



INVESTOR RELATIONS PRESENTATION

Q3 2020



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01

INDUSTRY HIGHLIGHTS¹

Industry Highlights – Q3 2020

Global Demand Remain Under Pressure

Global recovery lost its momentum as markets reacted differently with the easing of lockdown restrictions. The political and economic response to COVID-19 has also raised importance on ESG issues and given voice for stimulus packages to be green

- 🌐 World consumption down by 4% YoY
- 🌐 COVID-19 outbreak continues to take its toll on Aluminium demand in major markets -- World ex-China has seen a decline of 12% YoY while Aluminium consumption dropped by 14% YoY in MENA and 6% YoY in North America
- 🌐 Challenges relating to pandemic, impact of failure in Brexit negotiations, US elections and US-China trade war continue to weigh on business sentiment in Europe -> leading to a contraction in Aluminium demand of 13% YoY
- 🌐 Recovery in Aluminium demand gathers pace in China with 3% YoY increase thanks to the government's stimulus packages [rebound in construction and auto sectors]

Industry Highlights – Q3 2020

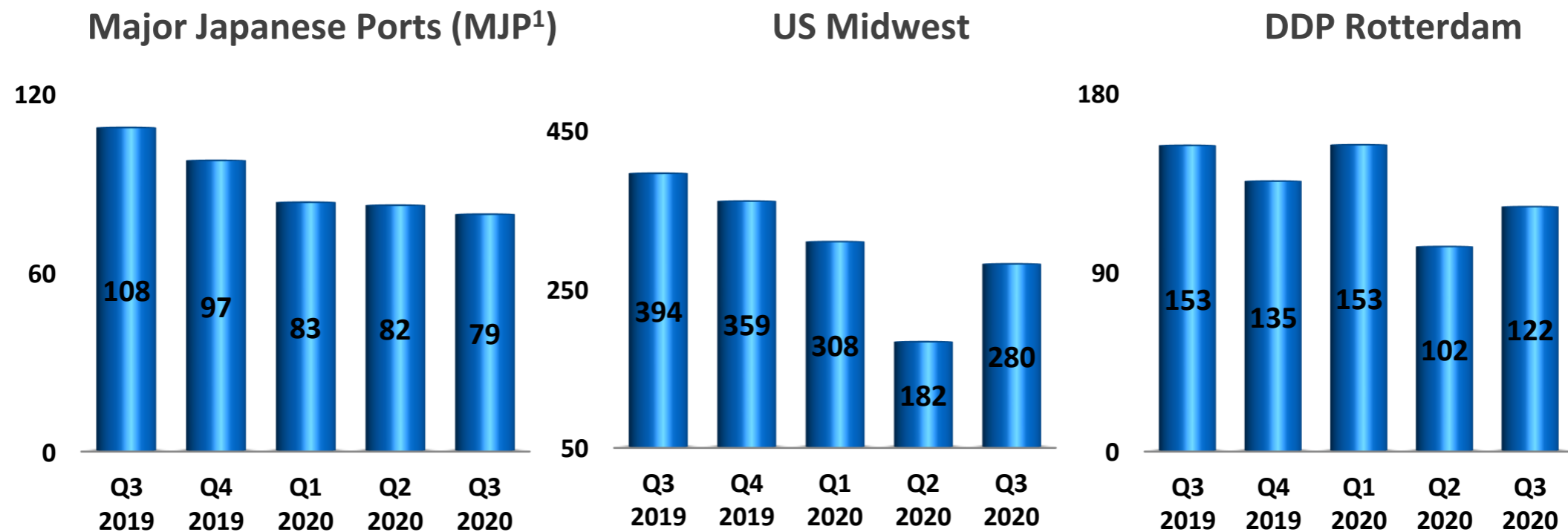
Global Production – Modest Growth at 2% YoY

- Primary Aluminium production in MENA down by 3% YoY owing to supply cuts in UAE of c.6% YoY
- Manufacturing activity in US continues with supply in North America up by 4% YoY
- China's output grew by 5% YoY - boosted by start-up of new projects
- World market in surplus with China (+611Kt) and (+851Kt) without China

Industry Highlights – Q3 2020

LME Price Down & Premiums on Roller Coaster Ride

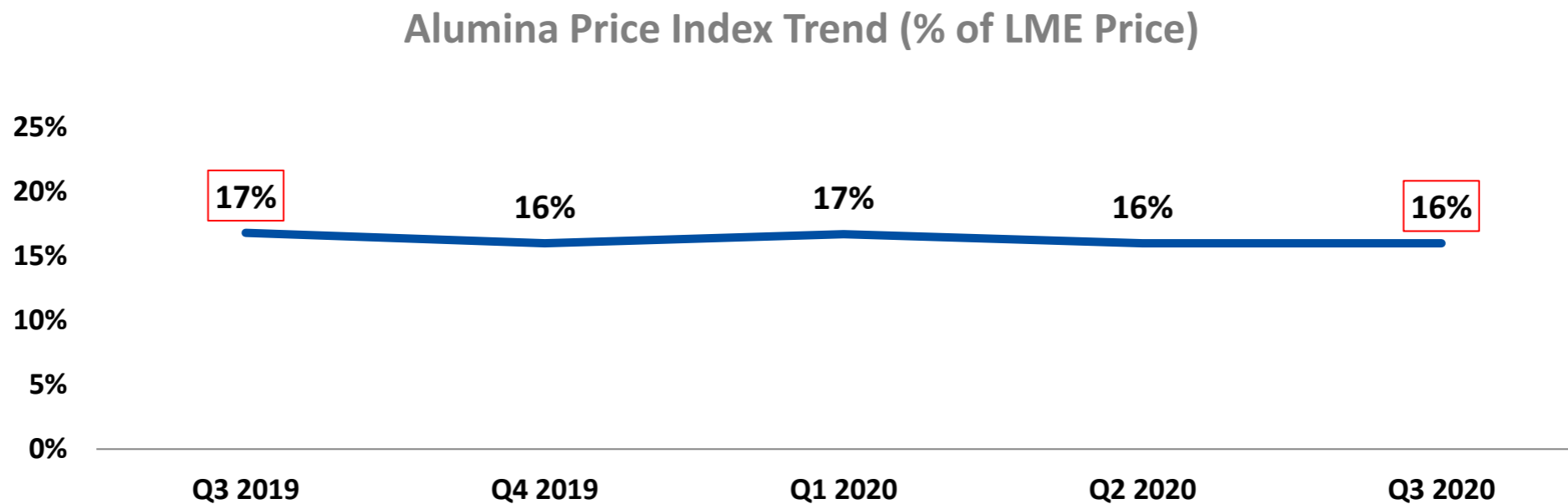
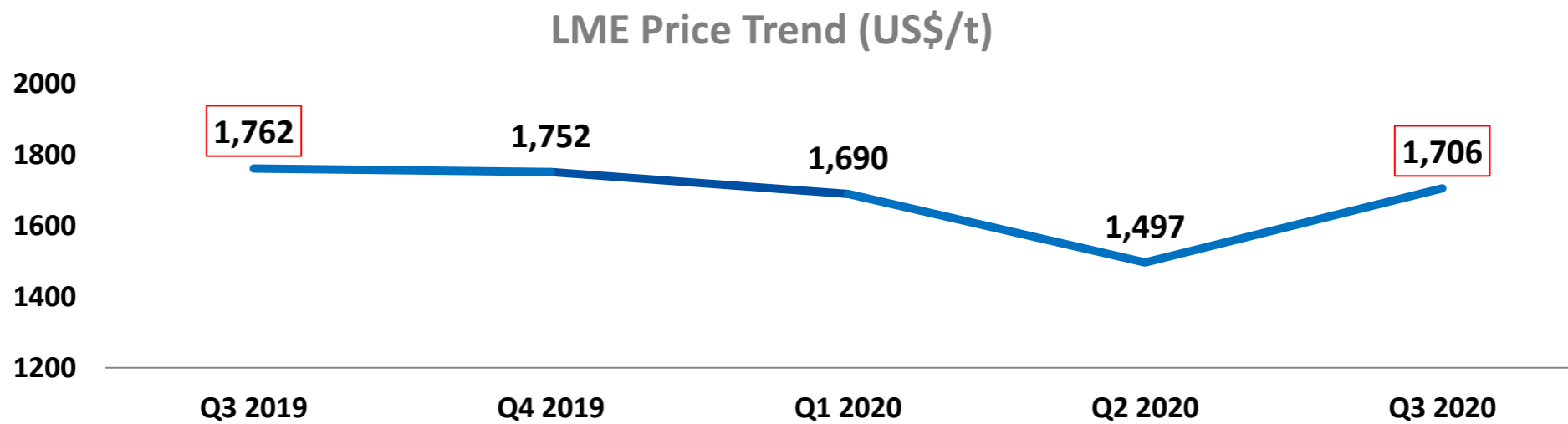
- LME inventories exceed 1.45 million MT as of 30 Sept'20 (up by 56% YoY)
- LME-Cash averaged US\$1,706/t - down by 3% YoY [lowest: US\$1,582/t on 3 Jul'20 and highest: US\$1,782/t on 1 Sep'20]
- MJP flat while European and US Midwest premium edge higher (US\$/t):



