



INVESTOR RELATIONS PRESENTATION

2019



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01

INDUSTRY HIGHLIGHTS¹

Industry Highlights – 2019

Global Physical Demand Remain Under Pressure

Global primary aluminium demand contracted in 2019 thanks to weaker economic growth landscape in Europe and China, trade-tensions and slow global manufacturing

- 🌐 World Consumption - 64.5 million metric tonne (MT) [2018: 65 million MT]
- 🌐 Asia consumption down by 1% YoY with Japan and South Korea leading this decline
- 🌐 Europe demand slowed-down by 2% YoY due to weaker demand in the auto sector
- 🌐 Manufacturing recession in North America → demand collapse by 4% YoY
- 🌐 Market sentiment down in MENA fuelled by the geopolitical tension: consumption shrunk by 5% YoY

Industry Highlights – 2019

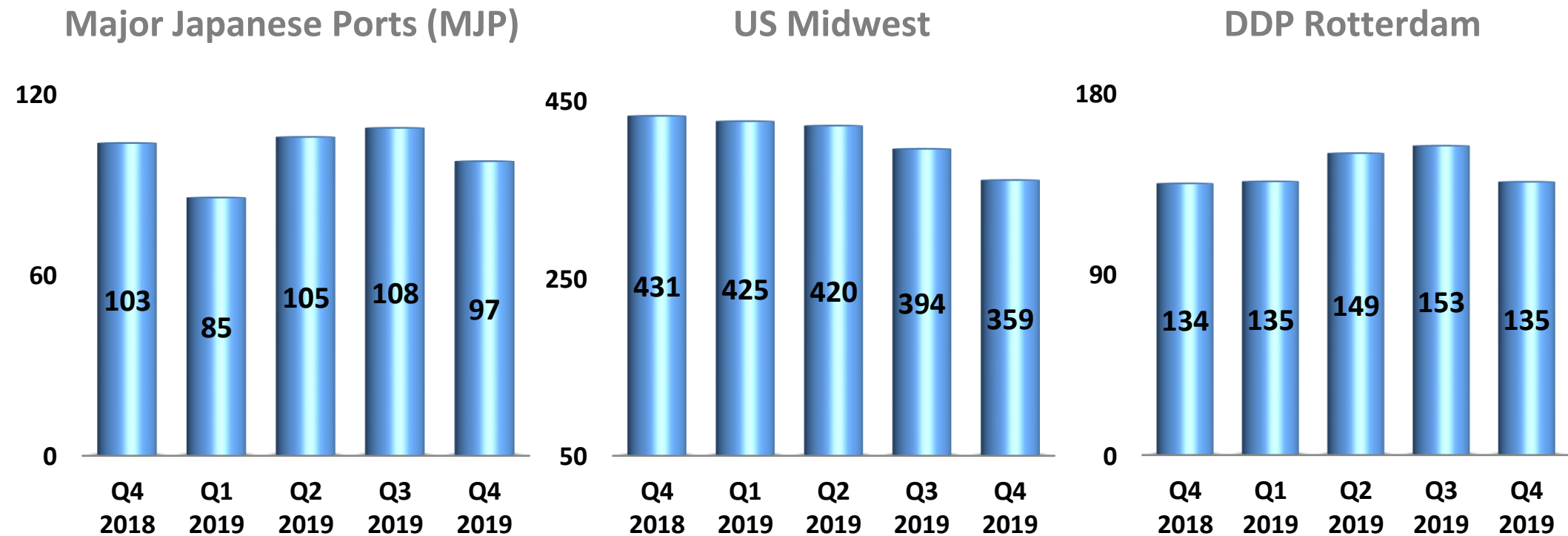
Global Production Almost Flat

- 🌐 World Production: 63.4 million MT [2018: 63.8 million MT]
- 🌐 Asian supply down by 1% YoY supported by Chinese supply disruptions [a drop of 2% YoY]
- 🌐 Production in North America rallies by 4% YoY on the back of smelters' restarts
- 🌐 World market in deficit with China (-1,028 Kt) & (-492 Kt) w/o China

Industry Highlights – 2019

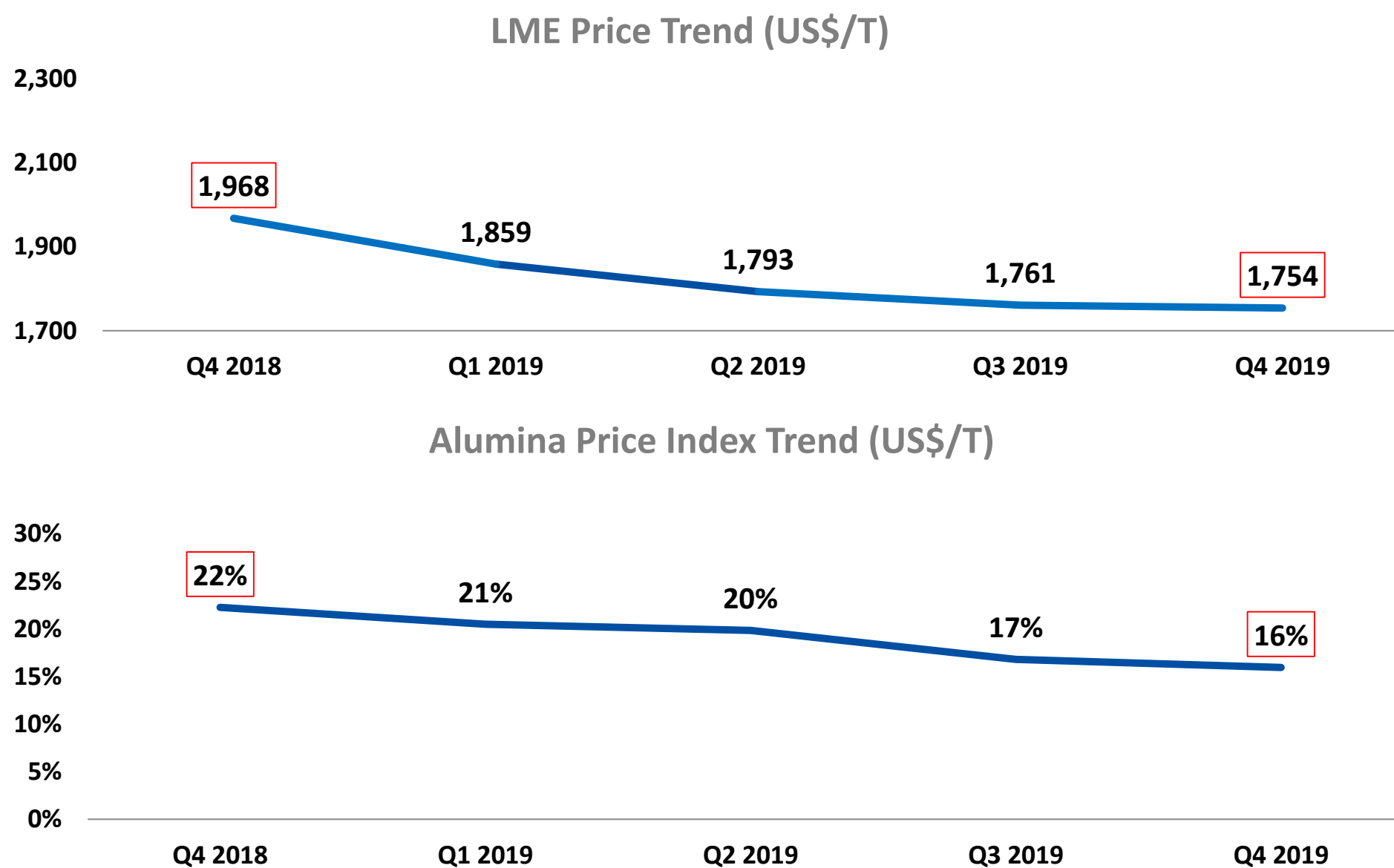
LME & Premiums

- LME inventories at ~1.4 million MT in December 2019 [~ 1.3 million in 2018]
- LME-Cash averaged US\$1,792/t - down by 15% YoY [lowest: US\$1,697/t on October 2 and highest: US\$1,923/t on March 20]
- Physical premium prices under pressure (US\$/t):



Industry Highlights – 2019

Alumina Price – 16% of LME Price [US\$280/t]





02

ALBA HIGHLIGHTS

Alba Highlights – 2019

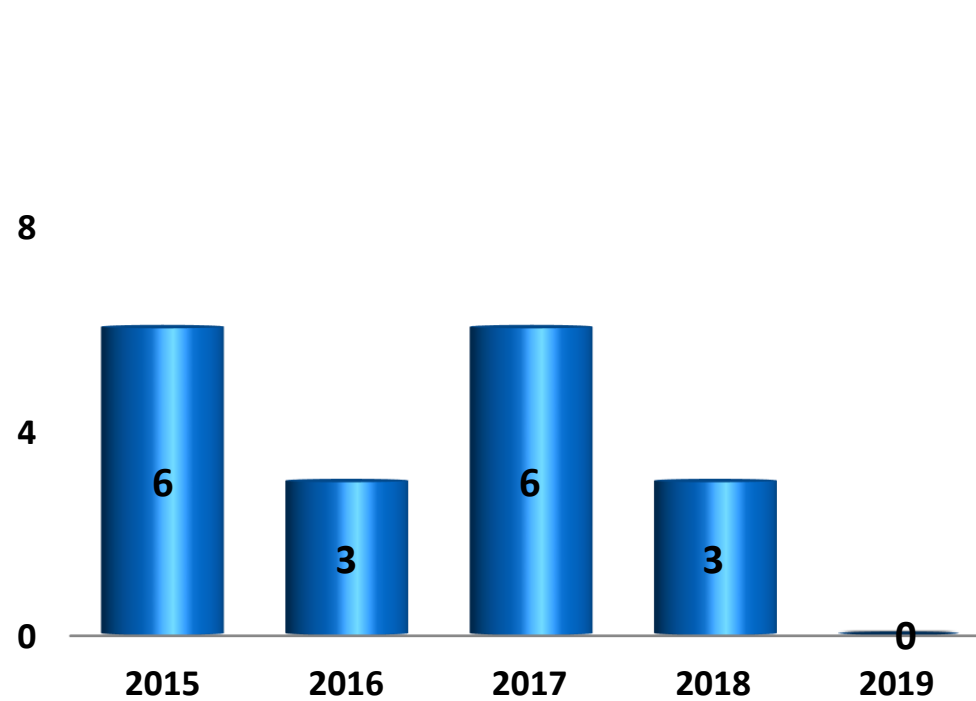
Operational Highlights & Milestones

- 🌐 Closed 2019 with >15 million working-hours w/o LTI - first time in the history of its commercial operations
- 🌐 Sales' volume reached 1,350,326 metric tonnes (MT) up by 33% YoY
- 🌐 Production topped 1,365,005 MT up by 35% YoY
- 🌐 Successfully Refinanced US\$1.5 Billion Syndicated Loan Facility with Lower Interest Margin
- 🌐 Signed Regain as the technology partner for its Spent Pot Lining (SPL) Treatment Plant - the first of its kind in GCC [capacity to treat 30k-35k/year]
- 🌐 Alba is now the largest smelter in the world w/o China thanks to the safe ramp-up of Line 6:
 - Line 6 was commissioned in 23 months [vs. 30 months for other similar projects]
 - CAPEX for Line 6 construction <US\$4,000/MT

