



# INVESTOR RELATIONS PRESENTATION

Q3 2024



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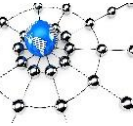
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# 01

## Global Demand-Supply Dynamics<sup>1</sup>








## 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 necessitating further government support. Manufacturing and exports outperformed while property market downturn persisted
-  **Europe:** The eurozone economy remains uncertain with uneven growth and weak consumption leading to a 1% YoY contraction in aluminium consumption





## World Market Supply +0.5% YoY

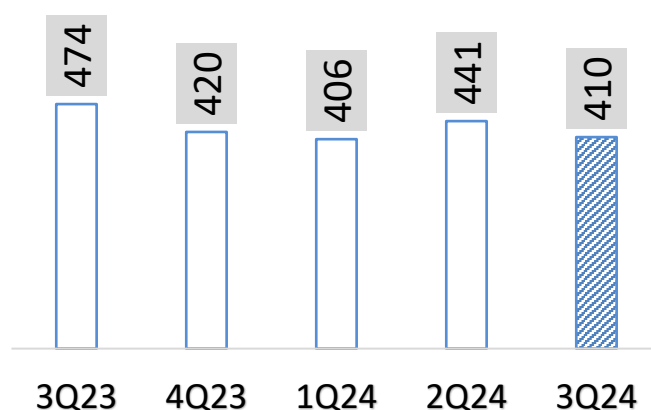
-  **China:** Production up by 1% YoY, stabilising after Yunnan ramp-ups. However, Yunnan Honghe continues to operate below full capacity. China is about to reach its production capacity cap of 45 million metric tonnes making any significant net supply growth from China unlikely
-  **Europe:** Supply 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 of c.0.03 million MT with China and in surplus of c.0.1 million MT w/o China



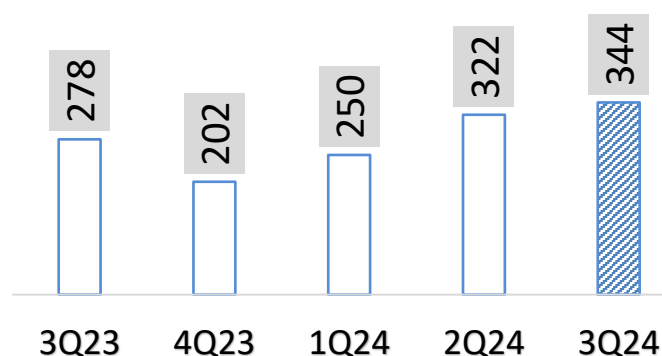
## LME Price & Premiums

- LME Price:** LME price averaged US\$2,383/t in Q3 2024, up by 11% YoY. Prices fluctuated between a low of US\$2,161.50/t on 30 July 2024 and a high of US\$2,611/t on 30 September 2024
- LME Inventories:** Inventories reached 790,000 MT in Q3 2024 up by 62% YoY
- Premiums:** 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

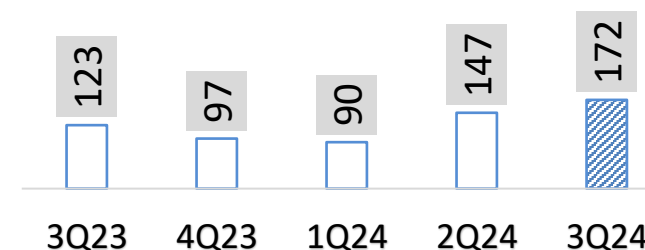
US Midwest (US\$/t)



DDP Rotterdam (US\$/t)

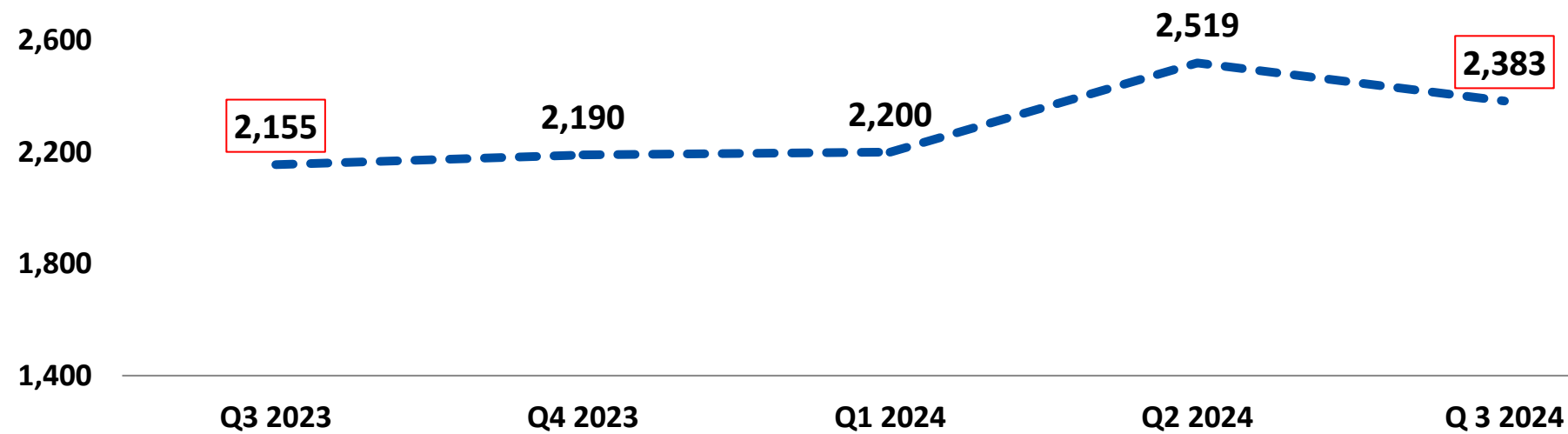


Major Japanese Ports<sup>1</sup> (US\$/t)

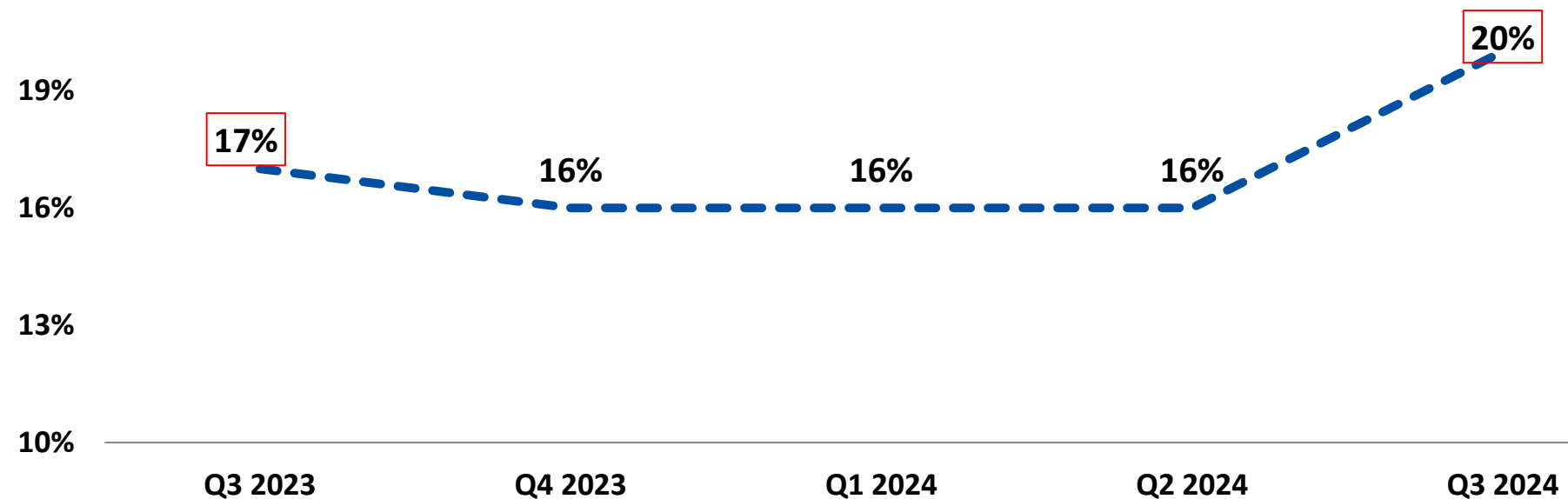


## Alumina Price Index (API): 20% of LME Price [US\$471/t]

LME Price Trend (US\$/t)



