



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 2020 Audited 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 Fourth Quarter and Full Year of 2020 are summarized below:

Alba Discloses its Financial Results for the Fourth Quarter and Full-Year of 2020

Q4 2020 and Full-Year 2020 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 **BD32 million (US\$85.1 million)** for the **fourth quarter of 2020**, up by 132% Year-over-Year (YoY) versus a Profit of BD13.8 million (US\$36.7 million) for the same period in 2019. The Company reported **Basic and Diluted Earnings per Share of fils 23** for Q4 2020 versus Basic and Diluted Earnings per Share of fils 10 for the same period in 2019. **The Total Comprehensive Income** for Q4 2020 stood at **BD32.9 million (US\$87.7 million)** versus Total Comprehensive Income for the fourth quarter of 2019 of BD13.8 million (US\$36.7 million) – **up by 138% YoY**. **Gross Profit** for the fourth quarter of 2020 was **BD60.1 million (US\$159.9 million)** versus BD44.8 million (US\$119.1 million) in Q4 2019 – up by 34% YoY.

For the Full-Year of 2020, Alba has reported a **Profit of BD9.7 million (US\$25.9 million)**, up by 81% YoY, versus a Profit of BD5.4 million (US\$14.3 million) for 2019. Alba reported **Basic and Diluted Earnings per Share of fils 7** versus Basic and Diluted Earnings per Share of fils 4 in 2019. Alba's Total Comprehensive Income for the Full-Year of 2020 was **BD1.4 million (US\$3.9 million)**, down by 73% YoY, compared to a Total Comprehensive Income of BD5.4 million (US\$14.3 million) for 2019. **Gross Profit** for 2020 was **BD141 million (US\$375 million)** versus BD90.2 million (US\$239.9 million) in 2019 – up by 56% YoY.

With regards to the **Revenue from Contracts with Customers** in Q4 2020, Alba generated **BD278.8 million (US\$741.5 million)** versus BD293.7 million (US\$781 million) in Q4 2019 - down by 5% YoY. For the Full-Year of



2020, **Revenue from Contracts with Customers** reached **BD1,061.4 million (US\$2,822.9 million)**, up by 3% YoY, compared to BD1,029.4 million (US\$2,737.8 million) for 2019.

Total Equity as at 31 December 2020 stood at **BD1,079.5 million (US\$2,871.1 million)**, up by 0.09% YoY, versus BD1,078.6 million (US\$2,868.5 million) as at 31 December 2019. Alba's **Total Assets** as at 31 December 2020 were **BD2,353.7 million (US\$6,259.8 million)** versus BD2,408.2 million (US\$6,404.8 million) as at 31 December 2019 - down by 2%.

Alba's top-line was impacted in the fourth quarter of 2020 by lower metal Sales' volume and partially offset by higher LME price [up by 9% Year-over-Year (US\$1,918/t in Q4 2020 versus US\$1,754/t in Q4 2019)] while the bottom-line was driven by higher LME prices and partially impacted by higher depreciation, financial charges and foreign exchange losses.

Alba's top-line was driven in 2020 by higher metal Sales' volume (14% YoY) and partially offset by lower LME price [down by 5% Year-over-Year (US\$1,702/t in 2020 versus US\$1,792/t in 2019)] while the bottom-line was driven by higher top-line and partially impacted by higher depreciation, financial charges and foreign exchange losses.

2020 Industry Highlights – Supply/Demand in Focus

The global COVID-19 pandemic has forced short to medium-term challenges for all countries around the world while lockdowns casted potholes for major markets' recovery. The political and economic response to COVID-19 has raised further emphasis on ESG issues and given voice for stimulus packages to be green.

- The ripple effects from COVID-19 outbreak along with the subsequent control measures have seen the world market demand easing to 62.2 million metric tonnes (MT) – down by 4% Year-over-Year (YoY).
- COVID-19 outbreak continues to take its toll on Aluminium demand in major markets. A double-digit drop in consumption -- 14% YoY in North America and Middle East, 13% YoY in World ex-China, and 12% YoY in Europe.
- China closed 2020 with a modest improvement as its economy resumed its activity to pre-COVID-19 capacity utilization [a 4% YoY increase in demand].
- China: a net importer of aluminium for 1st time since 2009 owing to government stimulus packages which helped to reduce metal surplus outside China.
- Manufacturing activity in US continues at a steady pace with North America supply up by 5% YoY.
- Thanks to Alba's Line 6 Expansion Project, production in Middle East surged by 3% YoY amidst 2% supply cuts in UAE.
- 2020 left the Aluminium value-chain with a structural surplus: World market in surplus with China (+2.6 million MT) and without China (+3.4 million MT).



