

Disclosure of Information

Aluminium Bahrain B.S.C. (Alba) would like to announce the following information in relation to its Q1 2021 Financial Results' Conference Call.

الإفصاح عن معلومات

تعلن شركة ألمنيوم البحرين ش.م.ب. (البا) عن المعلومات التالية التي تمت مناقشتها خلال الاجتماع الهاتفي للأداء المالي للربع الأول لعام 2021.

Date	04 May 2021 04 مايو 2021	التاريخ
Company Name	Aluminium Bahrain B.S.C. (Alba) ألمنيوم البحرين ش.م.ب. (البا)	إسم الشركة
Trading Code	ALBH	رمز التداول
Information	Aluminium Bahrain B.S.C. (Alba) has conducted its Q1 2021 Financial Results' Conference Call on Tuesday 04 May 2021 at 1 PM. Attached for reference is the Q1 2021 Investor Relations (IR) presentation along with Alba's feedback on the questions discussed during the conference call. عقدت ألمنيوم البحرين ش.م.ب. (البا) اجتماعاً هاتفياً لمناقشة الأداء المالي للشركة للربع الأول لعام 2021 يوم الثلاثاء الموافق 4 مايو 2021 في تمام الساعة 1 ظهراً. تجدون في المرفقات العرض التقديمي لعلاقات المستثمرين للربع الأول لعام 2021 بالإضافة الى ردود البا على الأسئلة التي تمت مناقشتها خلال الاجتماع الهاتفي.	الموضوع
Name	Ms. Eline Hilal	الإسم
Title	Director - Investor Relations, Insurance and Corp. Secretary	المسمى الوظيفي
Company Seal ختم الشركة		Signature التوقيع
		

**Aluminium Bahrain B.S.C. (Alba) Q1 2021 Financial Results'
Conference Call
04 May 2021**



MINUTES OF Q1 2021 FINANCIAL RESULTS' CONFERENCE CALL

Opening Remarks

The Chief Executive Officer (CEO), Mr. Ali Al Baqali, led the Aluminium Bahrain B.S.C. (Alba) Q1 2021 Financial Results' Conference Call. All attendees joined the meeting via a telephonic conference call. The meeting was called to order at 01:05 PM.

Director - Investor Relations, Insurance & Corporate Secretary, Ms. Eline Hilal welcomed all attendees and informed them that the first two Sections, namely Industry Highlights & Alba highlights, will be presented by herself while the Chief Financial Officer (CFO) Mr. Bryan Harris, will go through Section 3 by providing further insights on Alba's Financial Performance for Q1 2021 post which the CEO will shed the light on the Industry Perspectives in 2021 and 2021 Alba Priorities through Sections 4 & 5.

Below are the questions put forth by Mr. Anoop Fernandes from SICO B.S.C. ©:

1. Reasons behind high inventories as well as the reasons for the decline in Sales volume by 6% YoY when the industry fundamentals are strong?

Mr. Bryan Harris explained the reasons underlying the drop in Sales' volume as follows:

- Alba aimed through Line 6 Expansion Project to increase its Value-Added Products (VAP) sales. With Line 6 ramping-up in 2020, Alba mainly sold Ingots as we have been qualifying for VAP metal. In Q1 2021, the Company was able to shift its sales into VAP. One of the downsides for selling VAP is that Commodities/Ingots can be sold once produced or delivered to the local port; however, with VAP sales, the transfer of ownership occurs only when the metal is delivered to the customer. This was previously anticipated as the Company shifted its focus from selling Commodities to VAP.
- There has also been some impact from the global container shortages and ship availability on the back of Suez Canal blockage. In addition, Mr. Ali Al Baqali mentioned that Alba plans to increase its VAP to 70% by 2022.

With respect to the reasons for higher inventories, the CFO emphasized that Alba has maintained some contingency stock (raw materials in its silos/warehouses) to ensure minimum impact in the event there was potential supply-disruption owing to blockage.

2. Reasons for the increase in Sales' volume to Bahrain customers?

Mr. Ali Al Baqali answered that GARMCO has started buying slabs from Alba and besides this, there were no major changes in the business environment for the local downstream in Bahrain.

3. What was the realised LME price during the quarter?

Mr. Ali Al Baqali responded that owing to different pricing mechanisms which Alba has in place with its customers, the realised LME price was slightly below LME average of US\$2,092/MT for Q1 2021; the price will even-out by year-end.

4. Were there any fundamental changes in the Aluminium market at the end of 2020 for the LME price to drastically increase to US\$2,600/MT. Is Alba concerned as a primary producer about the uncertainty of the future LME prices?

Mr. Bryan Harris answered that one of the main factors behind higher LME prices is due to China's rapid recovery (thanks to infrastructure spending by the government); however, Chinese metal supply dropped significantly on

the back of environmental and electricity restrictions and this was behind consumption surging to pre-pandemic levels (+27% YoY).

Other factors include:

- Weakening of the US\$: the pricing for commodities including base-metals is indirectly correlated to the US\$. Hence, a weak US\$ will result in higher metal prices.
- Aluminium and its correlation to oil prices: when oil price increases, LME price will also increase.
- Stimulus by Governments around the world: US\$3 trillion investment in infrastructure and clean energy in US as well as stimulus programs in many markets have led to an increase in Aluminium demand.
- Increase in copper prices: copper prices have recently increased and for this reason, customers tend to substitute copper with Aluminium, thus pushing LME prices higher.

Having said that if China eases the restrictions on environment, we could see the LME price going down. As the world economy continues to be fragile on the back of COVID-19 pandemic, if any of these factors would reverse, LME prices could go lower.

In conclusion, Alba continues its focus to remain cost-conscious to be competitive despite market uncertainty. The meeting adjourned at 01:50 PM.

Note: The IR Presentation has been attached for reference



INVESTOR RELATIONS PRESENTATION

Q1 2021



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01

INDUSTRY HIGHLIGHTS¹



INDUSTRY HIGHLIGHTS

Macroeconomic Recovery & Tight Scrap Market -> Strong Demand (+17% YoY)

- 🌐 2021 -- a dash of hope: Aluminium market recovered in Q1 after COVID-19 pandemic left its mark on the world in 2020
- 🌐 More spending/stimulus by Governments [US\$3 trillion investment in infrastructure, clean energy and education in US; EU allocation of large funds into Green Deal initiatives; China's accelerated spending on new infrastructure and energy transition] across the globe translated in strong metal consumption in many markets
- 🌐 Strong demand for Aluminium metal driven by energy transition and supply constraints
- 🌐 Chinese consumption surged to pre-pandemic levels (+27% YoY)
- 🌐 World ex-China consumption rebound: 6% YoY in North America, 4% YoY in Europe and c.1% YoY in Middle East



INDUSTRY HIGHLIGHTS

Strong Smelting Margins Drive Metal Supply Growth by 5% YoY

- After a deep-dive in 2020, record-high smelting margins (thanks to LME price recovery) enhanced higher capacity utilization rates, especially from China, were behind the world aluminium production's growth
- Robust imports of Aluminium have boosted Chinese production by 9% YoY [thanks to high in SHFE price]
- Production in North America down by 1% YoY mainly due to supply-cuts
- Primary Aluminium supply in MENA down by 2% YoY owing to 4% supply cuts in UAE
- World market in surplus with China (+396Kt) and without China in deficit (-110Kt)