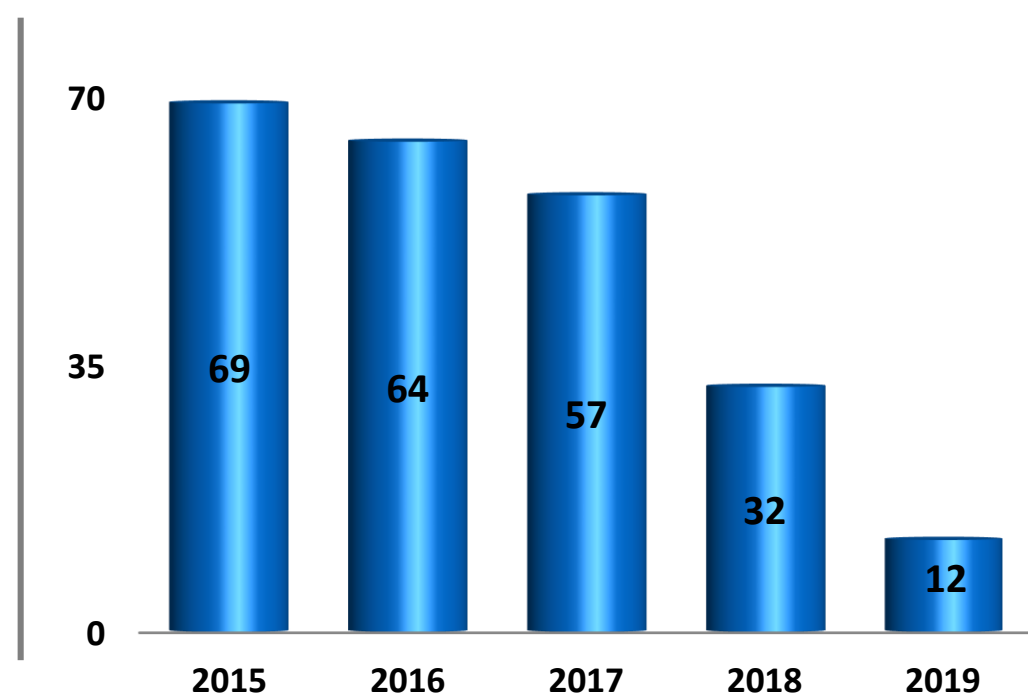
Alba Highlights – 2019

Think Safety First & Always

Lost Time Injury (LTI) Trend

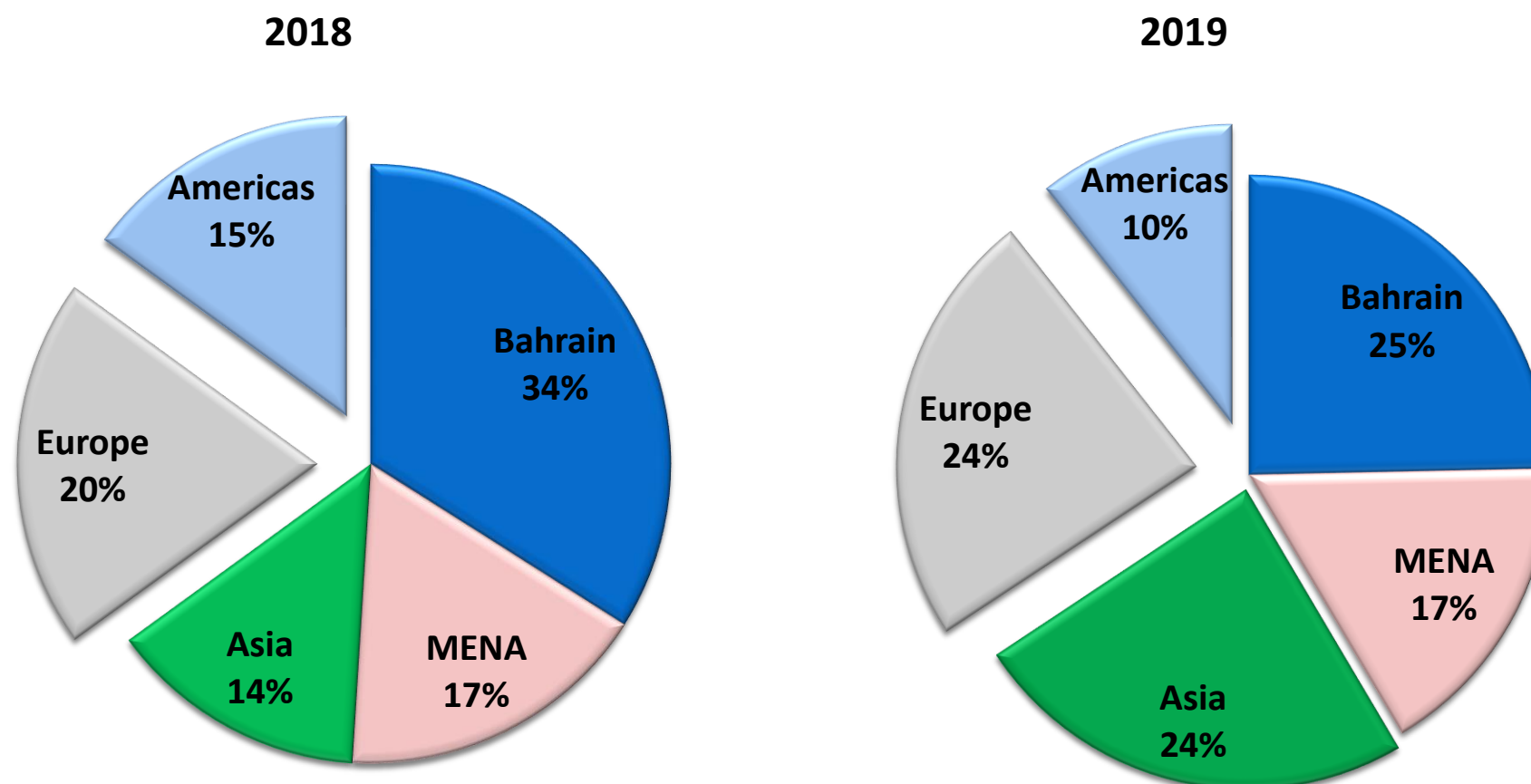


Total Injuries' Trend



Alba Highlights – 2019

Sales Breakdown by Geographic Footprint
Diversified Customer-Base Across the Regions



Alba Highlights – Q4 & FY 2019

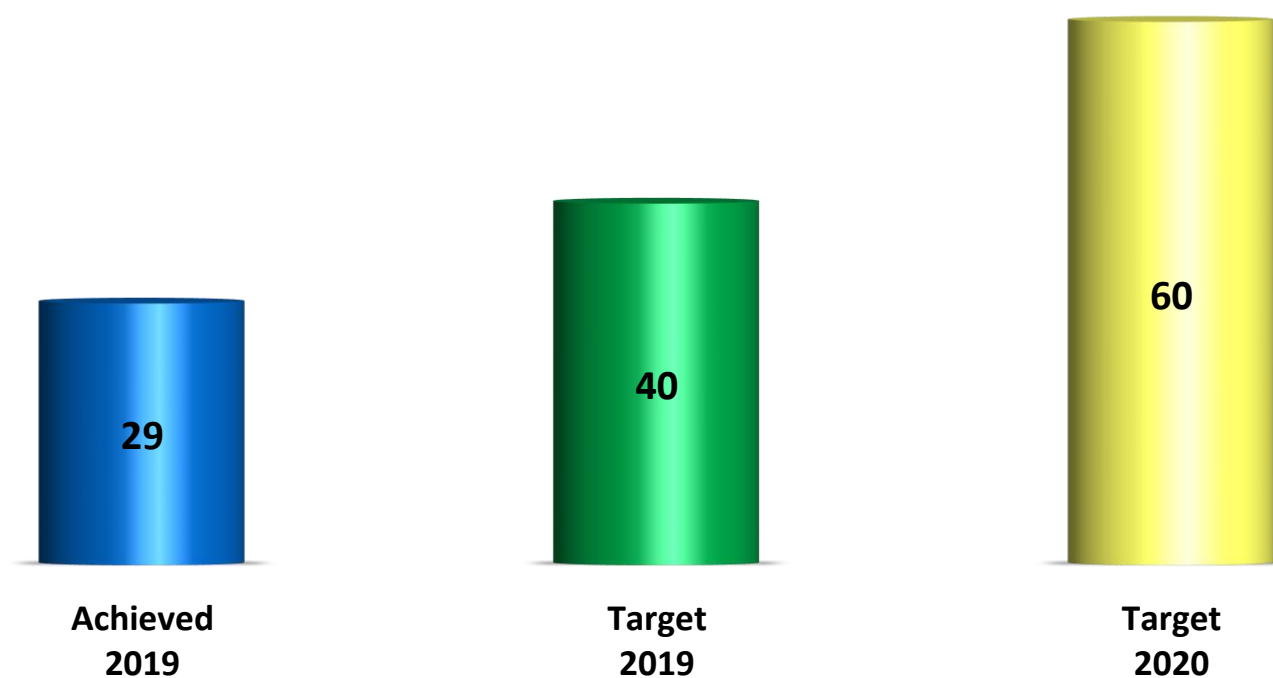
Financial Key Performance Indicators

- 🌐 **EBITDA driven by higher sales' volume & partially offset by lower LME prices**
- 🌐 Q4: US\$ 139 million up by 3375% YoY
- 🌐 FY: US\$ 305 million down by 6% YoY
- 🌐 **Net Income driven by EBITDA levels**
- 🌐 Q4: US\$ 37 million up by 179% YoY
- 🌐 FY: US\$ 14 million down by 91% YoY
- 🌐 **Free-Cash Flow¹ up thanks to sound working-capital management**
- 🌐 Q4: US\$ 167 million up by 339% YoY
- 🌐 FY: US\$ 417 million flat growth
- 🌐 **Alba Board recommends dividend of US\$3.7 million (BD 1.4 million) to be paid in March 2020**

