



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 September 2024 (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 Third Quarter and 9 Months of 2024 are summarised below:

Alba Reports its Financial Results for the Third Quarter and 9 Months of 2024

Q3 & 9 Months 2024 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 BD54.5 million (US\$145 million)** for the **third quarter of 2024, up by 215% Year-over-Year (YoY)**, versus a Profit of BD17.3 million (US\$46 million) for the same period in 2023. The Company reported **Basic and Diluted Earnings per Share of fils 39** for **Q3 2024** versus Basic and Diluted Earnings per Share of fils 12 for the same period in 2023. **The Total Comprehensive Income for Q3 2024 stood at BD51 million (US\$135.6 million)** versus Total Comprehensive Income for the third quarter of 2023 of BD20.8 million (US\$55.2 million) – **up by 145.7% YoY**. **Gross Profit for Q3 2024 was BD83.4 million (US\$221.8 million)** versus BD48.6 million (US\$129.3 million) for the same period in 2023 – **up by 71.6% YoY**. With regards to the **Revenue from contracts with customers in Q3 2024**, Alba generated **BD433.5 million (US\$1,152.8 million)** versus BD400 million (US\$1,063.7 million) in Q3 2023 - **up by 8.4% YoY**.

With regards to the nine months of 2024, Alba has reported a **Profit of BD147.5 million (US\$392.2 million), up by 55.8% YoY**, versus a Profit of BD94.6 million (US\$251.7 million) for the same period in 2023. The Company reported **Basic and Diluted Earnings per Share of fils 104** for the nine months of 2024 versus Basic and Diluted Earnings per Share of fils 67 for the same period in 2023. Alba's **Total Comprehensive Income** for the nine months of 2024 was **BD145.3 million (US\$386.5 million), up by 60.7% YoY**, compared to a Total Comprehensive Income of BD90.5 million (US\$240.6 million) in the same period of 2023. **Gross Profit** for the nine months of 2024 was **BD242.6 million (US\$645.2 million)** versus BD196.4 million (US\$522.3 million) in the same period of 2023 – **up by 23.5% YoY**. Alba generated in the nine months of 2024 **Revenue from contracts with customers of BD1,175 million (US\$3,125 million)** versus BD1,157 million (US\$3,077 million) in the same period of 2023 - **up by 1.6% YoY**.

Total Equity as of **30 September 2024** stood at **BD1,885.7 million (US\$5,015 million), up by 5.4%**, versus BD1,789.2 million (US\$4,758.6 million) as of 31 December 2023. Alba's **Total Assets** as of **30 September 2024** were **BD2,659.6 million (US\$7,073.5 million)** versus BD2,553.6 million (US\$6,791.4 million) as of 31 December 2023 - **up by 4.2%**.

Alba's top-line and bottom-line were driven by LME prices which increased by 4% in the 9 Months of 2024 and 11% YoY in Q3 2024; however, lower premiums down by 15% YoY in the 9 Months of 2024 compared to the

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previous year, partially offset these gains while premiums inched higher by +2% YoY in Q3 2024 versus the same period in 2023.

Industry Highlights [Based on CRU Market Intelligence]

▪ Slow Demand Recovery Amidst Macroeconomic Challenges (+1% YoY)

The global economy continues its gradual recovery, bolstered by positive market sentiment following the US Federal Reserve's interest rate cut and China's stimulus measures. However, geopolitical tensions and trade barriers remain significant risks to the near-term outlook.

- **Middle East:** Demand up by 5% year-over-year (YoY) supported by higher consumption in KSA and Bahrain.
- **North America:** Demand rose by 4% YoY, as the US economy settled into a sustainable growth pace despite passive manufacturing and housing activity while packaging segment is recovering.
- **China:** Demand remained flat, with uneven economic recovery requiring further government support.
- **Europe:** The eurozone economy remains uncertain with uneven growth and weak consumption leading to a 1% YoY contraction in aluminium consumption.

▪ Global Aluminium Production rises 0.5% YoY

- **China:** Production up by 1% YoY stabilising after Yunnan ramp-ups. China is about to reach its production capacity cap of 45 million metric tonnes making any significant net supply growth from China unlikely.
- **Europe:** Supply increased by 2% YoY, driven by Germany and Russia.
- **North America:** Production contracted by 2% YoY primarily due to a 12% YoY decline in US.
- **Middle East:** Supply remained almost flat.
- **Market Balance:** The global market remained broadly balanced in Q3, with inventories at low levels compared to historical norms. The world market is in a slight deficit c.0.03 million MT with China and in surplus of c.0.1 million MT w/o China.