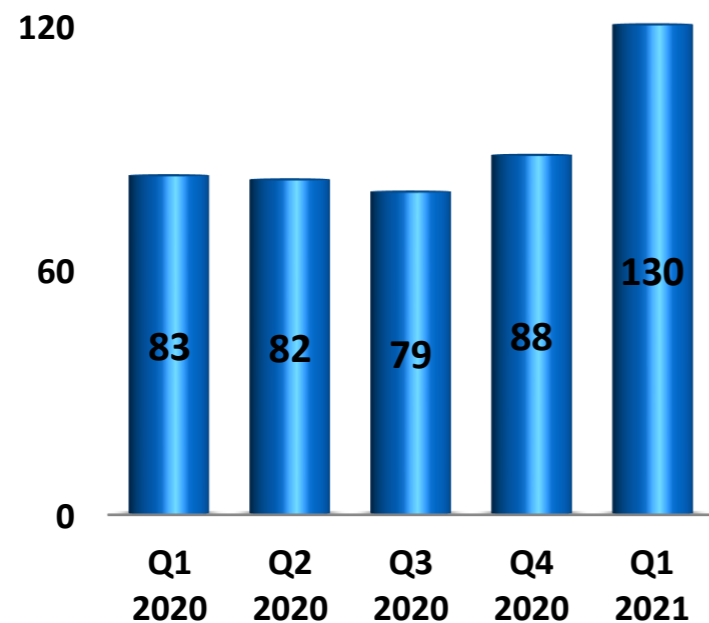


INDUSTRY HIGHLIGHTS

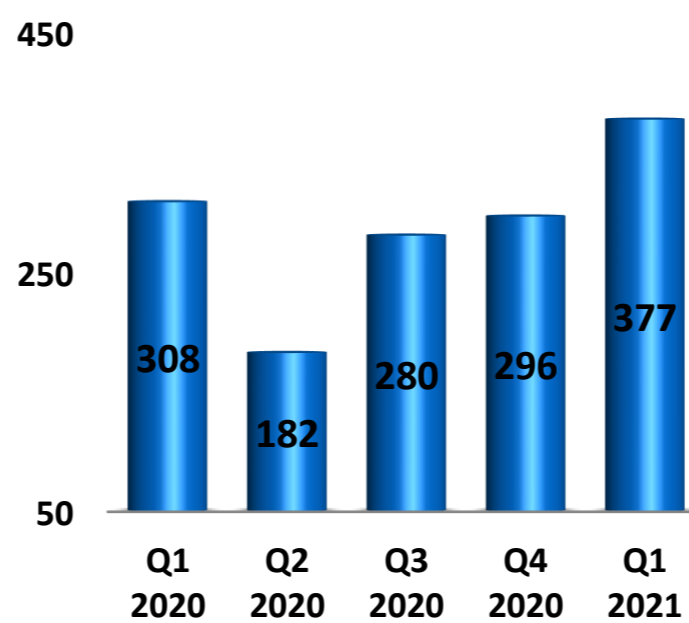
LME & Premium Prices on Rebound

- 🌐 LME inventories at ~1.897 million MT as of 31 March 2021 (up by 63% YoY)
- 🌐 LME-Cash averaged US\$2,092/t - up by 24% YoY [lowest: US\$1,951.5/t on 19 January and highest: US\$2,260.5/t on 26 March]
- 🌐 Regional premiums surge higher supported by freight costs

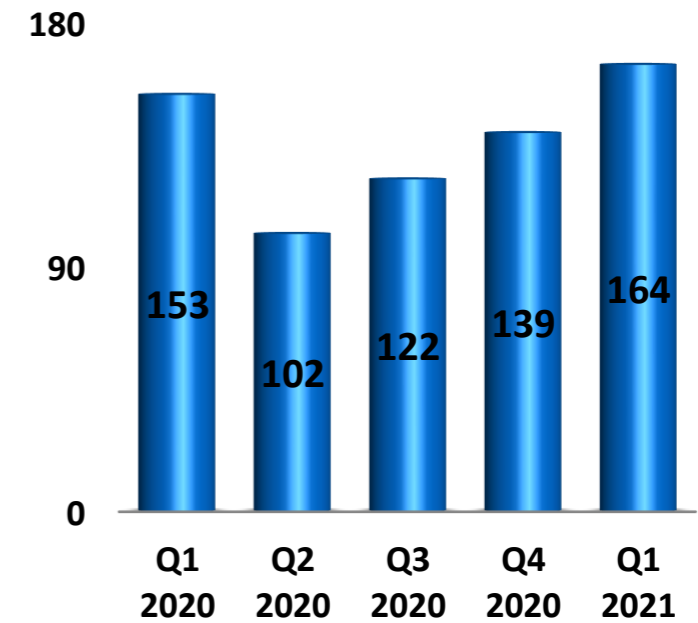
Major Japanese Ports (MJP¹)



US Midwest



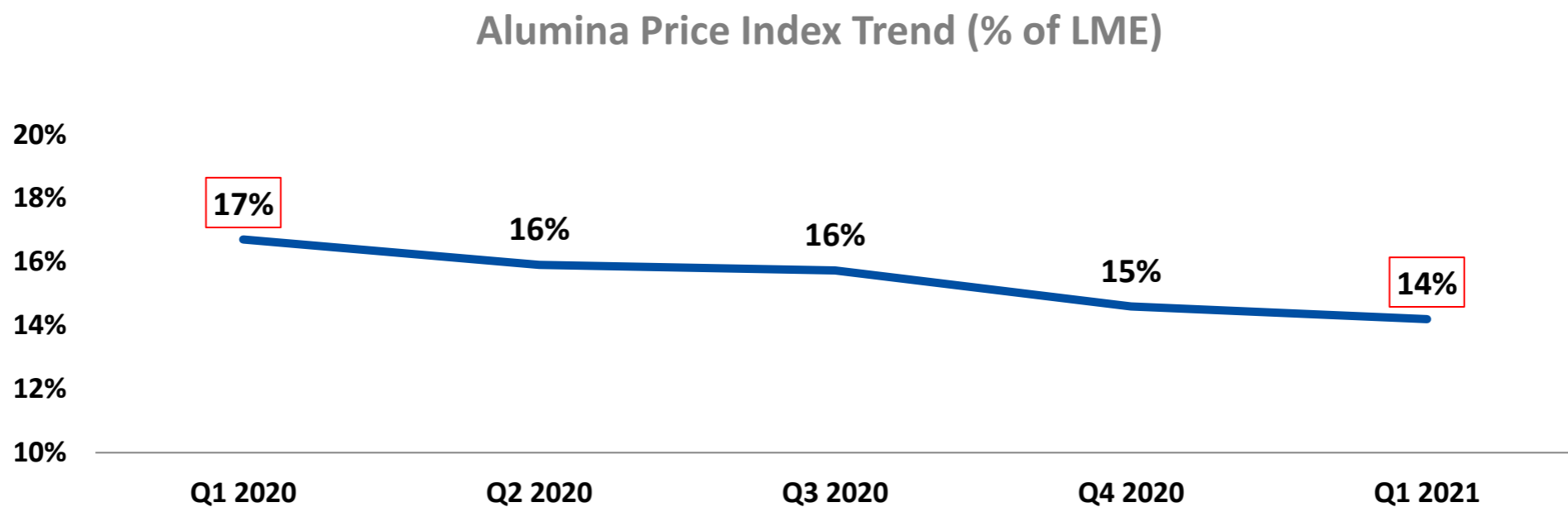
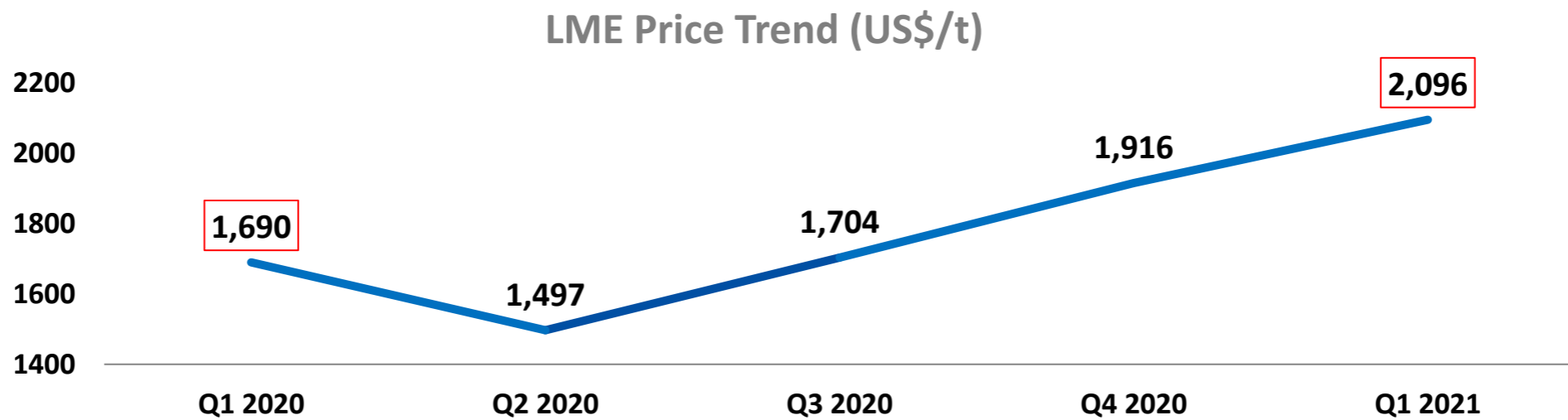
DDP Rotterdam



