



Media Release – Thursday 10 February 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 asked to read Alba's Full-Year 2021 Audited 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 Fourth Quarter and Full Year of 2021 are summarized below:

## ***Alba Discloses its Financial Results for the Fourth Quarter and Full-Year of 2021***

### **Q4 2021 and Full-Year 2021 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 **BD181.2 million (US\$481.9 million)** for the **fourth quarter of 2021**, up by 466% Year-over-Year (YoY) versus a Profit of BD32 million (US\$85.1 million) for the same period in 2020. The Company reported **Basic and Diluted Earnings per Share of fils 128** for Q4 2021 versus Basic and Diluted Earnings per Share of fils 23 for the same period in 2020. **The Total Comprehensive Income** for Q4 2021 stood at **BD183 million (US\$486.7 million)** versus Total Comprehensive Income for the fourth quarter of 2020 of BD32.9 million (US\$87.8 million) – **up by 455% YoY**. **Gross Profit** for the fourth quarter of 2021 was **BD215.5 million (US\$573.1 million)** versus BD60.1 million (US\$159.8 million) in Q4 2020 – **up by 259% YoY**.

For the Full-Year of 2021, Alba has reported a **Profit of BD451.9 million (US\$1,202 million)**, up by 4,532% YoY, versus a Profit of BD9.7 million (US\$26 million) for 2020. Alba reported **Basic and Diluted Earnings per Share of fils 319** versus Basic and Diluted Earnings per Share of fils 7 in 2020. Alba's Total Comprehensive Income for the Full-Year of 2021 was **BD458.5 million (US\$1,219.4 million)**, up by 30,467% YoY, compared to a Total Comprehensive Income of BD1.45 million (US\$3.9 million) for 2020. **Gross Profit** for 2021 was **BD577 million (US\$1,534.6 million)** versus BD141 million (US\$375 million) in 2020 – up by 309% YoY.

With regards to the **Revenue** in Q4 2021, Alba generated **BD523.3 million (US\$1,391.8 million)** versus BD278.8 million (US\$741.5 million) in Q4 2020 - up by 88% YoY. For the Full-Year of 2021, **Revenue** topped **BD1,584.8 million (US\$4,214.9 million)**, up by 49% YoY, compared to BD1,061.4 million (US\$2,822.9 million) for 2020.

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**Total Equity** as at 31 December 2021 stood at **BD1,503 million (US\$3,997.3 million)**, up by 39% YoY, versus BD1,079.5 million (US\$2,871 million) as at 31 December 2020. Alba's **Total Assets** as at 31 December 2021 were **BD2,624.6 million (US\$6,980.3 million)** versus BD2,353.7 million (US\$6,259.8 million) as at 31 December 2020 - up by 11%.

Alba's Board of Directors have proposed to pay a final dividend of Fils 53.14 per share (excluding the treasury shares) totalling BD75.2 million (US\$200 million) subject to the approvals of the Company's shareholders at the Annual General Meeting which will be held in March 2022.

Alba's top-line was driven in by higher LME prices (44% YoY in Q4 2021 and 45% YoY for the Full-Year of 2021) while the bottom-line for Q4 and Full-Year of 2021 was driven by higher top-line and partially impacted by higher Selling and Distribution Expenses.

## 2021: Industry Highlights

### Strong Market Demand Supported by V-Shape Economic Recovery

- 2021: a golden year for Aluminium being the best performing metal out of major LME base metals
- Robust rebound in Global Demand supported by strong market recovery and economic activity in key markets (+8% YoY)
- Double-digit increase in World ex-China Consumption (+12% YoY) led by Europe (+13% YoY) and North America (+13% YoY)
- Middle East demand up by 10% YoY fuelled by higher consumption in UAE (+11% YoY), Bahrain (+9% YoY) & KSA (+7% YoY)
- Chinese consumption up by 5% YoY thanks to a good pick-up in industrial activity

### Strong Aluminium Fundamentals Support Supply Growth by 4% YoY

- European smelting industry hit hard by escalating gas and power prices. 7 Aluminium producers have curtailed their supply since Oct'21 -> meek growth of 1% YoY
- China: a net importer of Aluminium [supply up by 5% YoY] --> which helped to reduce metal surplus outside China
- Middle East supply: a modest increase of 1% YoY (UAE up by 2% YoY & Bahrain up by 1% YoY)
- World market deficit widens by 2021-end with China (-1.1 million MT) and w/o China (-1.2 million MT)
- LME inventories remain low at ~0.9 million MT by end-2021 (versus ~1.3 million MT in 2020)
- Aluminium prices break higher on supply constraints due to European power market. LME-Cash averaged US\$2,475/t - up by 45% YoY