Alba Highlights – 2019

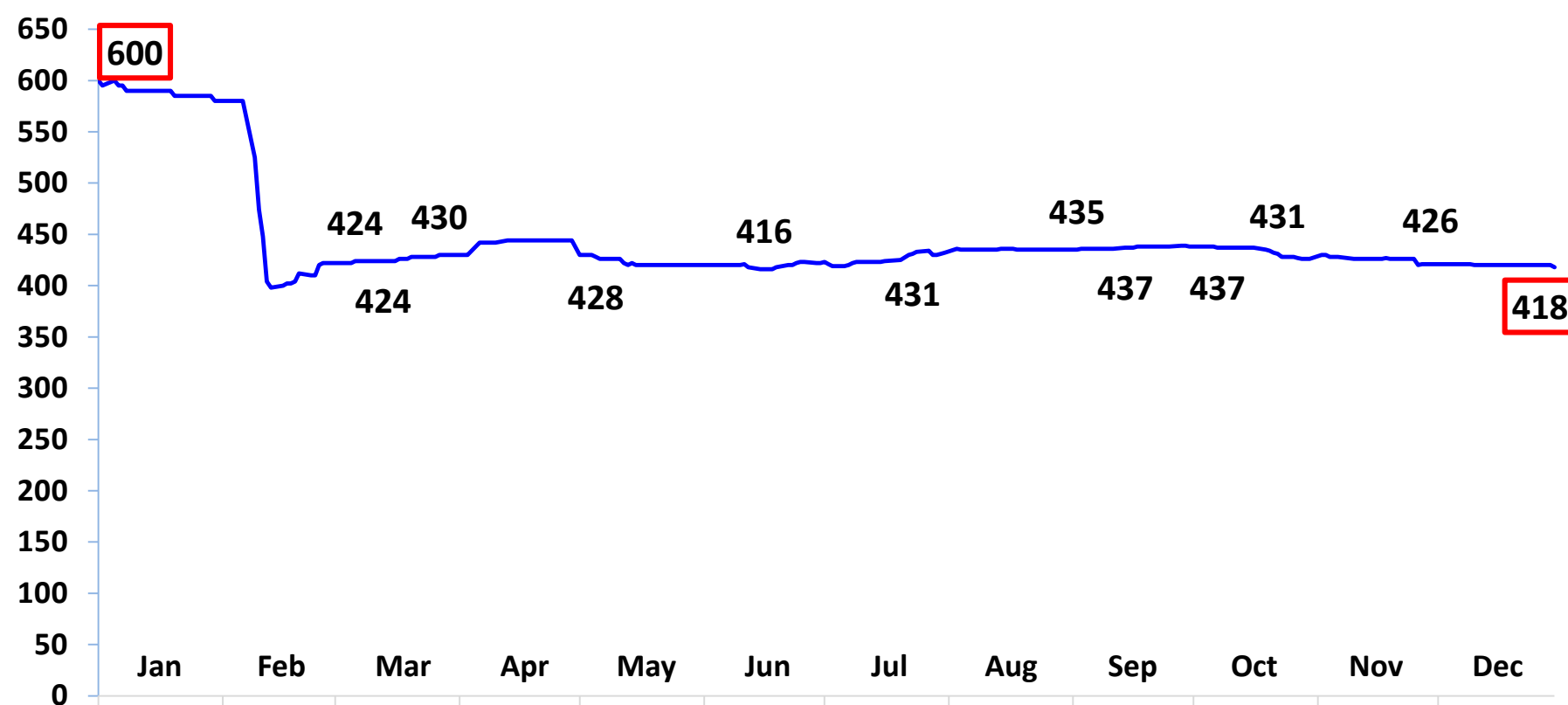
Project Titan - Phase IV: Improve Cash-Cost Structure by US\$ 100M by end of 2020 [2019: US\$ 40M & 2020: US\$ 60M]

Project Titan - US\$ Million



Alba Highlights – 2019

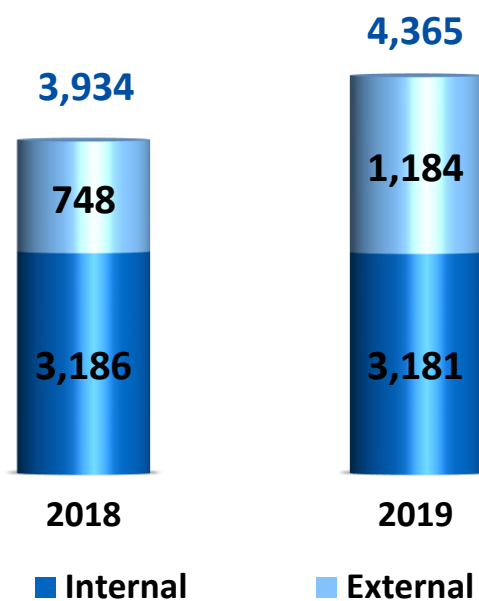
Alba Share Price (ALBH) Trend



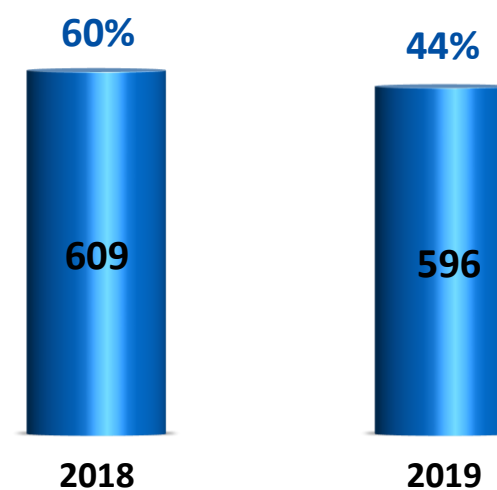
Alba Highlights – 2019

Operational Productivity

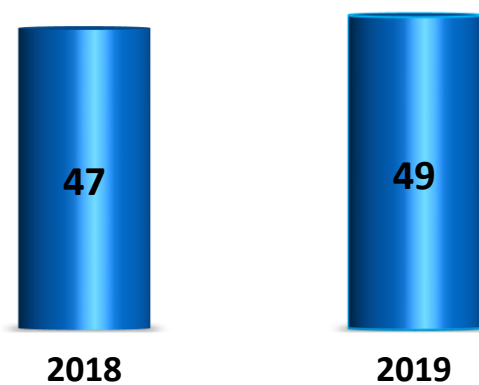
Head Management Count



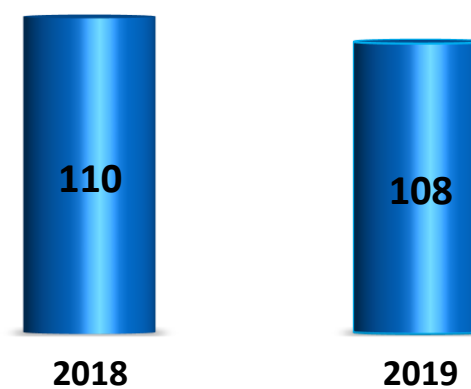
Value-Added Sales (MT'000) as a % of Total Sales



