

10 years of adding value
**FOR BAHRAIN
FOR THE FUTURE**

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Overview of Mumtalakat

Who We Are

Bahrain Mumtalakat Holding Company “Mumtalakat” has played a key role in enhancing the Kingdom of Bahrain’s wealth since 2006 through its management of the government’s strategic non-oil and gas related assets. Its establishment as the sovereign wealth fund of the Kingdom was a major component of Bahrain’s economic diversification plan, led by the Crown Prince, Deputy Supreme Commander and First Deputy Prime Minister, HRH Prince Salman bin Hamad Al Khalifa. Operating as an independent holding company, Mumtalakat’s assets have grown to include more than 60 local and international companies spanning a multitude of sectors, including financial services, real estate, tourism, industrial manufacturing, and many more.

Adopting a commercial mindset along with the diligence of the private sector, Mumtalakat has contributed to the stabilisation of Bahrain’s key strategic assets. With a focus on furthering the performance of its existing portfolio, while adopting a long-term strategy of continued growth and sustainability, it ensures that the highest standards of corporate governance and transparency are adhered to.

Our Vision

To be recognised as the partner of choice for companies and investors seeking an active investment partner with a long-term perspective.

Our Mission

We invest in companies with growth potential across multiple industries and geographies to achieve sustainable investment returns.

Our Values

Leadership

Active and Responsible Leadership.

Collaboration

Solid Alignment of Interests between the Company and its Stakeholders.

Transparency

Open and Effective Channels of Engagement with all Stakeholders.

Chairman's Message



HE Khalid bin Abdulla Al Khalifa
Deputy Prime Minister &
Chairman of the Board of Directors

Mumtalakat's role as a sovereign wealth fund of the Kingdom of Bahrain seeking opportunities for wealth generation and minimal risks has seen it continue to invest heavily in Bahrain while also seeking opportunities in a wider array of important and growing sectors. This has meant that the low oil price environment has not impacted Mumtalakat greatly and its global portfolio has diversified further.

Ten years since its establishment, Mumtalakat is a young investment institution, but its successes have been marked. From a company with 29 assets at outset, today Mumtalakat combines over 50 companies within its portfolio, mostly located in Bahrain and offering around 14,000 job opportunities in the Kingdom. It will continue to evolve as we adapt to the changing world around us and the needs of today and the future generations.

HE Khalid bin Abdulla Al Khalifa
Deputy Prime Minister &
Chairman of the Board of Directors

Global economic conditions throughout 2016 were largely stable despite continued geopolitical tensions and slow growth.

Total Assets

US\$ 10.4b

CEO's Message



Mahmood H. Alkooheji
Chief Executive Officer, Mumtalakat

We started in 2006 as a small team with a vision to grow the wealth of our Kingdom and I am very happy to see how far we have come since then. Our 2016 performance is a true testament to our progress.

Our numbers speak for themselves. This year we reported solid profits for the fourth consecutive year. Our consolidated net profit went up 140% to 183.2 million US dollars. This reflects the strength and resilience of our approach in building an investment institution for the long-term benefit of Bahrain.

We wouldn't have accomplished this without the guidance of our Board, led by His Excellency Shaikh Khaled bin Abdulla Al Khalifa, the Deputy Prime Minister.

It's been a delight to work with an outstanding team at Mumtalakat. Their commitment to our values and culture truly contributed to our ultimate goal to generate sustainable wealth for the Kingdom of Bahrain.

Mahmood H. Alkooheji
Chief Executive Officer

It's been 10 years since Mumtalakat was established, an important journey in our nation's growth...

Net Profit before Impairment Loss

US\$ **183.2m**

Financial Highlights

We adhere to the highest levels of transparency. Our financial statements are prepared according to International Financial Reporting Standards (“IFRS”) and are audited both by an internal and external auditor.



Key Group Results

2019 marks another year of solid financial and operational performance across the Mumtalakat Group. Our efforts to maintain a balanced, diversified, and sustainable portfolio have led to robust growth that continues to play a vital role in the economy. Moreover, our focus on revenue enhancement and cost control have contributed to a significant increase in operating income.

Our focus on revenue enhancement and cost control enabled the group to increase operating income by 211%, reaching USD 332.4 million, compared to USD 106.9 million the previous year. Group revenues grew 11% to USD 6.1 billion, up from USD 5.6 billion in 2018. Mumtalakat's total assets value reached BHD 7.1 billion (USD 18.9 billion) in 2019.

Gulf Air recorded a 13% increase in revenue from USD 971.0 million in 2018 to USD 1.09 billion in 2019, primarily due to operating new destinations and increasing capacity with the addition of 2 Boeing 787s and 4 Airbus A320Neos to its fleet. Batelco Group grew its net profit by 3% with its launch of the National Broadband Network, BNET. McLaren saw an 18% increase in revenue, reflecting the higher volumes of cars sold.