▪ LME Price & Premiums

- LME price averaged US\$2,383/t in Q3 2024, up by 11% YoY. LME Inventories reached 790,000 MT in Q3 2024 up by 62% YoY. European premiums remain high due to tight supply and disruptions while US Midwest premiums were down due to limited spot activity and focus on 2025 negotiations.

Alba's Operational Highlights

- Production: Q3: 402,568 MT (-2% YoY); 9 Months: 1,212,209 MT (-0.1% YoY).
- Sales Volume: Q3: 431,220 MT (+0.2% YoY); 9 Months: 1,192,041 MT (+0.8% YoY).
- Value-Added Sales: Q3: 72% vs 68% in 3Q23; 9 Months: 72% versus 67% in 9 months of 2023.
- Achieved savings for the e-Al Hassalah (the Company's cost improvement programme) of US\$51.24 million against 2024 Target of US\$60 million.

Alba Strategic Updates

- On 16 Sep'24, Alba announced a non-binding agreement with Ma'aden to commence due diligence towards a potential business combination with segments of Ma'aden aluminium strategic business unit.
- Alba appointed advisors to guide its due diligence process as it explores a potential business combination with Saudi Arabian Mining Company (Ma'aden) - additional updates will be provided on an ongoing basis to ensure compliance with the governing laws and regulation.

Aluminium Market Outlook: Uncertainties Cloud Short-Term Prospects [Based on CRU Market Intelligence]

- **Market Uncertainty Persists:** The market will remain uncertain while the US Fed rate cuts and Chinese stimulus will provide short-term support, sustained price increases will depend on fundamental improvements in demand.
- **Demand Outlook:** Global demand is expected to remain lackluster in Q4, with Europe presenting the most fragile demand scenario.
- **Economic Recovery Hope:** Anticipated Fed rate cuts may stimulate consumer spending from Q1 2025 onwards supporting aluminium demand.
- **Supply Conditions:** Limited new smelting projects and China's production cap will maintain constrained supply conditions in the near term.
- **Premiums Outlook:** Premiums are likely to remain high due to strengthening demand from 2025 and the implementation of the Carbon Border Adjustment Mechanism.
- **LME Price Forecast:** Aluminium prices are projected to trade within a narrow range of US\$2,400/t to US\$2,500/t in the near term.

Alba Priorities: Safe, Sustainable, Successful

- **Leading the Way: Safety First, Sustainability Always**
 - Aligned with Bahrain's objective of net-zero emissions by 2060, Alba embeds sustainability principles in all operations, minimizing environmental impact from raw material sourcing to product delivery.
- **Operational Excellence and Growth**
 - Exceed 2023 Net Finished Production of 1,620,665 MT and achieve e-Al Hassalah 2024 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 and drive growth in Value Added Sales (VAP).
 - Complete Block 4 Project and Solar Farm (+6 MW) by Q4 2024.
 - Advance the Class III Feasibility Study for the New Replacement Line which will replace Reduction Lines 1-3.
- **Planned Merger: Alba x Ma'aden:** Progress with the due diligence.

Commenting on the Company's performance for the nine months of 2024, the Chairman of Alba's Board of Directors, Khalid Al Rumaihi stated: "Despite navigating a complex global landscape, Alba has demonstrated its resilience and ability to deliver strong financial results. Our focus on operational efficiency, combined with strategic initiatives, has enabled us to achieve higher top-line and bottom-line performance.

As we move towards the end of 2024, we remain focused on capitalising on emerging opportunities and deliver sustainable value to our shareholders."

Alba's Chief Executive Officer, Ali Al Baqali, added: "At Alba, we believe that safety and productivity are mutually inclusive. By prioritising both, we have created a culture that has allowed us to consistently deliver strong results.

Our commitment to safety has enabled us to achieve to-date more than 26 million safe working hours without LTI."

Alba Management will hold a conference call on Wednesday 13 November 2024 at 3:00 PM Bahrain Time to discuss the Company's financial and operational performance for Q3 and 9 Months of 2024 and outline its strategic priorities moving forward.