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

INDUSTRY HIGHLIGHTS

Alumina Price - 14% of LME Price [US\$299/t]





02

ALBA HIGHLIGHTS¹



ALBA HIGHLIGHTS

#Commit4Bahrain

Driving Safety Excellence Amidst COVID-19 Pandemic

- 🌐 Plant Safety: implementing a continuous improvement mindset through 'Virtual Safety Hour' Campaign. Launch of mini-SHE Campaign 'The Right Choice' in early April
- 🌐 Working meticulously with the National Medical Taskforce for combatting COVID-19 to ensure our People's Safety - Employees and Contractors
- 🌐 Remote work from home continued for soft departments (men and women)
- 🌐 Recipient of International Safety Award from the British Safety Council
- 🌐 Coming-back stronger as the Company hits 9.6 million safe working-hours w/o LTI by March-end 2021. Alba achieved 10 million safe working-hours w/o LTI on 12 April 2021

> 56% VACCINATED

For our
Safety
لسلامتنا



For our
Health
لصحتنا



For our
Environment
ليبتنا

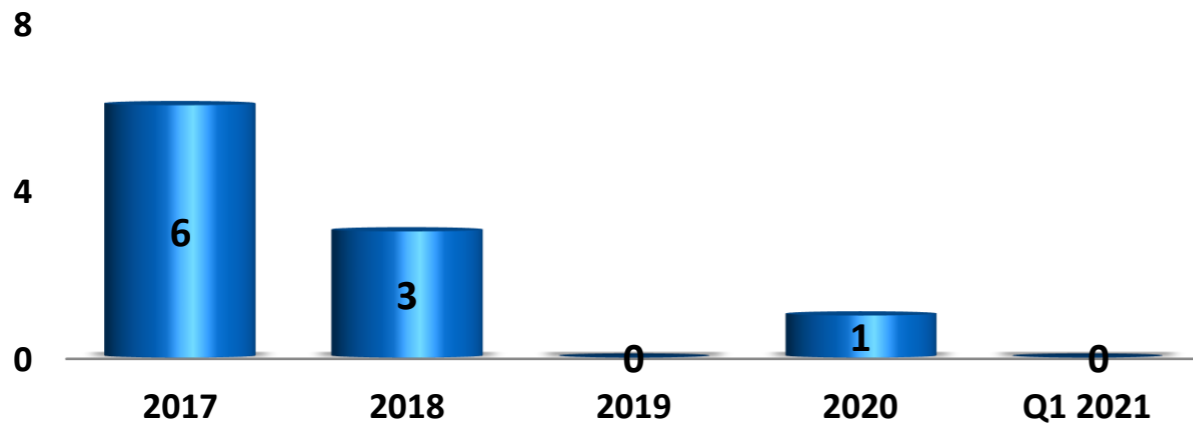




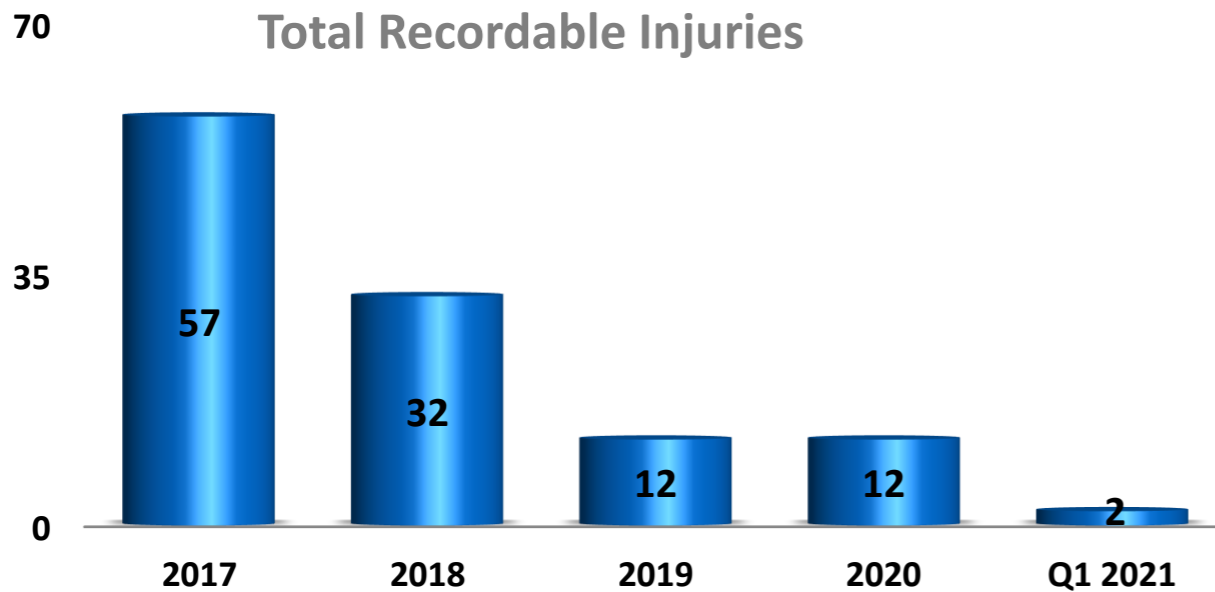
ALBA HIGHLIGHTS – THINK SAFETY FIRST & ALWAYS



Lost Time Injury (LTI) Trend



Total Recordable Injuries



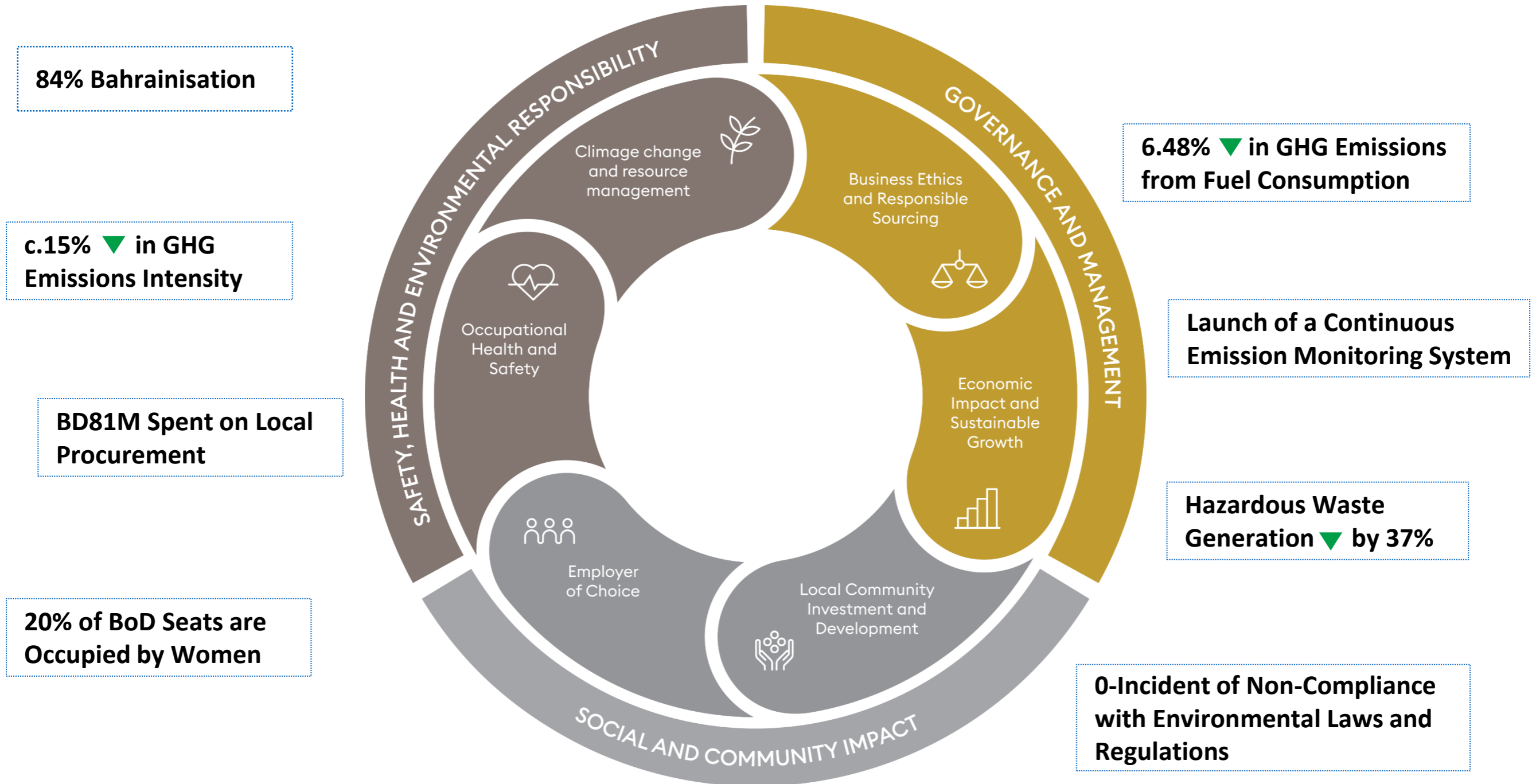
Alba Aluminium for the world

SKY IS THE LIMIT

10 Million

SAFE-WORKING HOURS WITHOUT LTI

ALBA SUSTAINABILITY FRAMEWORK