Account Receivable Days

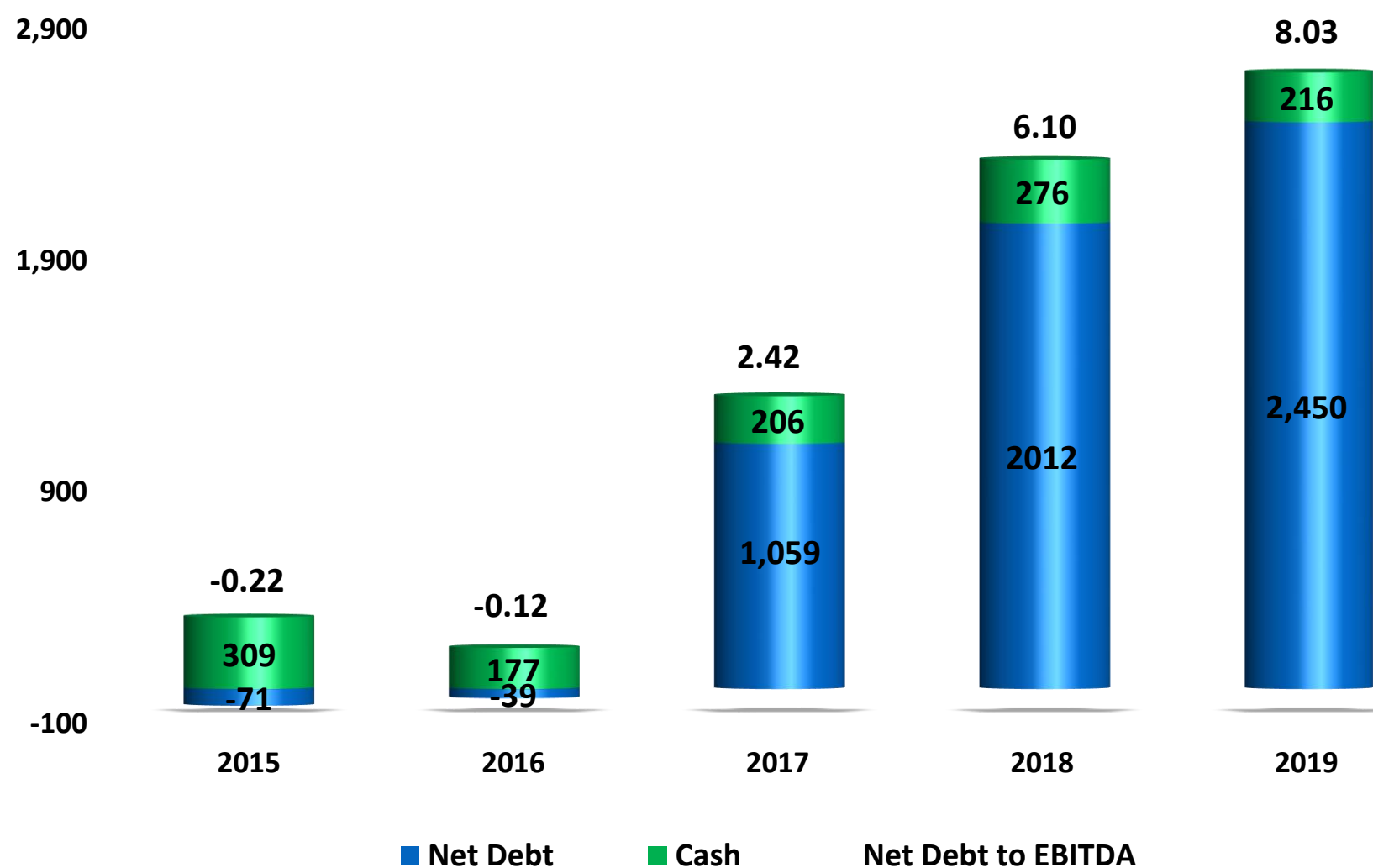


Inventory Days Trend



Alba Highlights – 2019

Net Debt to EBITDA Ratio





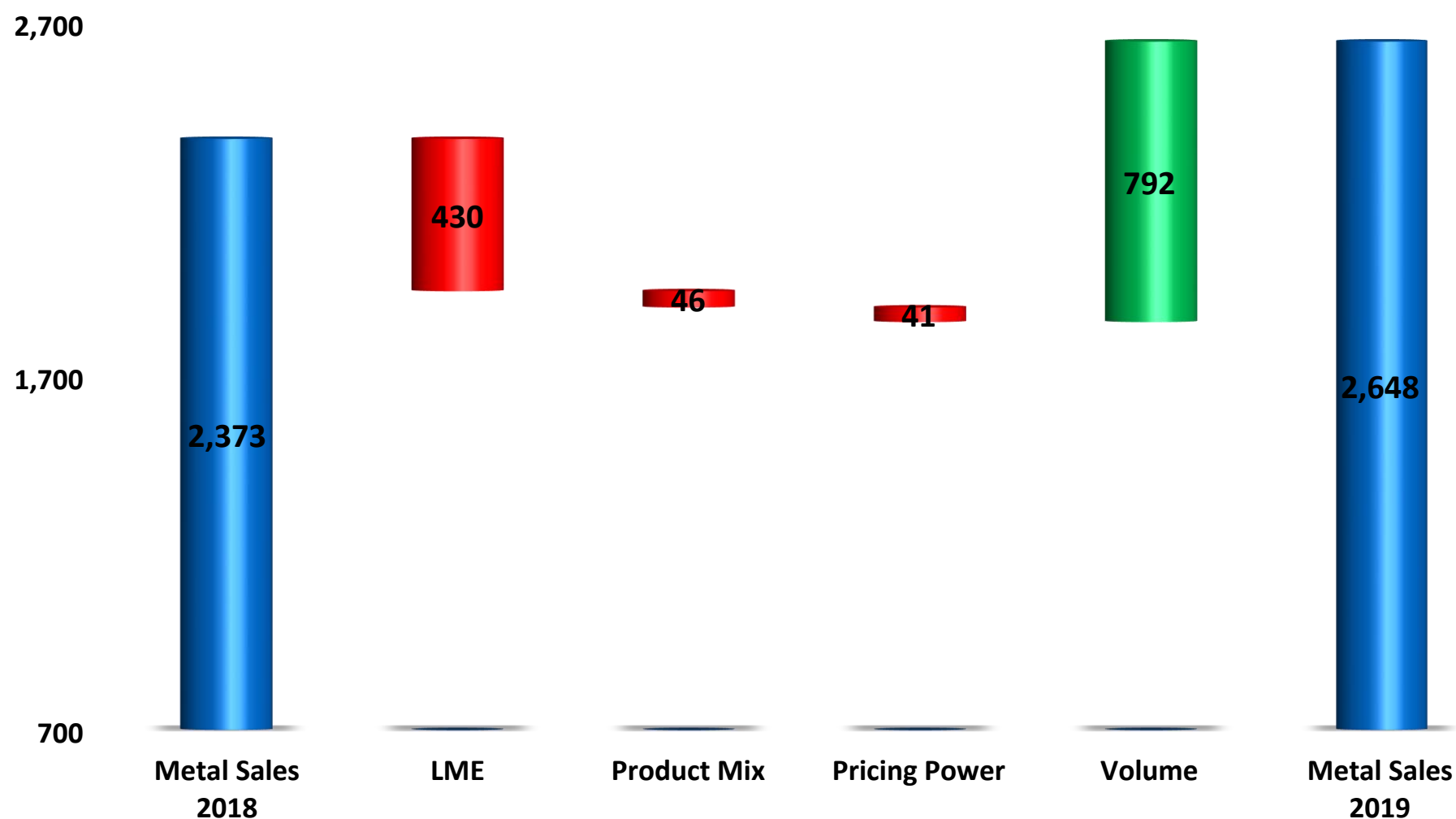
03

2019 RESULTS

Aluminium Industry: Downbeat Demand & Weak LME Prices

Metal Sales' Bridge Analysis: 2019 vs. 2018
Higher Metal Sales Thanks to Line 6 Metal Offset by Lower LME Prices

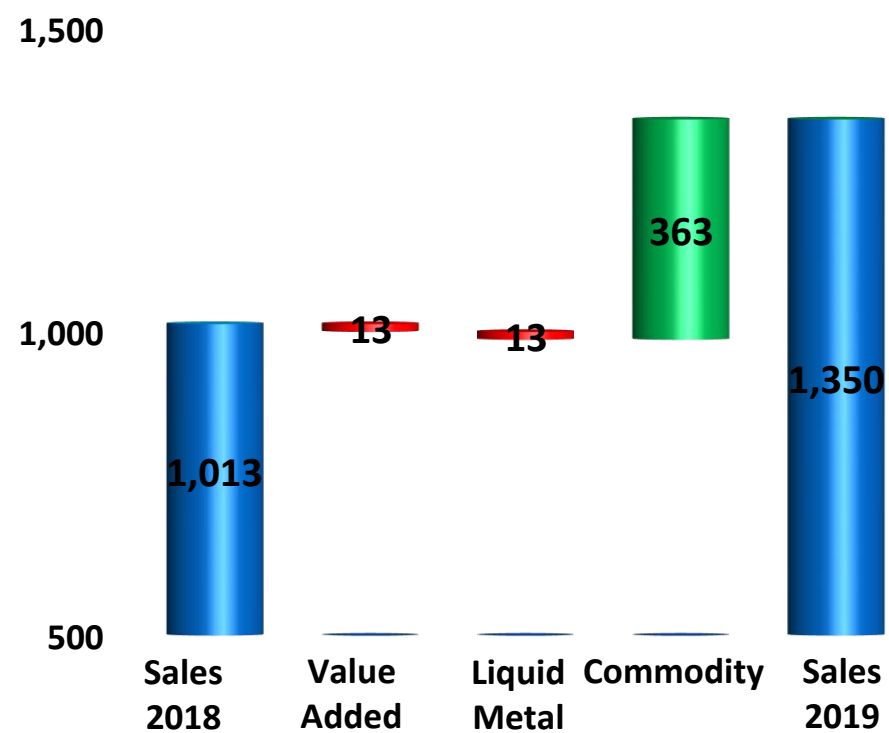
Metal Sales' Bridge (US\$M) - 2019 vs. 2018



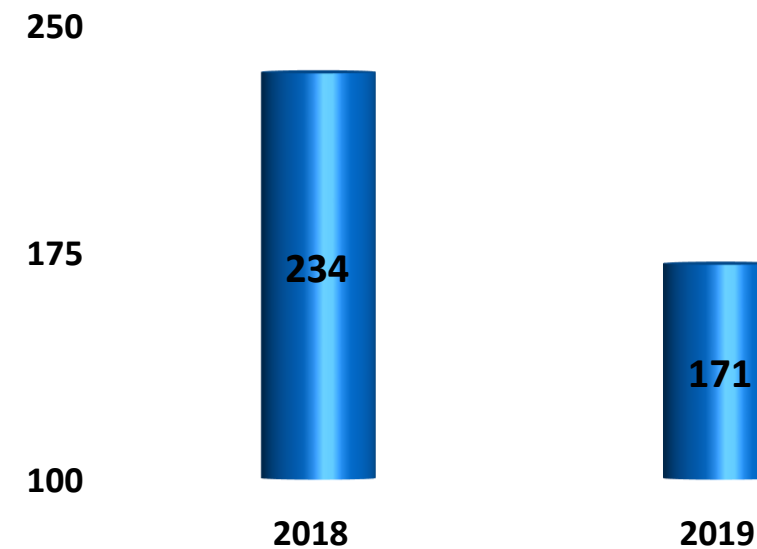
Aluminium Industry: Downbeat Demand & Weak LME Prices