¹Major Japanese Ports (MJP) is based on Cost, Insurance and Freight (CIF)

Industry Highlights – Q3 2020

Alumina Price - 16% of LME Price [US\$274/t]





02

ALBA HIGHLIGHTS¹

Alba Highlights – Q3 2020

Safety Highlights Amidst COVID-19

- Alba launches its first virtual Summer Safety Campaign ‘Our Safety is in Our Hands’ in July 2020
- 24.5 Million Safe Working-Hours w/o LTI were achieved on 02 Aug’20. On 03 Aug’20, Alba had an unfortunate LTI
- Ongoing liaison with the National Taskforce for combatting COVID-19 to ensure our People’s Safety (Employees and Contractors’ Workers)
- Remote work from home continues for soft departments (men & women)
- Restricting travels, embracing social distancing and conducting virtual/e-meetings with all Management levels and visitors

Alba Highlights – Q3 2020

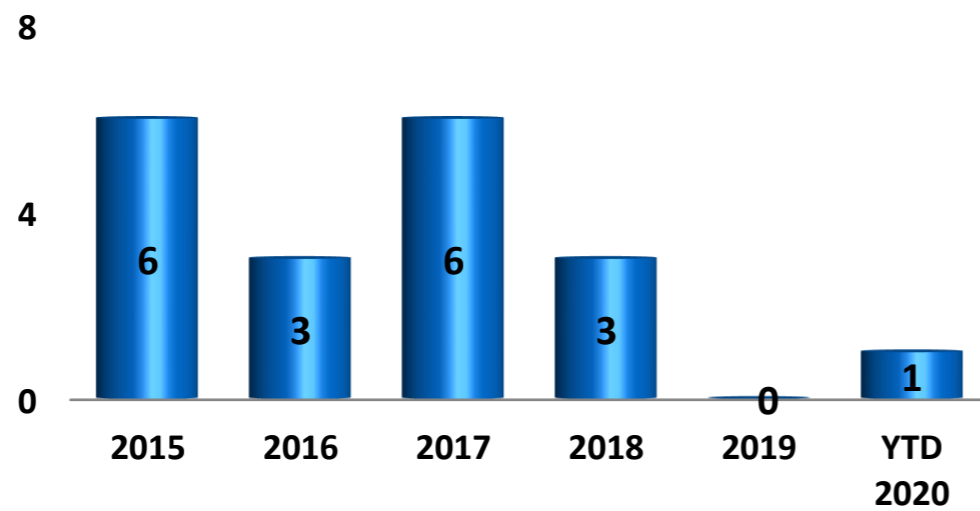
Operational Highlights & Milestones

- Alba hosts virtual 'Market Update' sessions for its customers in partnership with CRU
- Alba -- a recipient of 2 major awards from Middle East Investor Relations Association (MEIRA)
- MoU inked between Alba and University of Bahrain to enhance scientific and research cooperation
- Sales' volume topped 393,177 metric tonnes (MT) - up by 5% YoY while Production reached 385,638 MT (almost flat)
- Value-Added Sales averaged 48% of total shipments
- Spent Pot Lining (SPL) Plant:
 - Overall progress exceeded 40%

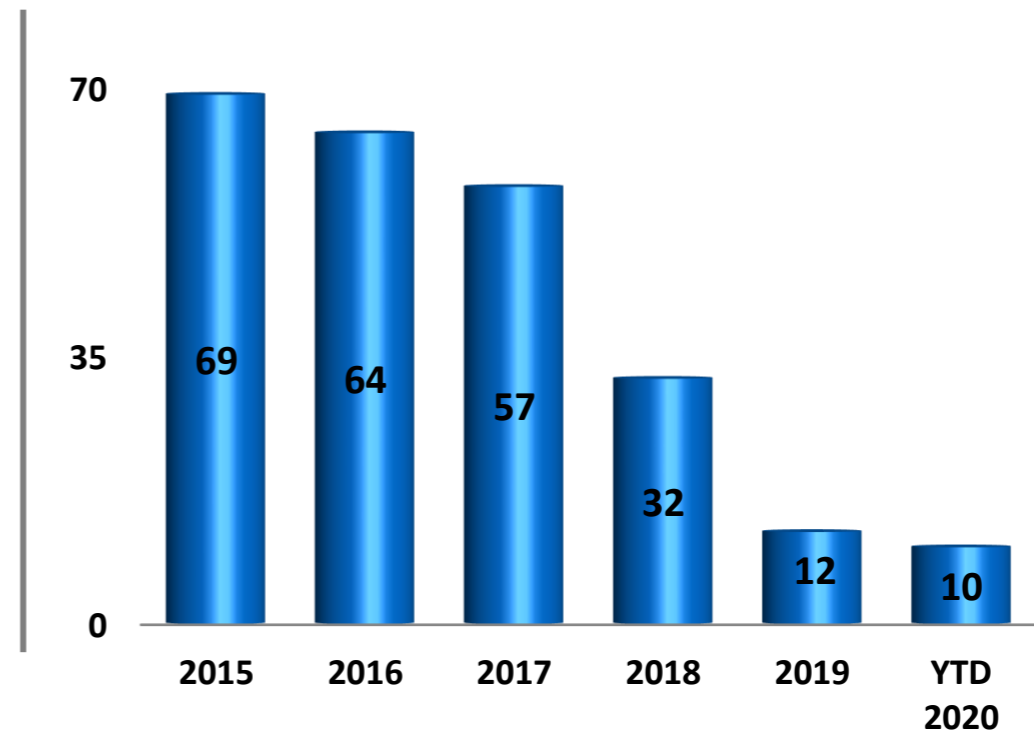
Alba Highlights – Q3 2020

Think Safety First & Always

Lost Time Injury (LTI) Trend



Total Recordable Injuries



Alba Highlights – Q3 2020

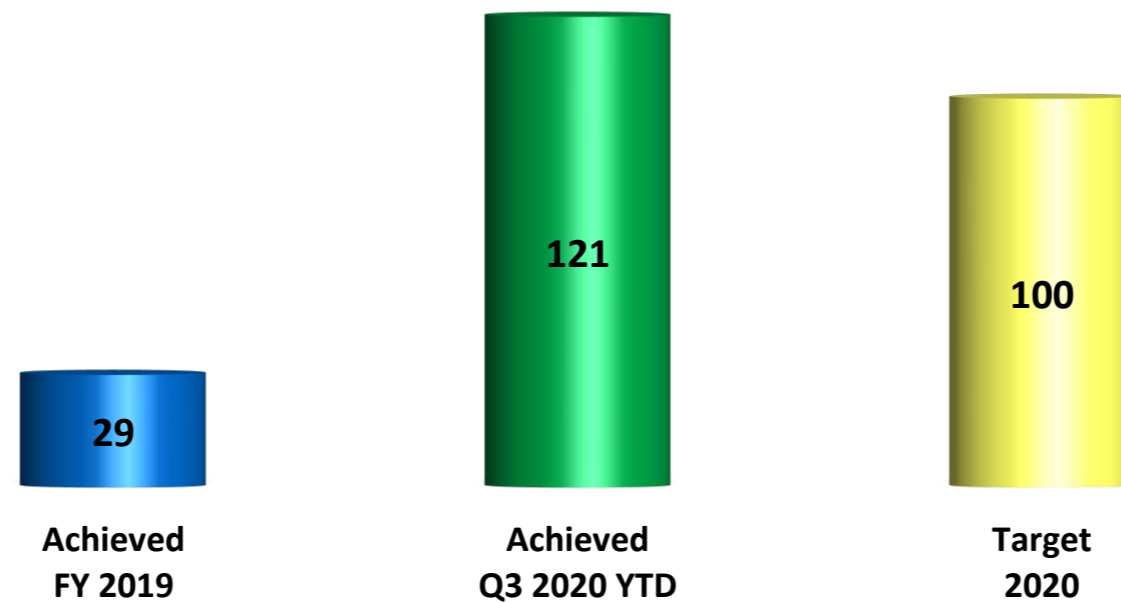
Financial Key Performance Indicators

- 🌐 **EBITDA driven by higher Sales' volume and partially offset by lower LME prices**
- 🌐 Q3: US\$ 75 million down by 30% YoY
- 🌐 YTD: US\$ 268 million up by 61% YoY
- 🌐 **Net Loss due to higher depreciation & financial charges**
- 🌐 Q3: US\$ 31 million up by 208% YoY
- 🌐 YTD: US\$ 59 million up by 168% YoY
- 🌐 **Free-Cash Flow impacted by changes in the Working Capital**
- 🌐 Q3: US\$ 125 million down by 37% YoY
- 🌐 YTD: US\$ 187 million down by 25% YoY