Despite a challenging year in the commodities market, Aluminium Bahrain (Alba) reported positive results for 2019, with revenues increasing by 13% and sales volume by 33%. Alba also inaugurated its Line 6 Expansion Project this year.

Profit before impairment losses increased by 47% from USD 150 million in 2018 to USD 220.5 million in 2019. The increase was primarily due to a rise in operating revenue and higher fair value gains on investments.

Our focus on revenue enhancement and cost control enabled the group to increase operating income by 211%, reaching USD 332.4 million, compared to USD 106.9 million the previous year.



Investing for the Future



Business Review

Our approach

In 2016, we maintained our investment approach which is guided by three key pillars: long-term partnership, value-adding active role and commitment to best practices.

Creating value for future generations

We take an active management approach through board representation in our portfolio companies, driving long-term growth and undertaking value-adding initiatives. We invest in and for Bahrain playing an important role in the national economy through our strategic assets.

Prosperous partnerships

Supporting our mandate as Bahrain's sovereign wealth fund, we seek partners who share our long-term growth mindset and can contribute expertise towards building sustainable investment models across industries and geographies.

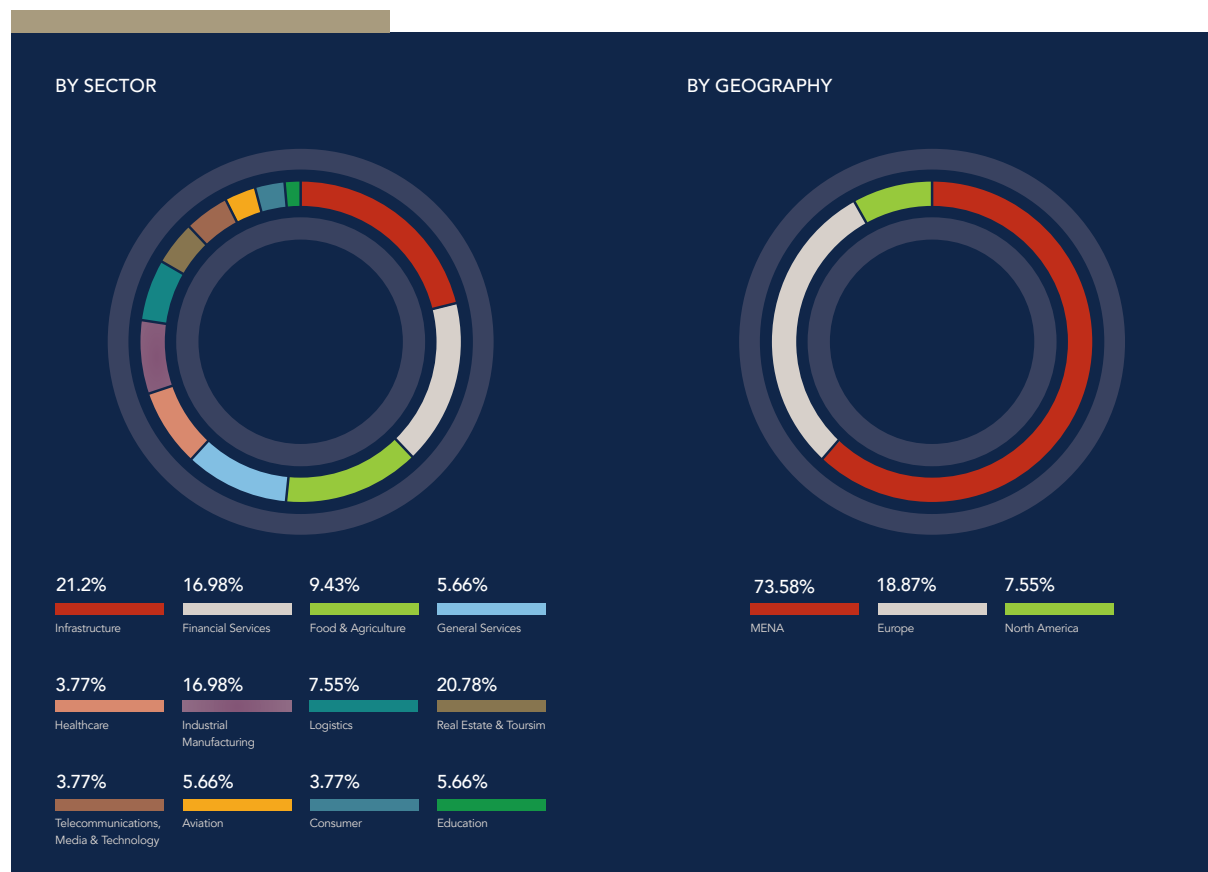
Commitment to best practices and transparency

