

Aluminium Bahrain B.S.C.

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

31 MARCH 2026 (REVIEWED)

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

Introduction

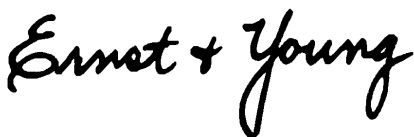
We have reviewed the accompanying interim condensed consolidated financial statements of Aluminium Bahrain B.S.C. ("the Company") and its subsidiaries (together "the Group") as at 31 March 2026, comprising of the interim consolidated statement of financial position as at 31 March 2026 and the related 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
12 May 2026
Manama, Kingdom of Bahrain

Aluminium Bahrain B.S.C.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2026 (Reviewed)

		31 March 2026	31 December 2025
		(Reviewed)	(Audited)
	<i>Note</i>	BD '000	BD '000
ASSETS			
Non-current assets			
Property, plant and equipment		1,777,603	1,812,601
Derivative financial instruments	6	5,242	4,662
Trade and other receivables		3,631	3,684
Deferred tax assets		57	57
		<u>1,786,533</u>	<u>1,821,004</u>
Current assets			
Inventories		415,646	381,626
Trade and other receivables		257,425	264,298
Derivative financial instruments	6	2,825	2,594
Bank balances and cash		345,182	153,748
		<u>1,021,078</u>	<u>802,266</u>
TOTAL ASSETS		<u><u>2,807,611</u></u>	<u><u>2,623,270</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital		142,000	142,000
Treasury shares		(4,539)	(3,981)
Statutory reserve		71,000	71,000
Capital reserve		249	249
Cash flow hedge reserve	6	8,067	7,256
Retained earnings		1,881,877	1,868,113
Equity attributable to owners of Aluminium Bahrain B.S.C.		<u>2,098,654</u>	<u>2,084,637</u>
Non-controlling interest		948	950
TOTAL EQUITY		<u>2,099,602</u>	<u>2,085,587</u>
Non-current liabilities			
Loans and borrowings		291,960	291,062
Lease liabilities		10,456	11,171
Employees' end of service benefits		1,478	1,344
		<u>303,894</u>	<u>303,577</u>
Current liabilities			
Loans and borrowings		142,584	74,754
Lease liabilities		2,122	2,131
Trade and other payables		193,780	156,838
Derivative financial instruments	6	4,017	383
Dividend payable	7	61,612	-
		<u>404,115</u>	<u>234,106</u>
TOTAL LIABILITIES		<u>708,009</u>	<u>537,683</u>
TOTAL EQUITY AND LIABILITIES		<u><u>2,807,611</u></u>	<u><u>2,623,270</u></u>



Khalid Al Rumaihi
Chairman



Isa Bin Khalid Bin Abdulla Al Khalifa
Director



Ali Al Baqali
Chief Executive Officer

The attached notes 1 to 14 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 2026 (Reviewed)

	Note	<i>Three-month period ended</i>	
		31 March 2026 BD '000	31 March 2025 BD '000
Revenue from contracts with customers	8	419,584	408,952
Cost of revenue		(301,635)	(360,596)
GROSS PROFIT		117,949	48,356
Other income		2,771	2,011
Foreign exchange (loss) / gain - net		(842)	1,707
General and administrative expenses		(22,513)	(9,603)
Selling and distribution expenses		(11,456)	(13,692)
Finance costs		(5,690)	(9,317)
Changes in fair value of derivatives financial instruments	6	(3,634)	(191)
PROFIT FOR THE PERIOD BEFORE TAX		76,585	19,271
Income tax expense		(1,285)	(1,153)
PROFIT FOR THE PERIOD		75,300	18,118
Attributable to:			
Equity holders of Aluminium Bahrain B.S.C.		75,302	18,118
Non-controlling interest		(2)	-
		75,300	18,118
BASIC AND DILUTED EARNINGS PER SHARE (FILS)	10	53	13