Alba Highlights – Q3 2020

Project Titan - Phase IV: Improve Cash-Cost Structure by US\$ 100M by end of 2020

Project Titan - US\$ Million



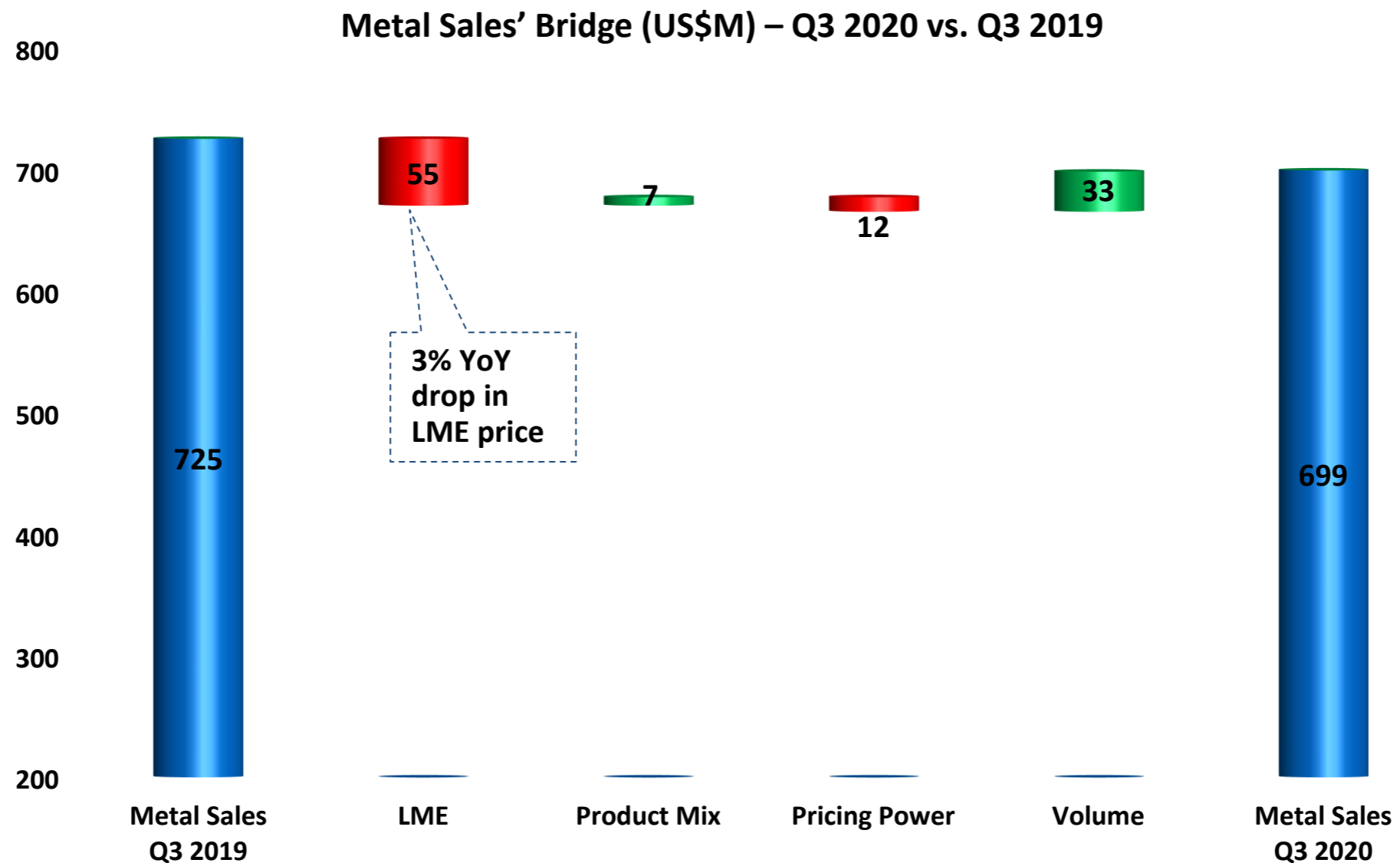


03

Q3 2020 RESULTS

Aluminium Industry: Downbeat Market Sentiment & Weak LME Prices

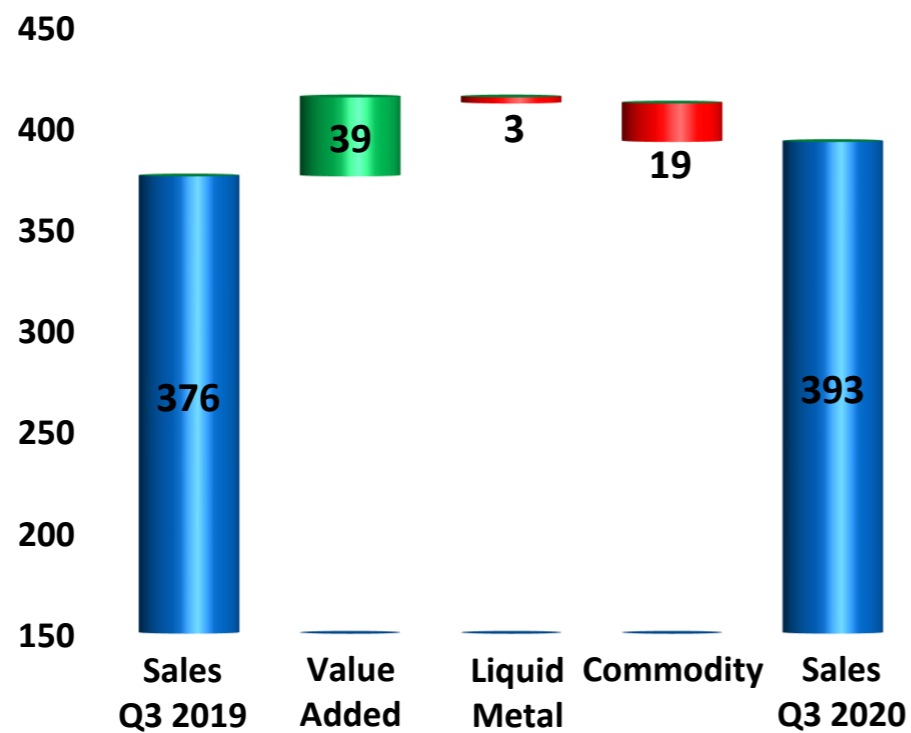
Metal Sales' Bridge Analysis: Q3 2020 vs. Q3 2019
Higher Metal Sales' Volume Partially Offset by Lower LME Prices



