officers

Mr. Tim Murray, Chief Executive Officer

Mr. Isa Al Ansari, Chief Operations Officer (retired on 21st March 2016)

Mr. Amin Sultan, Chief Operations Officer (appointed as the acting Chief Operations Officer in February 2016 and was confirmed as the Chief Operations Officer at the Board Meeting held on 07th December 2016).

Mr. Ali Al Baqali, Chief Financial Officer

Mr. Khalid Abdul Latif, Chief Marketing Officer

Results and Retained Earnings

The Company made a profit of BD48.4 Million for the financial of year 2016 as compared to a profit of BD60.0 Million for the financial year of 2015.

The movements in Retained Earnings of the Company were:

	BD '000
Balance as at 31 December 2015	731,698
Profit for the year 2016	48,390
Excess of final dividend for 2015 reversed	12
Interim dividend paid for 2016	0
Final dividend proposed for 2016	0
Loss on resale of treasury shares	-287
Balance as at 31 December 2016	779,813

Appropriations

- (1) On 16th March 2016, the Company's Shareholders approved the Board of Directors' recommendation to pay a final dividend of BD.0055 per share (excluding treasury shares) totalling BD7.8 Million relating to 2015 which was paid in full in 2016.
- (2) On 9th February 2017, the Board of Directors recommended a final dividend of BD.0 per share (excluding treasury shares) totalling BD.0 Million.

The above noted appropriation per item (2) is subject to the approval of the shareholders of the Company at the Annual General Meeting which will be held on Monday 27 February 2017.

Directors of the Company

The following Directors served on the Board of Alba for the financial year 2016:

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

Shaikh Daij Bin Salman Bin Daij Al Khalifa, Chairman
Yousif A. Taqi, Director
Osama M. Al Arrayedh, Director
Suha S. Karzoon, Director
Fahad N. Al Hazzani, Director
Dr. Mohammed S. Kameshki, Director

Sabic Industrial Investments Company Directors

Fahad S. Al Sheaibi
Khalid Ali Al Garni

Elected Directors

Mr. Abdulaziz S. Al Humaid
Mr. Mutlaq H. Al Morished

Directors' Remuneration

Directors' remuneration charged during the year ended 31 December 2016 was BD 210,000 (2015: BD 210,000).

ألبا

Aluminium
for the world

Aluminium Bahrain B.S.C.
C.R. No.999

ألبا

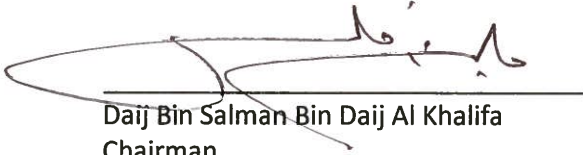
ألمنيوم
للعالم

المنيوم البحرين ش.م.ب.
سجل تجاري رقم: ٩٩٩

Auditors

Ernst & Young have expressed their willingness to continue in office and a resolution proposing their appointment as auditors of the Company for the year ending 31 December 2017 will be submitted to the Annual General Meeting of shareholders which will be held on 27 February 2017.

By order of the Board,



Daij Bin Salman Bin Daij Al Khalifa
Chairman
09 February 2017