Alumina Price Index Trend (% of LME)







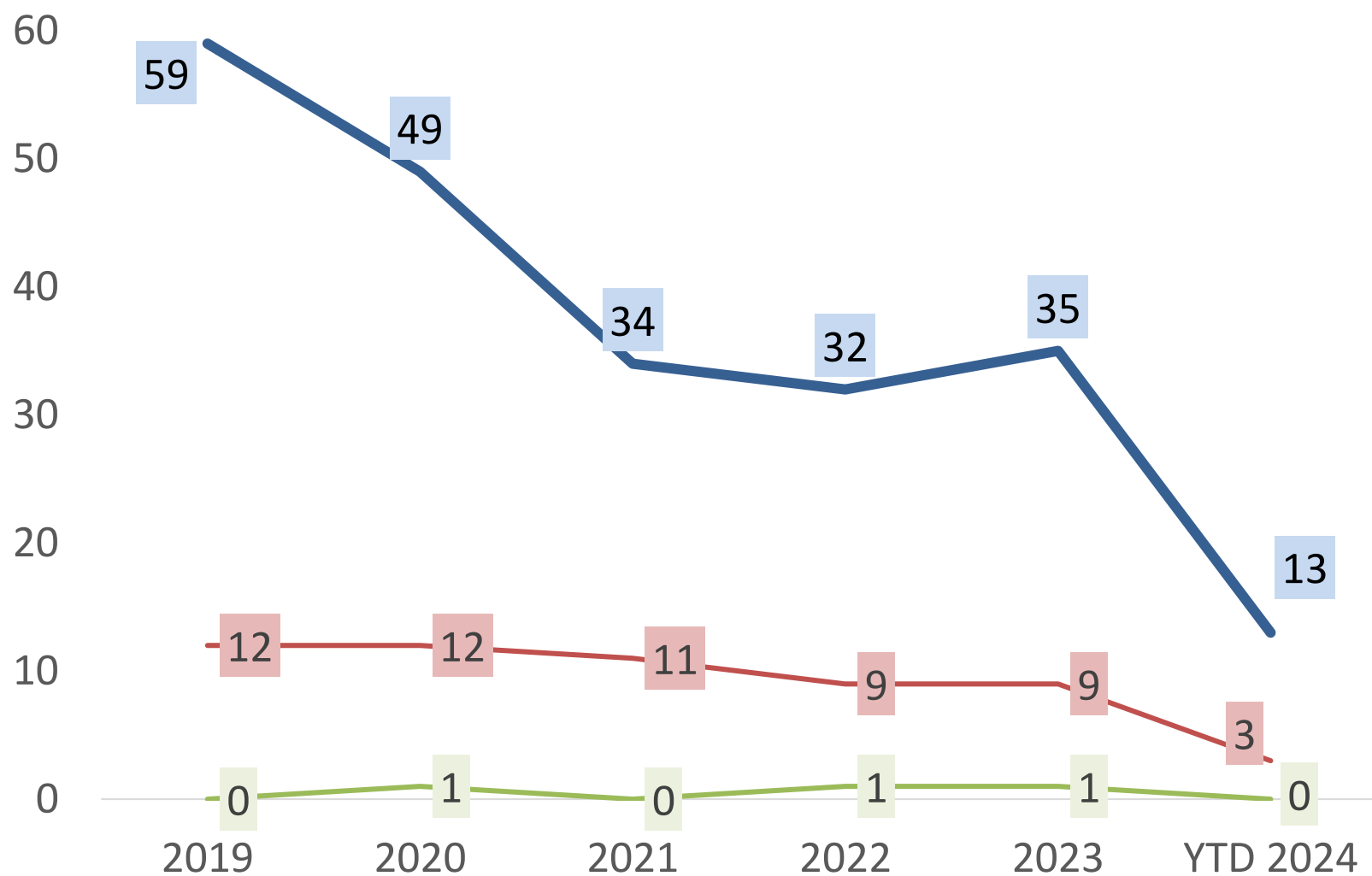
02

## ALBA HIGHLIGHTS<sup>1</sup>

<sup>1</sup> Alba Highlights relate to Alba official news in Q3 2024



## Safety in Numbers



Total Injuries







Recordable Injuries



Lost Time Injuries

## ESG Journey by 2035



	Q2 2024	Q4 2024	Q2 2027*	2025-2027	2030	2035
	 <b>Alba Solar Farm</b>	 <b>Efficiency Upgrades</b>		 <b>Recycled Material</b>	 <b>Government Collaboration</b>	
<b>Initiative</b>	<b>6.23 MW</b> Solar Farm Capacity [In Progress]	Commissioning Power Station 5 Block 4 & Retiring Older Power Stations  *Commissioning the 'New Replacement Line' & Retiring Lines 1-3		Remelting 15kMT - 30kMT of Secondary per Year	500-1,000 MW of Imported Grid Renewable Energy (offtake) with Public Tender Already Issued for 500 MW	






## Alba Celebrates ESG Achievements and Plans Future Course


### **Safety First. Safety Always**

-  Launched 2024 Summer Safety & Health (S&H) Campaign 'Safety Reflection for Family's Protection'
-  Won the prestigious British Safety Council's International Safety Award 2024 with Merit



### **Empowering People**

-  Partnered with NVTC's R&D arm to Upskill Employees with Artificial Intelligence Knowledge
-  95 employees completed Lean Six Sigma and Kaizen courses
-  Alba's VR and AR Training Applications Recognised with Brandon Hall Group HCM Excellence Award



### **Leading the Way, Sustainable Aluminium Production**

-  Secures Capral Aluminium as First Customer for Groundbreaking EternAl™ Low-Carbon Aluminium
-  Formed Strategic Partnership with Daiki Aluminium to Establish Sustainable Aluminium Dross Processing Plant in Bahrain

### **Community Impact**

-  Partnered with INJAZ Bahrain in Bahrain's Innovation Camp & Job Shadow Programme
-  Expanded OJT Programme to provide hands on experience to 215 students

### **Building for Tomorrow**

-  Power Station 5 Block 4 Project in progress as planned
-  Solar Farm progresses as per schedule




## Planned Merger: Alba x Ma'aden

- 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
- This partnership will create a larger, vertically integrated global champion with significant synergies offering advantages such as expanded production capacity; enhanced global presence; improved ESG performance; greater energy security; and significant shareholder value creation
- 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