ALBA HIGHLIGHTS: THE COME BACK IS STRONGER THAN THE SETBACK



Operational Highlights & Milestones

- 🌐 People-Focused: 199 National employees promoted across Alba's plant in January 2021
- 🌐 Alba's new Vision, Mission and Values revealed at the inaugural session of CEO Majlis 2021
- 🌐 Sales' volume topped 355,450 metric tonnes (MT), down by 6% YoY while Production reached 381,933 MT, down by 2% YoY
- 🌐 Value Added Sales averaged 62% of the total shipments
- 🌐 Natural gas price set at US\$3.75/MMBTU till 31 March 2022
- 🌐 Spent Pot Lining (SPL) Treatment Plant in progress - overall progress exceeded 75%

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 our stakeholders and society

VALUES

- S**afe & Green
- T**ogether
- E**thics
- E**xcellence
- R**esilience

ALBA HIGHLIGHTS

Financial Key Performance Indicators

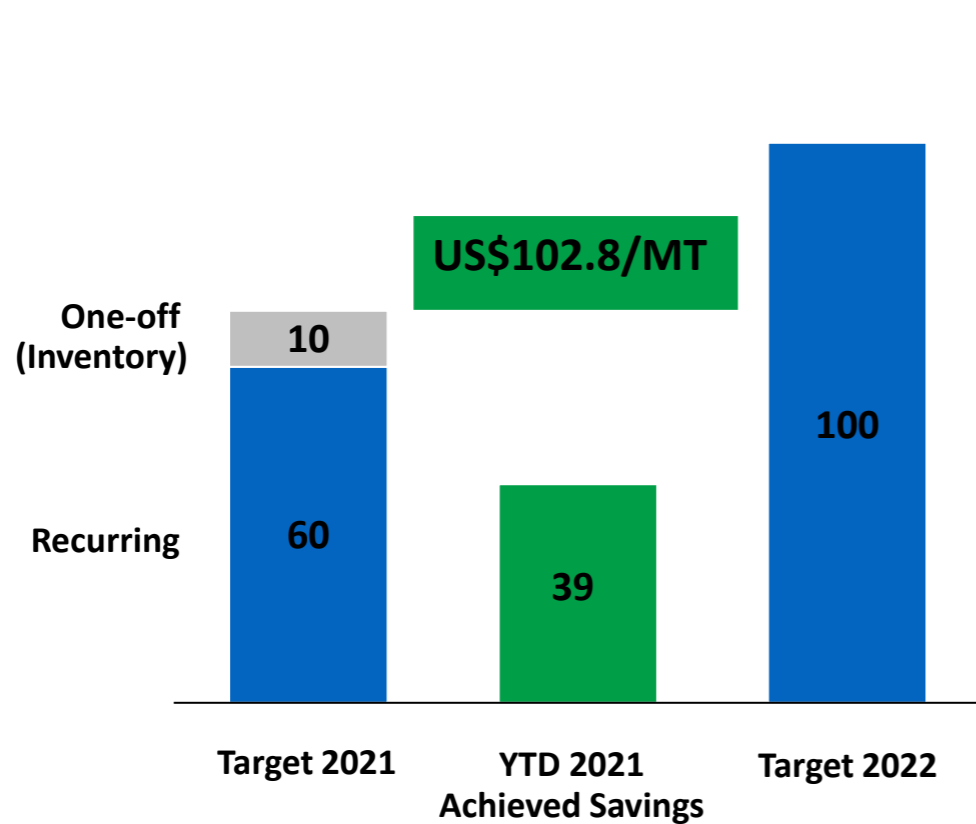
- 🌐 **EBITDA driven by higher LME prices and lower cost**
- 🌐 Q1: US\$240 million up by 80% YoY
- 🌐 **Net Income driven by EBITDA levels**
- 🌐 Q1: US\$139 million up by 807% YoY
- 🌐 **Free-Cash (Out) Flow impacted by changes in the Working Capital**
- 🌐 Q1: (US\$4 million) down by 105% YoY

ALBA HIGHLIGHTS

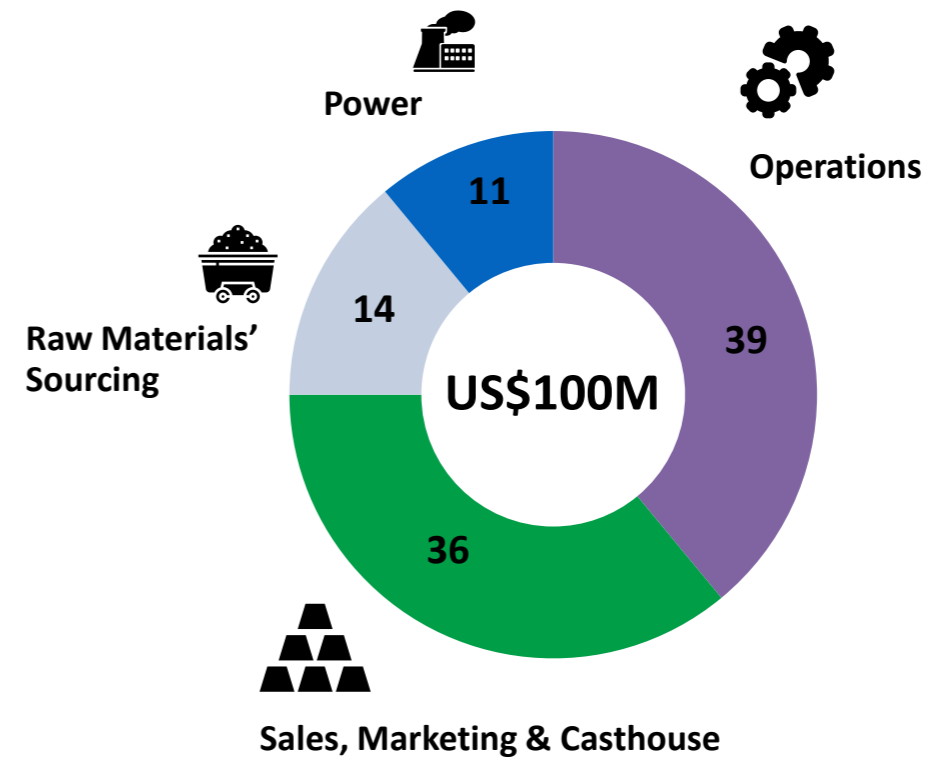


AL HASSALAH Initiative (2-Year): Save US\$100 Million by 2022

AL HASSALAH (US\$ Million)



