

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 2025 Interim Condensed Consolidated Financial Statements which are posted at 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 2025 are summarised below:

Alba Reports its Financial Results for the First Quarter of 2025

Q1 2025 Financial Performance

Aluminium Bahrain B.S.C. (Alba) (Ticker Code: ALBH), the world's largest aluminium smelter on one site, has reported a **Profit of BD18.1 million (US\$48.2 million)** for the **first quarter of 2025**, a drop of 25.9% Year-over-Year (YoY), versus a Profit of BD24.5 million (US\$65 million) for the same period in 2024. The Company reported Basic and Diluted Earnings Per Share of fils 13 for Q1 2025 versus fils 17 for the same period in 2024.

Total **Comprehensive Income for Q1 2025** stood at **BD16.8 million (US\$44.7 million)** versus BD27.7 million (US\$73.6 million) for the same period in 2024 – a drop of 39.4% YoY. **Gross Profit for Q1 2025** was **BD50.8 million (US\$135.1 million)** versus BD 57.3 million (US\$152.3 million) for the same period in 2024 - down by 11.3% YoY.

With regards to the **Revenue from contracts with customers**, Alba generated **BD408.9 million (US\$1,087.6 million)** versus BD334.6 million (US\$889.8 million) in Q1 2024 – up by 22.2% YoY.

Total Equity as of **31 March 2025** stood at **BD1,902.7 million (US\$5,060.4 million)**, down by 1.1%, versus BD1,923.9 million (US\$5,116.9 million), as of 31 December 2024. Alba's **Total Assets as of 31 March 2025** were **BD2,706.9 million (US\$7,199.2 million)** versus BD2,673.4 million (US\$7,110 million) as of 31 December 2024 – up by 1.25%.

Higher LME Price (+20% YoY) and higher premiums (+38% YoY) drove strong top-line performance, increased production costs significantly compressed EBITDA resulting in lower bottom-line.

Market Fundamentals [Based on Market Intelligence]

Global Market Demand (+2% YoY)

- Global Economy: Started the year with positive momentum, showing continued growth in commodity demand and signs of easing inflation across major economies. However, the future impact of tariffs on commodity markets remains uncertain.
- Tariffs: Increased market uncertainty has significantly affected both London Metal Exchange (LME) prices and physical premiums. If trade tensions ease, this could be good for the market.
- North America: The US economy demonstrated good performance in Q1 driven by consumer spending and a recovering housing market. This domestic performance contributed to a 1% YoY increase in demand.
- China: Recognising global uncertainties, Chinese policymakers announced measures to facilitate a transition from exports to domestic consumption. As a result, the property sector stabilised with improved new home sales and a reduction in inventory. This internal focus translated into tangible results with aluminium consumption showing 1% year-over-year (YoY) increase.
- Middle East: Demand grew by 3% YoY, primarily driven by higher consumption in Saudi Arabia (+4% YoY) and Bahrain & UAE (+3% YoY).
- Europe: Despite a slight easing in inflation, overall consumption remained flat.

Global Market Supply (+1% YoY)

- Global aluminium supply market growth was very limited. While some smelters were ramping-up production, these increases were largely offset by the impact of closures that took place at the end of last year.
- China: Supply rose by a modest 1% YoY as it's nearing its self-imposed production capacity ceiling of 45 million metric tonnes, making any significant net supply growth from China unlikely.
- Europe: Production saw a marginal increase of 1% YoY driven by gradual return to full operations of German smelters.
- North America: Production contracted by 3% YoY primarily due to a 2% YoY decline from Canadian smelters
- Middle East: Supply down by 1% YoY.
- Market Balance: As Chinese production is growing at a slower pace than consumption (China continues to hold to its 45 million tonnes annual target), the global market shows a surplus when including China (+253,000 MT) and a deficit when excluding China (-265,000 MT).

LME Price & Premiums

- LME Price averaged US\$2,629/t in Q1 2025 (+20% YoY) and was supported by low global inventories of 459,000 MT (down by 17% YoY) and modest supply growth. However, towards the end of Q1, LME prices started to decline given changes in trade policies.
- Premiums: Following the implementation of tariffs in the US, regional premiums surged by 77% YoY. DDP Rotterdam and MJP premiums up by 17% and 153% YoY respectively mainly due to depletion of inventories and geopolitical factors.

Alba Celebrates ESG Achievements and Plans Future Course

- **Safety First. Safety Always**
 - Alba wins six National Safety Council Awards for 2025.
 - Honoured with Prestigious RoSPA Life President Award for Unparalleled Safety Excellence.
 - Launched plant-wide Safety and Health Campaign 'Be an Albawee in Ramadan'.
- **Empowering People**
 - 56 national employees completed Alba's 'Al Jisr' training & development programme.
 - Promoted 3 Bahraini talent to key managerial positions.