## **2021: Alba Environment, Social and Governance (ESG) Highlights**

- Collaborated with a top-class consultant to develop a fully-fledged ESG roadmap in line with Bahrain's Objectives towards 'Net Zero Emissions' by 2060.
- A full fledged ESG Roadmap, approved by Alba's Board of Directors, comprising 6 major priorities: Decarbonisation, Green Energy and Aluminium, Circular Economy and Secondary Aluminium, Employee Welfare, Collaboration and Partnership as well as Transparency, Communications and Due Diligence
- Alba CEO received People First Leader Award in Oct'21 during the GCC GOV HR Awarding Ceremony 2021
- Launched 2<sup>nd</sup> plant-wide Environment, Social, and Governance (ESG) Campaign 'Shaping Our Future' on 24 Oct'21; supported Bahrain's national initiatives to combat climate change with 'A Tree for Employee' on 16 Nov'21
- Appointed a new Acting ESG Manager to drive Alba's ESG transformation on 05 Dec'21
- Released 2020 Sustainability Report with independent limited assurance on compliance with the Global Reporting Initiative (GRI) Standards on 07 Dec'21
- Commissioned Spent Pot Lining (SPL) Treatment Plant, an Environmental Conservation Project, first-of-its-kind in the region on 12 Dec'21
- Closed 2021 with more than 20 million safe working-hours without LTI

## **2021: Alba Major Operational Highlights**

- Closed 2021 with an all-time Production record of 1,561,222 metric tonnes (MT) and higher Sales' volume of 1,550,857 despite logistics' challenges
- Value Added Sales averaged 63% of the total shipments vs. 44% in 2020 [VAP in MT: 977,582 up by 44% YoY]
- Made in Bahrain & Branching-out to the World: Alba product-portfolio in more than 50 countries
- Launched new website to offer an up-close and user-friendly experience after unveiling new Vision, Mission and Values in Jan'21
- Promoted 607 employees in 2021, highest ever achieved in Alba's history, based on Alba's Master Training Plan (initiated back in 2019), Skills Matrix and Training & Development Programme (TDP) and Al Jisr Programme (launched in 2020)



## 2022 Alba Priorities

- Deliver on newly-launched ESG roadmap in line with Bahrain's objectives for 'Net Zero Emissions' by 2060
- Evolve Towards Safety Excellence & Keep Alba's Human Capital Safe Amidst COVID-19
- 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 & Continue Dialogue with Hangzhou Jinjiang Group Co. Ltd
- Capitalise on Aluminium Stewardship Initiative and Ecovadis Certifications to Penetrate New Markets & Increase VAP Sales to 70%
- Progress with PS5 Block 4 to further boost efficiency and Solar Farm
- Engage with consultant to conduct pre-feasibility study for Line 7 smelter

Commenting on Alba's exceptional financial performance for the full year of 2021, the Chairman of Alba's Board of Directors, Shaikh Daij Bin Salman Bin Daij Al Khalifa stated:

2021 marked our Golden Jubilee of Operations and Alba's best financial performance ever recorded in its 5 decades.

- Our Production topped 1,561,222 metric tonnes versus 2021 Target of 1,550,000 metric tonnes
- EBITDA entered US\$1.636 billion-Club league for Full Year of 2021
- EBITDA Margin, the highest ever achieved in Alba's history, at 43.5% in Q4 2021 and 38.8% for Full Year of 2021
- Net Profit joins the three-comma club by setting an all-time precedent of US\$1.2 billion for Full Year of 2021

This stellar performance, backed by our operational efficiency thanks to Line 6 Expansion Project, was made possible thanks to each and everyone in Alba. I look forward to capitalising on the strong momentum we have established in 2021 to navigate 2022 and set new benchmarks in all aspects including ESG.

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

Our strong finish in 2021 reflect our disciplined approach to go the extra mile and exceed our own expectations despite the unprecedented challenges we faced with COVID-19 and logistics. This better-than-anticipated top line performance combined with our lean cost mindset allowed us to give back to our shareholders and reduce our overall debt position.

What made 2021 extraordinary is that our Safety performance was behind our all-time productivity – achieving 0 LTIs and more than 20 million safe working hours.”



Alba Management will hold a conference call on Monday 14 February 2022 at 3 PM Bahrain Time to discuss its financial and operational performance for Q4 and Full-Year of 2021, outline the Company's priorities for 2022 as well as provide an update on the current market conditions and outlook for 2022.

**ENDS**

#### **Photo Caption**

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

#### **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 (VAPs) 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 Award 2021 (8 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 20 million safe working-hours without any Lost Time Injury (LTI) by end of 2021.

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.

#### **For further details, please contact:**

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