- LME inventories at ~1.3 million MT by end-2020 (versus ~1.4 million MT in 2019). LME-Cash averaged US\$1,702/t in 2020 - down by 5% YoY

Alba Safety Highlights Amidst COVID-19

- Strong emphasis on 'Safety First, Safety Always' with the launch of Safety Voice virtual campaign on 2 Nov'20.
- Alba closed 2020 with 6 million safe working-hours despite the unfortunate LTI on 3 Aug'20.
- Working diligently with the National Taskforce for combatting COVID-19 to ensure our People's Safety.
- Giving back beyond Alba via various focused-initiatives in the local community (sanitization, face masks distribution, etc.) to lessen COVID-19 impact.
- Enabling remote work from home for soft departments (men and women).
- Alba ranked FIRST for second year in a row on Environmental, Social and Governance (ESG) amongst companies in Bahrain by ESG Invest.

2020: Alba Major Operational Highlights

- People-Focused: rolling-out 'Al Jisr' Programme -- a new Training and Development initiative to build supervisory skills for national workforce on 01 Nov'20.
- Alba inked MoU with Hangzhou Jinjiang Group Co. Ltd (HJJ) to explore future upstream development opportunities.
- Strong operational performance: Sales' volume up by 14% YoY to 1,540,983 metric tonnes (MT), Production up by 13% YoY to 1,548,500 MT while VAP Sales averaged 44%.
- Growing presence in Asia with establishing a Branch in Singapore.
- Successful completion of Port Upgrade project.
- Spent Pot Lining (SPL) Plant: overall progress exceeded 60% as of 31 Dec'20.
- Line 6 Expansion Project: a recipient of the much-coveted GCC Industrial Project of the Year in the 2020 edition of the MEED Projects Awards.
- Project Titan – Phase IV achieved savings of US\$145 million, higher by US\$45 million versus a target of US\$100 million.

2021 Alba Priorities

- Evolve Towards Safety Excellence & Keep Alba's Intrinsic Assets (Employees & Contractors) Safe Amidst Novel COVID-19.
- Lead by Example & Support the Government's Initiative by Taking COVID-19 Vaccine.



- Roll-out AL HASSALAH Savings' Initiative with the Aim to Achieve US\$100 million by 2022.
- Screen Potential Upstream Opportunities to Secure 1/3 Alumina requirements & Continuous Dialogue with Hangzhou Jinjiang Group Co. Ltd (HJJ).
- Capitalise on Aluminium Stewardship Initiative (ASI) and Ecovadis Certifications to Penetrate New Markets & New Market Segments.
- Complete Spent Pot Lining Treatment Plant as per Timeline.
- Focus on Green and Sustainable Initiatives.
- Launch 2021 New Vision, Mission & Values [Vision: to be the number one aluminium supplier for the generations to come. Mission: being a responsible corporate citizen, we want to create value for all stakeholders and society. Values: Safe & Green, Together, Ethics, Excellence, Resilience).

Commenting on Alba's financial performance for the full year of 2020, the Chairman of Alba's Board of Directors, Shaikh Daij Bin Salman Bin Daij Al Khalifa stated:

"2020 was a year like no other but despite the challenging market sentiment, Alba closed this year stronger and on many fronts:

- Our operations were running at full capacity while maintaining the Safety of our workforce: employees and contractors' personnel.
- Our operational performance was the highest ever achieved: 1,548,500 metric tonnes and beating our own target of 1,540,000 metric tonnes.
- Our resilient operations coupled with our agility yielded a sound financial performance with our Profit soaring to BD9.7 million (US\$25.9 million) – up by 81% YoY.
- In Q4 2020 alone, our Profit topped BD32 million (US\$85.1 million) – this unparalleled financial performance was behind our strong finish in 2020."

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

"As I complete my first year as a full-time CEO, I am proud to say that our biggest achievement in 2020 was keeping our People safe – this is our number one priority.

Despite all odds, we have forged ahead in 2020 and kept our cost lean by exceeding Project Titan - Phase IV Savings' Target [of US\$100 million] by achieving additional US\$45 million savings – this was only made possible thanks to our nimble workforce.

As we progress into 2021, we remain committed to Emerge Stronger as we advance towards Safety Excellence, capitalise on the lessons learnt in the pandemic year to meet AL HASSALAH objectives as well as have a Forward-Focus in respect to our ESG initiatives."



Alba Management will hold a conference call on Monday 15 February 2021 to discuss Alba's financial and operational performance for 2020 as well as outline the Company's priorities for 2021.