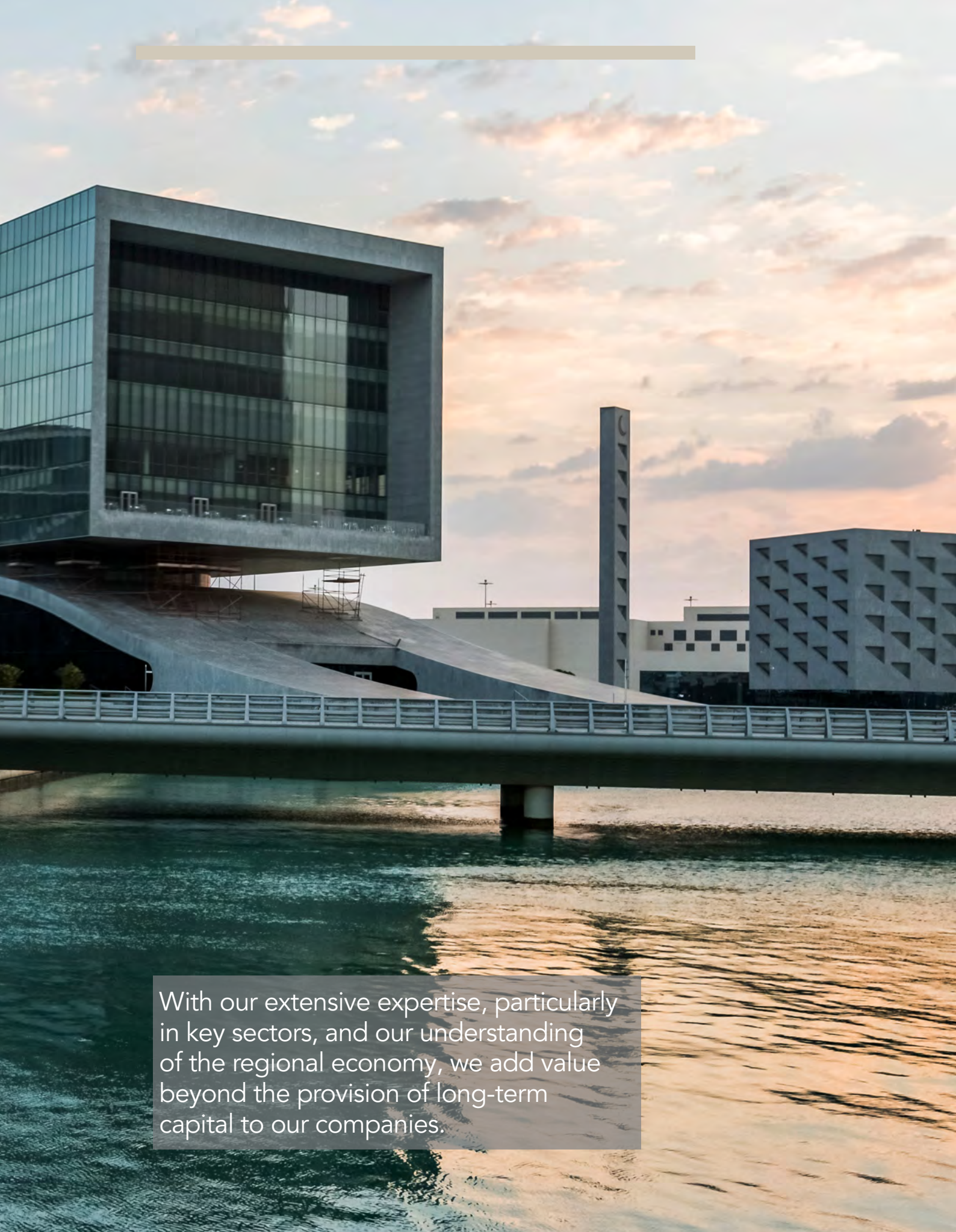
Ever mindful of our responsibility to the Kingdom and the people we represent, we are committed to the highest levels of corporate governance and transparency.

Operating in compliance with the Bahrain Code of Corporate Governance, we also maintained our 10/10 rating in the Linaburg-Maduell Transparency Index issued by the Sovereign Wealth Fund Institute.

Our portfolio

We hold stakes in over 50 local and international commercial enterprises spanning a variety of sectors. Our sectors include industrial manufacturing, real estate and tourism, logistics, telecommunications, technology and media, logistics, consumer, financial services, general services, and healthcare.





With our extensive expertise, particularly in key sectors, and our understanding of the regional economy, we add value beyond the provision of long-term capital to our companies.

Business Review

Aviation

The aviation sector is a key contributor to countries' economies, with 2.78 million people working in the aviation industry globally. Other sectors such as real estate and tourism benefit indirectly from aviation. For that reason, we continue to look for opportunities within this sector to create a balanced portfolio of local and international aviation assets.

Consumer Services

We seek opportunities in the consumer sector that benefit from core technologies and social trends. As the global middle-class spending will almost triple by the year 2030, we aim to enhance people's experiences and answer their needs.