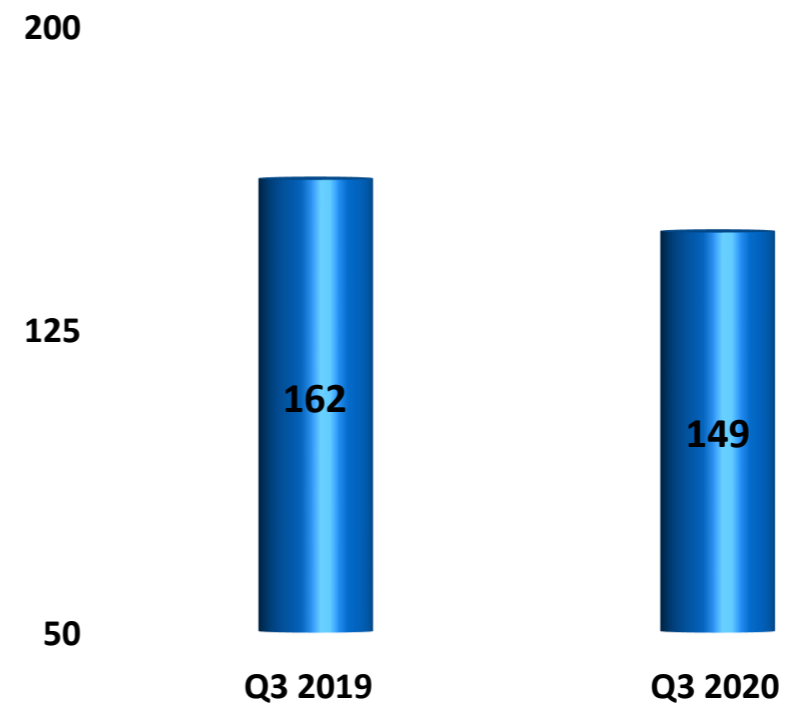
Aluminium Industry: Downbeat Market Sentiment & Weak LME Prices

Higher Metal Sales' Volume Denominated by Higher VAP Volume

Sales by Product-Line Bridge (MT'000)
Q3 2020 vs. Q3 2019



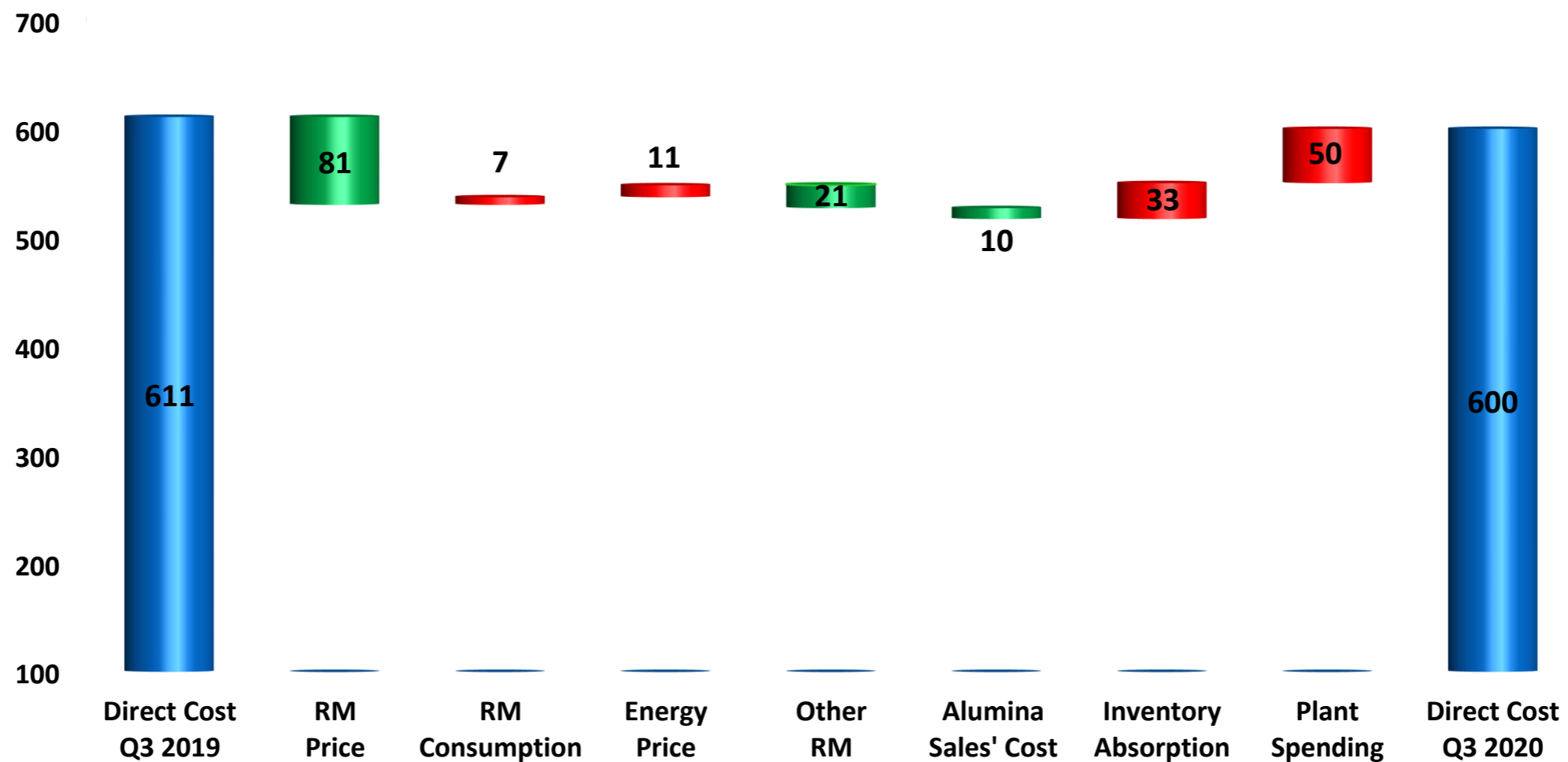
Premium Above LME Trend US\$ Per MT



Aluminium Industry: Downbeat Market Sentiment & Weak LME Prices

Cost Analysis Q3 2020 vs. Q3 2019
Lower Direct Cost Owing to Lower RM Price

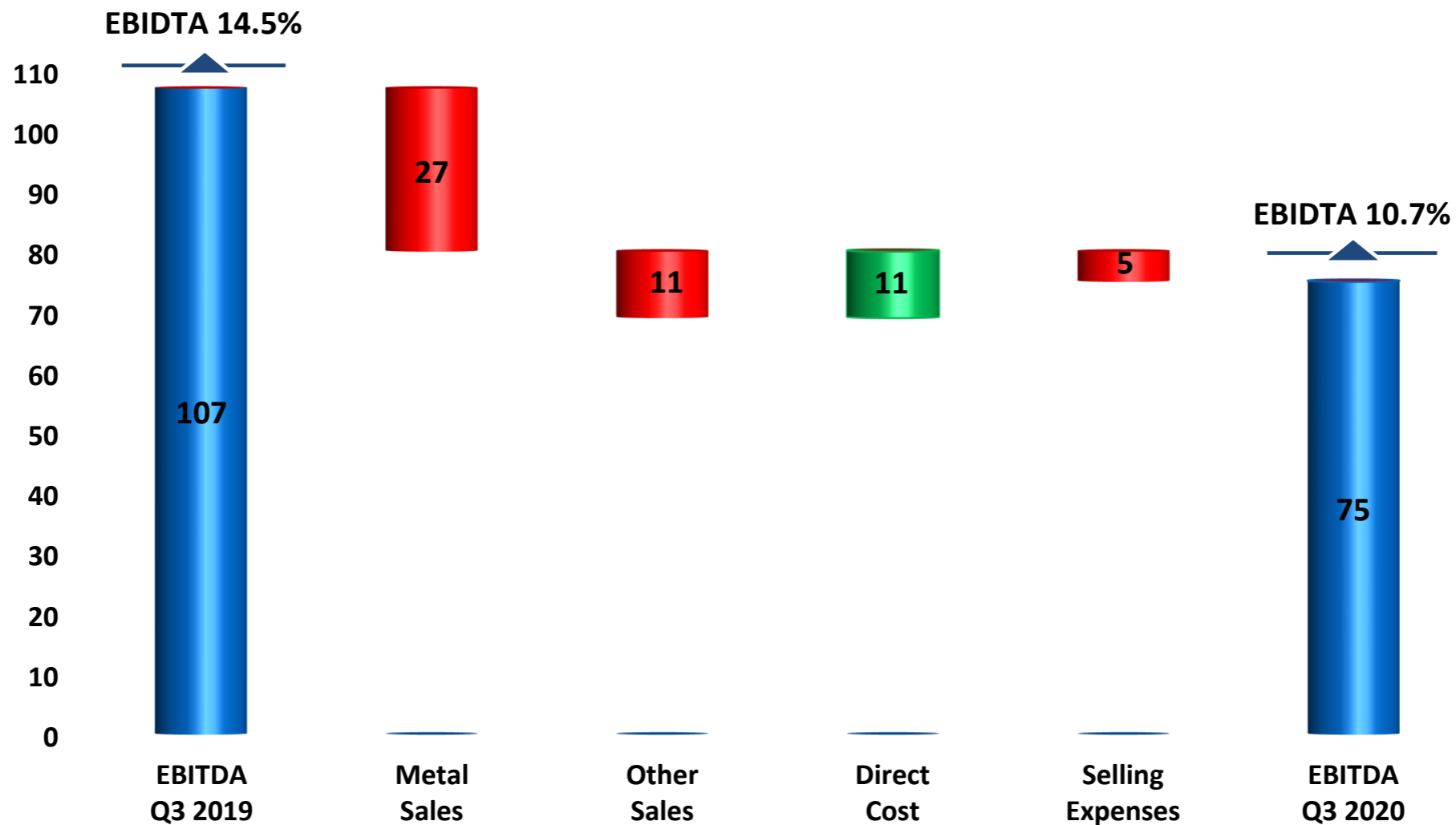
Direct Cost Bridge (US\$M) – Q3 2020 vs. Q3 2019