Khalid Al Rumaihi
Chairman



Isa Bin Khalid Bin Abdulla Al Khalifa
Director



Ali Al Baqali
Chief Executive Officer

Aluminium Bahrain B.S.C.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 31 March 2026 (Reviewed)

	Note	Three-month period ended	
		31 March 2026 BD '000	31 March 2025 BD '000
PROFIT FOR THE PERIOD		75,300	18,118
OTHER COMPREHENSIVE INCOME / (LOSS)			
<i>Other comprehensive income / (loss) that may be reclassified to profit or loss in subsequent periods:</i>			
Effective portion of changes in fair value of cash flow hedge	6	811	(1,329)
		<u>811</u>	<u>(1,329)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>76,111</u>	<u>16,789</u>
Attributable to:			
Equity holders of Aluminium Bahrain B.S.C.		76,113	16,789
Non-controlling interest		(2)	-
		<u>76,111</u>	<u>16,789</u>



Khalid Al Rumaihi
Chairman



Isa Bin Khalid Bin Abdulla Al Khalifa
Director



Ali Al Baqali
Chief Executive Officer

The attached notes 1 to 14 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 2026 (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 BD '000	Non-controlling interest BD '000	Total equity BD '000
Balance at 1 January 2026		142,000	(3,981)	71,000	249	7,256	1,868,113	2,084,637	950	2,085,587
Profit for the period		-	-	-	-	-	75,302	75,302	(2)	75,300
Effective portion of changes in fair values of cash flow hedge	6	-	-	-	-	811	-	811	-	811
Total comprehensive income / (loss) for the period		-	-	-	-	811	75,302	76,113	(2)	76,111
Net movement in treasury shares		-	(558)	-	-	-	74	(484)	-	(484)
Approved final dividend for 2025	7	-	-	-	-	-	(61,612)	(61,612)	-	(61,612)
Balance at 31 March 2026		142,000	(4,539)	71,000	249	8,067	1,881,877	2,098,654	948	2,099,602
Balance at 1 January 2025		142,000	(4,939)	71,000	249	12,782	1,702,849	1,923,941	-	1,923,941
Profit for the period		-	-	-	-	-	18,118	18,118	-	18,118
Effective portion of changes in fair values of cash flow hedge	6	-	-	-	-	(1,329)	-	(1,329)	-	(1,329)
Total comprehensive (loss) / income for the period		-	-	-	-	(1,329)	18,118	16,789	-	16,789
Net movement in treasury shares		-	(386)	-	-	-	(19)	(405)	-	(405)
Final dividend for 2024 approved and paid	7	-	-	-	-	-	(37,629)	(37,629)	-	(37,629)
Balance at 31 March 2025		142,000	(5,325)	71,000	249	11,453	1,683,319	1,902,696	-	1,902,696

Aluminium Bahrain B.S.C.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended 31 March 2026 (Reviewed)

	Note	Three-month period ended	
		31 March 2026 BD '000	31 March 2025 BD '000
OPERATING ACTIVITIES			
Profit for the period before tax		76,585	19,271
<i>Adjustments for:</i>			
Depreciation and amortisation		40,431	37,610
Provision for employees' end of service benefits		474	444
Allowance for expected credit losses		547	796
Provision made/ (reversed) for slow moving inventories		169	(112)
Loss on disposal/ write off of property, plant and equipment		8,480	253
Changes in fair value of derivative financial instruments	6	3,634	191
Interest income		(1,606)	(844)
Foreign exchange loss on bank balances		739	8
Finance costs		5,690	9,317
Operating profit before changes in working capital		135,143	66,934
Working capital changes:			
Inventories		(34,189)	(54,798)
Trade and other receivables		6,376	(31,487)
Trade and other payables		30,560	11,292
Net cash generated from / (used in) operations		137,890	(8,059)
Employees' end of service benefits paid		(340)	(342)
Net cash flows generated from / (used in) operating activities		137,550	(8,401)
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(13,427)	(27,610)
Proceeds from disposal of property, plant and equipment		-	2
Deposits matured with original maturity of more than three months		2,299	-
Interest received		1,609	757
Net cash flows used in investing activities		(9,519)	(26,851)
FINANCING ACTIVITIES			
Proceeds from loans and borrowings		96,030	315,022
Repayment of loans and borrowings		(28,200)	(277,921)
Interest on loans and borrowings paid		(185)	(2,928)
Payment of lease liabilities		(720)	(513)
Dividends paid	7	-	(37,629)
Purchase of treasury shares		(1,820)	(1,725)
Proceeds from resale of treasury shares		1,336	1,320
Net cash flows from / (used in) financing activities		66,441	(4,374)