## Operational Highlights – Q3 & 9 Months of 2024

-  **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

## e-Al Hassalah Programme (2024 – 2026)

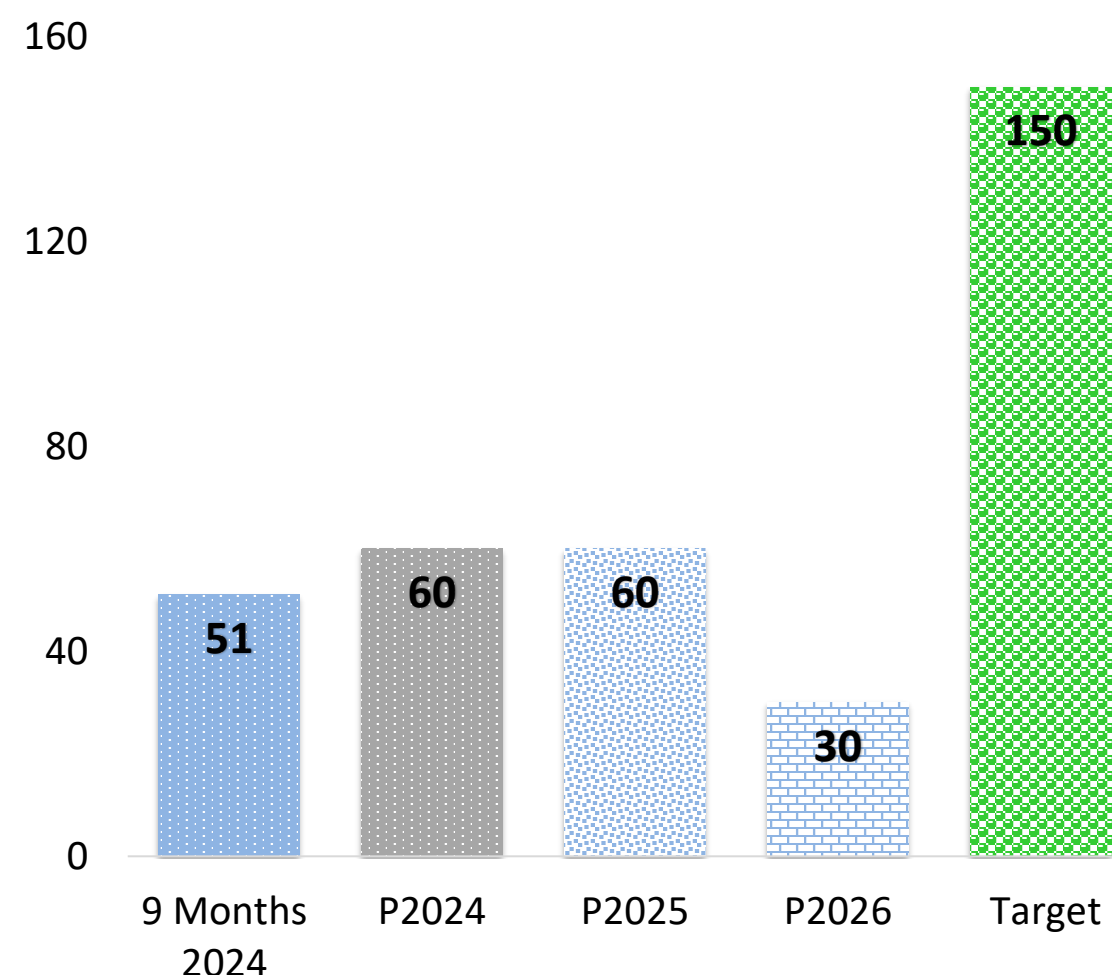
**Description** A combination of **process improvement/optimization methods** and **Industry 4.0** focused to improve EBITDA  
[65% Bottom-up Projects/Ideas]

**Industry 4.0** Roadmap, Projects and business case evaluation and validation completed by the consultant

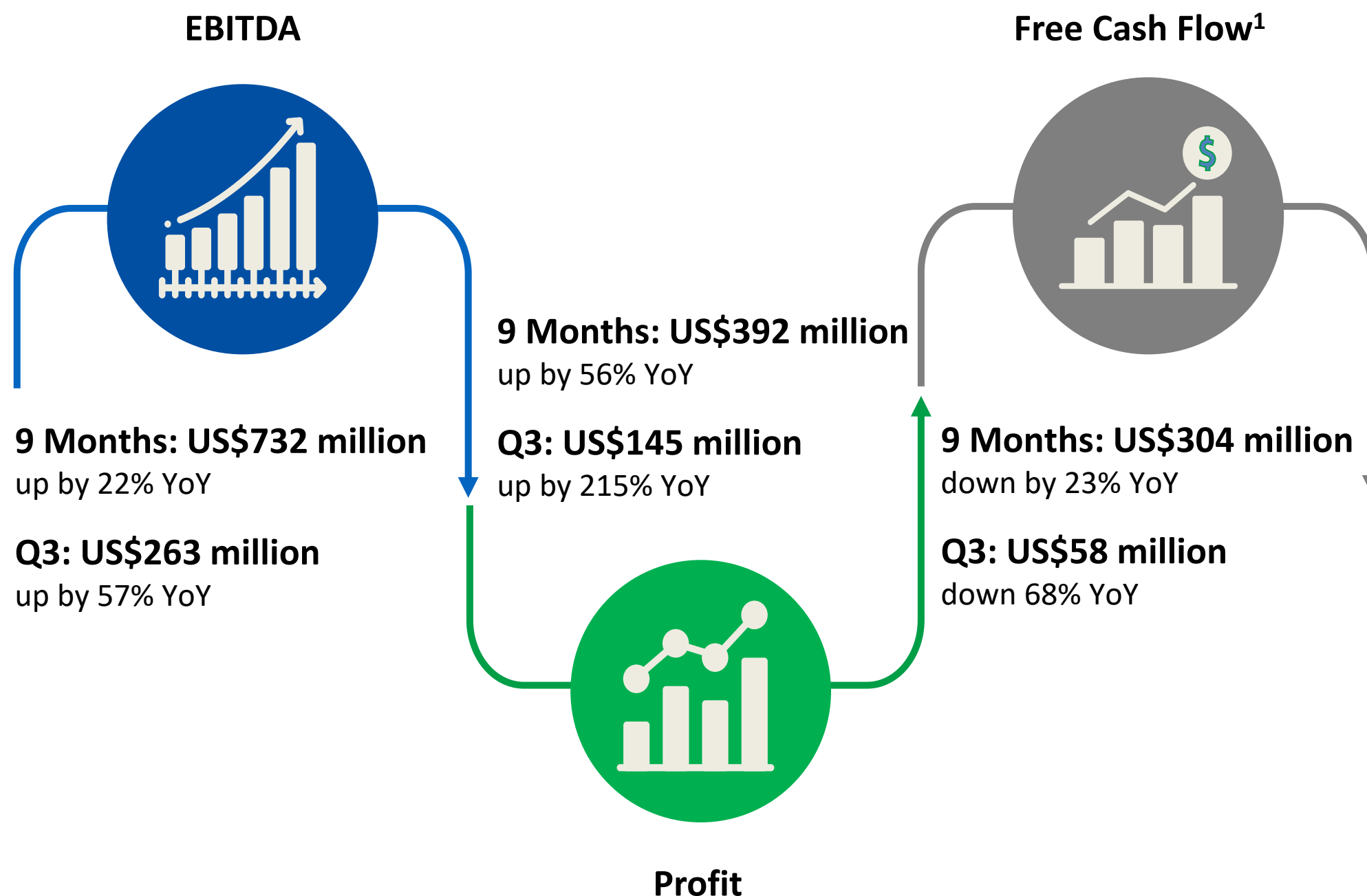
**Duration** **3-Year Programme** from Jan'24 to Dec'26

**Savings** **US\$51.24 million** against the target of US\$60 million in 2024

e-Al Hassalah (US\$ Million)