Higher Sales' Volume Denominated by Higher Commodities' Volume

Sales by Product-Line Bridge (MT'000)
2019 vs. 2018



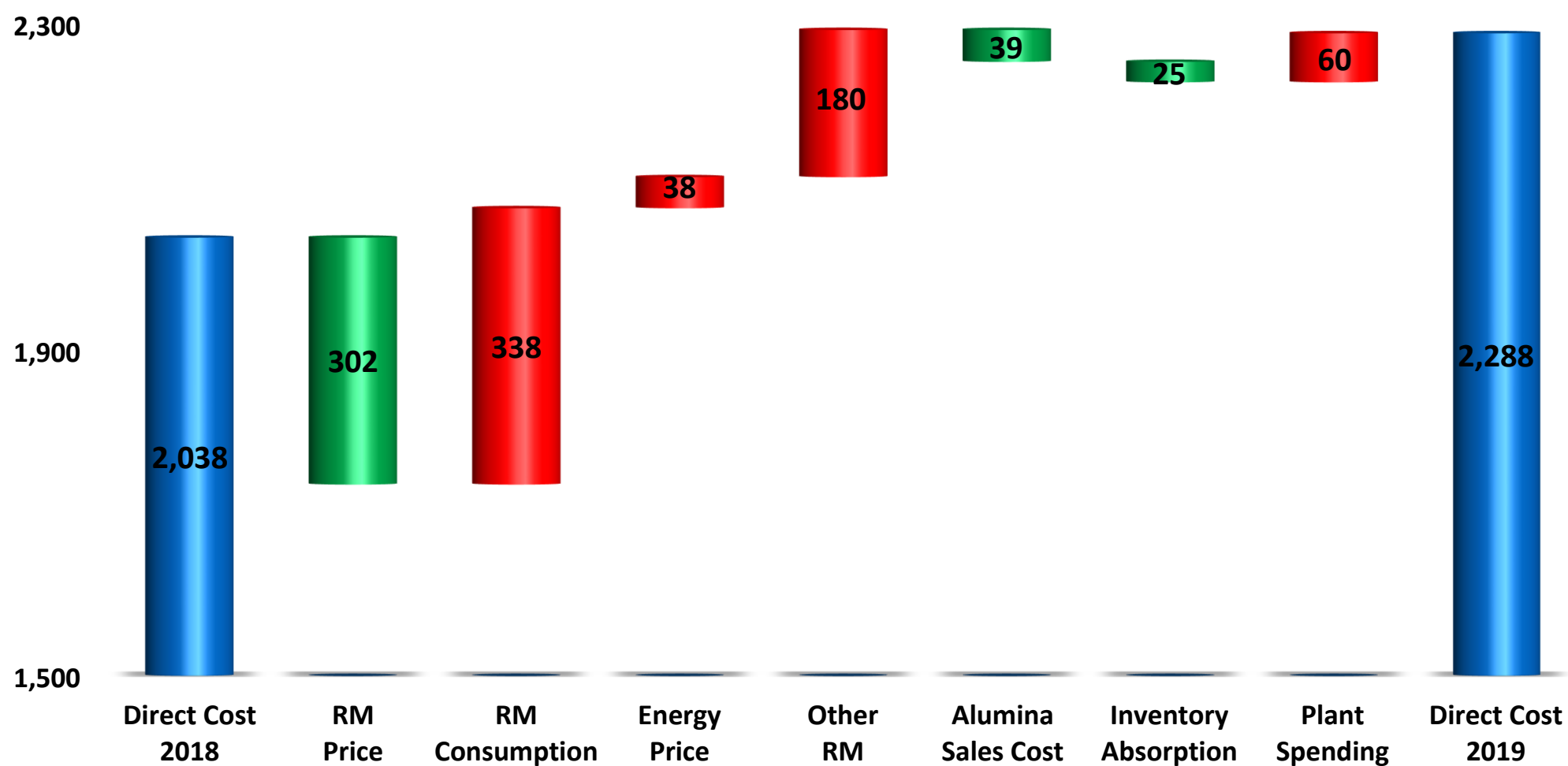
Premium Above LME Trend US\$ Per MT



Aluminium Industry: Downbeat Demand & Weak LME Prices

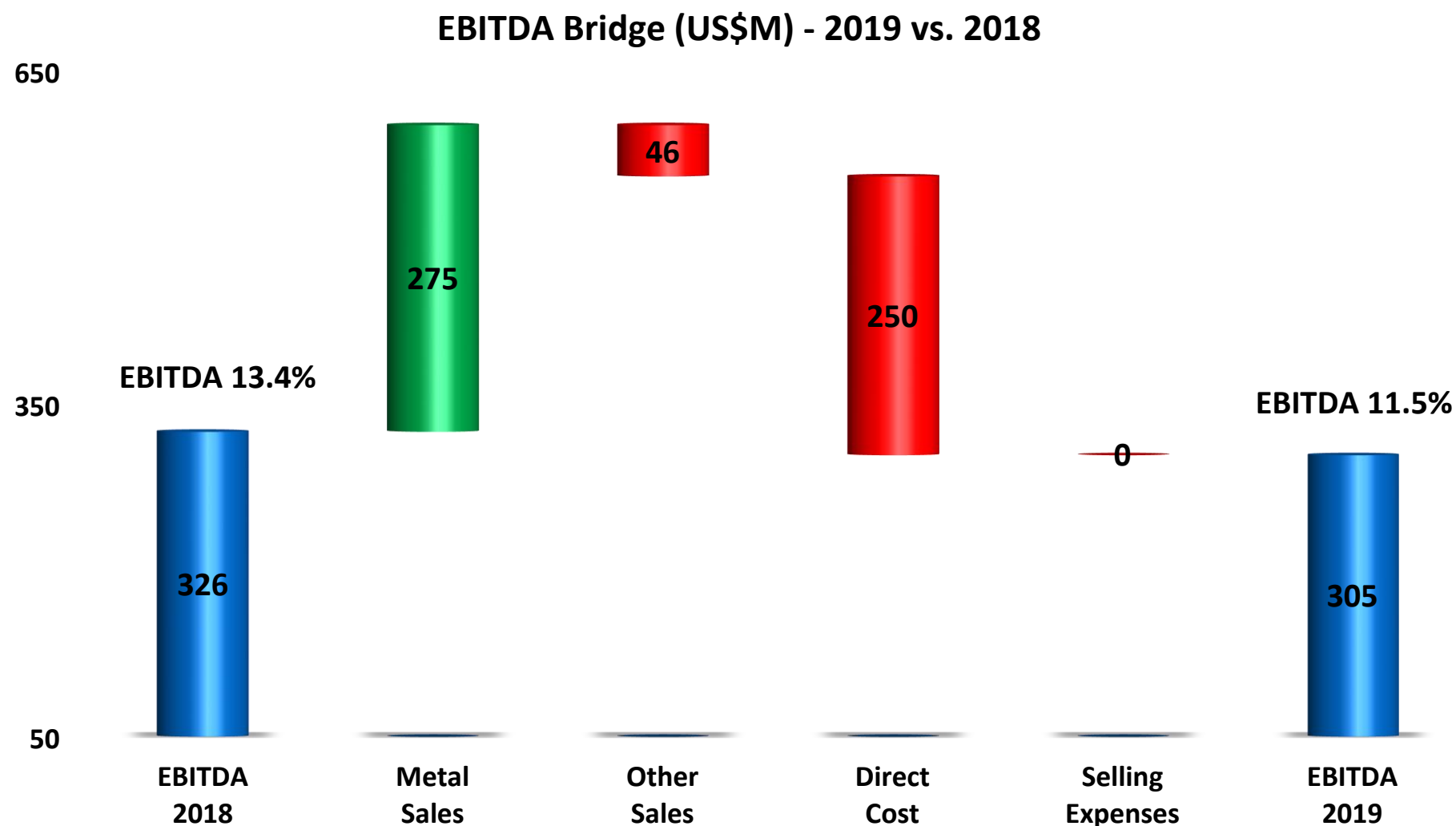
Cost Analysis 2019 vs. 2018
Higher Direct Cost Thanks to Higher Metal Production