Breakdown by Value Chain



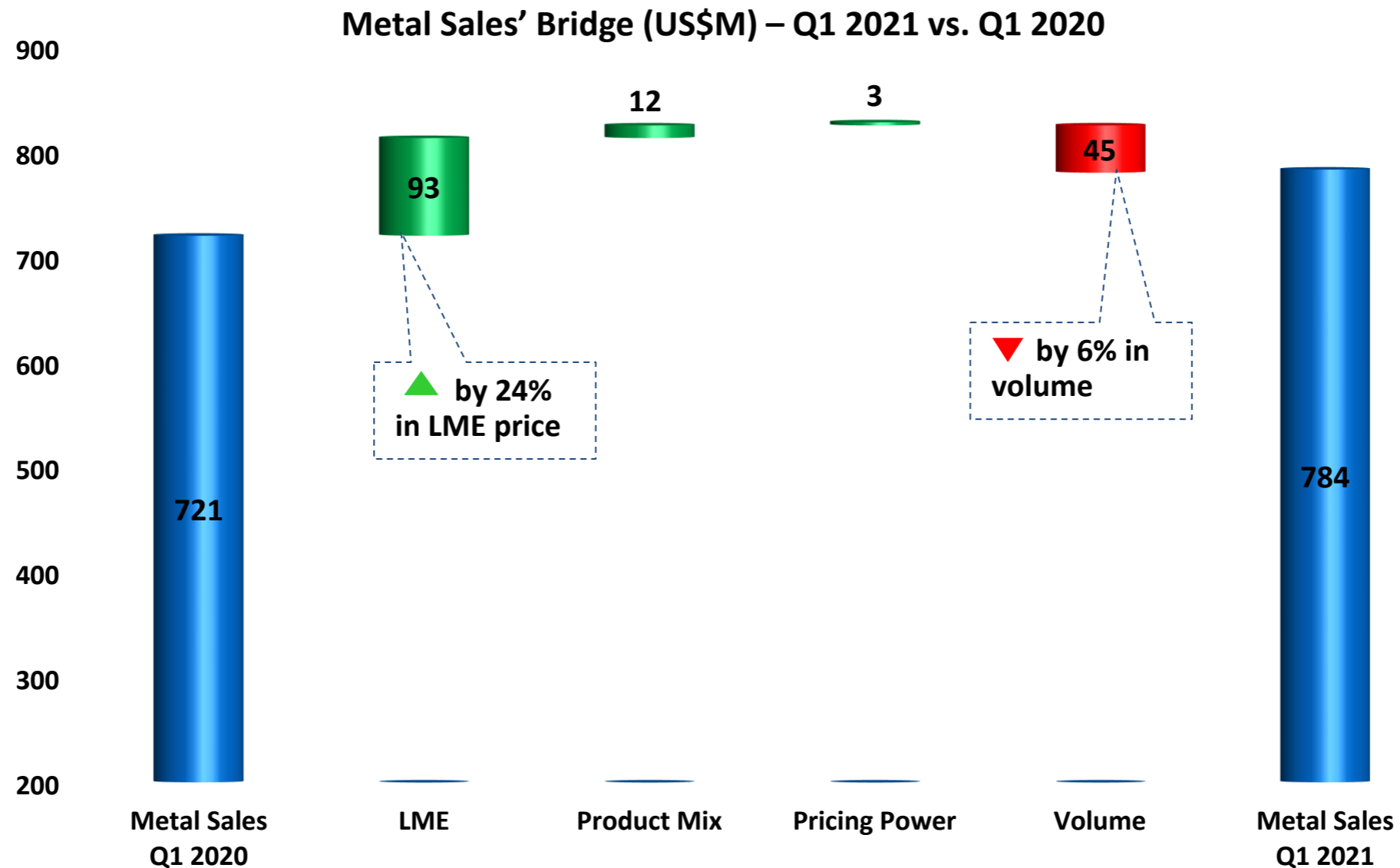


03

Q1 2021 RESULTS

ALUMINIUM INDUSTRY: STRONG FUNDAMENTALS LIFT LME PRICES

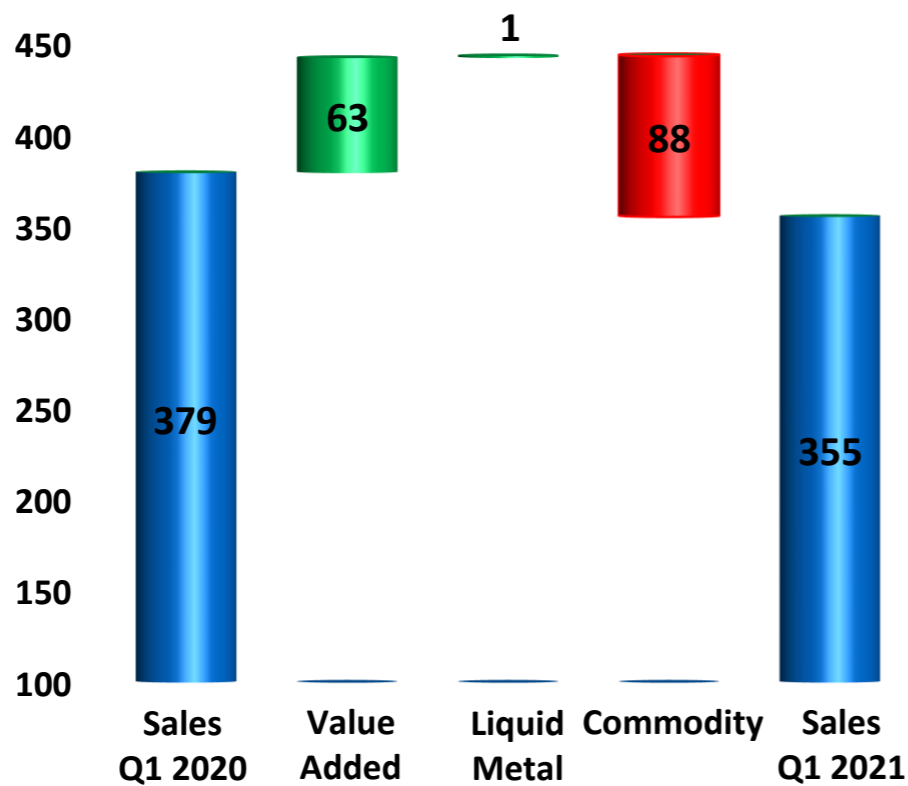
Metal Sales Bridge Analysis: Q1 2021 vs. Q1 2020
Higher LME Prices Partially Offset by Lower Sales' Volume



