

COVID-19 continues to hurt demand: Alba

● Global Production witnessed a modest growth of 2pc

● Primary Aluminium production in MENA down by 3pc

● Alba Sales' volume topped 393,177 metric tonnes (MT) - up by 5pc

● Alba Production reached 385,638 MT (almost flat)

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Aluminium Bahrain (Alba) said its business for the third quarter were dampened by COVID-19 and its impacts like in all business, despite the company showing operational resilience.

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SHAIKH DAIJ BIN SALMAN BIN DAIJ AL KHALIFA, CHAIRMAN OF ALBA'S BOARD OF DIRECTORS

people and contractors' employees, is and will remain our number one priority," Chairman of Alba's Board of Directors, Shaikh Daij Bin Salman Bin Daij Al Khalifa.

Alba said its top line during the quarter was driven by higher metal sales' volume thanks to Line 6 and partially offset by lower LME price. LME price was down by 3 per cent Year-over-Year. The bottom-line was impacted by higher depreciation, financial charges and foreign exchange losses.

Alba management further said

that global recovery has lost its momentum during the quarter as the markets reacted differently with the easing of lockdown restrictions.

World aluminium consumption during the quarter was down by 4 per cent year over year, with the outbreak, Alba said, continues to take it toll on demand in major markets.

Recovery, Alba said, is gathering pace in China with a 3pc year-over-year increase owing to government stimulus. Primary Aluminium production in MENA down by 3pc YoY [owing to sup-

ply cuts in UAE of c.6pc YoY].

Third-quarter results

Alba said its loss in the third quarter was BD11.6 million (US\$31 m), up by 209pc YoY, versus a profit of BD10.7 m (US\$28.4 m) in year ago quarter. Q3 loss per share was fils 8 versus earnings per share of fils 8 in 2019.

Total Comprehensive Loss stood at BD11.7 m (US\$31.1 m) versus total comprehensive profit of BD10.7 m (US\$28.4 m) - up by 209pc YoY.

Gross Profit was BD25.7 m (US\$68.3 m) versus BD29.2 m

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We continue to navigate through these unprecedented times by focusing on what we control best: Safety of our People, Efficient Operations and Lean Cost Structure.

ALI AL BAQALI
ALBA'S CHIEF EXECUTIVE OFFICER



(US\$215.1 m) versus BD45.4 m (US\$120.9 m) in nine-months of 2019 - up by 78pc YoY.

Total revenue from Contracts with Customers reached BD782.6 m (US\$2,081.5 m), up by 6pc YoY, compared to BD735.7 m (US\$1,956.7 m) for the same period in 2019.

Looking ahead, Alba said it aims to achieve a production target of 1,540,000 MT and Maintain Project Titan - Phase IV Savings Target of 1,540,000 MT. The saving was projected to reach US\$ 100 m by 2020-end.

Singapore branch

The company said it also aims to open a branch in Singapore.

Alba's Chief Executive Officer, Ali Al Baqali said: "We continue to navigate through these unprecedented times by focusing on what we control best: Safety of our People, Efficient Operations and Lean Cost Structure."

"We also remain optimistic that with the agility of our people and strategic capabilities, we will get back on track and stronger than before."

Pandemic, concessionary measures spoil BBK's Q3

● Q3 net profit dropped 35.7 per cent

● Q3 Net interest income dropped by 25.8pc

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BBK yesterday announced that its third quarter performance was adversely impacted by the COVID-19 outbreak and concessionary measures taken to support the domestic business community, as well as new regulations on capping fees and charges.

"The global reduction in the interest rates and the negative economic effects of the COVID-19 pandemic are continuing to adversely impact most sectors including the banking industry," BBK statementsaid.

Q3 results

Third quarter net profit attributable to the owners of the bank was BD 9.9 million compared to BD 15.4 m in the same period of last year, a decrease of 35.7 per cent. Q3 basic and diluted earnings per share amounted to 7 fils compared to 12 fils during the corresponding period of last year.

Net interest income dropped by 25.8pc to BD 19.6 m from BD 26.4 m in the corresponding period of last year. Non-interest income (includes fees and commission income, and other income) dropped by 20.4pc to BD 8.2 m from the year ago quarter.

The bank said its share of profit from associated companies and joint ventures decreased from BD 1.5 m to a loss of BD 0.3 m, as a result of the adverse impact of COVID-19 outbreak on the financial performance of the bank's associated companies.