Direct Cost Bridge (US\$M) - 2019 vs. 2018



Aluminium Industry: Downbeat Demand & Weak LME Prices

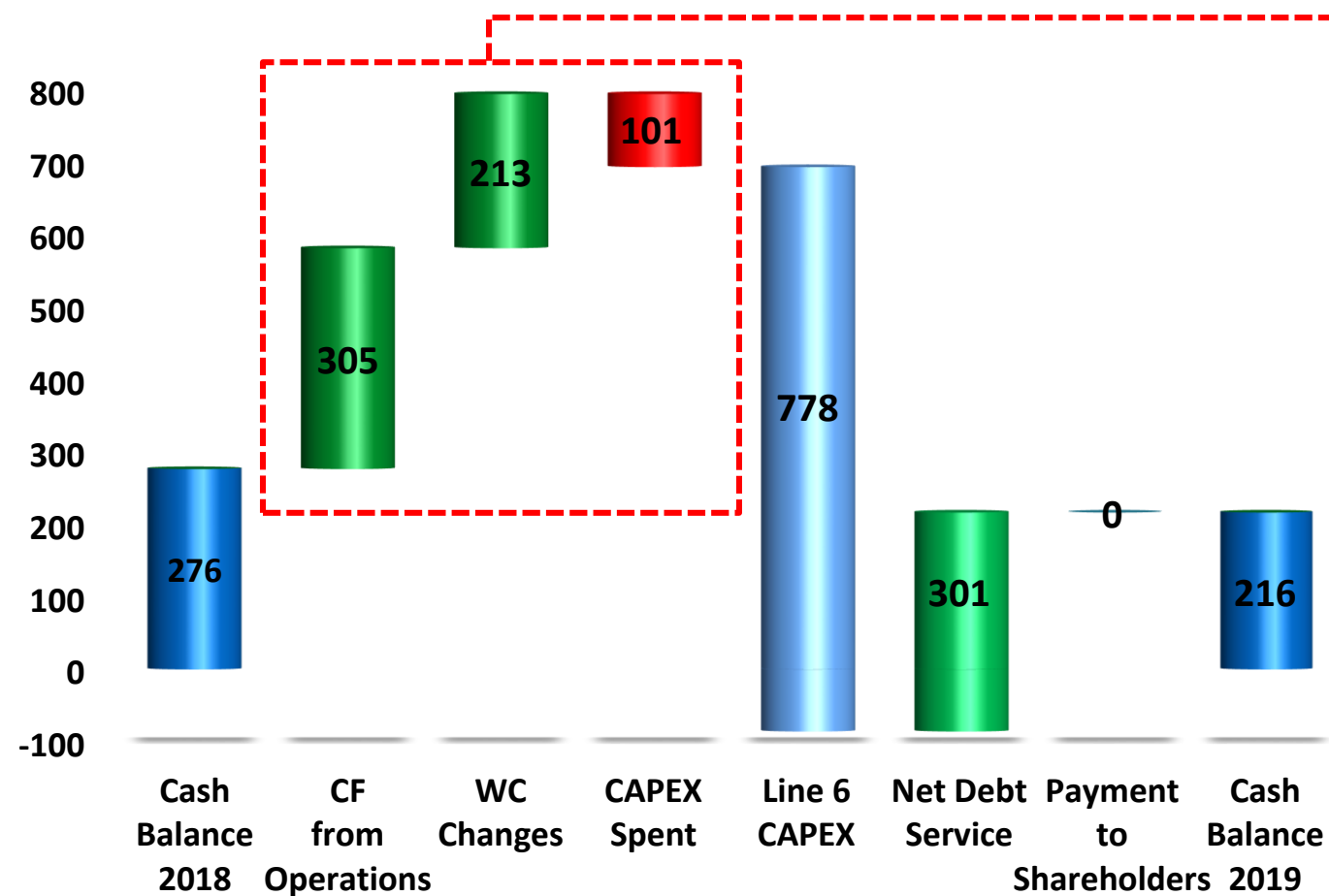
EBITDA Bridge Gap Analysis –2019 vs. 2018
EBITDA Margin at 11.5%



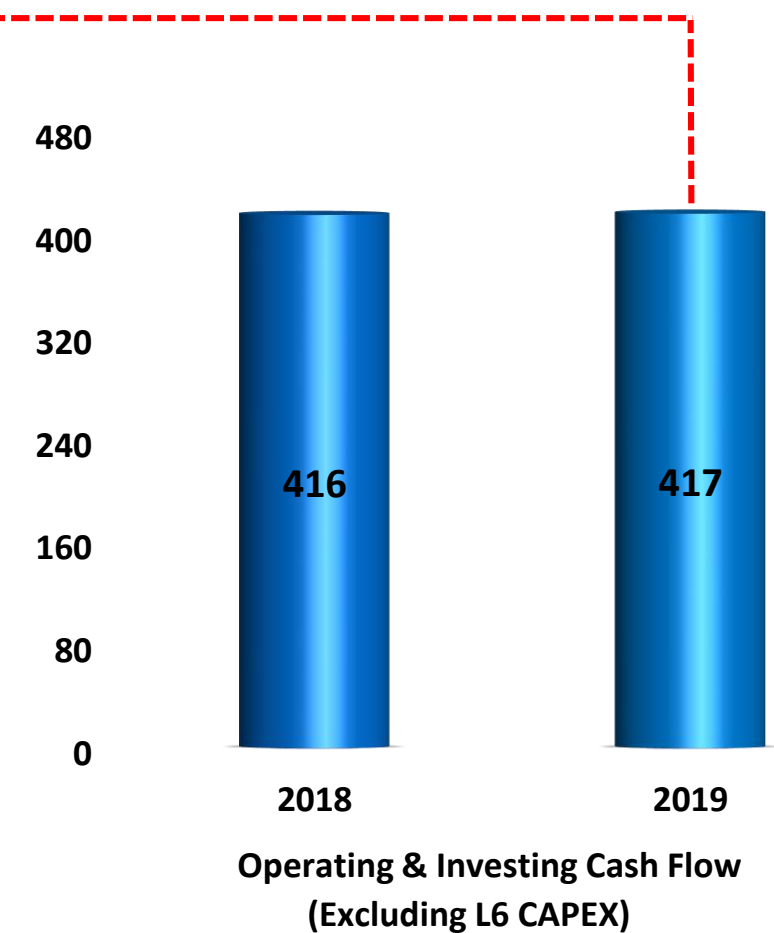
Aluminium Industry: Downbeat Demand & Weak LME Prices

Cash-Flow Bridge – 2018 to 2019: Maintain Sound Cash-Position

2018 to 2019 Cash-Flow Bridge (US\$M)



Free Cash Flow (US\$M)



Aluminium Industry: Downbeat Demand & Weak LME Prices

Good Financial Performance Partially Offset by Lower LME Prices

Financial Summary	Q4 2019	Q4 2018	2019	2018
Average Cash LME (US\$/MT)	1,754	1,968	1,792	2,110
Average Alumina Price (US\$/MT)	280	441	332	473
Total Sales (US\$M)	769	559	2,660	2,430
EBITDA (US\$M)	139	4	305	326
EBITDA%	18.1%	0.7%	11.5%	13.4%
Net Income/ (Loss) (US\$M)	37	(47)	14	159
Gain/(Loss) Unrealised Derivatives	3	(9)	(17)	7
Adjusted Net Income / (Loss)*	34	(38)	31	152



04

INDUSTRY PERSPECTIVES IN 2020

Industry Perspectives in 2020

Physical Demand to Grow at Slower Pace

Key factors to be observed:

- 🌐 Continued trade-tensions, slowdown in Chinese economy coupled with general slowdown in the global economy will continue to weigh on global demand
- 🌐 Metal consumption to soften in major world markets. Asia ex-China demand to drive future growth
- 🌐 Physical premiums to further soften due to weak demand in auto and construction sectors
- 🌐 Coronavirus to further drag down commodity prices in the short-run
- 🌐 LME price expected to range between US\$1,700/t - US\$1,800/t

Industry Perspectives in 2020

Raw Materials' Price Trends

- 🌐 Alumina prices to further drop thanks to Alumina oversupply
- 🌐 Green Petroleum Coke (GPC) and Liquid Pitch Prices to remain at the lower range due to balance in market fundamentals
- 🌐 Aluminium Fluoride (ALF3) price to slightly soften on the back of lower Alumina prices



05

2020 ALBA PRIORITIES

2020 Alba Priorities

Safety Focus & Beyond Line 6

- 🌐 Continued Focus on 'Safety Globe' Initiative
- 🌐 Deliver on Project Titan - Phase IV [Projected Savings of US\$ 100 Million by 2020-end]
- 🌐 Focus on Future Upstream Opportunities to secure Alumina requirements
- 🌐 Value-Added Sales' Product Qualification with Aluminium Stewardship Initiative (ASI) and Ecovadis certifications
- 🌐 Roll-out Alba's new Vision, Mission and Values
- 🌐 Deliver SPL treatment plant as per timeline



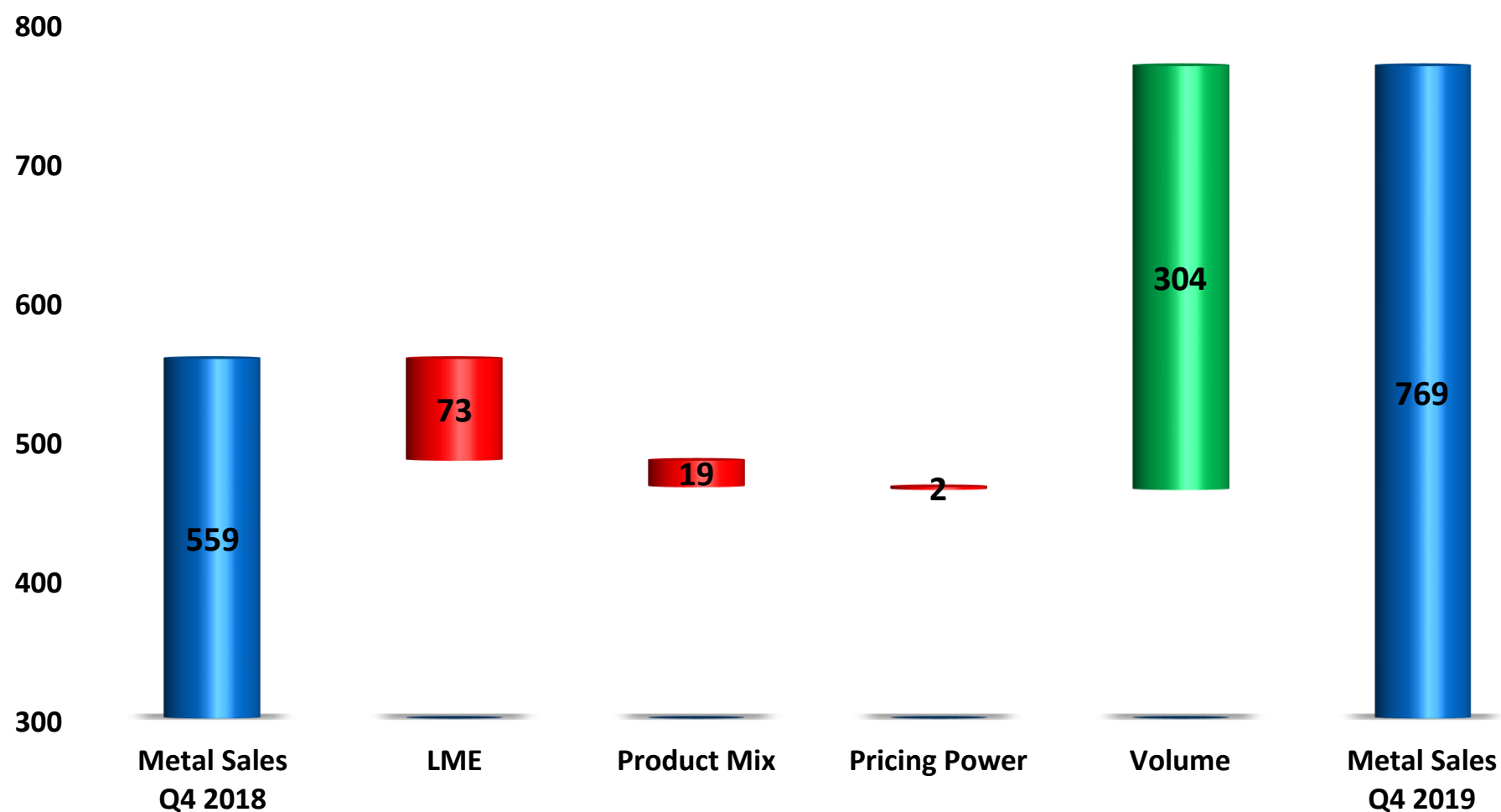
06

APPENDIX – Q4 2019

Aluminium Industry: Downbeat Demand & Weak LME Prices

Metal Sales' Bridge Analysis: Q4 2019 vs. Q4 2018
Higher Metal Sales Thanks to Line 6 Metal Offset by Lower LME Prices