## Financial Key Performance Indicators – Q3 & 9 Months 2024



<sup>1</sup>Free Cash Flow excludes Project CAPEX spending

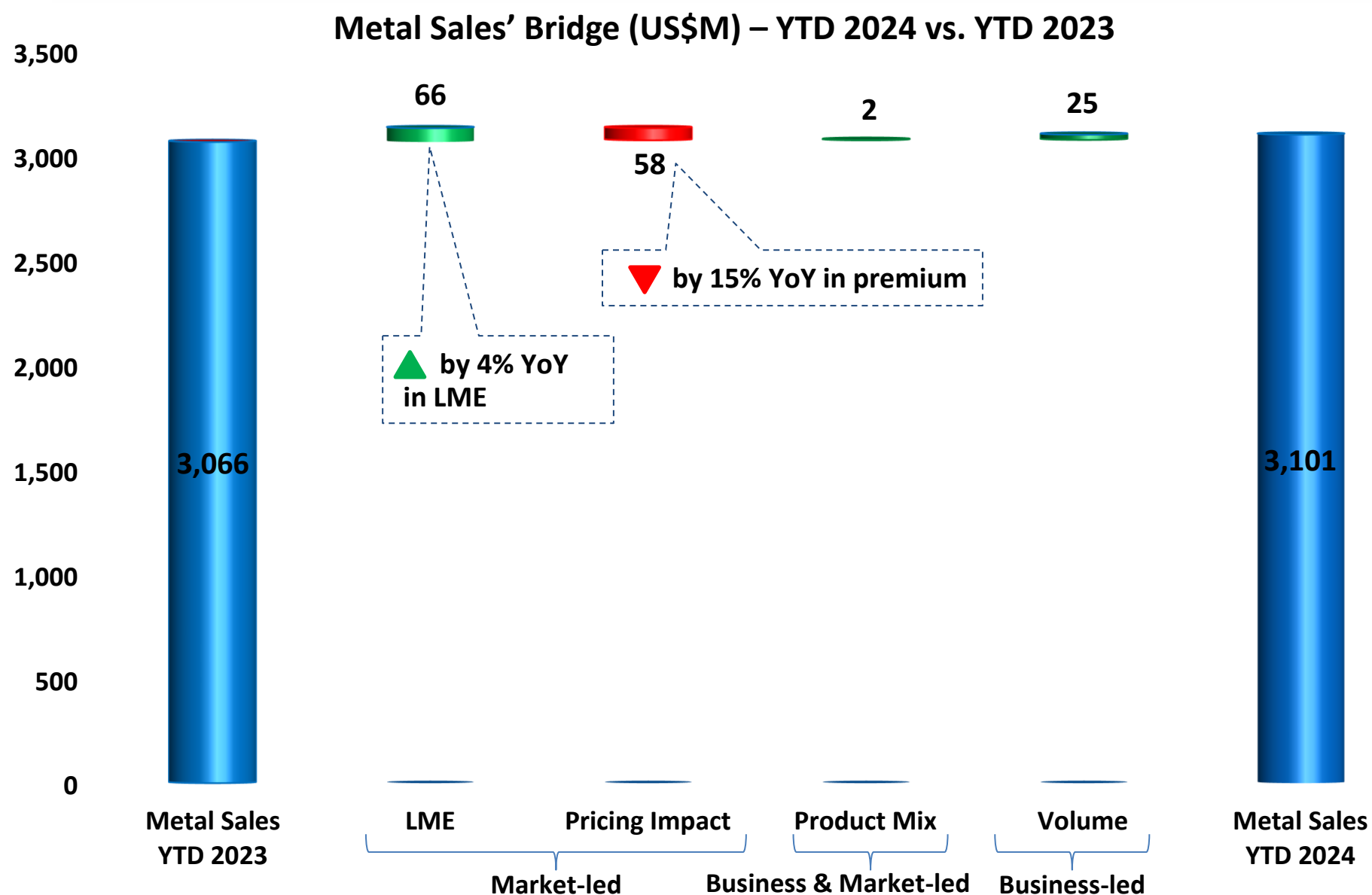


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## 9 Months 2024 RESULTS

## Macroeconomic Uncertainty Casts Shadow Over Aluminium Industry

Metal Sales See Uptick: LME & Volume Strength Counterbalance Lower Premiums

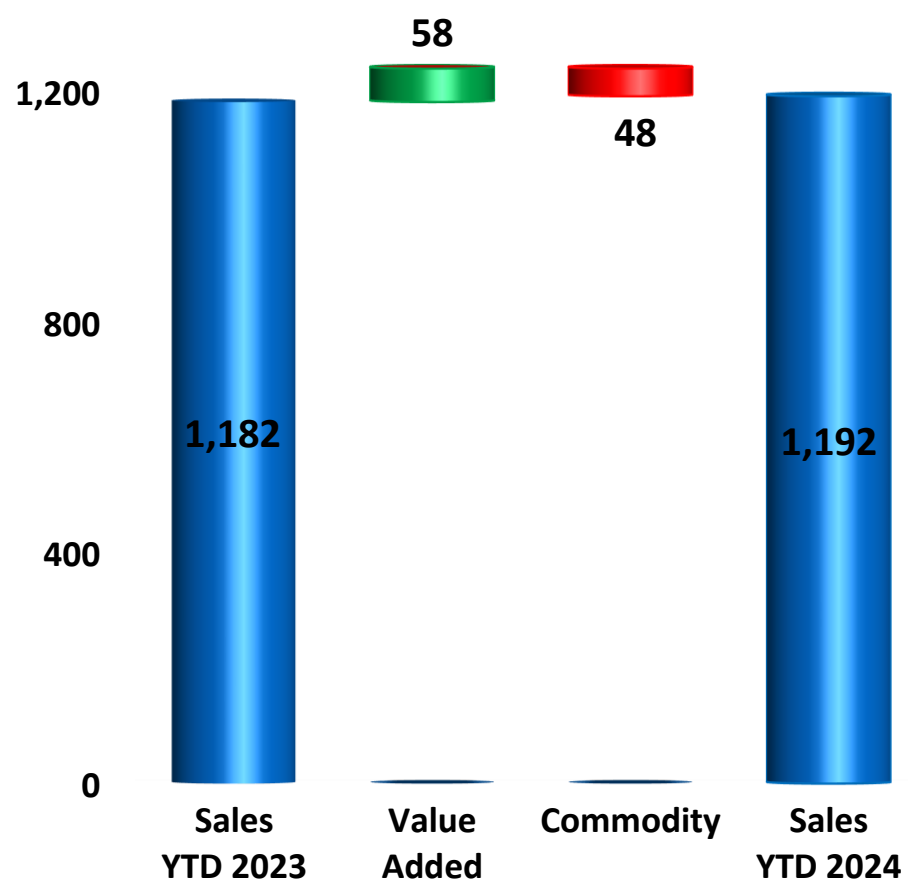




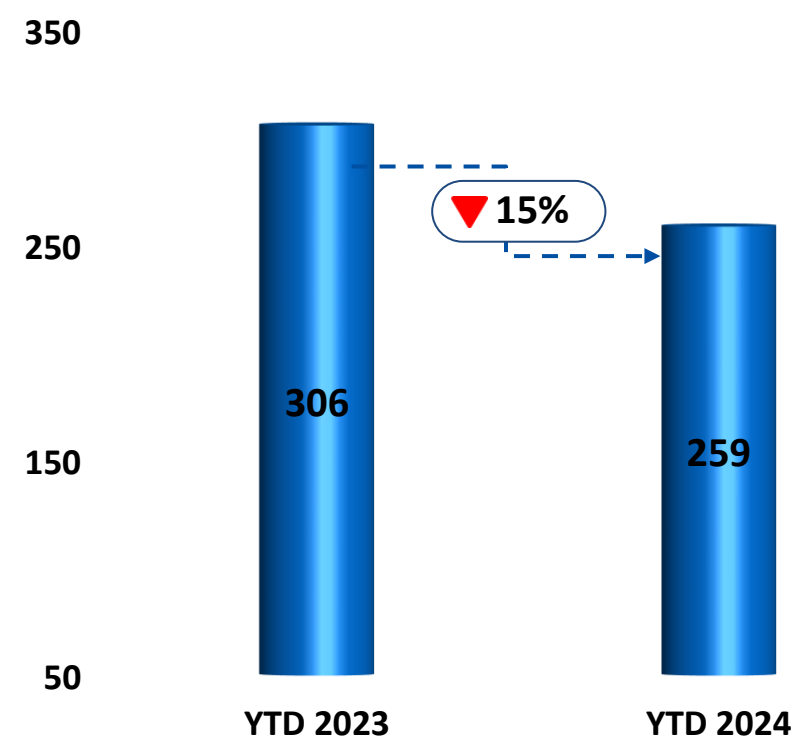
## Macroeconomic Uncertainty Casts Shadow Over Aluminium Industry

