



FOR IMMEDIATE RELEASE  
MANAMA (ALBH)

Aluminium Bahrain B.S.C. (Alba) (Ticker Code: ALBH) presents its financial results as per the International Financial Reporting Standards (IFRS) accounting rules. All investors and reporters are asked to read Alba's Third Quarter and Nine-Months of 2020 Interim Condensed Consolidated Financial Statements which are posted at [www.albasmelter.com](http://www.albasmelter.com).

Alba's official press release and full set of Financial Statements are also available on [Bahrain Bourse website](#).

Alba's Financial Results for the Third Quarter and Nine-Months of 2020 are summarized below:

## ***Alba Discloses its Financial Results for the Third Quarter and Nine-Months of 2020***

### **Q3 & Nine-Months of 2020 Financial Performance**

Aluminium Bahrain B.S.C. (Alba) (Ticker Code: ALBH), the world's largest aluminium smelter w/o China, has reported a **Loss of BD11.6 million (US\$31 million)** for the **third quarter of 2020**, up by 209% Year-over-Year (YoY) versus a Profit of BD10.7 million (US\$28.4 million) for the same period in 2019. The Company reported **Basic and Diluted Loss per Share** for the **third quarter of 2020** of **fil 8** versus Basic and Diluted Earnings per Share of fil 8 for the same period in 2019. **The Total Comprehensive Loss** for Q3 2020 stood at **BD11.7 million (US\$31.1 million)** versus Total Comprehensive Profit for the third quarter of 2019 of BD10.7 million (US\$28.4 million) – up by 209% YoY. **Gross Profit** for the third quarter of 2020 was **BD25.7 million (US\$68.3 million)** versus BD29.2 million (US\$77.6 million) in Q3 2019– down by 12% YoY.

With regards to **the nine-months of 2020**, Alba has reported a **Loss of BD22.3 million (US\$59.2 million)**, up by 164% YoY, versus a Loss of BD8.4 million (US\$22.4 million) for the same period in 2019. For the nine-months of 2020, Alba reported **Basic and Diluted Loss per Share** of **fil 16** versus Basic and Diluted Loss per Share of fil 6 for the same period in 2019. Alba's Total Comprehensive Loss for Nine-Months of 2020 was **BD31.5 million (US\$83.8 million)**, up by 273% YoY, compared to a Total Comprehensive Loss of BD8.4 million (US\$22.4 million) for the nine-months of 2019. **Gross Profit** for the nine months of 2020 was **BD80.9 million (US\$215.1 million)** versus BD45.4 million (US\$120.9 million) in nine-months of 2019 – up by 78% YoY.

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With regards to the **Revenue from Contracts with Customers** in the third quarter of 2020, Alba generated **BD262.7 million (US\$698.6 million)** versus BD287.1 million (US\$763.6 million) in Q3 2019 - down by 8.5% YoY. For the Nine-Months of 2020, Total Revenue from Contracts with Customers reached **BD782.6 million (US\$2,081.5 million)**, up by 6% YoY, compared to BD735.7 million (US\$1,956.7 million) for the same period in 2019.

**Total Equity** as at 30 September 2020 stood at **BD1,046.2 million (US\$ 2,782.4 million)**, down by 3%, versus BD1,078.6 million (US\$2,868.6 million) as at 31 December 2019. Alba's **Total Assets** as at 30 September 2020 stood at **BD2,382.3 million (US\$6,335.9 million)** versus BD2,420.2 million (US\$6,436.8 million) as at 31 December 2019 - down by 1.6%.

Alba's top-line was driven in the third quarter of 2020 by higher metal Sales' volume thanks to Line 6 and partially offset by lower LME price [down by 3% Year-over-Year (US\$ 1,706/t in Q3 2020 versus US\$ 1,761/t in Q3 2019)] while the bottom-line was impacted by higher depreciation, financial charges and foreign exchange losses.