Aluminium Industry: Downbeat Market Sentiment & Weak LME Prices

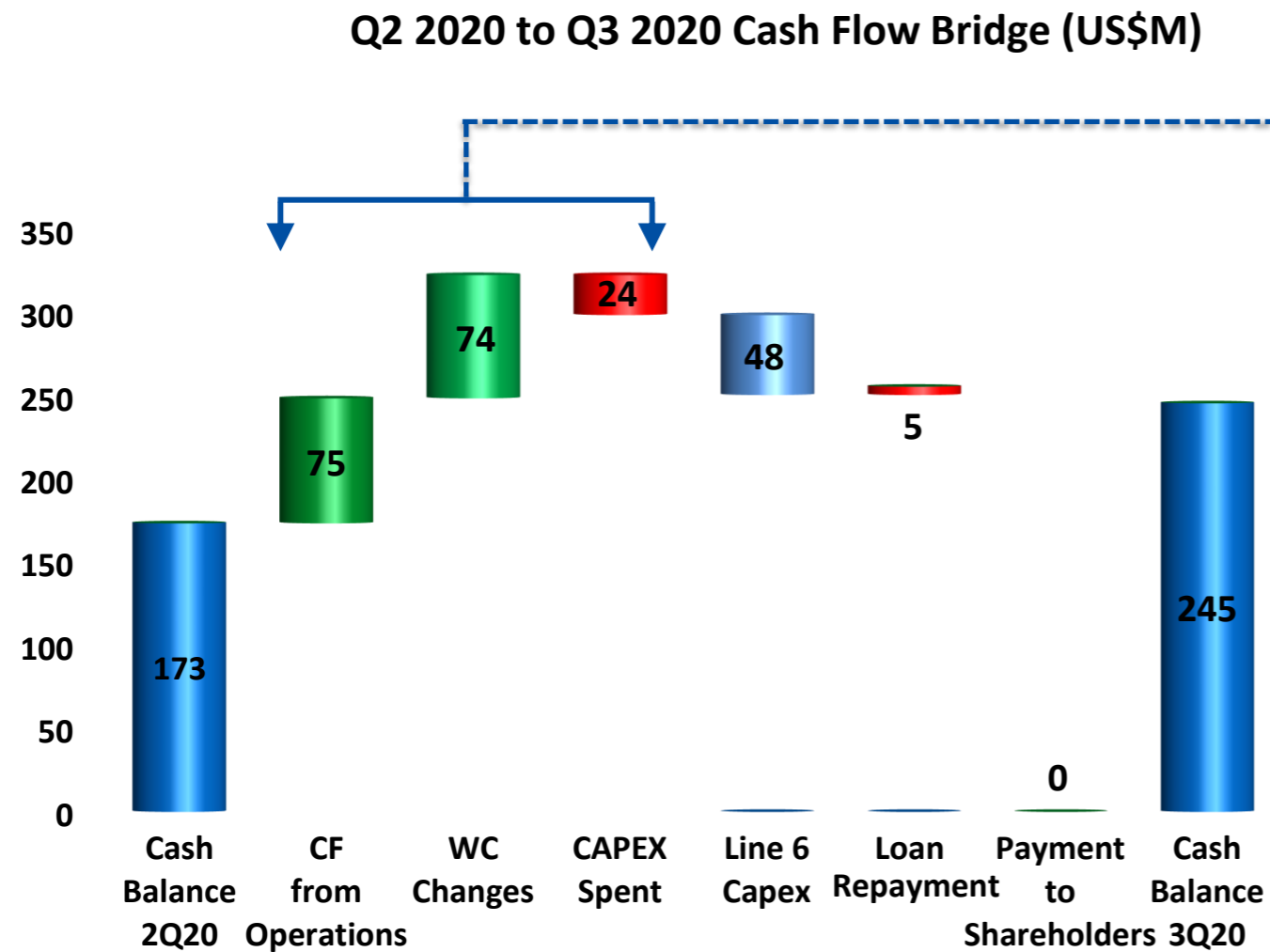
EBITDA Bridge Gap Analysis – Q3 2020 vs. Q3 2019
EBITDA Margin: 10.7%

EBITDA Bridge (US\$M) – Q3 2020 vs. Q3 2019

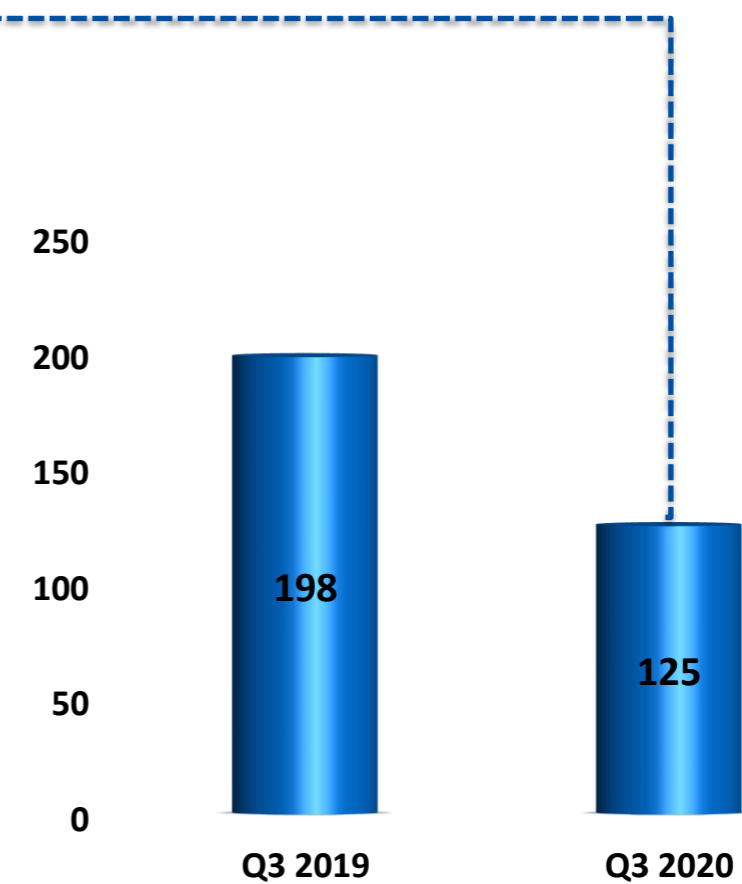


Aluminium Industry: Downbeat Market Sentiment & Weak LME Prices

Cash Flow Bridge: Q2 2020 to Q3 2020



Free Cash Flow (US\$M)



Operating & Investing Cash Flow
(Excluding L6 CAPEX)

Aluminium Industry: Downbeat Market Sentiment & Weak LME Prices

Good Financial Performance Impacted by Lower LME Prices

| Financial Summary | Q3 2020 | Q3 2019 | YTD 2020 | YTD 2019 |
|-------------------------------------|---------|---------|----------|----------|
| Average Cash LME (US\$/MT) | 1,706 | 1,761 | 1,630 | 1,804 |
| Average Alumina Price (US\$/MT) | 274 | 374 | 281 | 401 |
| Total Sales (US\$M) | 699 | 736 | 2,081 | 1,891 |
| EBITDA (US\$M) | 75 | 107 | 268 | 166 |
| EBITDA% | 10.7% | 14.5% | 12.9% | 8.8% |
| Net (Loss)/Income (US\$M) | (31) | 28 | (59) | (22) |
| Gain /(Loss) Unrealised Derivatives | - | (4) | (7) | (20) |
| Adjusted Net (Loss)/Income* | (31) | 32 | (52) | (2) |



