



Media Release – Thursday 12 May 2022

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 requested to read Alba's First Quarter 2022 Condensed Consolidated Interim Financial Information 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 First Quarter of 2022 are summarized below:

## ***Alba Discloses its Financial Results for the First Quarter of 2022***

### **Q1 2022 Financial Performance**

Aluminium Bahrain B.S.C. (Alba) (Ticker Code: ALBH), the world's largest aluminium smelter w/o China, has reported a **Profit of BD146.8 million (US\$390.4 million)** for the first quarter of 2022, **up by 181% Year-over-Year (YoY)**, versus a Profit of BD52.2 million (US\$138.8 million) for the same period in 2021. The Company reported **Basic and Diluted Earnings Per Share of fils 104** versus fils 37 for the same period in 2021.

The **Total Comprehensive Income** for Q1 2022 stood at **BD156 million (US\$415 million)** versus BD58.4 million (US\$155.4 million) for the same period in 2021 -- **up by 167% YoY**. **Gross Profit for Q1 2022** was **BD178 million (US\$473.4 million)** versus BD80.5 million (US\$214.1 million) for the same period in 2021 -- **up by 121% YoY**.

With regards to the **Revenue** in Q1 2022, Alba generated **BD455 million (US\$1,210 million)** versus BD302.7 million (US\$805.1 million) in Q1 2021 -- **up by 50% YoY**.

**Total Equity** as of 31 March 2022 stood at **BD1,585.3 million (US\$4,216.2 million)**, **up by 5%**, versus BD1,503 million (US\$3,997.4 million) as of 31 December 2021. **Total Assets** as of 31 March 2022 were **BD2,690.5 million (US\$7,155.6 million)** versus BD2,624.6 million (US\$6,980.3 million) as of 31 December 2021 -- **up by 3%**.

Alba's top-line were driven by higher LME prices (56% YoY) and partially offset by lower Sales' volume (-0.3% YoY) while bottom-line for Q1 2022 was driven by higher top-line and partially impacted by higher Selling and Distribution Expenses.

*Disclaimer: The information contained in this press release is for media dissemination only.*



## Industry Highlights

### Economics of War & World Consumption Flat (+1% YoY)

- Having started to recover from COVID-19 pandemic, the Russo-Ukrainian war raised new challenges for commodities and created mixed market sentiment. Markets for commodities, foreign exchanges, equities and debt are all adjusting to the shock of war and the uncertainty. There will be severe economic consequences for Ukraine and Russia and, potentially, the global economy
- Middle East: Demand up by 5% YoY supported by higher consumption in Bahrain (+7% YoY), UAE (+5% YoY) & KSA (+5% YoY)
- US: Consumption up by 3% YoY supported by a surge in the construction and transport sectors despite higher costs and labour shortages
- Europe: Surging energy prices and prospect of energy supply disruptions have weighed on economic activity with auto sector feeling mostly the supply-chain strain (+2% YoY)
- China: Rising COVID-19 cases and slowdown in the property sector together with global impact of Russia-Ukraine conflict have prompted the government to loosen the fiscal policy -> flat consumption

### World Market Supply Down by 2%

- The war in Ukraine has flagged strong differences between China and the Rest of the World (ROW) with LME and SHFE prices moving in opposite directions
- Middle East supply up by 4% YoY (Bahrain up by 1% & UAE by 7% YoY)
- China: COVID lockdowns weighed on growth with supply down by 2% YoY
- Europe leads World ex-China output with its production down by 5% YoY as a result of higher energy prices
- World market deficit softened on slower global demand growth with China (-0.05 million MT) and w/o China (-0.4 million MT)

### LME Price & Inventories

LME-Cash averaged US\$3,267/t - up by 56% YoY & LME inventories remain low at ~0.6 million MT as of 31 March 2022 (down by 66% YoY).



## Alba Environment, Social and Governance (ESG) Highlights

- Alba inked a MoU with Mitsubishi Heavy Industries to collaborate on opportunities to reduce Alba's carbon footprint
- Spent Pot Lining Treatment Plant in full operational swing to produce HiCal (125 tonnes were shipped to Thailand)
- Alba won British Safety Council's International Safety Award for calendar year of 2021
- Alba collaborates with BAPCO to implement Environment, Social and Governance (ESG) initiatives of common interest through signing a MoU
- Board Executive Committee renamed to Board Executive and ESG Committee
- Formation of CEO's ESG Taskforce Committee to evaluate ESG-linked initiatives associated with each of the 6 priorities (Decarbonisation; Green Energy & Aluminium; Circular Economy & Secondary Aluminium; Employee Welfare; Collaboration & Partnership; and Transparency, Communications and Due Diligence)
- 25 million safe working hours without LTI achieved on 30 April 2022

## Alba Major Operational Highlights

- Sales' volume topped 354,216 metric tonnes (MT), down by 0.3% YoY while Production reached 391,050 MT, up by 2.4% YoY
- Value Added Sales averaged 65% of the total shipments versus 62% in Q1 2021 [VAP: 230,467 MT up by 5.4% YoY]
- Al Hassalah achieved savings of US\$89 million (including US\$10 million one-off savings from working capital) – corresponding to US\$45/MT
- Natural gas price at US\$4/MMBTU till 31 March 2023
- Alba teamed with EtaPRO to use Digital Industry 4.0 and AI to improve its power stations' performance
- Alba signed a MoU with Emirates Global Aluminium to explore opportunities to creep Line 6 production and potentially deploy EGA technological expertise for the potential brownfield expansion of Potline 7
- Alba inked a MoU with Bahrain Polytechnic to develop higher educational opportunities for Bahraini nationals especially in various engineering disciplines
- Alba honoured its national employees who have completed 10, 20 and 30 years in service