Higher VAP | Lower Commodities' Volume

YTD 2024 vs. YTD 2023  
Sales by Product-Line Bridge (MT'000)

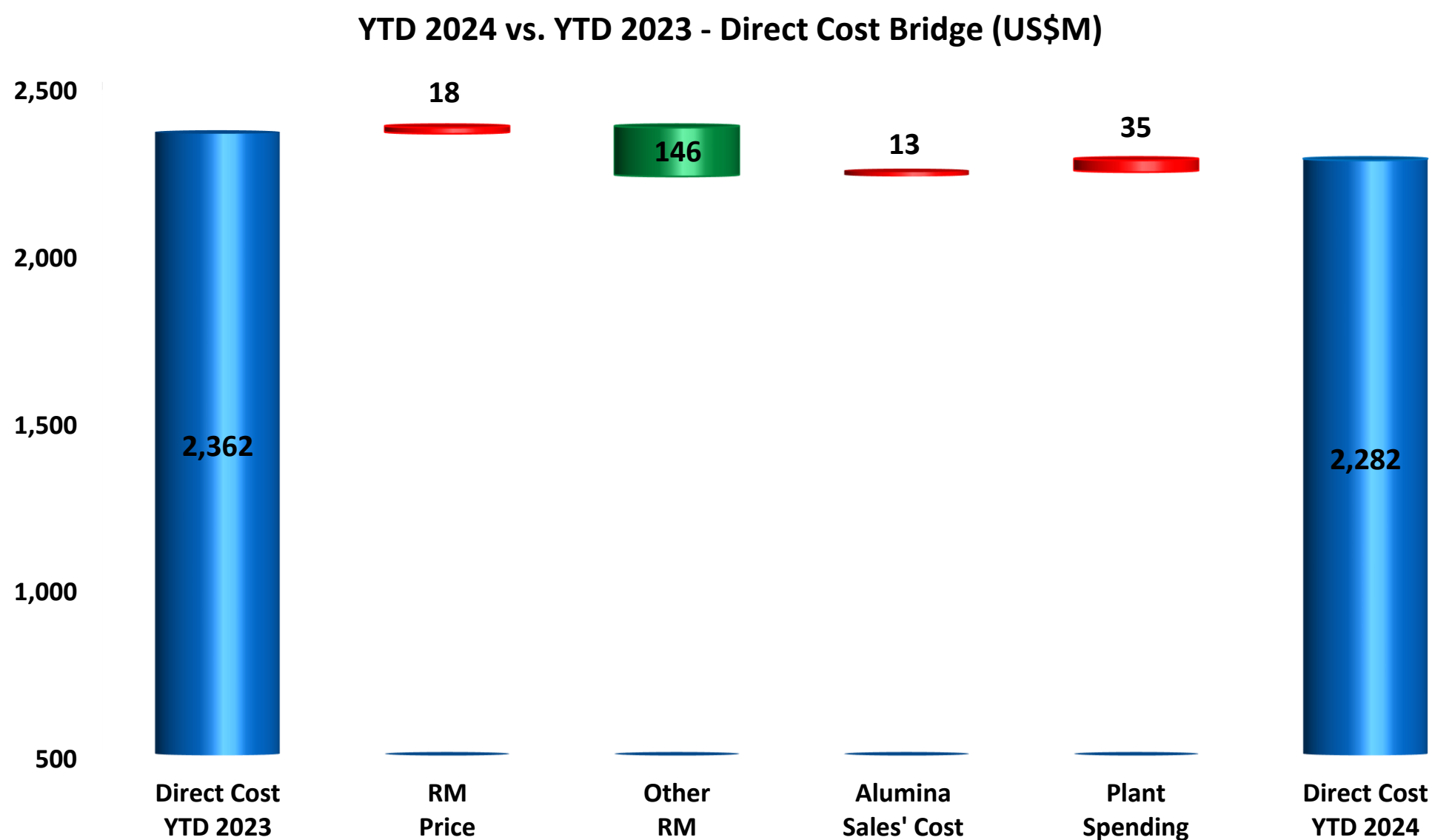


Premium Above LME Trend US\$ Per MT



## Macroeconomic Uncertainty Casts Shadow Over Aluminium Industry

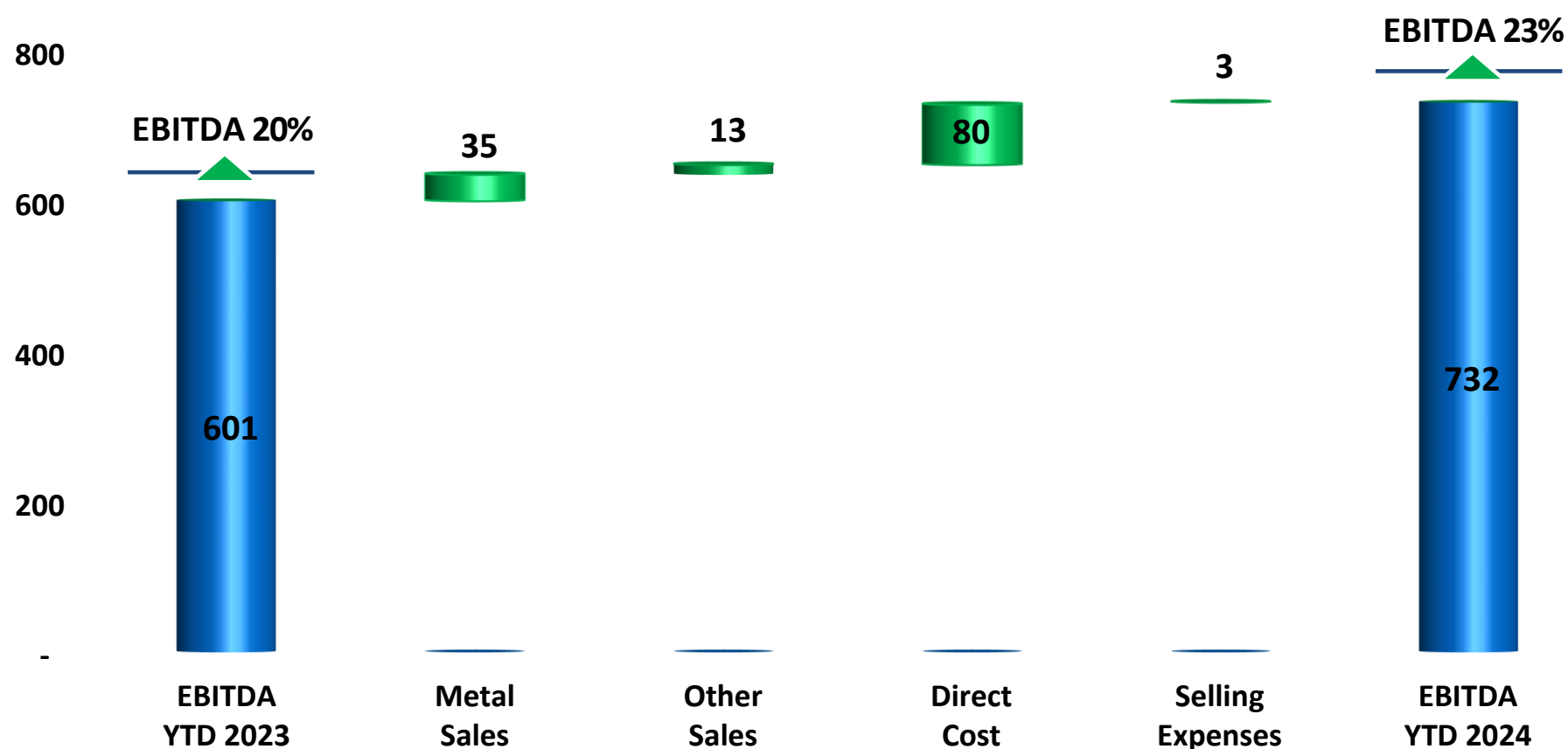
Lower Other Raw Material Prices Helped Control Direct Costs Despite Higher Costs in Other Areas