Education

Our first investment in the education sector was made in 2009 when we established the Gulf Aviation Academy in Bahrain. Since then, we continued to look for opportunities within this sector. To us, investing in education means investing in our children and youth to prepare for a better future for the generations to come. Through our investments in education, we aim to address the increasing need for education and at the same time provide good returns on our investments.

Financial Services

We continue to seek investment opportunities in financial services as the sector is growing steadily due to the continued demand for a wide range of financial services products. Today, around 17% of our current portfolio is represented by the financial services sector.

Healthcare

In 2016 we made a new investment in the healthcare sector. This was taking into consideration rising global healthcare expenditure as populations age.

Industrial Manufacturing

Four new investments were added to our portfolio in the industrial manufacturing sector in 2016. These include our first investment in a provider of environmental technology solutions company.

Industrials manufacturing is a key contributor in improving people's day to day lives. We recognise the importance of this sector and continue to seek opportunities that benefit our investments and Bahrain as a whole.

Real Estate & Tourism


Our first international real estate investments were made in 2016. We added one US real estate investment and one Russian investment to our portfolio of real estate and tourism companies.

Telecommunications, Media & Technology (TMT)

We have been supporting our companies within the TMT sector since our establishment and we continue to do so as the sector is rapidly growing with higher demands for mobile services, smartphones, internet and other media applications.

Logistics

With the demand for logistics services and innovation in logistics continuing to grow, we made an investment during 2016 alongside our partners at the Russian Direct Investment Fund (RDIF). This is an important area for us as the global logistics market is expected to reach US \$15.5 trillion by the year 2023.

A tall, modern building with a textured, light-colored facade and a large, dark glass window. The building is situated behind a body of water, and a bridge railing is visible in the foreground. The sky is a clear, light blue. The text is overlaid on a semi-transparent dark blue rectangle.

Our investment approach is aligned with our core values of leadership, collaboration, and transparency, which supports our aim of creating sustainable wealth for a prosperous future.



Operations Overview

Operations Overview

Our team

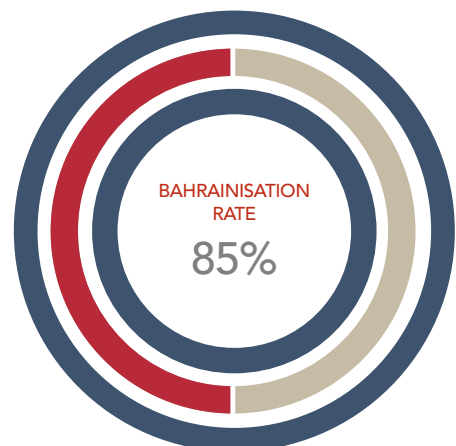
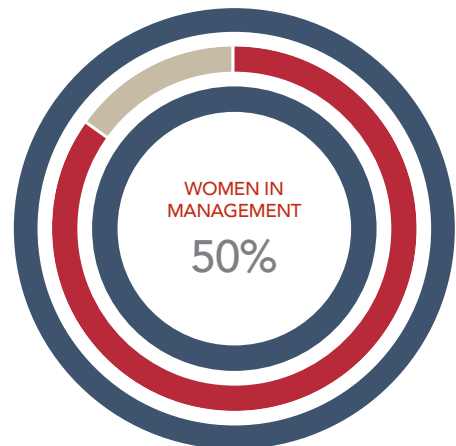
We work collaboratively as a team and build upon each other's strengths to achieve our ultimate goal of generating sustainable wealth for Bahrain. We are drawn together by a unique culture that embraces our values of leadership, collaboration and transparency.

In 10 years, our team has grown to include over 85

employees in 2016, all of whom are based in Bahrain.

Everyone is equal at Mumtalakat. Today, women represent 46.4% of our total workforce and 50% of the management team.

Not only do we support gender parity, we also strongly believe in the role that youth play to the development of our organisation and national economic growth as



Legal, Risk and Compliance

We are an accountable investor. We take responsibility for our decisions and continually strive to improve our performance. This cannot be achieved without the support of our experienced legal, risk and compliance team. The team provides the company with the expertise required to service its needs, to achieve its objectives and maintain its obligations towards the Government and its sovereign wealth fund status.

Improving a culture of empowerment and responsibility is key to our activities. By doing this, we will ensure that we continue to meet our goal to grow the wealth of the country. In fact, we are proud to have a specialised team with the expertise to meet most of our company's legal and risk needs in-house, therefore reducing Mumtalakat's reliance on external counsel and other consultants and related costs and overheads.

Key Milestones in 2016:

In line with our mandate, we continued to support the investment team in mitigating the company's risks when sourcing and finalising new transactions, completing a number of international acquisitions in 2016. Our team also continued to monitor the legal and risk requirements of our current portfolio.

The success of our staff reflects the calibre, professionalism and expertise of our team. In fact, in October 2016, our legal team was recognised as one of the top 100 in-house legal teams in the Middle East by Legal 500 GC Powerlist. The GC Powerlist is a series of publications, highlighting the most influential in-house lawyers in business today. The legal team's nomination and inclusion was based on peer nominations from law firms and attorneys across the world.

