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 invited to read Alba's Interim Condensed Consolidated Financial Statements as at 30 June 2025 (Reviewed) 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 Second Quarter and First Half 2025 are summarized below:

Alba Discloses its Financial Results for the Second Quarter and H1 of 2025

Q2 & H1 2025 Financial Performance

Manama, Bahrain – [05 August 2025]: Aluminium Bahrain B.S.C. (Alba) (Ticker Code: ALBH), the world's largest aluminium smelter on one site, has reported a **Profit** of **BD24.6 million (US$65.3 million)** for the **second quarter of 2025, down by 64% Year-over-Year (YoY),** versus a Profit of BD68.5 million (US$182.2 million) for the same period in 2024. The Company reported **Basic and Diluted Earnings per Share of fils 17 for Q2 2025** versus Basic and Diluted Earnings per Share of fils 48 in Q2 2024**. The Total Comprehensive Income for Q2 2025** stood at **BD21.9 million (US$58.1 million)** versus Total Comprehensive Income for the second quarter of 2024 of BD66.7 million (US$177.4 million) – **down by 67% YoY**. **Gross Profit for Q2 2025 was BD47 million (US$125.1 million)** versus BD102 million (US$271.2 million) for the same period in 2024 – **down by 54% YoY.** As for **Revenue from contracts with customers in Q2 2025**, Alba generated **BD434 million (US$1,154.4 million)** versus BD407 million (US$1,082.3 million) in Q2 2024 - **up by 7% YoY.**

For the First Half of 2025, Alba has reported a **Profit of BD42.7 million (US$113.5 million)**, **down by 54% YoY** versus a Profit of BD93 million (US$247.3 million) for the same period in 2024. The Company reported **Basic and Diluted Earnings per Share** of **fils 30** for H1 2025 versus Basic and Diluted Earnings per Share of fils 66 for the same period in 2024. Alba's **Total Comprehensive Income for H1 2025** was **BD38.7 million (US$102.8 million)**, **down by 59% YoY**, compared to a Total Comprehensive Income of BD94.4 million (US$251 million) in H1 2024. **Gross Profit for the First Half of 2025** was **BD97.8 million (US$260.2 million)** versus BD159.2 million (US$423.5 million) in H1 2024 – **down by 39% YoY**. Alba generated in H1 2025 **Revenue from contracts with customers** of **BD843 million (US$2,242 million)** versus BD741.5 million (US$1,972.1 million) in H1 2024 - **up by 14% YoY.**

Total Equity as of **30 June 2025** stood at **BD1,924.4 million (US$5,118.2 million)**, **up by 0.03%**, versus BD1,923.9 million (US$5,116.9 million) as of 31 December 2024. Alba's **Total Assets** as of **30 June 2025** were **BD2,657.9 million (US$7,069 million)** versus BD2,673.4 million (US$7,110 million) as of 31 December 2024 – **down by 0.6%.**

The Board of Directors of Aluminium Bahrain B.S.C. (Alba) resolved during the Board e-meeting on Tuesday 05 August 2025, to recommend the distribution of Interim Dividend as at 30 June 2025 to the shareholders whose names are registered on the Company's register on the Record Date. The cash interim dividend is 10.55% of the share nominal value, equivalent to Fils 10.55 per share amounting to BD14,932,765 (c.US$40 million).

Market Fundamentals [Based on Market Intelligence]

Global Market Demand (+3%YoY)

- **Global Economic Landscape** experienced a notable slowdown with growth rates lower than in previous years. **Tariffs** remain a major threat to global demand. While global trade war has de-escalated since its peak in early April, tariffs persist, and only two major US trade deals with the UK and China have been announced. Tensions with key US partners haven't fully eased.
- **China's** Q2 GDP exceeded expectations, driven by strong investment and steady exports. However, weak domestic demand, ongoing property issues, and deflation remain concerns. While recent policies aim to stabilise the economy, more stimulus is likely needed. These dynamics contributed to a 4% YoY rise in demand from China.
- **North America** continues to face tariff uncertainty, which is preventing a sustained improvement in demand; consumption is down by 1% year-on-year (YoY).
- **Europe** saw lower consumption (-2% YoY) due to continued high energy costs and a slowdown in the automotive industries.
- **Middle East** demand dropped by 4% YoY, primarily driven by lower consumption in Bahrain (-10% YoY) and UAE (-5% YoY).