## Macroeconomic Uncertainty Casts Shadow Over Aluminium Industry

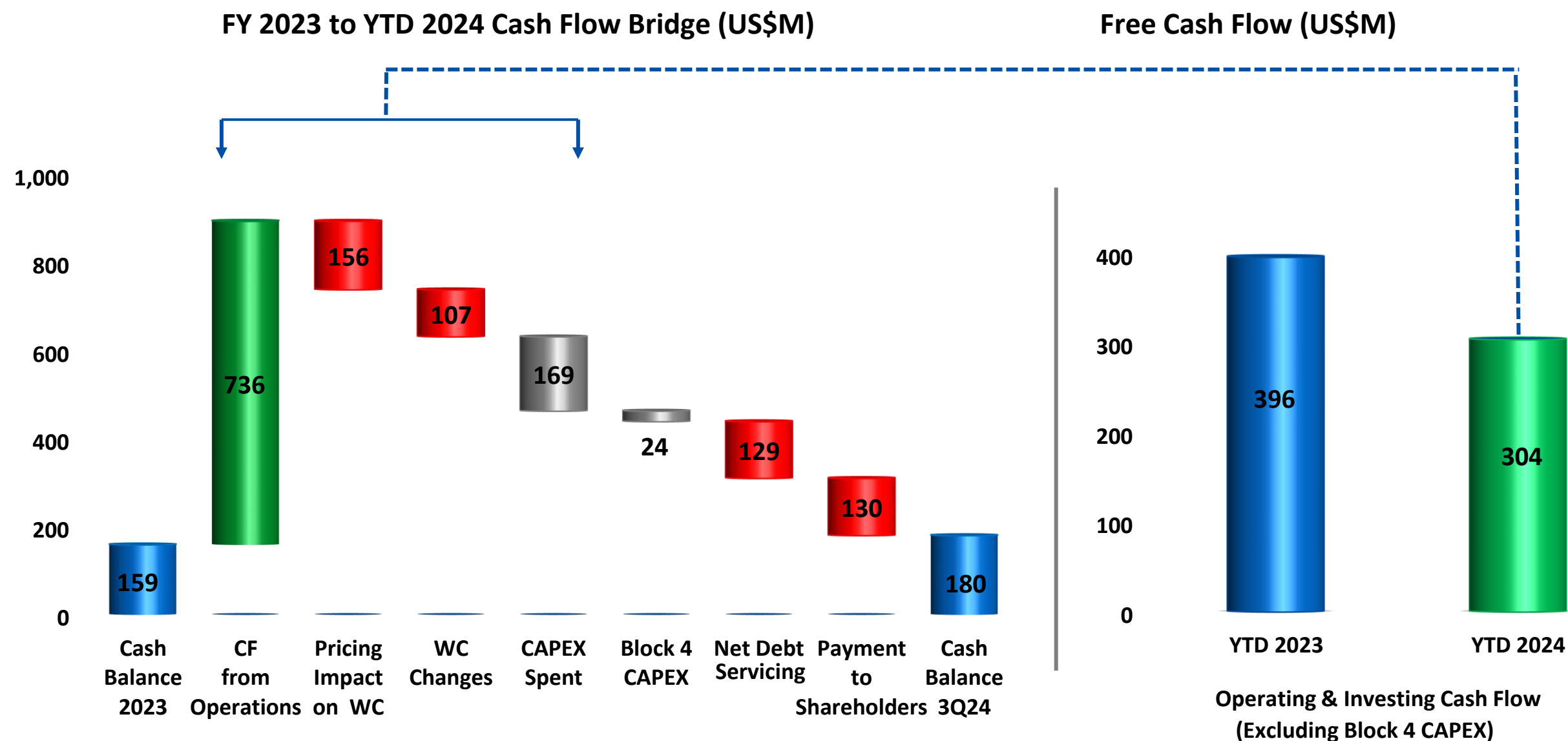
EBITDA Bridge Gap Analysis – YTD 2024 vs. YTD 2023  
Higher EBITDA Owing to Higher Metal Sales & Lower Direct cost

YTD 2024 vs. YTD 2023 - EBITDA Bridge (US\$M)










## Macroeconomic Uncertainty Casts Shadow Over Aluminium Industry

### Cash Flow Bridge FY 2023 to YTD 2024



## Key Financial Performance Indicators

Particulars	Q3 2024	Q3 2023	YTD 2024	YTD 2023
 Revenue <sup>1</sup> (US\$M)	1,153	1,064	3,125	3,077
 EBITDA (US\$M) <i>EBITDA%</i>	263 <i>23%</i>	168 <i>16%</i>	732 <i>23%</i>	601 <i>20%</i>
 Profit (US\$M)	145	46	392	252
 Gain/(Loss) Unrealised Derivatives (US\$M)	2	(1)	2	(1)
 Adjusted Profit <sup>2</sup> (US\$M)	143	47	390	253
 AVG Cash LME (US\$/MT)	2,383	2,155	2,367	2,272
 AVG API <sup>3</sup> (US\$/MT)	471	362	408	363





# 04

## INDUSTRY PERSPECTIVES<sup>1</sup> IN 2024

## Aluminium Market Outlook: Uncertainties Cloud Short-Term Prospects

- 🌐 **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

## Industry Perspectives in 2024

### Feedstock Trends ( $\text{Al}_2\text{O}_3$ , $\text{AlF}_3$ and GPC)

- 🌐 **Alumina Market:** Prices are expected to remain elevated due to ongoing supply disruptions in Australia, India and Jamaica
- 🌐 **Carbon Market:** Product prices (GPC, CPC, and Anodes) are anticipated to stabilise due to balanced supply and demand, although potential Chinese import tariffs on high-sulfur GPC could impact the market
- 🌐 **Input Material Prices:** Aluminium fluoride prices are expected to remain high due to robust demand, while liquid pitch prices may fluctuate due to supply challenges




05

## 2024 ALBA PRIORITIES<sup>1</sup>

## Alba: 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 & 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 & 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

### **ESG**

-  Publish 8<sup>th</sup> Edition of Alba's ESG Report 2023 in Q4 2024





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## APPENDIX (Q3 2024 Results)