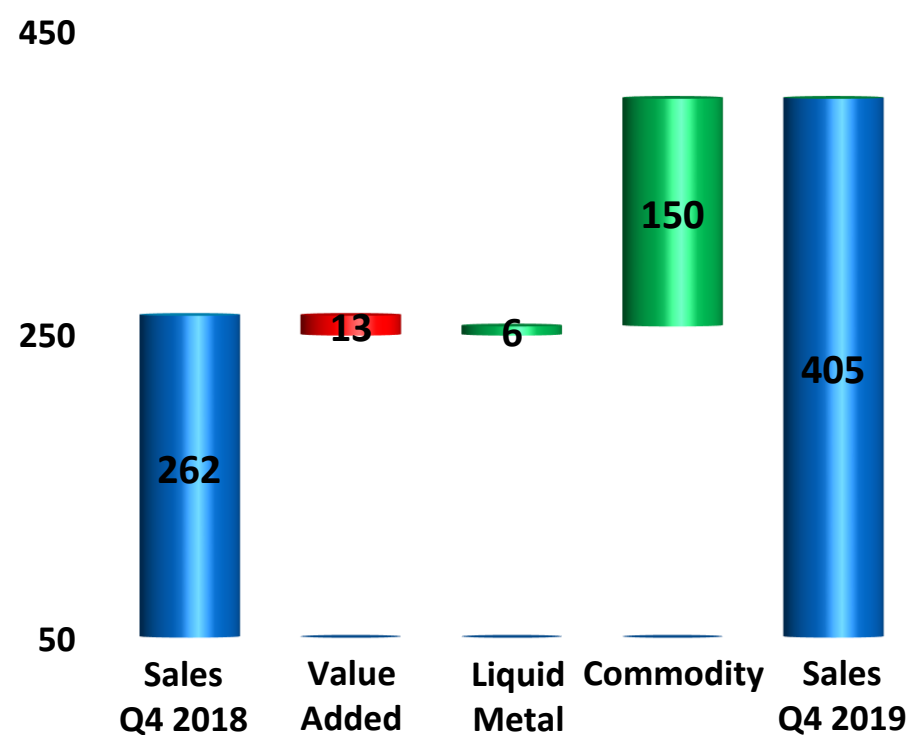
Metal Sales Bridge (US\$M) - Q4 2019 vs. Q4 2018



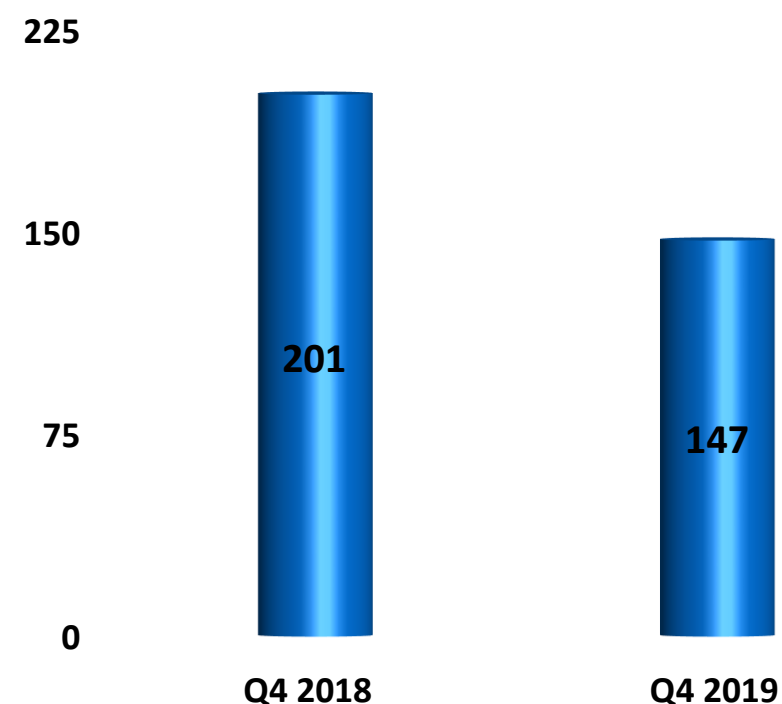
Aluminium Industry: Downbeat Demand & Weak LME Prices