## 2022 Alba Priorities

- Deliver on newly-launched ESG roadmap in line with Bahrain's Objectives for 'Net Zero Emissions' by 2060
- Embed ESG in the Company's operations and processes as well as deliberate with various stakeholders and partners potential ESG initiatives to further sustainable value across our value-chain
- Meet 2022 Production Target of 1,560,000 metric tonnes & deliver on AL HASSALAH savings' target of US\$100 Million by 2022-end
- Screen potential upstream opportunities to secure 1/3 Alumina requirements
- Capitalise on Aluminium Stewardship Initiative and Ecovadis Certifications to penetrate new markets & increase VAP sales to > 70%
- Accelerate the financial closure of PS5 Block 4 and progress with Solar Farm
- Progress with the pre-feasibility study for Line 7 smelter

Commenting on Alba's financial performance for the first quarter ended 31 March 2022, the Chairman of Alba's Board of Directors, Shaikh Daij Bin Salman Bin Daij Al Khalifa stated:

"We are off to a strong start in 2022 as we delivered another quarter of great results with a Profit of more than US\$390 million, exceeding our performance for the first half of 2021 (Profit for H1 2021: US\$385 million), reflecting the underlying momentum in our business as we capitalise on strong LME prices."

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

"Thanks to our agile operations, we have been able to achieve for the first-time ever in a quarter an excellent performance on many fronts amidst the logistics' challenges.

I also take the opportunity to thank our workforce for achieving for the first time ever in our history 25 million safe working hours without LTI."

Alba Management will hold a conference call on Monday 16 May 2022 at 3 PM Bahrain Time to discuss its financial and operational performance for Q1 2022 as well as outline the Company's priorities for 2022 as it charts its ESG journey.

**ENDS**

### Photo Caption



Chairman of Alba's Board of Directors Shaikh Daij Bin Salman Bin Daij Al Khalifa  
Alba's Chief Executive Officer, Ali Al Baqali

### About Aluminium Bahrain B.S.C. (Alba) [Ticker: ALBH]

Starting as a 120,000 tonnes per annum smelter in 1971, Alba, today, is the world's largest aluminium smelter ex-China with a production of more than 1.561 million metric tonnes per annum (2021). Its diverse product portfolio of Standard and Value-Added Products (VAP)s are exported to more than 240 global customers through its sales offices in Europe (Zurich), Asia (Hong Kong & Singapore) and subsidiary office in the U.S. Alba is dual listed on Bahrain Bourse and London Stock Exchange and its shareholders are Bahrain Mumtalakat Holding Company B.S.C. © (69.38%), SABIC Industrial Investments Company (SIIC) (20.62%) and General Public (10%).

Over the last five decades, Alba has been a major contributor to the social, industrial, and economic development of the Kingdom of Bahrain. The Company is at the heart of a thriving Bahrain's aluminium sector, which accounts for approximately 12% of the country's GDP. Renowned for being an employer of choice, Alba is a model in Employee Training and Development and employs over 3,100 people across its operations (2021), of which 84% are Bahraini nationals. It is noteworthy that in 2021, Alba achieved more than 581,000 training- hours despite the challenges of COVID-19.

Alba is recognised as one of the top industrial companies in the world with high standards in Environment practices, Social contribution and Corporate Governance. Over 50 years, the Company has invested into projects that had a positive impact on the society in which it operates. More recently, Alba's US\$37.5 million zero-waste Spent Pot Lining Treatment Plant, the upcoming 5-plus MW Solar Farm Project and strategic role in the future Aluminium Downstream Park are a testimony of Alba's Sustainability Roadmap that will meet the goals of Bahrain's Economic Vision 2030 as well as the Net Zero Carbon targets led by HRH the Crown Prince and Prime Minister of Bahrain in COP26 summit. In addition, globally-recognised certifications such as ISO 9001, ISO 14001, ISO 27001, ISO 45001, IATF 16949:2016 and ASI Performance Standard Certification and Ecovadis attest to Alba's actions to produce aluminium responsibly and sustainably.

Safety of its employees and contractors' workforce remains Alba's top priority. Over the years, the Company has maintained an excellent track record in Safety and Health for which it has won prestigious international awards such as the RoSPA Gold Award (9 years in a row) and International Safety Award with Merit from British Safety Council in 2020. Alba stayed strong on its journey of Safety Excellence by topping more than 25 million safe working-hours without any Lost Time Injury (LTI) by 30 April 2022.

Alba has also been recognised internationally for its strong values and operating excellence, with the most recent ones being top ESG performer in Bahrain by ESG Invest; Safeguard Label from Bureau Veritas; and Best Corporate Governance Award by Ethical Boardroom. For more information on Alba, please visit [www.albasmelter.com](http://www.albasmelter.com)

### Alba External Grievance Mechanism

Alba's External Grievance Mechanism receives and facilitates the resolution of any affected communities' concerns and grievances about Alba's Environment and Social (E&S) performance. External grievances about Alba's E&S performance can be logged via the [Alba Integrity Line](#) - an independently operated confidential reporting hotline in multiple languages - via a toll-free phone system or via the intranet 24 hours a day.

### Alba Response to COVID-19 Pandemic

Alba's response strategy to COVID-19 was initiated back to January 2020 in line with the guidelines of Bahrain National Taskforce for Combating Coronavirus (COVID-19). The Company was able to maintain safe operations throughout 2021 thanks to its nimble workforce – employees and contractors' personnel.

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