## Macroeconomic Uncertainty Casts Shadow Over Aluminium Industry

Higher Metal Sales due to Higher LME Price, Product Mix & Volume

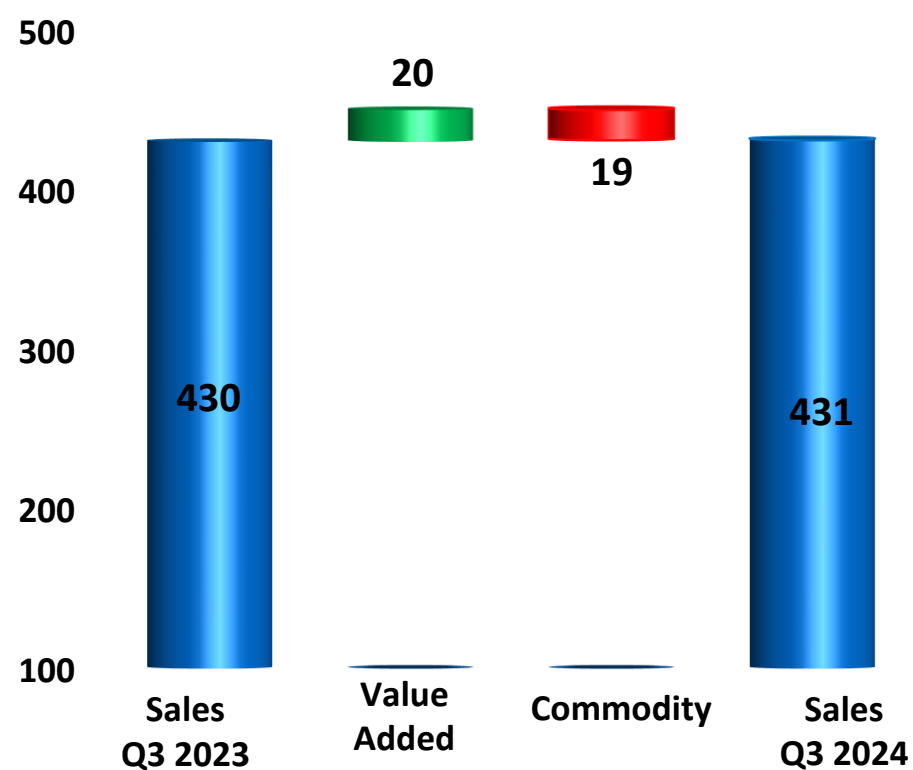
Metal Sales' Bridge (US\$M) – Q3 2024 vs. Q3 2023