Higher Sales' Volume Denominated by Higher Commodities' Volume

Sales by Product-Line Bridge (MT'000)
Q4 2019 vs. Q4 2018



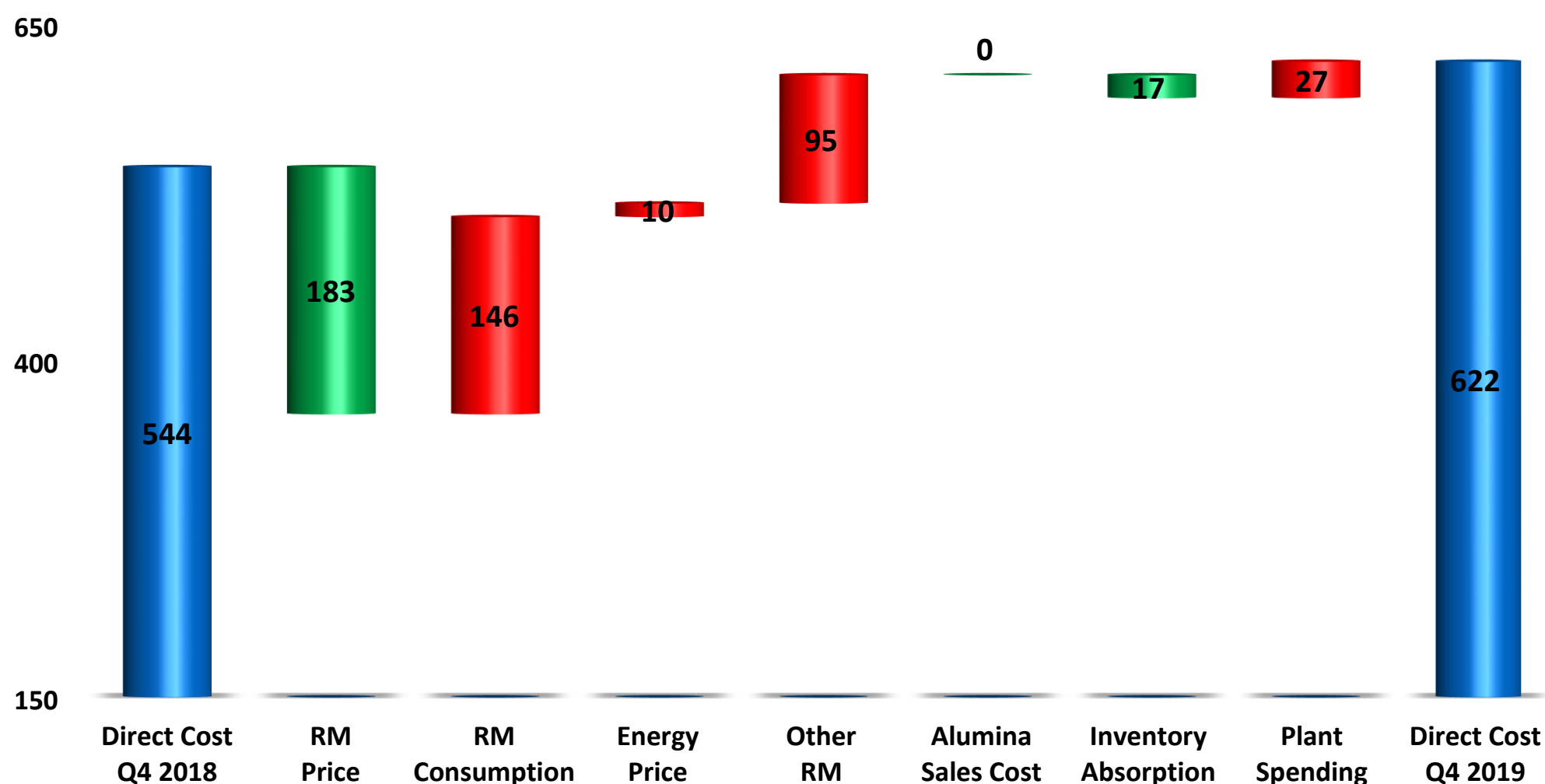
Premium Above LME Trend US\$ Per MT



Aluminium Industry: Downbeat Demand & Weak LME Prices

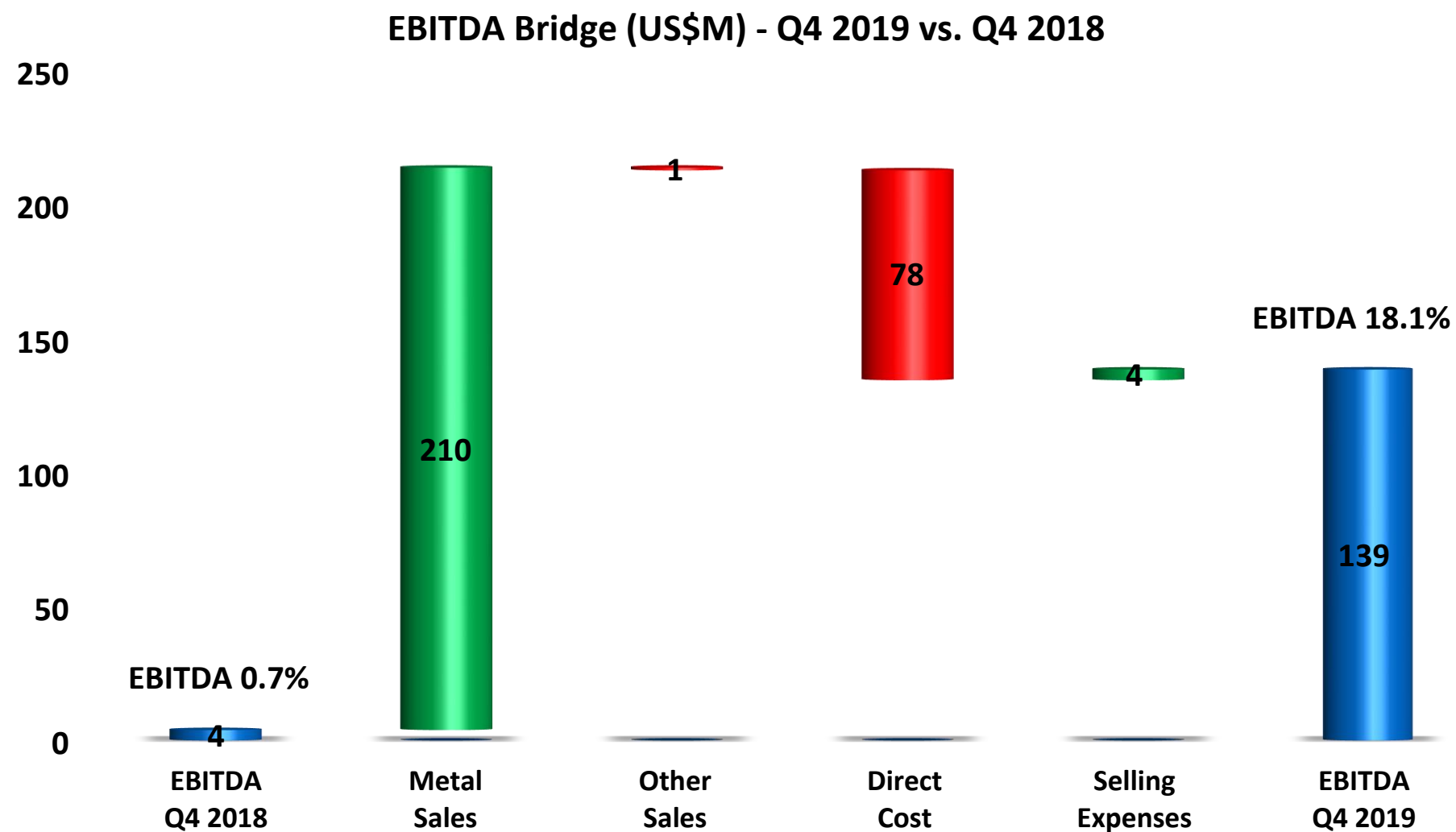
Cost Analysis Q4 2019 vs. Q4 2018
Higher Direct Cost Thanks to Higher Metal Production

Direct Cost Bridge (US\$M) - Q4 2019 vs. Q4 2018



Aluminium Industry: Downbeat Demand & Weak LME Prices

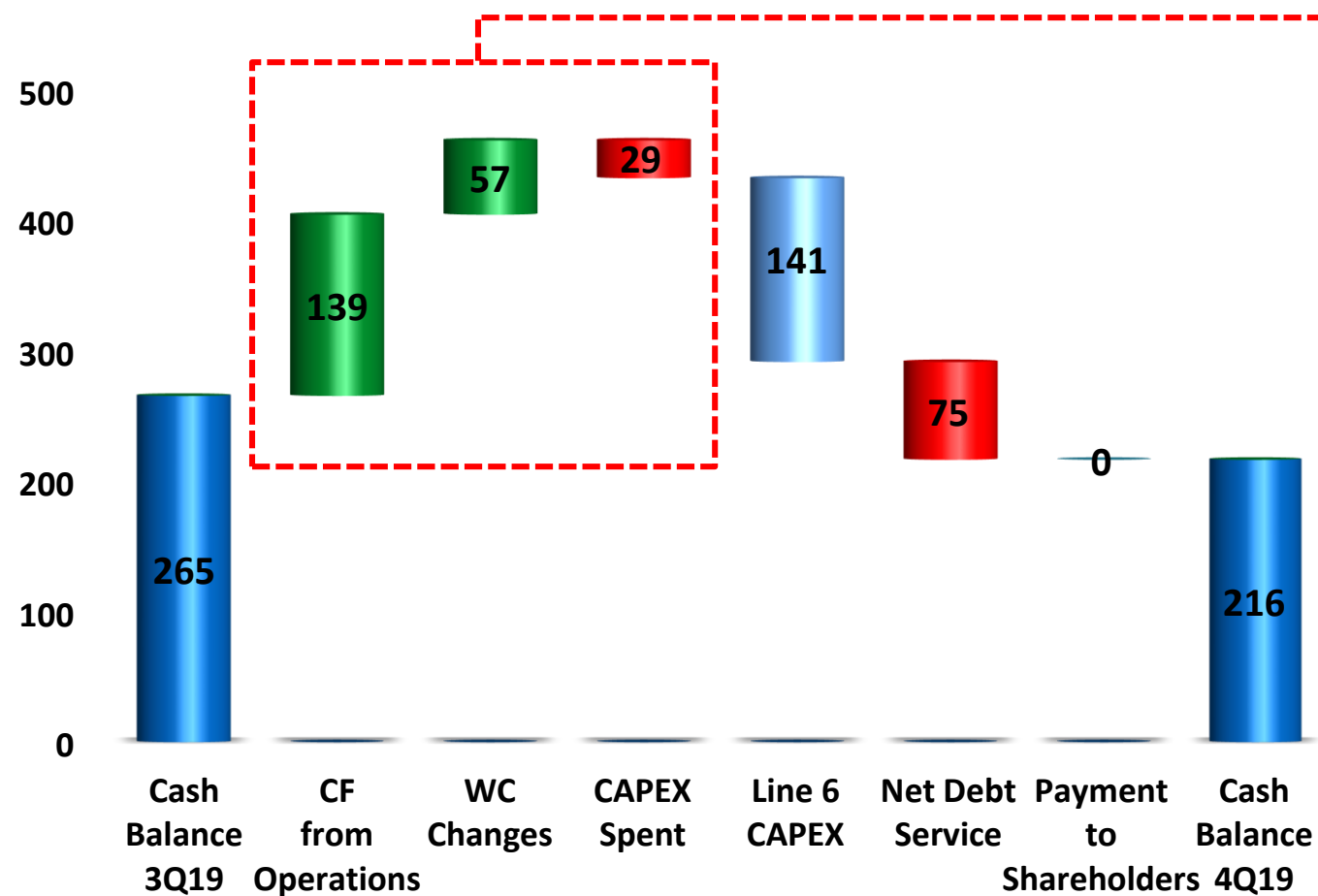
EBITDA Bridge Gap Analysis – Q4 2019 vs. Q4 2018
EBITDA Margin at 18.1%



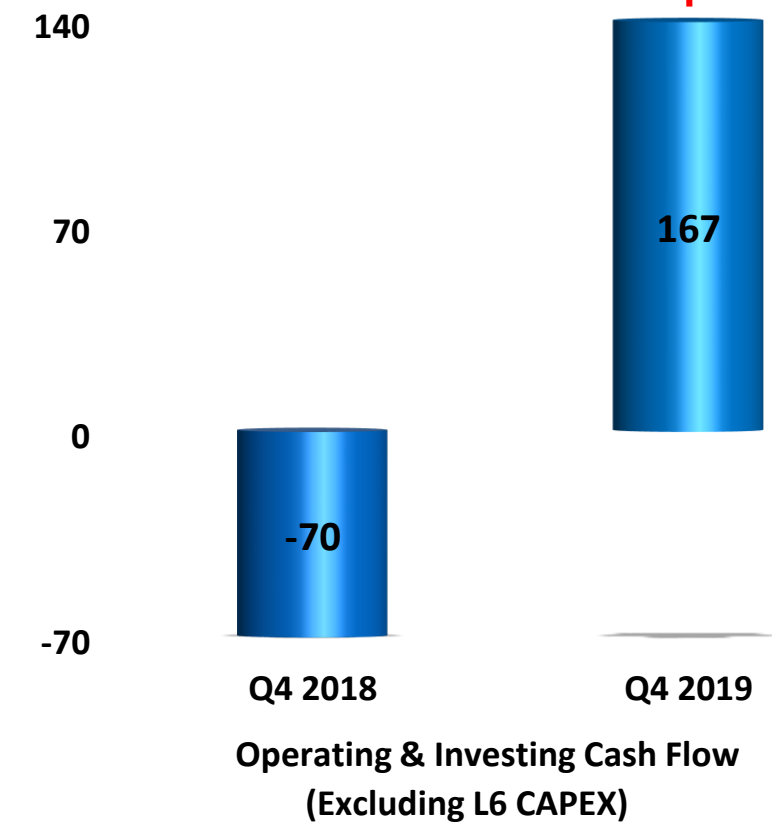
Aluminium Industry: Downbeat Demand & Weak LME Prices

Cash-Flow Bridge – Q3 2019 to Q4 2019: Maintain Sound Cash-Position

Q3 2019 to Q4 2019 Cash-Flow Bridge (US\$M)



Free Cash Flow (US\$M)





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