The attached notes 1 to 14 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 2026 (Reviewed)

	<i>Three-month period ended</i>	
	<i>31 March 2026 BD '000</i>	<i>31 March 2025 BD '000</i>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	194,472	(39,626)
Cash and cash equivalents at 1 January	145,354	113,800
Effect of movement in exchange rates on bank balances and cash	(739)	(8)
CASH AND CASH EQUIVALENTS AT 31 MARCH	339,087	74,166
Cash and cash equivalents comprise of:		
Bank balances	272,110	50,972
Short term deposits	72,994	23,033
Cash in hand	78	161
Bank balances and cash in interim consolidated statement of financial position	345,182	74,166
Less: short-term deposits with original maturity of more than three months	(6,095)	-
Cash and cash equivalents	339,087	74,166

The attached notes 1 to 14 form part of these interim condensed consolidated financial statements.



Aluminium Bahrain B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026 (Reviewed)

1 CORPORATE INFORMATION

Aluminium Bahrain B.S.C. ("the Company" & "Alba") 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") 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.

During the year ended 31 December 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:

<i>Name</i>	<i>Country of incorporation</i>	<i>Ownership interest</i>		<i>Principal activities</i>
		<i>31 March 2026</i>	<i>31 December 2025</i>	
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
* Alba-Daiki Sustainable Solutions W.L.L.	Kingdom of Bahrain	70%	70%	Aluminium dross processing (under construction)

* During the year ended 31 December 2025, the Company and Daiki Aluminium Industry Co. Limited ("Daiki") established a new subsidiary, Alba-Daiki Sustainable Solutions W.L.L. ("Alba-Daiki"), which was registered on 6 March 2025. The Company and Daiki hold 70% and 30% shareholding, respectively. Alba-Daiki proposes to operate an aluminium dross processing plant, which is currently under construction.

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

The interim condensed consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 12 May 2026.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026 (Reviewed)

2 ACQUISITION OF ALUMINIUM DUNKERQUE INDUSTRIES FRANCE

On 28 February 2026, Alba entered into a put-option agreement with AIP VII Europe S.à r.l., a wholly owned subsidiary of AIP Fund VII Europe S.a.r.l, managed by American Industrial Partners (AIP), to acquire 100% of Aluminium Dunkerque Industries France ("Acquiree"), located in Loon Plage, France. The proposed transaction was approved by the shareholders of Alba at the Annual General Meeting held on 12 March 2026 and remains subject to the completion of required regulatory approvals.

Subsequently, following receipt of the relevant works council approval, Share Purchase Agreement has been signed on 06 May 2026.

As at 31 March 2026, the proposed transaction has not been closed and the ownership in the Acquiree has been not transferred to Alba and, therefore, no assets, liabilities, income or expenses of the Acquiree have been recognised in the interim condensed consolidated financial statements.

On 22 April 2026, Alba signed an agreement with a syndicate of banks for a financing facility of up to USD 2.25 billion to fund the acquisition of the Acquiree.

3 MATERIAL ACCOUNTING POLICIES

Basis of preparation

The interim condensed consolidated financial statements for the three-month period ended 31 March 2026 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 2025. In addition, results for the three months ended 31 March 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

Amendments 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 2025, except for the adoption of below amendments effective as of 1 January 2026. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The following amendments apply for the first time in 2026, but do not have material impact on the interim condensed consolidated financial statements of the Group.

Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

In May 2024, the Board issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7), which:

- a) Clarifies that a financial liability is derecognised on the 'settlement date';
- b) Clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features;
- c) Clarifies the treatment of non-recourse assets and contractually linked instruments; and
- d) Requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026 (Reviewed)

3 MATERIAL ACCOUNTING POLICIES (continued)

Amendments adopted by the Group (continued)

Annual improvements to IFRS Accounting Standards - Volume 11

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.

Contracts Referencing Nature-dependent Electricity

Amendments to IFRS 9 and IFRS 7 – In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity; the amendments:

- i) Clarify the application of the 'own-use' requirements for in-scope contracts.
- ii) Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts.
- iii) Add new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

Provisional pricing adjustments

Adjustments to sale price occur based on 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 2026, there is no need to recognise any liability at the balance sheet date.

4 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 2025.

5 GEOPOLITICAL DEVELOPMENTS IN THE MIDDLE EAST

Since 28 February 2026, the geopolitical environment in the Middle East has become increasingly volatile, with developments giving rise to heightened uncertainty and secondary effects across several countries in the region, including the Kingdom of Bahrain. These conditions have contributed to increased economic and operational uncertainty and, in certain instances, disruption to business activities across the region.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026 (Reviewed)

5 GEOPOLITICAL DEVELOPMENTS IN THE MIDDLE EAST (continued)

During the period, Alba issued a force majeure event in accordance with the applicable contractual provisions, based on management's assessment that prevailing geopolitical conditions in the region represent circumstances beyond its control and have impacted its ability to fulfill certain contractual obligations.

In addition, during the period, the Group experienced a security related incident affecting a part of its operational facilities, which the management addressed promptly in accordance with established emergency response and business continuity protocols. The incident was contained, and operations were stabilised through the implementation of contingency measures. Relevant stakeholders were informed through appropriate public disclosures.

In response to the evolving geopolitical environment, the Group has activated its business continuity arrangements and enhanced its risk management and monitoring practices to address potential operational, credit, and liquidity risks arising from these developments. The management continues to closely monitor the situation and its potential implications for the Group's operations, financial position, and performance.

Impact on Expected Credit Losses (ECL)

In light of the prevailing economic uncertainty, the management has assessed expected credit losses ("ECL") based on the latest macroeconomic scenarios and probability weightings used in simplified approach to estimate as at 31 March 2026, in accordance with IFRS 9 – Financial Instruments. These assumptions reflect the Management's current view of the increased downside risks in the current economic environment.

The credit risk relating to trade receivables is managed by the Group through a combination of advance payments from customers and the use of, letters of credit or bank guarantees to secure payments. As at the reporting date, the Group has not experienced any significant collection issues, and the credit risk associated with trade receivables is considered limited.

Credit risk arising from other financial assets of the Group including bank balances, bank deposits and derivative financial instruments, is considered low. The Group deals only with reputable banks, financial institutions and brokers with strong credit profiles.

Assessment of asset carrying values and other financial statement impacts

As at 31 March 2026, management has assessed the carrying values of the Group's financial and non-financial assets for indicators of impairment or the need of valuation adjustments, taking into account the current geopolitical environment and recorded an impairment of BD 7,264 thousand due to the security related incident. Based on the information available at the reporting date, the management has concluded that the carrying values of these assets reasonably reflect the conditions and risks existing as at 31 March 2026.

Given the evolving nature of the situation, the management acknowledges that further developments may affect economic assumptions, credit risk assessments, and asset valuations in future reporting periods. Any impacts arising from new information or changes in circumstances will be recognised prospectively, as appropriate, in accordance with the applicable IFRS requirements, including through updates to ECL estimates, valuation assumptions, or impairment assessments in subsequent periods.