## Macroeconomic Uncertainty Casts Shadow Over Aluminium Industry

Higher VAP | Lower Commodities' Volume

Sales by Product-Line Bridge (MT'000)  
Q3 2024 vs. Q3 2023



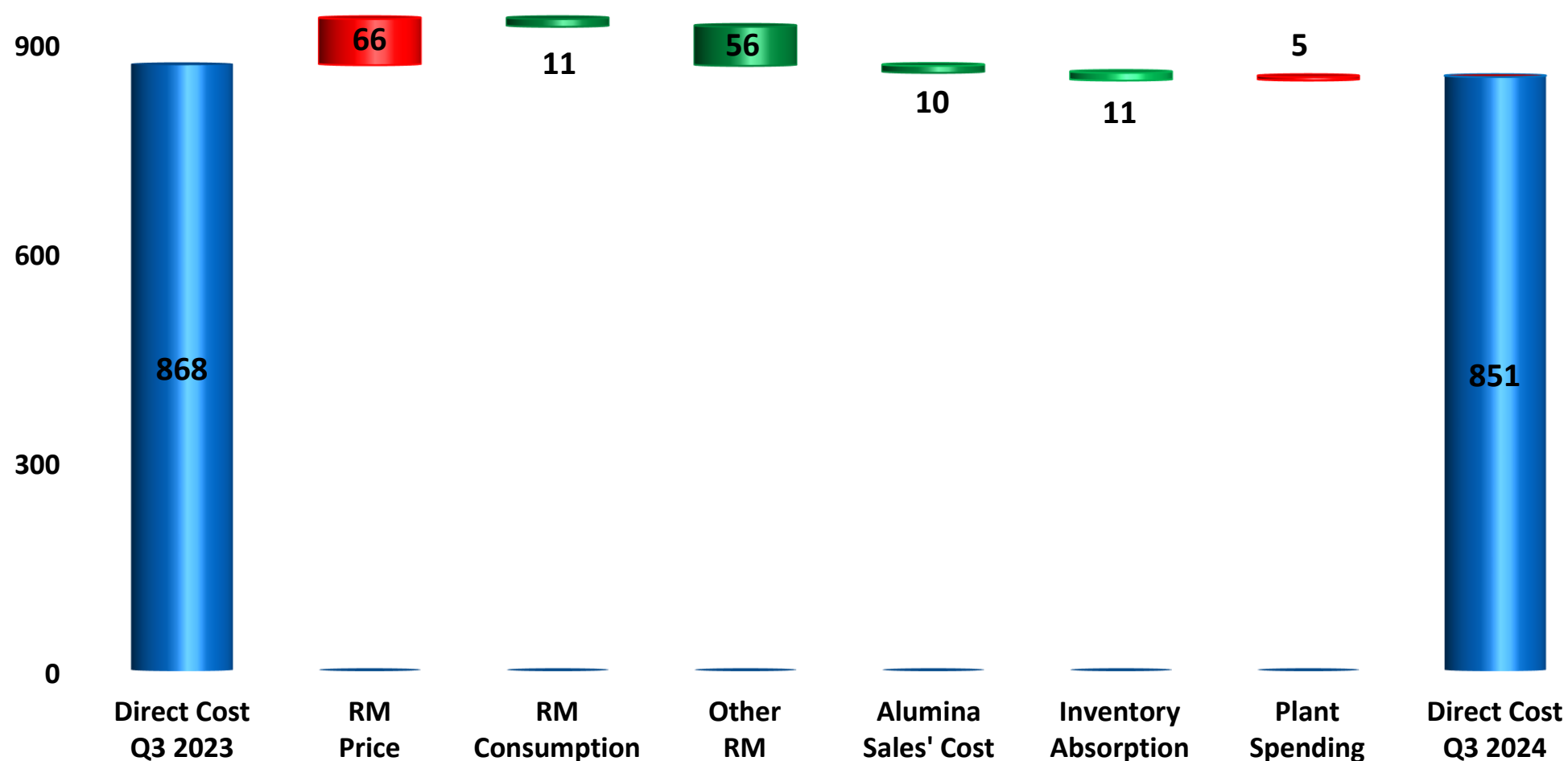
Premium Above LME Trend US\$ Per MT



## Macroeconomic Uncertainty Casts Shadow Over Aluminium Industry

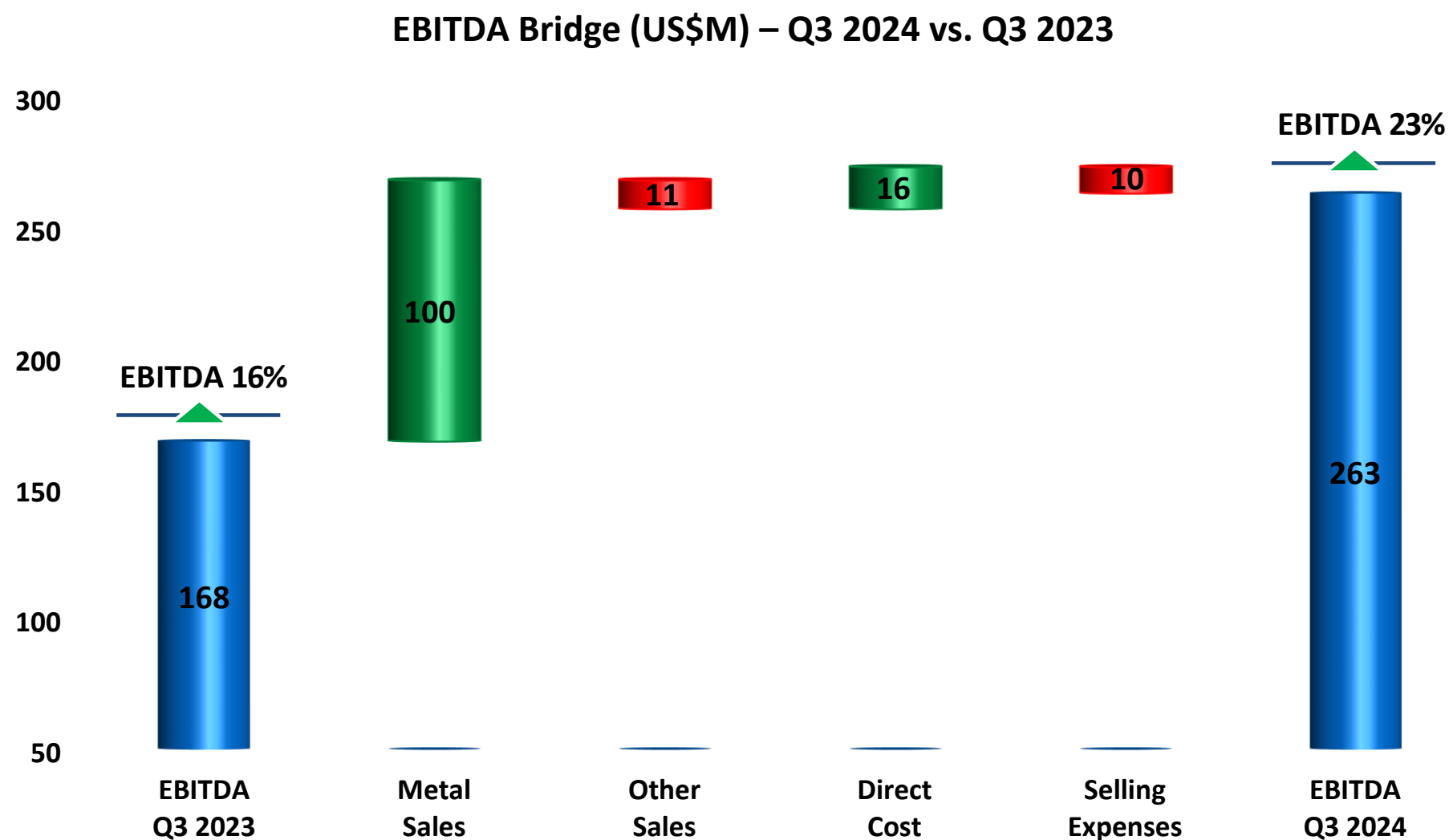
Lower Other Raw Material Prices Helped Control Direct Costs Despite Higher Costs in RM Price and Plant Spending

Q3 2024 vs. Q3 2023 - Direct Cost Bridge (US\$M)



## Macroeconomic Uncertainty Casts Shadow Over Aluminium Industry

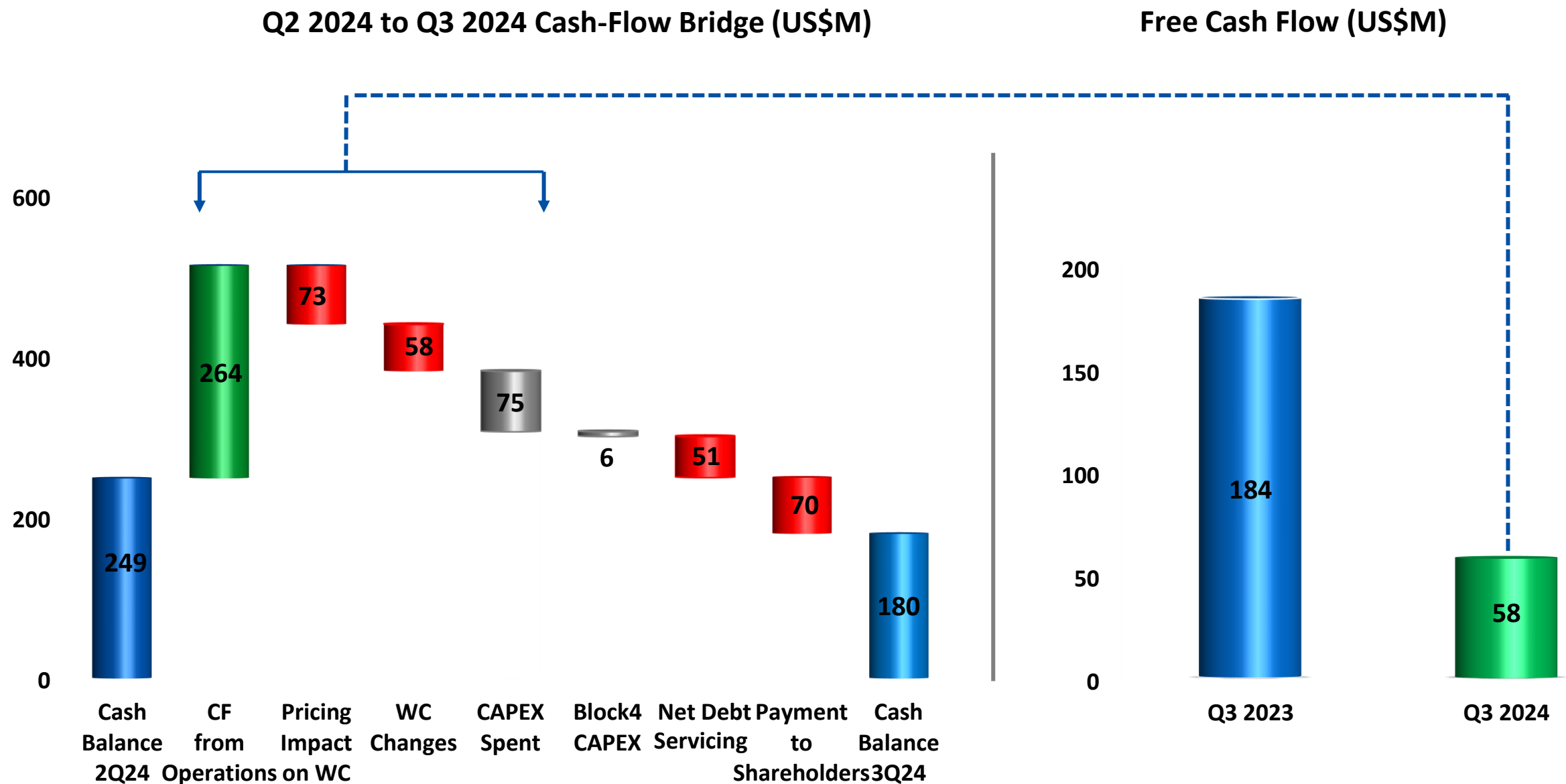
EBITDA Bridge Gap Analysis – Q3 2024 vs. Q3 2023  
Higher EBITDA Owing to Higher Metal Sales & Lower Direct cost





## Macroeconomic Uncertainty Casts Shadow Over Aluminium Industry

### Cash-Flow Bridge Q2 2024 to Q3 2024



## Alba Shareholder's Structure



- Alba was converted into a Bahrain Public Joint Stock Company on 23 November 2010
- Alba shares are listed on two exchanges: Ordinary Shares on Bahrain Bourse and Global Depository Receipts (GDRs) on the London Stock Exchange – Alternative Investment Market
- Alba Ticker [BHB: ALBH, BD1.258 on 30 September 2024]



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