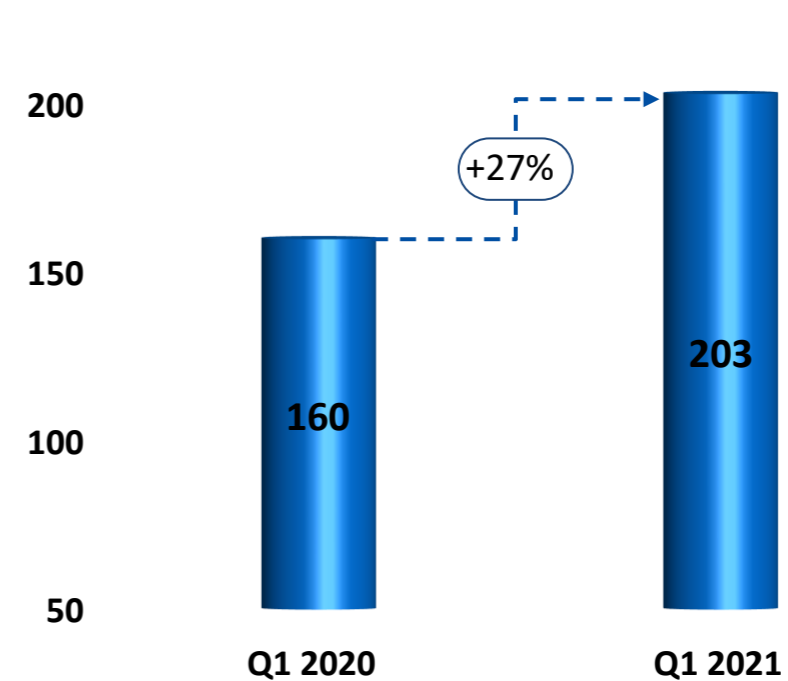
ALUMINIUM INDUSTRY: STRONG FUNDAMENTALS LIFT LME PRICES

Higher VAP | Higher Premiums | Lower Commodities' Volume

Sales by Product-Line Bridge (MT'000)
Q1 2021 vs. Q1 2020



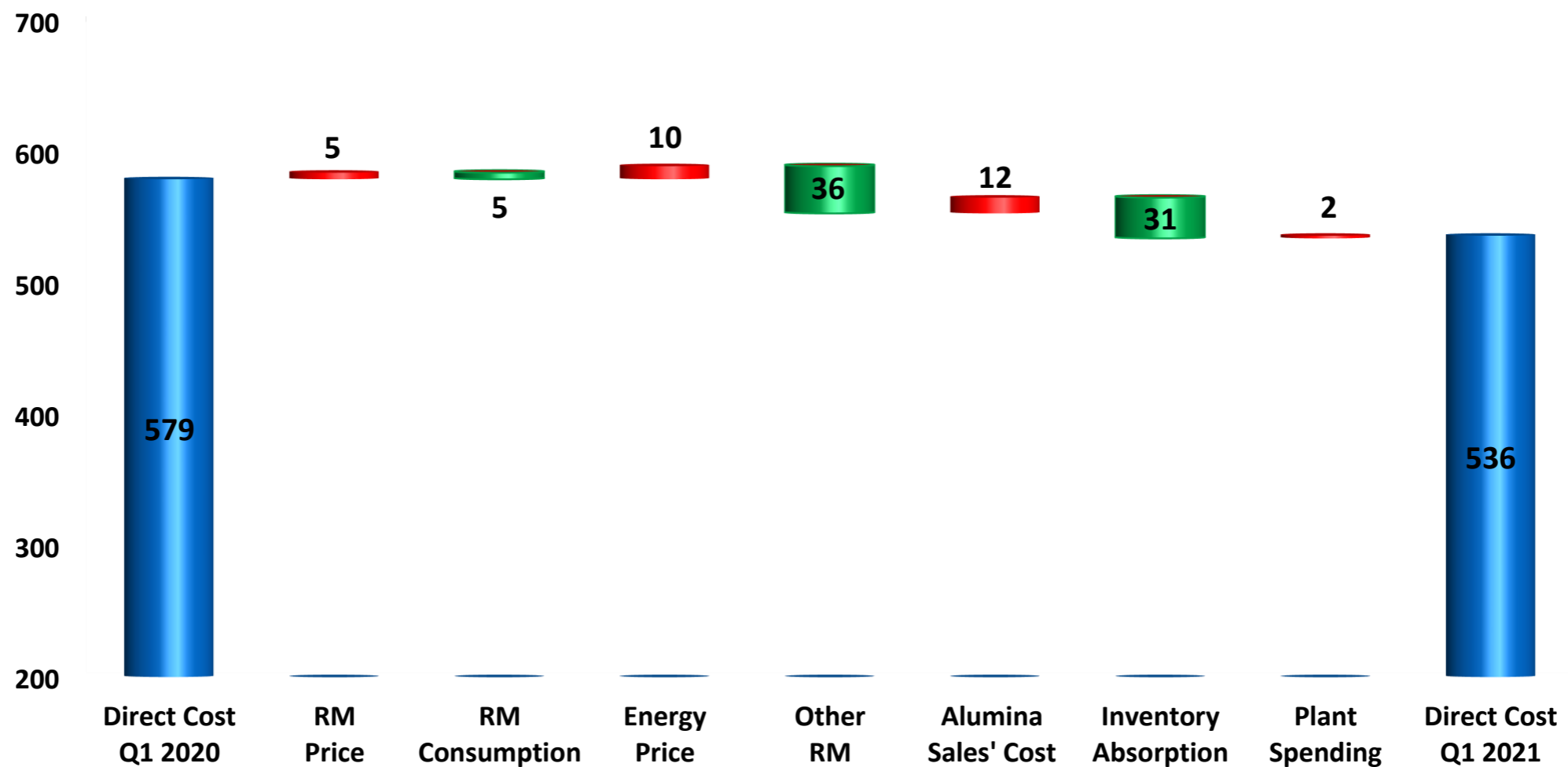
Premium Above LME Trend US\$ Per MT



ALUMINIUM INDUSTRY: STRONG FUNDAMENTALS LIFT LME PRICES

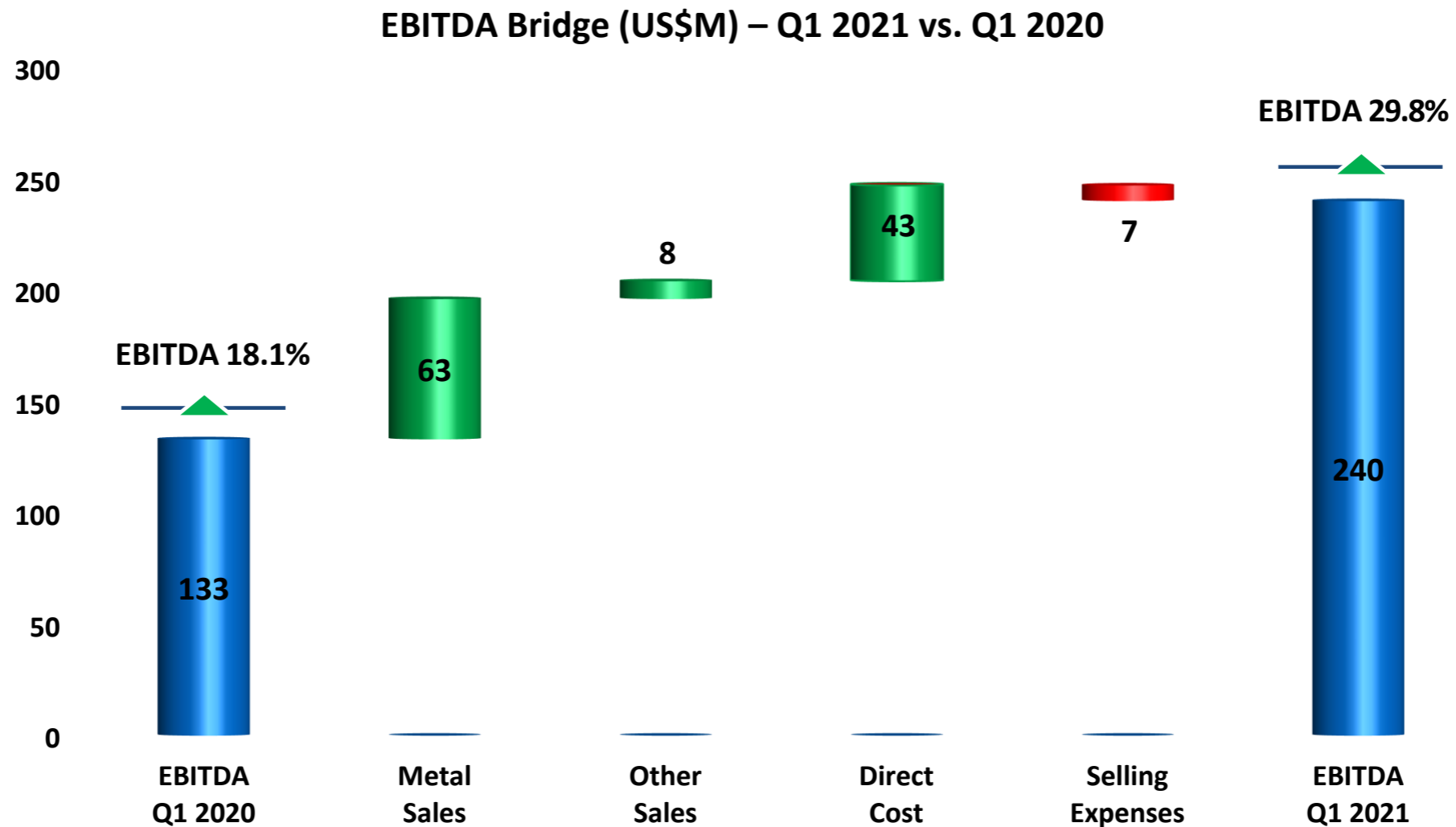
Cost Analysis Q1 2021 vs. Q1 2020
Lower Direct Cost Due to Lower Sales' Volume and Lower Other RM Prices