Our legal team was also featured as a finalist in The Oath Middle East Legal Awards under the categories of Legal Team of the Year and General Counsel of the Year.

These achievements would not have been possible without an efficient employee development plan and targeted legal and risk education programme. These ongoing programmes are specifically tailored to Mumtalakat's business activities, projected investment jurisdictions and business requirements

Finance

To create value for a promising future, we need to keep an eye on our finances. Our finance team is responsible

for ensuring the availability of timely, reliable financial information and providing vital support to the executive management in formulating and implementing the overall strategy of the company.

Collaboration is part of our DNA. We cannot make any investment without the support of our finance team. Our finance team works hand in hand with senior management to provide financial information and analytical reports which supports the decision-making process. The team also collaborates with all departments to develop and manage an optimal capital structures that effectively meet short term liquidity needs and long term strategic objectives.

Our finance team is also responsible for maintaining a strong control environment and actively monitoring and managing financial and reporting risks by ensuring compliance with various reporting frameworks and relevant laws and regulations.

Key Milestones in 2016:

As we are mandated to generate sustainable wealth for the country, it is important to ensure that we have funds available throughout the year to meet our various funding requirements. This was reflected in 2016 as we supported Hawar Holding Company, one of our portfolio companies, to refinance its US \$225 million loan with better terms. The team also provides financial support to our investment team for any transaction made when entering new deals and acquisitions.

Our finance team managed all the statutory and internal reporting requirements within tight deadlines, managed the financial, reporting risks and compliance risks with no or very little exceptions, and provided support and coordination for our investments in matters relating to accounting, financial reporting, taxation, and deal structuring..

Information Technology

The demand for technology solutions continues to grow and for this reason, our Information Technology (IT) team are always up to date with the latest trends and technologies that can support our organisation.

Our IT team collaborates within our organisation and provides support beyond Mumtalakat to our portfolio companies when needed. Our infrastructure support extends to hardware and core activities including backup

Operations Overview

and disaster recovery and application support.

Key Milestones in 2016:

In 2016 we continued to support our subsidiaries. Most notably, we provided Bahrain Real Estate Investment (Edamah), with support for their core system which was migrated to Oracle. The application covers the maintenance, property, lease, general ledger, payable, receivable and collections modules.

SharePoint implementation for Edamah was another key achievement, moving the entire organisation from a fileserver to a document management system with a robust, highly redundant infrastructure. It also published the service allowing all users to access this information securely from outside the organisation.

As a strong support function for Mumtalakat, we worked throughout the year to ensure all users in the company worked in a safe and stable environment with minimal risk.

Corporate Communications

Communications are at the heart of everything we do.

Trust and confidence of our shareholders and the people of Bahrain can only be achieved through maintaining the highest levels of transparency. Our corporate communications team helps drive our reputation locally and globally through different channels by communicating with all stakeholders in a timely, accurate and consistent fashion, in order to generate confidence amongst our stakeholders, which ultimately supports our business and investments objectives.

Key Milestones in 2016:

We continued to engage in various prominent business conferences and media opportunities that support our investments, enhance visibility and raise awareness of our investment focus.

With the increasing demand for logistics services, we took part in the 1st GCC Logistics Conference which was held in March 2016 where we engaged with key stakeholders and potential partners within the sector. In line with our investment interests our active participations included the Euromoney GCC financial forum, SPIEF 2016 St. Petersburg International Economic Forum, 8th International Economic Summit of Russia and OIC countries, the Middle East Investment Summit, MuMac 2016 Cross Border Mergers & Acquisitions Conference and INSEAD'S Global Business Leaders Conference amongst others.

As a key driver in the Kingdom's economic development, we supported our wholly owned subsidiary, Bahrain International Circuit (BIC) through our participation at the 2016 Formula 1 Gulf Air Bahrain Grand Prix. Our involvement was spearheaded by the corporate communications team, with a presence at the Paddock Club, a key component of the F1, in order to give our partners an experience of the Formula 1 Bahrain Grand Prix and a taste of Bahrain's culture as a whole while developing further business opportunities.

We uphold our commitment to sound governance, both amongst ourselves, and our portfolio companies. That is why we continued our training for our directors and the representative directors appointed to the boards of our portfolio companies in partnership with INSEAD.

Human Resources and Administration


We aim to build a world class team built on professionalism and creative talent to create a well governed and collaborative institution that will serve the people of Bahrain for many years to come. Today, with the efforts of our Human Resources and Administration(HR) department, the team that drives our company is made up of capable individuals from Bahrain and around the world.

Our HR is set up into two streams: Organisational performance and Human Resources, where the former is tasked to take a birds-eye view of the organisation and ensure goals are established and cascaded to each department and the latter further cascades goals to individuals and enables their achievement.