04

INDUSTRY PERSPECTIVES IN 2020

Industry Perspectives in 2020

Aluminium Market Outlook to be Shaped by Pandemic

- Global spread of COVID-19 will continue to disrupt the world's economy as the possibility of another outbreak is likely with the spike in infection rates around the globe. Uncertainty about the future remains high when confidence is fragile
- Aluminium fundamentals to face headwinds in the short-term and global aluminium market is expected to enter a period of major oversupply
- World GDP to contract by 5.4% in 2020 and recovery to 2019 levels will be deferred till 2022
- Russia (Taishet smelter) and Asia (greenfield projects in Yunnan and Guangxi provinces) to dominate the Aluminium supply pipeline
- Physical premiums are set to marginally increase
- LME Price to range between US\$1,700 /t – US\$1,800/t owing to concerns surrounding the strength of global recovery

Industry Perspectives in 2020

Raw Materials Price Trends

- Alumina price to slide lower from the current levels owing to surplus in projected supply
- Aluminium Fluoride (ALF3) and Liquid Pitch Prices to remain stable (within the current range)
- Green Petroleum Coke (GPC) price expected to rise amidst supply-demand gap owing to refineries' cut-down/slowing production



05

2020 ALBA PRIORITIES

2020 Alba Priorities

Infinite Focus on Safety & Beyond Line 6

- 🌐 Strong Focus on 'Safety Globe' Initiative & Keep Alba's Intrinsic Assets (Employees & Contractors) Safe Amidst Novel COVID-19
- 🌐 To achieve 2020 Production Target of 1,540,000 MT
- 🌐 Maintain Project Titan - Phase IV Savings [Projected Savings of US\$ 100 Million by 2020-end]
- 🌐 Screen for Upstream Opportunities to Secure c. 1/3 of Alumina requirements
- 🌐 Capitalise on Aluminium Stewardship Initiative (ASI) and Ecovadis Certifications to Penetrate New Markets as well as Segments for Foundry and Slabs
- 🌐 Establish a Branch in Singapore
- 🌐 Complete SPL Treatment Plant and Port Upgrade as per Timeline
- 🌐 Launch 2021 Objectives in Annual CEO Majlis

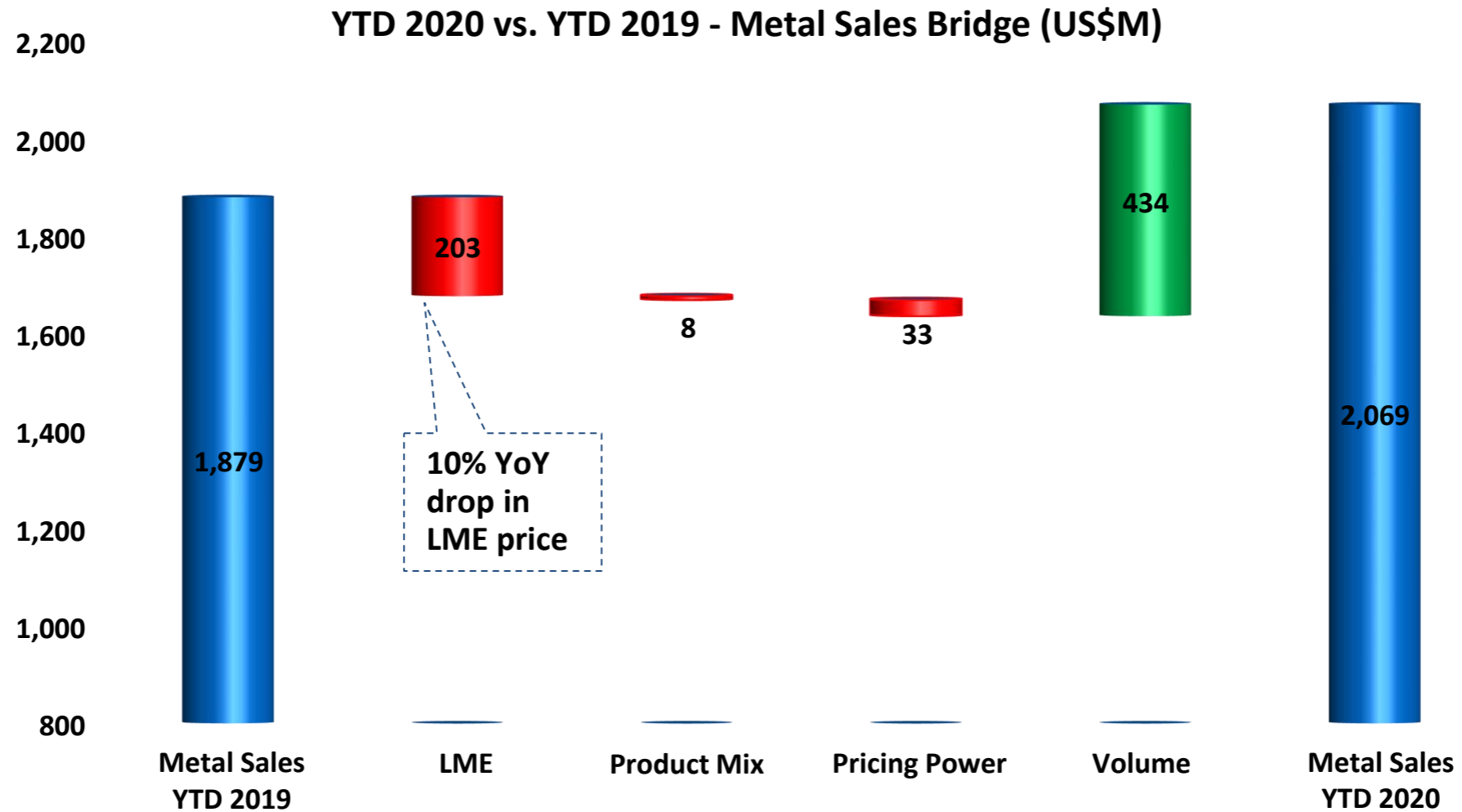


06

APPENDIX*

Aluminium Industry: Downbeat Market Sentiment & Weak LME Prices

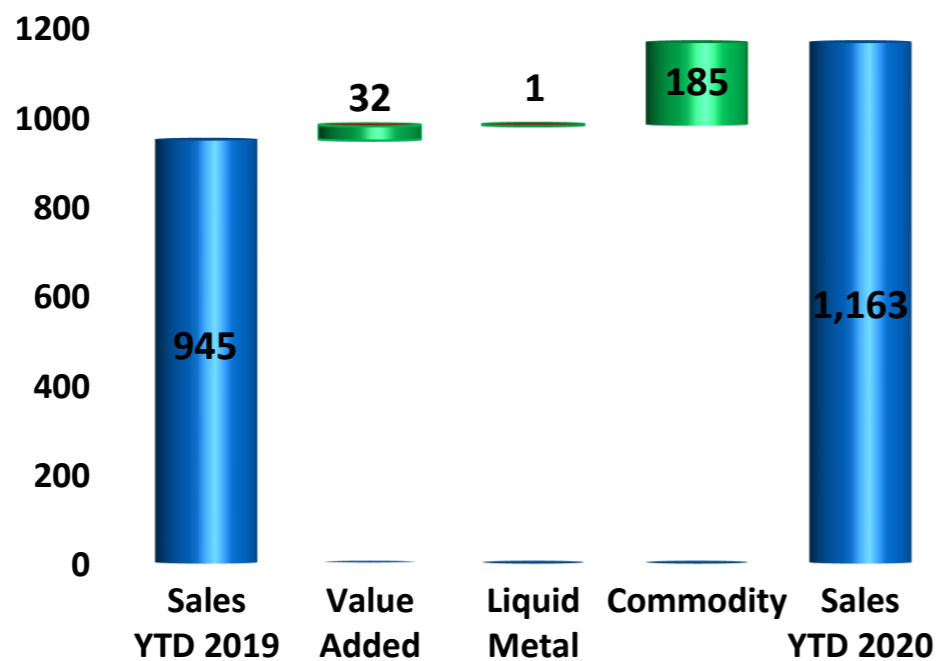
Sales Bridge Analysis YTD 2020 vs. YTD 2019
Higher Sales' Volume Offset by Lower LME Prices