Aluminium Bahrain B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026 (Reviewed)

6 DERIVATIVE FINANCIAL INSTRUMENTS

	31 March 2026 (Reviewed) BD '000	31 December 2025 (Audited) BD '000
<i>Classified in the interim consolidated statement of financial position:</i>		
- Positive fair values - assets arising from IRS		
Non-current portion	5,242	4,662
Current portion	2,825	2,594
	<u>8,067</u>	<u>7,256</u>
- Negative fair values - liability arising from commodity derivatives- current portion	<u>(4,017)</u>	<u>(383)</u>
	<i>Three-month period ended</i>	
	31 March 2026 (Reviewed) BD '000	31 March 2025 (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>811</u>	<u>(1,329)</u>
- Commodity futures (FVTPL) recognised in interim consolidated statement of profit or loss (note ii)	<u>(3,634)</u>	<u>(191)</u>

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.

(i) This represents the difference between the Mark-to-Market (MTM) value of IRS as at 31 March 2026 and 31 December 2025.

Interest rate swaps

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

The Group has designated this derivative as cash flow hedging instrument which qualifies for hedge accounting under IFRS 9. Accordingly, the effective portion of the gains or losses resulting from the re-measurement of fair value of the derivative is recognised in the interim consolidated statement of comprehensive income under other comprehensive income.

As of 31 March 2026, the notional amount outstanding was BD 128,875 thousand at a fixed rate of 1.4830% (31 December 2025: BD 128,875 thousand at the same fixed rate).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026 (Reviewed)

6 DERIVATIVE FINANCIAL INSTRUMENTS (continued)

Interest rate swaps (continued)

Realised gains or losses are reclassified from the cash flow hedge reserve to the interim consolidated statement of profit or loss as a reclassification adjustment in the periods during which interest expense on the hedged borrowings is recognised or paid.

(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 2026, the Group entered into commodity future and forward swap contracts to reduce the price risk on behalf of its customers for 15,175 metric tonnes (31 March 2025: 30,550 metric tonnes). Outstanding contracts as of 31 March 2026 were 21,575 metric tonnes (31 December 2025: 12,900 metric tonnes) mature within one to twelve months from the period ended 31 March 2026.

During the period ended 31 March 2026, the Group did not enter into derivative transactions as a strategic hedge (for a very small percentage of production) against LME price (31 March 2025: 8,000 metric tonnes). Outstanding contracts as of 31 March 2026 were 42,500 metric tonnes (31 December 2025: 53,500 metric tonnes) and these mature within one to twelve months from the period ended 31 March 2026.

7 DIVIDEND

At the Annual General Meeting held on 12 March 2026, the Company's shareholders approved a final dividend of BD 0.04351 per share, excluding treasury shares, totaling to BD 61,612,237 for the year ended 31 December 2025. As at 31 March 2026, the approved dividend has not yet been paid and has therefore been recognised as dividend payable. Subsequently, on 01 April 2026, based on the outstanding shares at the 'Record date' of 25 March 2026, a total dividend of BD 61,594,409 has been fully paid to Bahrain Clear B.S.C. (c). For comparative purposes, the final dividend for the year ended 31 December 2024 amounted to BD 0.02658 per share, excluding treasury shares, totaling BD 37,629,258, which was approved and paid to Bahrain Clear B.S.C. (c) during the year ended 31 December 2025.

8 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>	
	31 March 2026 (Reviewed)	31 March 2025 (Reviewed)
a) Type of goods		
Billet	155,607	144,967
Slab	64,268	56,312
Foundry	73,800	97,059
Liquid	87,756	81,143
Ingots	16,379	28,241
Alumina trading	11,082	-
Calcined petroleum coke	6,860	-
	415,752	407,722
Pricing adjustments *	3,832	1,230
	419,584	408,952

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

Aluminium Bahrain B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026 (Reviewed)