Key Milestones in 2016:

In 2016 our HR team launched the Balanced Scorecard which is a strategic planning and management system designed to align business activities to the vision and strategy of Mumtalakat, improve internal and external communications within the organisation at different levels, and monitor organisational performance against strategic goals.

We believe that learning and development contributes to the growth of our employees and their potential. We spent approximately US \$200,000 delivering 48 courses and professional qualifications to our staff. This is key in building our talents and expertise in our organisation. We also look to do things together. Building teams isn't just a formality; at Mumtalakat, it's about fun too. During 2016, our teams engaged in different sports activities. Our bowling nights are renowned!



We are focused on creating value over time by fostering a high performance culture, creating trusted partnerships, and attracting and retaining the top investment talent for Bahrain.



Corporate Governance

Our Governance

Corporate governance is an integral part of our growth. At Mumtalakat, we are committed to the highest standards of corporate governance both at the company level and within our portfolio.

Risk Management

In pursuit of building a balanced portfolio overtime that generates sustainable and favourable risk adjusted returns, we focus on reducing risk through geographic, sectorial and asset class diversification. Our business decisions must proactively consider risk and departments are accountable for the effectiveness of the risk framework.

Risk management provides support to senior management, the Board of Directors and Board committees in monitoring the risk management processes of Mumtalakat to ensure that key risks are being appropriately identified and assessed; controlled, avoided and/or mitigated; and properly reported throughout Mumtalakat.

Corporate Governance

Corporate governance is an integral part of our growth. At Mumtalakat, we are committed to the highest standards of corporate governance both at the company level and within our portfolio.



Board of Directors

We are guided by our Board of Directors, which is comprised of nine members representing the public and the private sectors.

Our Board members are appointed to four-year terms by resolution of the Economic Development Board (EDB) over which HRH Prince Salman bin Hamad Al Khalifa, Crown Prince, Deputy Supreme Commander and First Deputy Prime Minister, serves as Chairman.



HE Shaikh Khalid bin Abdulla
Al Khalifa
Deputy Prime Minister &
Chairman of the Board of Directors



HE Khalid Al Rumaihi
Chief Executive Officer, Bahrain
Economic Development Board



Khalid Humaidan
Head of ALM-Treasury Middle East &
South Africa at BNP Paribas



Dr. Samer Al Jishi
Managing Director of BFG International



**HE Shaikh Salman bin Khalifa
Al Khalifa**
Minister of Finance and National
Economy



HE Kamal bin Ahmed Mohammed
Minister of Transportation &
Telecommunications



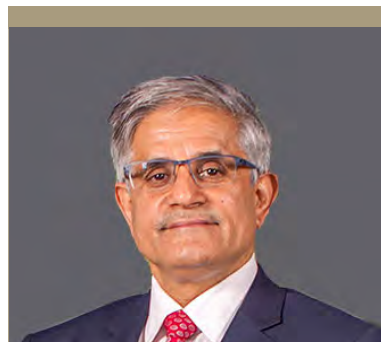
HE Zayed bin Rashid Alzayani
Minister of Industry, Commerce and
Tourism



Elham Hasan
Business Strategy Advisor

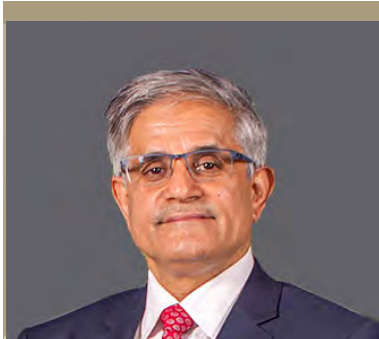


**HE Shaikh Mohamed bin Isa
Al Khalifa**
Political and Economic Advisor to HRH
the Crown Prince's Court



Mahmood H. Alkooheji
Chief Executive Officer, Mumtalakat

Senior Management



Mahmood H. Alkooheji
Chief Executive Officer



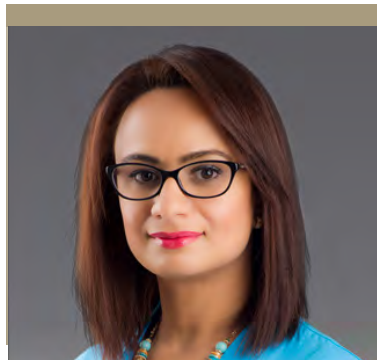
Rima Hadid
Chief Operating Officer and Corporate Secretary



Zulfe Ali
Chief Investment Officer



Suha Karzoon
Chief Financial Officer



Nouf Alsowaidi
VP - Human Resources



Khaled Janahi
Information Technology and Corporate Services Senior Manager

Independent Auditors' Report



Ernst & Young
P.O. Box 140
10th Floor, East Tower
Bahrain World Trade Center
Manama
Kingdom of Bahrain

Tel: +973 1753 5455
Fax: +973 1753 5405
manama@bh.ey.com
ey.com/mena
C.R. No. 6700 / 29977

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDER OF BAHRAIN MUMTALAKAT HOLDING COMPANY B.S.C. (C)

Opinion

The summary consolidated financial statements of Bahrain Mumtalakat Holding Company B.S.C. (c) ("the Company") and its subsidiaries (together "the Group"), which comprise the summary consolidated statement of financial position as at 31 December 2016, the summary consolidated statements of income, comprehensive income, cash flows and changes in equity for the year then ended, and related note, are derived from the complete audited consolidated financial statements of the Group for the year ended 31 December 2016.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, on the basis described in note to the summary consolidated financial statements.