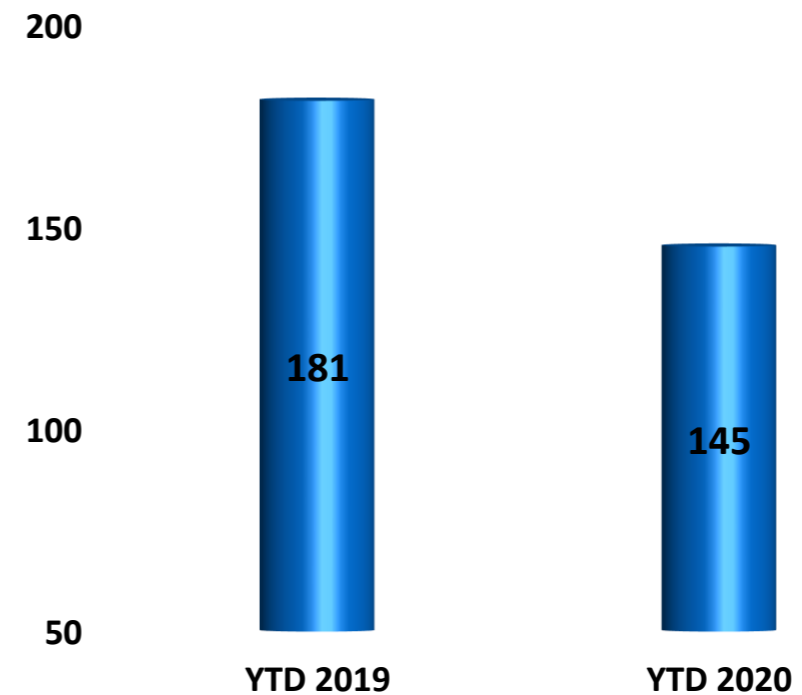
Aluminium Industry: Downbeat Market Sentiment & Weak LME Prices

Higher Sales' Volume Denominated by Higher Commodities' Volume

**YTD 2020 vs. YTD 2019
Sales by Product-Line Bridge (MT'000)**



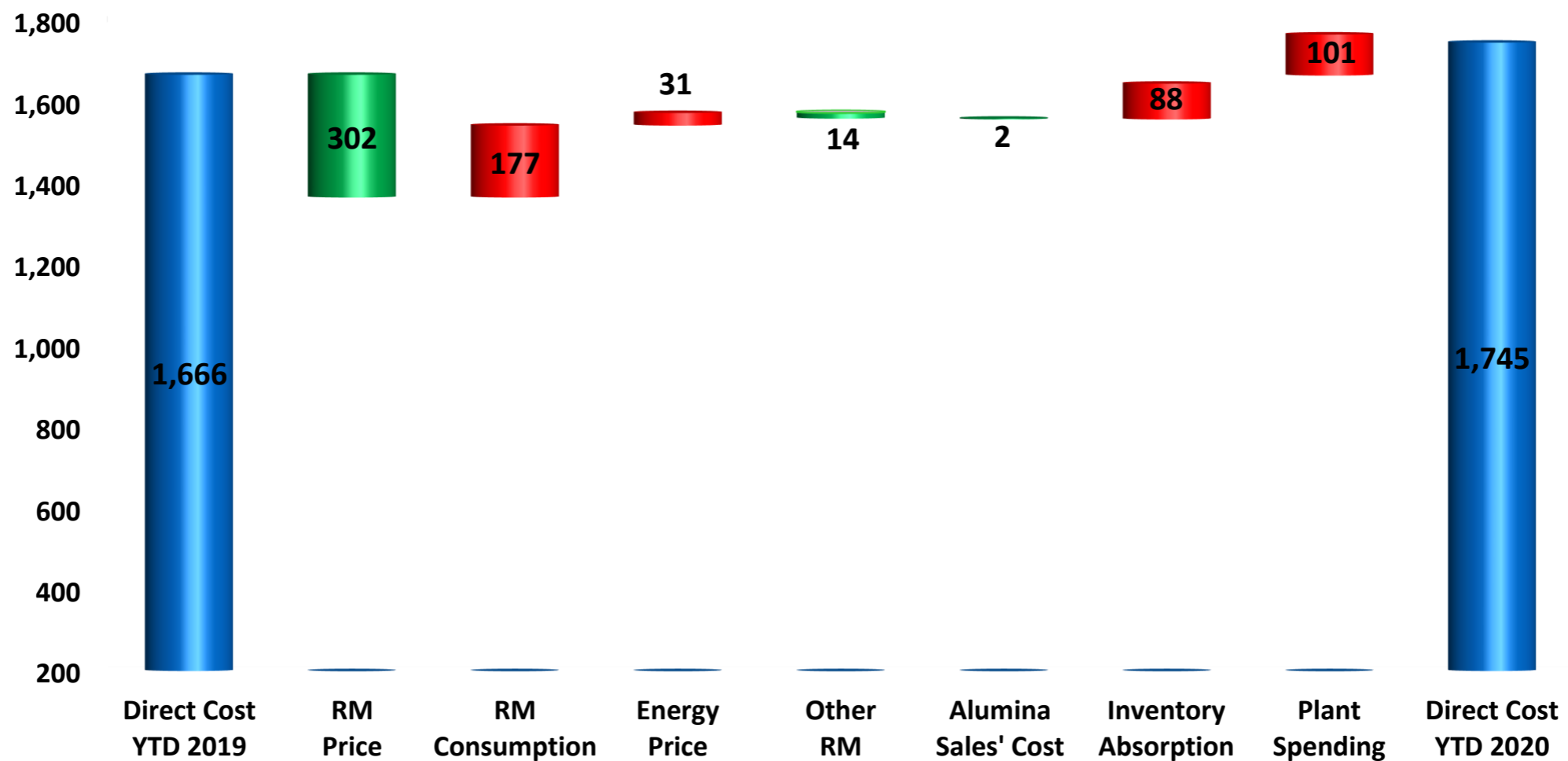
Premium Above LME Trend US\$ Per MT



Aluminium Industry: Downbeat Market Sentiment & Weak LME Prices

Cost Analysis YTD 2020 vs. YTD 2019
Higher Direct Cost Due to Higher Production and Lower RM Price

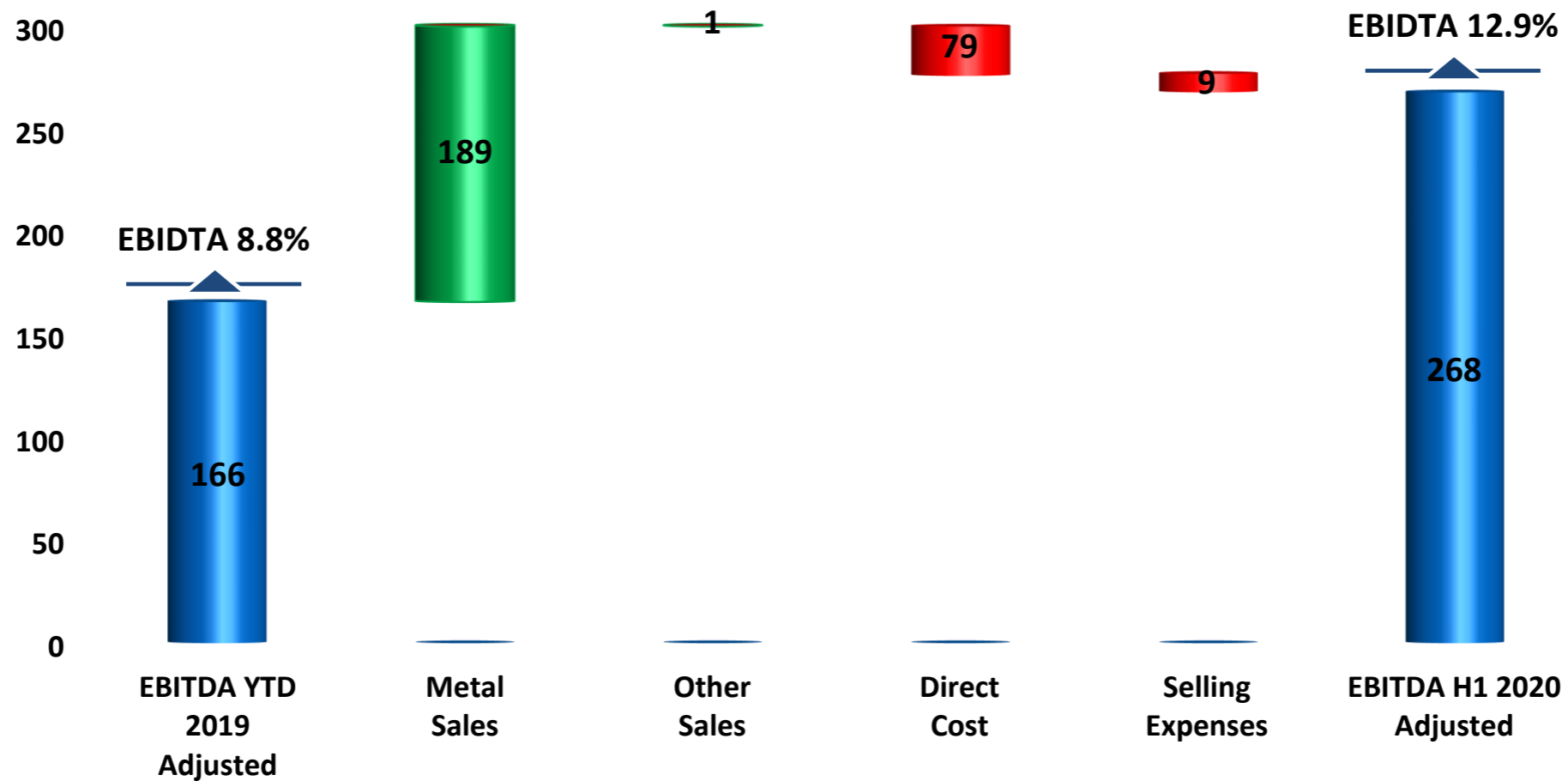
Direct Cost Bridge (US\$M) – YTD 2020 vs. YTD 2019