8 REVENUE FROM CONTRACTS WITH CUSTOMERS (continued)

	<i>Three-month period ended</i>	
	31 March 2026 BD '000 (Reviewed)	31 March 2025 BD '000 (Reviewed)
b) Geographical markets		
Kingdom of Bahrain	129,874	115,980
Europe	97,585	95,305
Rest of the Middle East and North Africa	95,520	73,187
Asia	42,445	51,100
Americas	54,160	73,380
	419,584	408,952

c) Customer concentration

Revenue from sale of aluminium to the three major customers of the Group amounted to BD 115,517 thousand with one of the customer individually accounting for more than 10% of the total revenue from contracts with customers for the three month period ended 31 March 2026 (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).

9 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.

10 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 2026 (Reviewed)	31 March 2025 (Reviewed)
Profit for the period (BD '000)	75,300	18,118
Weighted average number of shares net of treasury shares - thousands of shares	1,415,935	1,415,532
Basic and diluted earnings per share (fils)	53	13

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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026 (Reviewed)

11 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 67,427 thousand (31 December 2025: BD 59,696 thousand). The commitments are expected to be settled within 1 to 5 years from the reporting date.

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 11,569 thousand as at 31 March 2026 (31 December 2025: BD 11,966 thousand).
- ii) At 31 March 2026, the Group had contingent liabilities in respect of the bank guarantees amounting to BD 20,433 thousand (31 December 2025: BD 20,423 thousand) from which it is anticipated that no material liabilities will arise.

12 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 transactions 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 2026 BD '000 (Reviewed)	31 March 2025 BD '000 (Reviewed)
<i>Other related parties</i>		
<i>Revenue and other income</i>		
Sale of aluminium	48,625	43,337
Sale of calcined petroleum coke	2,811	-
Sale of water	278	267
Interest income	66	103
Other income	4	-
	51,784	43,707

Aluminium Bahrain B.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026 (Reviewed)

12 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

	<i>Three-month period ended</i>	
	<i>31 March 2026 BD '000 (Reviewed)</i>	<i>31 March 2025 BD '000 (Reviewed)</i>
Other related parties		
<i>Cost of revenue and expenses</i>		
Purchase of natural gas and diesel	59,202	56,394
Net power exchange import	3,216	6,687
Interest on loans and borrowings	-	513
Purchase of raw materials	4,010	175
Amortisation of deferred cost on IRS	298	298
Others	537	368
	67,263	64,435

Balances with related parties

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

	<i>31 March 2026 BD '000 (Reviewed)</i>	<i>31 December 2025 BD '000 (Audited)</i>
Other related parties		
Assets		
Trade receivables	21,021	11,385
Other receivables - net of allowance for expected credit loss of BD 4,769 thousand (31 December 2025: BD 4,769 thousand)	2,044	2,055
Bank balances	2,690	29,027
Short term deposits	37,700	-
Property, plant and equipment	77	350
Derivative financial instruments - interest rate swap (note 6)	8,067	7,256
	71,599	50,073
Liabilities		
Trade payables	26,172	20,333
Lease liabilities	3,498	3,453
Loan and borrowings	37,700	-
	67,370	23,786

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026 (Reviewed)

12 RELATED PARTY TRANSACTIONS AND BALANCES (continued)**Compensation of key management personnel**

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

	<i>Three-month period ended</i>	
	31 March 2026 BD '000 (Reviewed)	31 March 2025 BD '000 (Reviewed)
Short term benefits	1,287	944
End of service benefits	33	28
Contributions to Alba Savings Benefit Scheme	26	27
SIO Contribution (ALBA share)	13	12
	1,359	1,011

13 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 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 derivatives.

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 2026 and as at 31 December 2025, the Group's derivative financial instruments, related to interest rate swaps and commodity derivatives 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 2026 and 31 December 2025, 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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026 (Reviewed)

14 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.

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 period ended 31 March 2026 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.

Management will continue to monitor compliance with the conditions for the Exclusion for the Initial Phase of International Activity on an ongoing basis.