### Q3 2020 Industry Highlights

- The Global recovery lost its momentum as markets reacted differently with the easing of lockdown restrictions. The political and economic response to COVID-19 has also raised importance on ESG issues and given voice for stimulus packages to be green.
  - **World Consumption down by 4% Year-over-Year.**
  - COVID-19 outbreak continues to take its toll on Aluminium demand in major markets -- World ex-China has seen a decline in Aluminium consumption [a drop of 12% YoY].
  - Challenges relating to pandemic, impact of failure in Brexit negotiations, US elections and US-China trade war continue to weigh on business sentiment in Europe -> leading to a contraction in Aluminium demand of 13% YoY.
  - Recovery in Aluminium demand gathers pace in China with 3% YoY increase thanks to the government's stimulus packages [rebound in construction and auto sectors].
- **Global Production** witnessed a **modest growth of 2% YoY**. Primary Aluminium production in MENA down by 3% YoY [owing to supply cuts in UAE of c.6% YoY]. Manufacturing activity in US continues with supply in North America up by 4% YoY. China's output grew by 5% YoY - boosted by start-up of new projects. This has led the world market to be in surplus with China (+611Kt) and (+851Kt) without China.
- LME inventories at **~1.45 million MT** as of September-end (**up by 56% YoY**). LME-Cash averaged US\$1,706/t (down by 3% YoY) and the physical premium prices were on roller coaster ride.



## **Alba Safety Highlights amidst COVID-19**

- Alba launches its first virtual Summer Safety Campaign 'Our Safety is in Our Hands' in July 2020
- Alba achieved 24.5 Million Safe Working-Hours w/o LTI on 02 August 2020. On 03 August 2020, Alba had an unfortunate LTI.
- Ongoing liaison with the National Taskforce for combatting COVID-19 to ensure People's Safety (Employees and Contractors' Workers).
- Remote work from home continues for soft departments (men & women).
- Restricting travels, embracing social distancing and conducting virtual/e-meetings with all Management levels and visitors.

## **Q3 2020 Alba Highlights**

- Alba hosts virtual 'Market Update' sessions for its customers in partnership with CRU.
- Alba -- a recipient of 2 major awards from Middle East Investor Relations Association (MEIRA).
- MoU inked between Alba and University of Bahrain to enhance scientific and research cooperation.
- Sales' volume topped 393,177 metric tonnes (MT) - up by 5% YoY while Production reached 385,638 MT (almost flat).
- Value-Added Sales averaged 48% of total shipments.
- Spent Pot Lining (SPL) Plant overall progress exceeded 40%.

## **2020 Alba Priorities**

- Strong focus on 'Safety Globe' Initiative & keep Alba's intrinsic assets (Employees & Contractors) safe amidst novel COVID-19.
- To achieve 2020 Production Target of 1,540,000 MT.
- Maintain Project Titan - Phase IV Savings [Projected Savings of US\$ 100 Million by 2020-end].
- Screen for upstream opportunities to secure c. 1/3 of Alumina requirements.
- Capitalise on Aluminium Stewardship Initiative (ASI) and Ecovadis Certifications to penetrate new markets as well as segments for foundry and slabs.
- Establish a Branch in Singapore.
- Complete SPL Treatment Plant and Port Upgrade as per timeline.
- Launch 2021 Objectives in Annual CEO Majlis.

Commenting on Alba's financial performance for the third quarter and 9-months of 2020, the Chairman of Alba's Board of Directors, Shaikh Daij Bin Salman Bin Daij Al Khalifa stated:

"We are all in this together and COVID-19 showed us that nothing is more important than our Safety. At Alba, Safety of our people and contractors' employees, is and will remain our number one priority.



Like all businesses, our performance has been relatively dampened due to COVID-19 impacts and despite our operational resilience.”

Adding further, Alba’s Chief Executive Officer, Ali Al Baqali said:

“We continue to navigate through these unprecedented times by focusing on what we control best: Safety of our People, Efficient Operations and Lean Cost Structure.

We also remain optimistic that with the agility of our people and strategic capabilities, we will get back on track and stronger than before.”

Alba Management will hold a conference call on Tuesday 27 October 2020 to discuss Alba's financial and operational performance for Q3 2020 as well as outline the Company's priorities for the remainder of this year.