Direct Cost Bridge (US\$M) – Q1 2021 vs. Q1 2020



ALUMINIUM INDUSTRY: STRONG FUNDAMENTALS LIFT LME PRICES

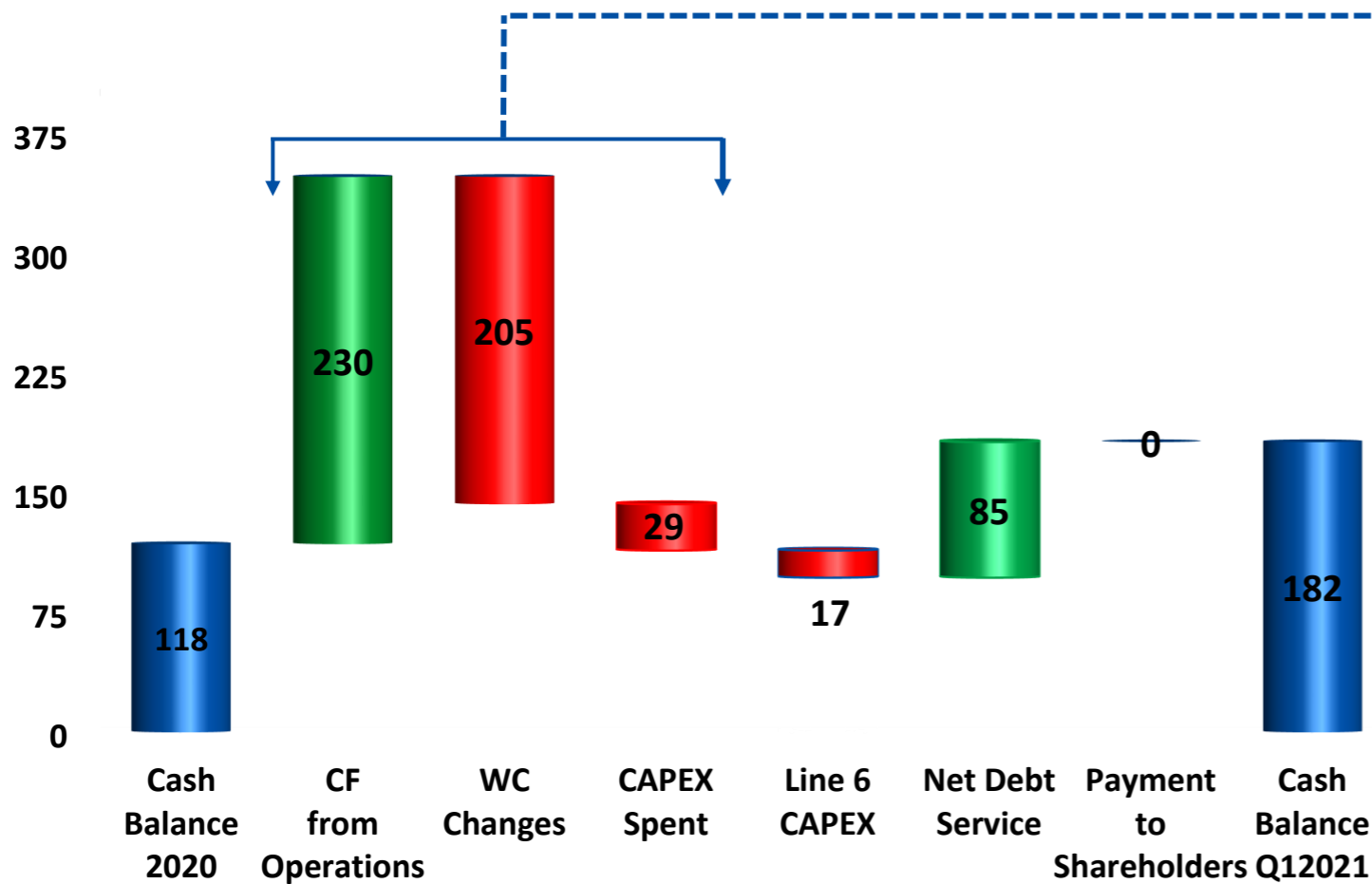
EBITDA Bridge Gap Analysis – Q1 2021 vs. Q1 2020
Higher EBITDA Thanks to Higher VAP Sales and Lower Direct Cost



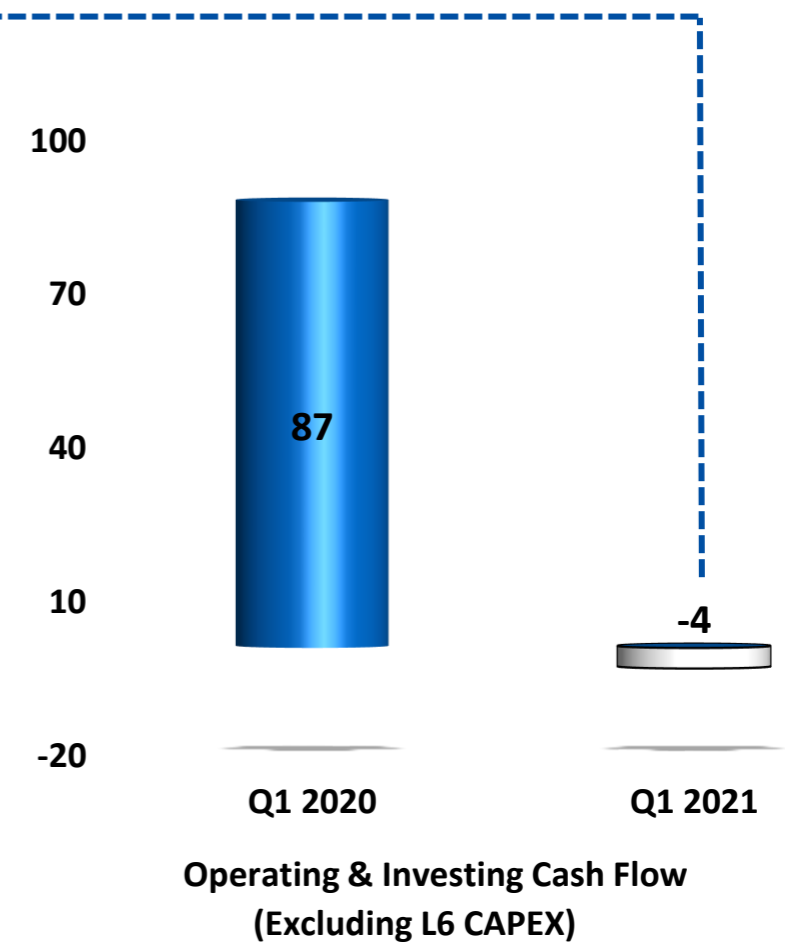
ALUMINIUM INDUSTRY: STRONG FUNDAMENTALS LIFT LME PRICES

Cash-Flow Bridge – FY 2020 to Q1 2021

FY 2020 to Q1 2021 Cash-Flow Bridge (US\$M)