Aluminium Industry: Downbeat Market Sentiment & Weak LME Prices

EBITDA Bridge GAP Analysis – YTD 2020 vs. YTD 2019
EBITDA Margin at 12.9%

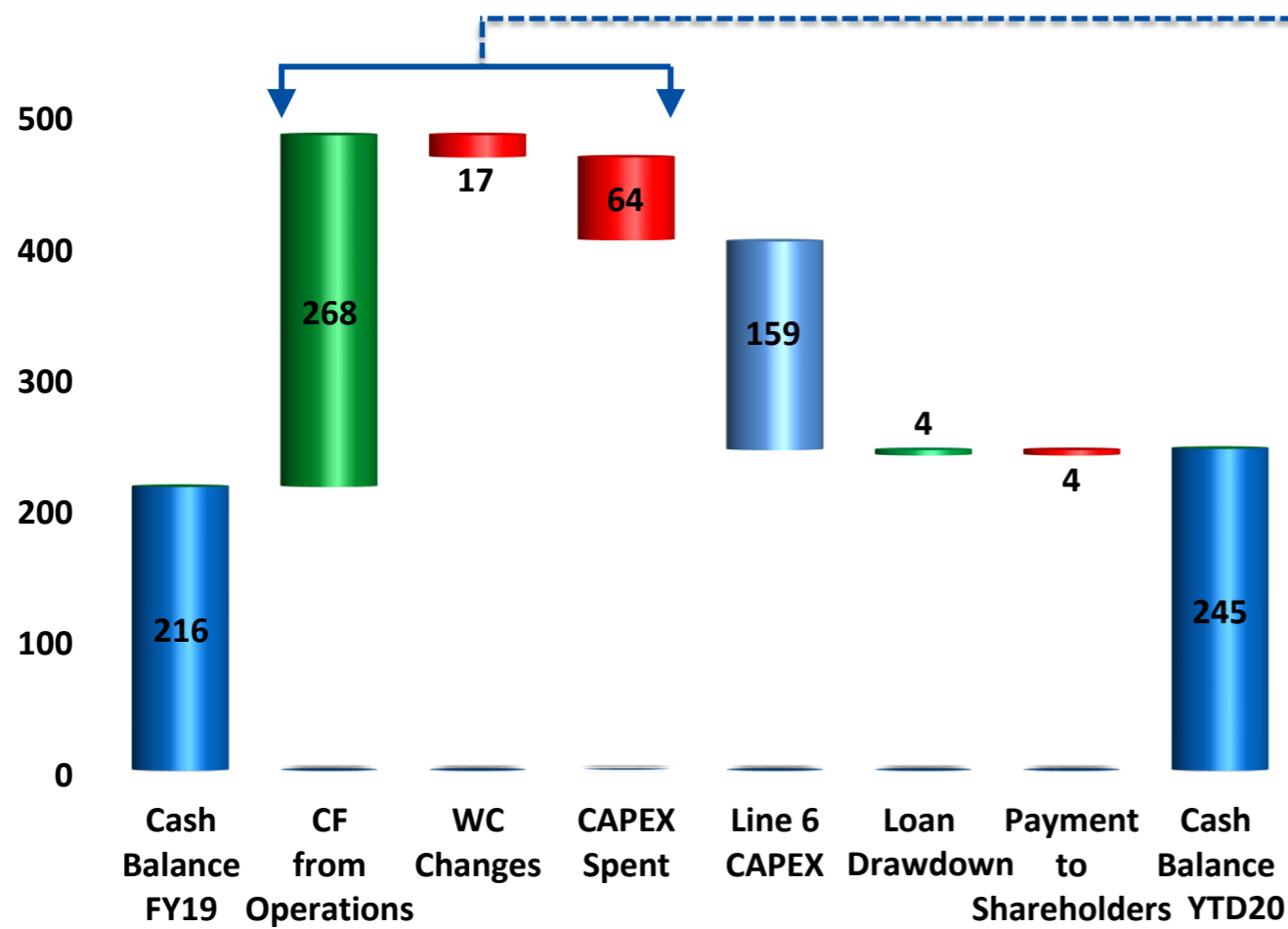
YTD 2020 vs. YTD 2019 - EBITDA Bridge (US\$M)



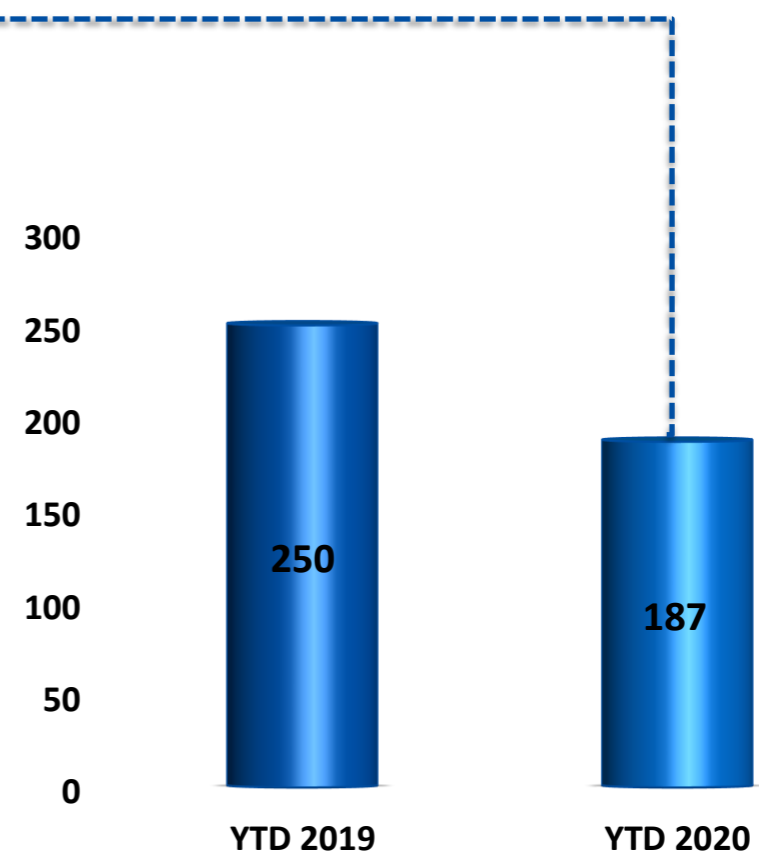
Aluminium Industry: Downbeat Market Sentiment & Weak LME Prices

Cash Flow Bridge: YTD 2020 vs. FY 2019

FY 2019 to YTD 2020 Cash Flow Bridge (US\$M)



Free Cash Flow (US\$M)



Operating & Investing Cash Flow
(Excluding L6 CAPEX)

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, Fils 398 on 30 Sep'20]



For more information, please contact us on:

IR@alba.com.bh