- Celebrated promotion of 2,082 Bahraini employees over the past 5 years and 87% Bahrainisation rate.
- 15 exceptional employees, including 7 women, were recognised with the 'Inspirational Employee of the Year' Award.
- **Sustainability & Environmental Stewardship**
 - Embarked on a pilot programme for an electric, battery-powered Aluminium Fluoride (AlF₃) feeding vehicle in potlines.
 - Joined Sea Cargo Charter as its Newest Signatory, Reinforcing Sustainable Shipping Commitment.
 - Recognised top-performing contracting companies for their top performance in Safety and well-being of workers in Alba.
- **Community Impact**
 - Joined Tamkeen's Open Innovation Program to obtain innovative solutions from Bahraini startups and SMEs - first company in Bahrain to join the Program.

Alba's Operational Highlights

- Despite market challenges, sales volume reached a healthy 374,809 MT, up by 3% YoY.
- Net Finished Production dipped slightly by 2% YoY to reach 396,866 MT.
- Value Added Sales (VAP) averaged 71% of total shipments, marking an increase of 5% YoY [VAP: 265,657 MT in Q1'25 versus 252,772 MT in Q1'24].
- Achieved savings for e-Al Hassalah at US\$30.9 million against 2025 Target of US\$60 million.

Aluminium Market: Trade Turbulence Casts Shadow Over Short-Term Outlook [Based on Market Intelligence]

- Market Uncertainty Persists: LME prices dropped rapidly by Q1-end 2025 due to strengthening US dollar and growing concerns about near-term economic activity as trade tensions escalated. Trump's tariffs and the US dollar were key drivers of aluminium price movements, and market sentiment remains fragile due to volatile US trade policies.
- Demand Outlook: High tariffs threaten demand despite initial positive indicators. While extreme US tariffs, especially on China, are likely to persist, they will likely cause global inflationary pressure.
- Supply Conditions: Modest growth in Chinese aluminium output expected due to smelters' restarts and ramp-ups. Production outside China will also likely increase with capacity expansions in India and Russia.
- Premium Outlook: MJP Q2 settled at US\$182/t (down by US\$46/t from Q1). European premiums declines are due to anticipated redirection of US-bound metal. Midwest premium is expected to eventually increase to attract more metal to the US.
- LME Price Forecast: Near-term LME prices are projected to range between US\$2,300/t and US\$2,450/t.

Alba: Safe, Sustainable, Successful

- **Leading the Way: Safety First, Sustainability Always**
 - Aligned with Bahrain's 2060 vision of net-zero emissions, Alba embeds sustainability from raw material sourcing to product delivery, minimising environmental footprint.
- **Operational Excellence and Growth**
 - Exceed 2024 Net Finished Production of 1,622,261 MT.
 - Achieve e-Al Hassalah 2025 Target of US\$60 million, progressing towards 2026 Target of US\$150 million.
- **Capacity Expansion and Efficiency Enhancement**
 - Leverage its industry-leading certifications such as Aluminium Stewardship Initiative (ASI), EcoVadis and Low-Carbon Aluminium EternAITM to penetrate new markets & boost Value Added Sales (VAP) sales.



- Complete Solar Farm (+6 MW) to enhance green energy utilisation.
- Establish Alba Daiki Sustainable Solutions (ADSS) for aluminium dross processing by September 2026.
- Complete Feasibility Study for the New Replacement Line which will replace Reduction Lines 1-3.

Commenting on the Company's performance for the first quarter of 2025, the Chairman of Alba's Board of Directors, Khalid Al Rumaihi stated:

"Alba's Q1 2025 results underscore the fundamental strength and operational efficiency of our business.

While our reported Profit reflects the significant impact of higher alumina prices, it's important to recognise that had these prices remained at previous levels, Alba would have undoubtedly achieved an unparalleled financial performance, demonstrating our inherent earnings potential."

Alba's Chief Executive Officer, Ali Al Baqali, added: "Despite the prevailing global geopolitical tensions, Q1 2025 was a landmark period for Alba marked by many firsts: we recorded the highest sales volume, achieved a record Value Added Sales percentage and most importantly, delivered our best safety performance ever in the Company's history.

These firsts are a direct result of the commitment and operational excellence exhibited by the entire Alba team."

Alba Management will hold a conference call on Wednesday 14 May 2025 at 4PM Bahrain Time to discuss the Company's financial and operational performance for Q1 2025 and outline its strategic priorities moving forward.