Free Cash Flow (US\$M)



ALUMINIUM INDUSTRY: STRONG FUNDAMENTALS LIFT LME PRICES

Good Financial Performance Thanks to High LME Prices

Financial Summary	Q1 2021	Q1 2020
Average Cash LME (US\$/MT)	2,092	1,690
Average Alumina Price (US\$/MT)	298	296
Total Sales ¹ (US\$M)	805	734
EBITDA (US\$M)	240	133
EBITDA%	29.8%	18.1%
Net Income (US\$M)	139	15
Gain/(Loss) Unrealised Derivatives	1	(8)
Adjusted Net Income ²	138	23



04

INDUSTRY PERSPECTIVES¹ IN 2021

INDUSTRY PERSPECTIVES IN 2021

Global Physical Demand to Remain Healthy

- ① Aluminium market experienced major changes to its dynamics since start of 2021. Low carbon world & strong emphasis on ESG will bring market disruption owing to a transition to clean energy
- ① Aluminium in super-cycle phase driven by infrastructure-led spending will accelerate global aluminium consumption (back to pre-pandemic levels)
- ① China will remain a net importer of primary aluminium (coal-fired smelters at risk)
- ① Physical premiums to further increase to compensate for freight costs. US Midwest is expected to rally thanks to low stocks and to attract imports from duty paying countries
- ① LME price to range between US\$2,100/t – US\$2,200/t

INDUSTRY PERSPECTIVES IN 2021

Raw Materials Price Trends

- Alumina price to remain under pressure amidst higher availability of spot cargoes
- Aluminium Fluoride (ALF3) price to slightly increase thanks to higher demand
- Green Petroleum Coke (GPC) and Liquid Pitch prices are set to remain at the higher range to offset supply-demand gap owing to refineries' cut-down of their production



05

2021 ALBA PRIORITIES¹

2021 ALBA PRIORITIES

Forward Focus & Journey Towards Safety Excellence

- 🌐 Evolve Towards Safety Excellence & Keep Alba's Intrinsic Assets Safe Amidst COVID-19
- 🌐 Lead by Example & Support the Government's Initiative by Taking COVID-19 Vaccine. Aim is to have > 75% vaccinated workforce
- 🌐 Meet 2021 Production Target of 1,540,000 metric tonnes & Deliver on AL HASSALAH Savings' Target of US\$70 Million by 2021-end
- 🌐 Screen Potential Upstream Opportunities to Secure 1/3 Alumina requirements & Continuous Dialogue with Hangzhou Jinjiang Group Co. Ltd
- 🌐 Capitalise on Aluminium Stewardship Initiative and Ecovadis Certifications to Penetrate New Markets & Increase VAP Sales
- 🌐 Complete Spent Pot Lining Treatment Plant as per Timeline
- 🌐 Focus on Green and Sustainable Initiatives
- 🌐 Release Alba's Fifth Edition of Sustainability Report by end of Q2 2021

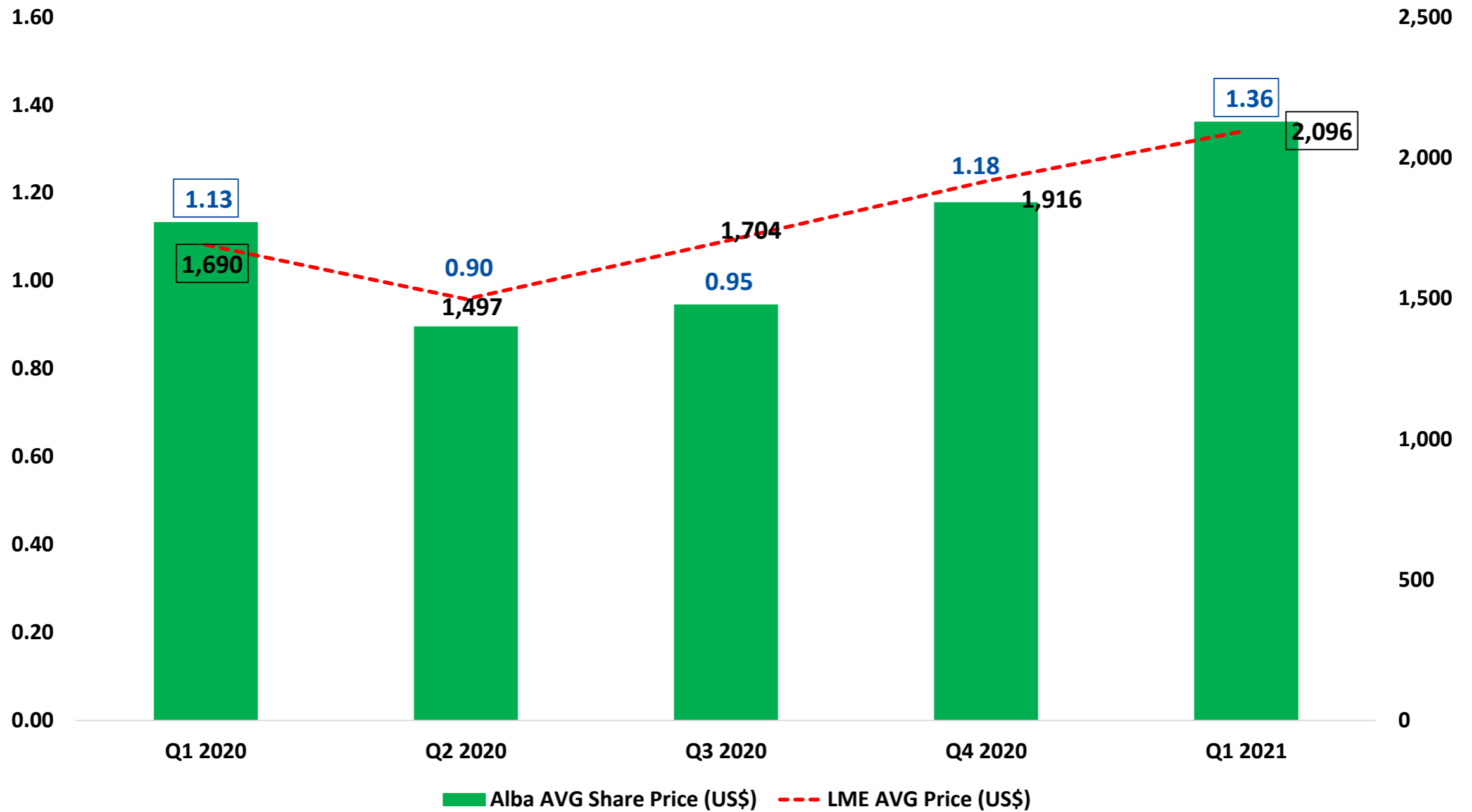
ALBA SHAREHOLDER'S STRUCTURE



- 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 516 on 31 March 2021]

ALBA SHARE PRICE YoY PERFORMANCE

Alba Share Price Vs. LME (US\$)





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