Other matter

The consolidated financial statements of the Company for the year ended 31 December 2015 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 17 May 2016.

Summary consolidated financial statements

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

The audited consolidated financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 3 May 2017. The audited consolidated financial statements and the summary consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

Responsibility of the Board of Directors for the summary consolidated financial statements

The Board of Directors is responsible for the preparation of a summary of the complete audited consolidated financial statements in accordance with the basis described in note to the summary consolidated financial statements.



INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDER OF BAHRAIN MUMTALAKAT HOLDING COMPANY B.S.C. (C) (continued)

Auditors' responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

12 June 2017
Manama, Kingdom of Bahrain

Credit Ratings

The following is a summary of Mumtalakat's different ratings as at 31st December 2016:

Fitch Ratings:

Long-term	Issuer	Default	Rating: BB+
Senior	Unsecured		Rating: BB+
Short-term	Issuer	Default	Rating: B
Outlook: Stable			

Standard & Poor's:

Long-term	Issuer	Credit	Ratings: BB-
Short-term	Issuer	Credit	Ratings: B
Outlook: Stable			

RAM Ratings

Long-term	of Sukuk Murabaha Programme:	A1
Outlook: Negative		


Linaburg-Maduell Transparency Index Ratings:

10/10 transparency rating

Consolidated Statement of Financial Position

31 December 2016

	2016 BD '000	2015 BD '000
ASSETS		
Cash and bank balances	164,279	360,948
Trade accounts receivable, prepayments and other receivables	182,810	174,113
Inventories	180,932	165,324
Investments carried at fair value through statement of income	245,365	219,019
Non-trading investments	261,401	219,871
Investment in associates	874,801	915,502
Investment in joint venture	5,151	5,000
Investment properties	359,470	343,376
Property, plant and equipment	1,278,805	1,172,366
Other assets	32,712	34,857
Goodwill	346,264	346,264
TOTAL ASSETS	3,931,990	3,956,640
LIABILITIES AND EQUITY		
Liabilities		
Borrowings	734,843	776,474
Derivative financial instruments	18,161	17,866
Trade accounts payable, accruals and other liabilities	459,874	435,460
Employees' end of service benefits	12,268	11,969
Obligations relating to acquired entities	21,562	52,203
Total liabilities	1,246,708	1,293,972
Equity attributable to shareholder of the parent		
Share capital	2,000,000	2,000,000
Capital contribution	352,869	346,337
Statutory reserve	39,698	34,307
Other reserves	(75,775)	(25,741)
Retained earnings	57,757	9,236
	2,374,549	2,364,139
Non-controlling interests	310,733	298,529
Total equity	2,685,282	2,662,668
TOTAL LIABILITIES AND EQUITY	3,931,990	3,956,640


Khalid bin Abdullah Al Khalifa
Chairman


Mahmood H. Al-Kooheji
Director and Chief Executive Officer


Suha S. Karzoon
Chief Financial Officer

Consolidated Statement of Income

Year ended 31 December 2016

	2016 BD '000	2015 BD '000
Revenue	1,023,398	1,167,928
Direct costs	(901,927)	(984,753)
Gross profit	121,471	183,175
Dividend income	11,695	12,137
Gain on investments carried at fair value through statement of income	38,021	4,323
Other operating income	7,805	11,223
Government assistance	63,401	75,685
Selling and distribution expenses	(73,272)	(72,453)
Administrative expenses	(80,718)	(88,894)
Other operating expenses	(4,283)	(755)
Operating income	84,120	124,441
Share of profit of associates	39,423	84,890
Interest income	3,430	4,055
Interest expense	(24,558)	(30,099)
Fair value gain on revaluation/settlement of derivatives (net)	-	264
Impairment losses	(33,510)	(245,823)
Write back of provisions and accounts payable	-	90,982
NET PROFIT FOR THE YEAR	68,905	28,710
Attributable to:		
Shareholder of the parent	53,912	10,303
Non-controlling interests	14,993	18,407
	68,905	28,710