Global Market Supply (+2%)

- **Global Aluminium Supply Growth** was limited in Q2 with only marginal increases from smelter restarts and expansions.
- **China's** supply rose by a modest 2% YoY due to limited capacity expansion.
- **Middle East** supply saw a mere 1% YoY increase.
- **Europe's** overall production remained flat.
- **North America:** Production contracted by 3% YoY primarily due to a 2% YoY decline from Canadian smelters.
- **Market Balance:** Since Chinese production is growing at a slower pace than consumption (as China adheres to its 45 million tonnes annual target), the global market is showing a deficit of -531,000 MT when including China and a deficit of -175,000 MT when excluding China.

Aluminium Market Pricing & Inventories

- **LME Price** averaged US$2,447/t in Q2 2025 (-3% YoY). Prices initially dipped in April following the announcement of reciprocal tariffs but regained momentum throughout the quarter. Despite this recovery, prices remain relatively low, reflecting ongoing market volatility.
- **LME Inventories** are down by a significant 66% YoY to 349,000 MT, the lowest inventory level since early October 2022.

Alba's Q2 Operational Highlights

- Despite market challenges, sales volume topped a healthy 411,007 MT, up by 3.4% YoY. Net Finished Production remained flat at 402,912 MT.
- Value Added Sales (VAP) averaged 76% of total shipments, marking an increase of 9% YoY [VAP: 314,390 MT in Q2'25 versus 288,312 MT in Q2'24].

*Percentages are rounded

- Strategic Initiatives
    - Achieved savings for the e-Al Hassalah at US$59.4 million against 2025 Target of US$60 million.
    - Expanded EternAl™ Low-Carbon Product Line with launch of 'EternAl-AC', a new product series incorporating verified in House Carbon Offsets, as well as added EternAl-20 and EternAl-50 to its low-carbon aluminium portfolio.
    - 1st Middle East smelter to adopt AI-Powered Seeq platform.
    - Successfully migrated to RISE with SAP Private Edition.

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

- **Market Outlook:** Market uncertainty persists, with recent LME gains primarily driven by a weaker USD.
- **Demand Outlook**: While tariffs continue to drive near-term volatility, the broader outlook for aluminum demand remains robust.
- **Supply Conditions**: Modest growth in Chinese aluminium output is expected due to smelter restarts and ramp-ups. Production outside China is also likely to increase with capacity expansions and restarts.
- **Premium Outlook**: The MJP premium for Q3 is forecasted at US$108/t, a projected drop of US$74/t from Q2. This expected decline reflects ongoing weak demand in Japan and increased primary aluminium supply in the Asian market. European premiums may also soften due to anticipated redirection of metal originally bound for the U.S. Meanwhile, the U.S. Midwest premium has risen significantly following the Section 232 tariff increase and is expected to climb further if the tariffs remain in effect.
- **LME Price Forecast:** Near-term LME prices are projected to range between US$2,300/t and US$2,450/t.

Alba 2025 Priorities

- **Safety First, Sustainability Always:** Aligned with Bahrain's objective of net-zero emissions by 2060, Alba embeds sustainability principles in all operations, minimising environmental impact from raw material sourcing to product delivery.
- **Operational Excellence and Growth:** Exceed 2024 Net Finished Production of 1,622,261 MT and achieve e-Al Hassalah 2025 Target of US$60 million (versus 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 EternAl™ to penetrate new markets & boost Value Added Sales (VAP) sales.
    - 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 second quarter of 2025, the Chairman of Alba's Board of Directors, Khalid Al Rumaihi stated: "Amidst global market headwinds, Alba stands resilient and focused. While our profitability has been tempered by external pressures, the continued growth in revenue and the remarkable rise in Value Added Sales to 76% reflect the strength of our vision and the agility of our operations.

The profitability gap compared to Q2 2024 is largely attributed to higher landed alumina prices in this period; without that distortion, our performance would've exceeded last year's**."**

Alba's Chief Executive Officer, Ali Al Baqali, added: "Behind every number is the unwavering dedication of our people. In the face of market challenges, Alba has delivered good results driven by a culture that puts safety first and empowers excellence. Achieving 38 million safe working hours without LTI is a testament to this commitment. We are proud of our workforce and confident in our ability to navigate the road ahead, together and safely."

Alba Management will hold a conference call on Wednesday 06 August 2025 at 12:30 PM Bahrain Time to discuss the Company's financial and operational performance for Q2 2025 and outline its strategic priorities moving forward.

*Percentages are rounded