To offset this, the bank said



Dr. Abdulrahman Saif, BBK's Group Chief Executive



Murad Ali Murad, Chairman

"The drop in profitability was anticipated and in line with the trend in the banking industry. Although the road to economic recovery is expected to be more lengthy and challenging, we are confident that BBK's solid business model and its commitment to support all initiatives aimed at an all-inclusive will continue to provide our shareholders with attractive value and contribute to the betterment of the societies in which we operate

DR. ABDULRAHMAN SAIF

it managed to decrease the operating costs by 8.6pc to BD 14.9 m and decreased net provision requirements by 59.0pc to BD 2.5 m.

Total comprehensive income attributable to the owners of the bank amounted to BD 19.9 m, compared to BD 17.9 m during the same period last year, representing an increase of 11.2pc. The increase is attributed to an increase in valuation of investment securities during the quarter following a robust rebound in financial markets.

Nine-month results

For the nine months, the bank achieved a net profit attributa-

ble to the owners of the bank of BD 39.0 m compared to BD 55.5 m in the same period in the previous year, registering a decrease of 29.7pc.

The basic and diluted earnings per share stood at 29 fils at the end of the period compared to 44 fils for the same period of last year.

Net interest income decreased 28.2pc to BD 60.3 m, as non-interest income (includes fees and commission income and other income) dropped 10.5pc to BD 29.0 m

Share of profit from associated companies and joint ventures decreased 65.6pc to BD 2.2 m.

Operating expenses decrease 3.4pc to BD 45.6 m while net provision charges decreased 65.3pc to BD 6.8 m during the current reporting period.

Net loans and advances registered a decrease of 5.2pc to reach BD 1,583.4 as Investment securities and deposits and amounts due from banks and other financial institutions increased by 5.8pc and 11.3pc to stand at BD 925.6 m and BD 309.8 m, respectively.

Total customer deposits stood at BD 2,077.1 m at end of September 2020; compared to BD 2,169.5 m reported at 2019 year end showing a decrease of 4pc. Loans to customer deposits ratio stood at 76.2pc (December 2019: 77.0pc).

Batelco, e-Boks announce deal to bring secure digital postbox

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Batelco announced signing a partnership agreement with e-Boks, a Nordic provider of secure platforms and digital postboxes.

e-Boks offers companies and public authorities a user-friendly platform for digital communications, enabling customers to send any kind of important documents to their users and engage in secure two-way communication with them.

The partnership was signed on the new platform by Batelco and e-Boks during a recent virtual meeting, attended by officials of both parties. This new platform to deliver the service in Bahrain is built on Amazon Web Services (AWS), benefitting from its highly secure, scalable,



Ulrik Falkner Thagesen, CEO of e-Boks



Shaikh Mohamed Al Khalifa, Batelco Chief Digital Growth Officer

and feature-rich cloud services.

Batelco Chief Digital Growth Officer, Shaikh Mohamed Al Khalifa, said that the signing of the partnership on the new platform is in line with new developments in the application of digital technology that add convenience and enhance customer lifestyle.

"We have chosen e-Boks because of its value proposition in terms of the ability to offer an

effective national-level service with a secure and user-friendly digital communication platform ideal for official communications," he said.

e-Boks CEO, Ulrik Falkner Thagesen, said that e-Boks is looking forward to the collaboration with Batelco, as a well-known telecommunication brand in the Middle East region that serves customers both in the Public and Private sector.

Insurance cos join TPA Health 360



Sameer Al Wazzan CEO Bahrain National Holdings, Yahya Nooriden, CEO Ta'azur, Jawad Mohd CEO Solidarity, Dr. Abdulla Sultan CEO Bahrain Kuwait Insurance Company, Essam Al Ansari CEO Takaful International Company and remotely from India Dr Nayan Shah Managing Director Paramount Health Group were present at the signing.

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Health 360 Third-Party Assistance, a leading provider of health insurance claims management services in Bahrain, announced that major insurance companies represented by Bahrain Kuwait Insurance Company, Solidarity and Ta'azur Company signed a joint shareholders agreement to invest in the company. Takaful International Company, Bahrain National Holding and Paramount Health Services Group

are the existing shareholders.

The event is the first time major insurance companies in the Kingdom of Bahrain come together in such collaboration.

On this occasion, Abdulaziz Al-Othman, Chairman of the Board of Directors of Health 360 said: "The joining of major local companies as strategic shareholders will contribute to the growth and expansion of the company's business services provided by Health 360 to all its members under the health insurance policies that

the company manages."

"This strategic contribution will create a national entity that will be able to compete in local and regional markets, especially, that the company already has a sizeable investment in Orbits Company for Health Claims Management in the Kingdom of Saudi Arabia."

Health 360 is a Bahraini company that started its operations in 2013 and was the establishment by Takaful International Company and Paramount Health Services Group.