Khalid bin Abdullah Al Khalifa
Chairman



Mahmood H. Al-Kooheji
Director and Chief Executive Officer



Suha S. Karzoon
Chief Financial Officer

Consolidated Statement of Comprehensive Income

Year ended 31 December 2016

	2016 BD '000	2015 BD '000
NET PROFIT FOR THE YEAR	68,905	28,710
Other comprehensive income		
<i>Items that will be reclassified to consolidated statement of income in subsequent periods</i>		
Movement in cumulative changes in fair values	(3,832)	(32,655)
Share of changes in equity of associates	995	(23,472)
Foreign currency translation	(46,962)	(11,743)
<i>Items that will not be reclassified to consolidated statement of income in subsequent periods</i>		
Remeasurement losses on defined benefit plan	(344)	(1,002)
Total other comprehensive loss for the year	(50,143)	(68,872)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	18,762	(40,162)
Attributable to:		
Shareholder of the parent	3,878	(58,462)
Non-controlling interests	14,884	18,300
	18,762	(40,162)

Consolidated Statement of Cash Flows

Year ended 31 December 2016

	2016 BD '000	2015 BD '000
OPERATING ACTIVITIES		
Net profit for the year	68,905	28,710
Adjustments for:		
Depreciation	113,550	116,001
Fair value gain on derivatives	-	(264)
Gain on investments carried at fair value through statement of income	(38,021)	(4,323)
Gain on non-trading investments	(188)	(180)
Share of profits of associates	(39,423)	(84,890)
Impairment losses	33,510	245,823
Provision for impairment on trade accounts and other receivables	523	934
Provision for impairment of inventories	206	259
Loss on disposal and write-off of property, plant and equipment	422	564
Gain on disposal of investment properties	-	(723)
Interest income	(3,430)	(4,055)
Interest expense	24,558	30,099
Government assistance	(12,900)	(65,000)
Write back of provision for other receivable	-	(68,924)
Write back of related party payable	-	(22,058)
Employees' end of service benefits	2,867	3,553
Operating profit before changes in operating assets and liabilities	150,579	175,526
Changes in operating assets and liabilities:		
Inventories	(15,674)	4,299
Trade accounts receivable, prepayments and other receivables	2,653	(14,265)
Trade accounts payable, accruals and other liabilities	24,414	61,510
Cash from operating activities	161,972	227,070
Interest paid	(22,995)	(29,869)
Derivative financial instruments	(39)	(4,319)
Employees' end of service benefits paid	(2,568)	(2,897)
Net cash from operating activities	136,370	189,985
INVESTING ACTIVITIES		
Investment in associates and joint venture	(27,914)	(5,000)
Purchase of non-trading and other investments	(24,755)	(60,957)
Proceeds from sale of non-trading investments and other investments	540	38,258
Purchase of property, plant and equipment	(220,811)	(90,150)
Proceeds from disposal of property, plant and equipment	860	3,297
Investment in properties	(9,770)	(31,515)
Other assets	2,278	2,767
Short term deposits	24,184	85,807
Interest received	2,025	3,399
Dividends from associates	31,091	29,659
Net cash used in investing activities	(222,272)	(24,435)

Consolidated Statement of Changes in Equity

Year ended 31 December 2016

	Attributable to shareholder of the parent					Non-controlling interests	Total equity
	Share capital BD '000	Capital contribution BD '000	Statutory reserve BD '000	Other reserves BD '000	Accumulated losses/ Retained earnings BD '000	BD '000	BD '000
Balance at 1 January 2015	1,845,635	1,173,203	33,277	43,024	(769,695)	290,410	2,615,854
Net profit for the year	-	-	-	-	10,303	18,407	28,710
Other comprehensive loss	-	-	-	(68,765)	-	(107)	(68,872)
Total comprehensive (loss) income	-	-	-	(68,765)	10,303	18,300	(40,162)
Contribution by the shareholder	-	97,194	-	-	-	-	97,194
Capital contribution netted off against accumulated losses	-	(769,695)	-	-	769,695	-	-
Shares issued during the year	154,365	(154,365)	-	-	-	-	-
Transfer to statutory reserve	-	-	1,030	-	(1,030)	-	-
Share of other change in equity of associate	-	-	-	-	(37)	-	(37)
Dividend paid to non-controlling interests	-	-	-	-	-	(8,936)	(8,936)
Other movement in non-controlling interests	-	-	-	-	-	(1,245)	(1,245)
Balance at 31 December 2015	2,000,000	346,337	34,307	(25,741)	9,236	298,529	2,662,668
Net profit for the year	-	-	-	-	53,912	14,993	68,905
Other comprehensive loss	-	-	-	(50,034)	-	(109)	(50,143)
Total comprehensive (loss) income	-	-	-	(50,034)	53,912	14,884	18,762
Contribution by the shareholder	-	6,532	-	-	-	-	6,532
Transfer to statutory reserve	-	-	5,391	-	(5,391)	-	-
Dividend paid to non-controlling interests	-	-	-	-	-	(2,508)	(2,508)
Other movement in non-controlling interests	-	-	-	-	-	(172)	(172)
Balance at 31 December 2016	2,000,000	352,869	39,698	(75,775)	57,757	310,733	2,685,282



