



Aluminium
for the world

Aluminium Bahrain B.S.C.
C.R. No. 999



المنيوم
للعالم

المنيوم البحرين ش.م.ب.
سجل تجاري رقم ٩٩٩

Disclosure of Material Information

To: Bahrain Bourse

Aluminium Bahrain B.S.C. (Alba) would like to announce the following material information:

الإفصاح عن معلومات جوهرية

السادة / بورصة البحرين

تعلن المنيوم البحرين ش.م.ب. (البا) عن الإفصاح عن معلومات جوهرية المبين تفاصيلها أدناه:

Date	07 August 2025 07 أغسطس 2025	التاريخ
Company Name	Aluminium Bahrain B.S.C. (Alba) المنيوم البحرين ش.م.ب. (البا)	إسم الشركة
Trading Code	ALBH	رمز التداول
Subject	Aluminium Bahrain B.S.C. (Alba) has conducted its Q2 and H1 2025 Financial Results' Conference Call on Wednesday 06 August 2025 at 12:30PM. Attached for reference is the Investor Relations (IR) Presentation along with the transcript for the call/webcast. عقدت المنيوم البحرين ش.م.ب. (البا) اجتماعاً هاتفياً لمناقشة الأداء المالي للربع الثاني والنصف الأول من عام 2025 يوم الأربعاء الموافق 06 أغسطس 2025 في تمام الساعة 12:30 ظهراً. تجدون في المرفقات العرض التقديمي لعلاقات المستثمرين للربع الثاني والنصف الأول من عام 2025 بالإضافة الى المحضر المفصل لمجريات الاجتماع الهاتفي.	الموضوع
Name	Eline Hilal	الإسم
Title	Director Investor Relations & Insurance	المسمى الوظيفي
Company Seal ختم الشركة		Signature التوقيع
		

البا، مبنى ١٥٠، طريق ٩٤، عسكر، مجمع ٩٥١، مملكة البحرين ص.ب. ٥٧٠. تليفون: ١٧٨٣٠٠٠٠ (+٩٧٣) فاكس: ١٧٨٣٠٠٨٣ (+٩٧٣)

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INVESTOR RELATIONS PRESENTATION

Q2 & H1 2025



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01

MARKET FUNDAMENTALS¹

World Market Demand (+3%YoY): Tariffs, Economic Slowdown, & Regional Trends

-  **Global Economic Landscape** experienced a notable slowdown, with growth rates lower than in previous years. This deceleration is largely attributed to trade frictions, persistent policy uncertainty, and divergence in inflation across regions
-  **Tariffs** remain a major threat to global demand. While global trade war has de-escalated since its peak in early April, tariffs persist, and only two major US trade deals with the UK and China have been announced. Tensions with key US partners haven't fully eased
-  **China's** Q2 GDP exceeded expectations, driven by strong investment and steady exports. However, weak domestic demand, ongoing property issues, and deflation remain concerns. While recent policies aim to stabilise the economy, more stimulus is likely needed. These dynamics contributed to a 4% YoY rise in demand from China
-  **North America** continues to face tariff uncertainty, which is preventing a sustained improvement in demand; consumption is down by 1% year-on-year (YoY)
-  **Europe** saw lower consumption (-2% YoY) due to continued high energy costs and a slowdown in the automotive industries
-  **Middle East** demand dropped by 4% YoY, primarily driven by lower consumption in Bahrain (-10% YoY) and UAE (-5% YoY)



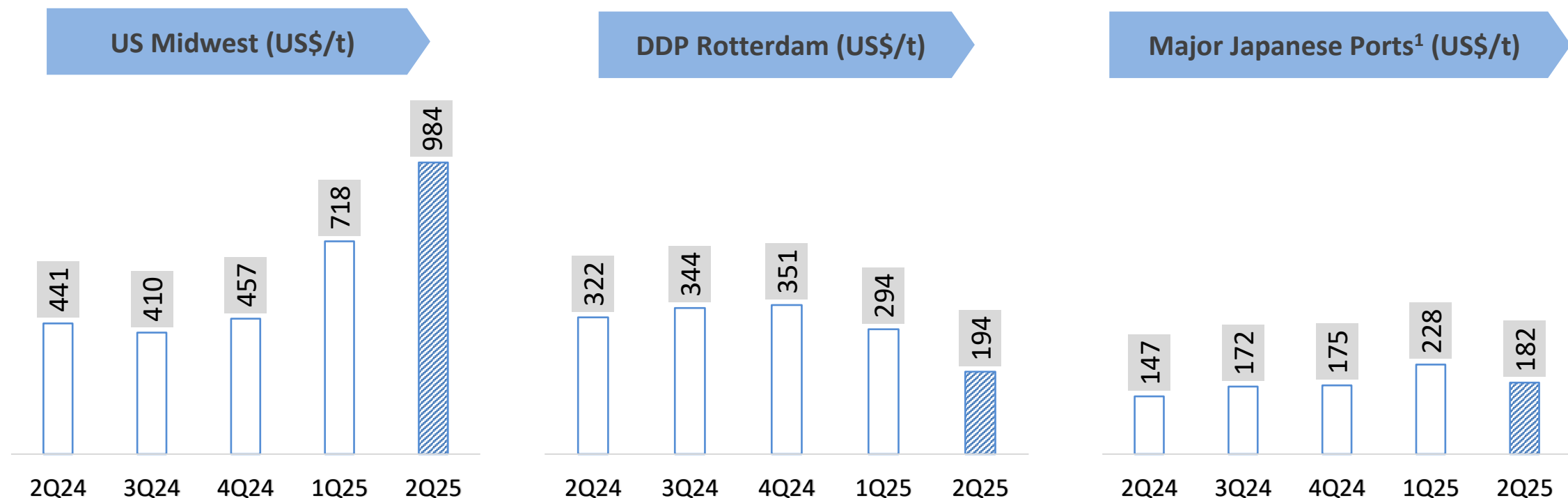
World Market Supply +2% YoY

- 🌐 **Global Aluminium Supply Growth** was limited in Q2 with only marginal increases from smelter restarts and expansions
- 🌐 **China's** supply rose by a modest 2% YoY due to limited capacity expansion. With China nearing its self-imposed production capacity ceiling of 45 million metric tonnes, net supply growth from the region is unlikely
- 🌐 **Middle East** supply saw a 1% YoY increase
- 🌐 **Europe's** overall production remained flat. A notable 75% YoY increase from German smelters, attributed to their return to full operations, was offset by a 3% YoY reduction from Russian smelters
- 🌐 **North America:** Production contracted by 3% YoY primarily due to a 2% YoY decline from Canadian smelters
- 🌐 **Market Balance:** Given that Chinese production is growing at a slower pace than consumption (as China adheres to its 45 million tonnes annual target), the global market is showing a deficit of -531,000 MT when including China and a deficit of -175,000 MT when excluding China



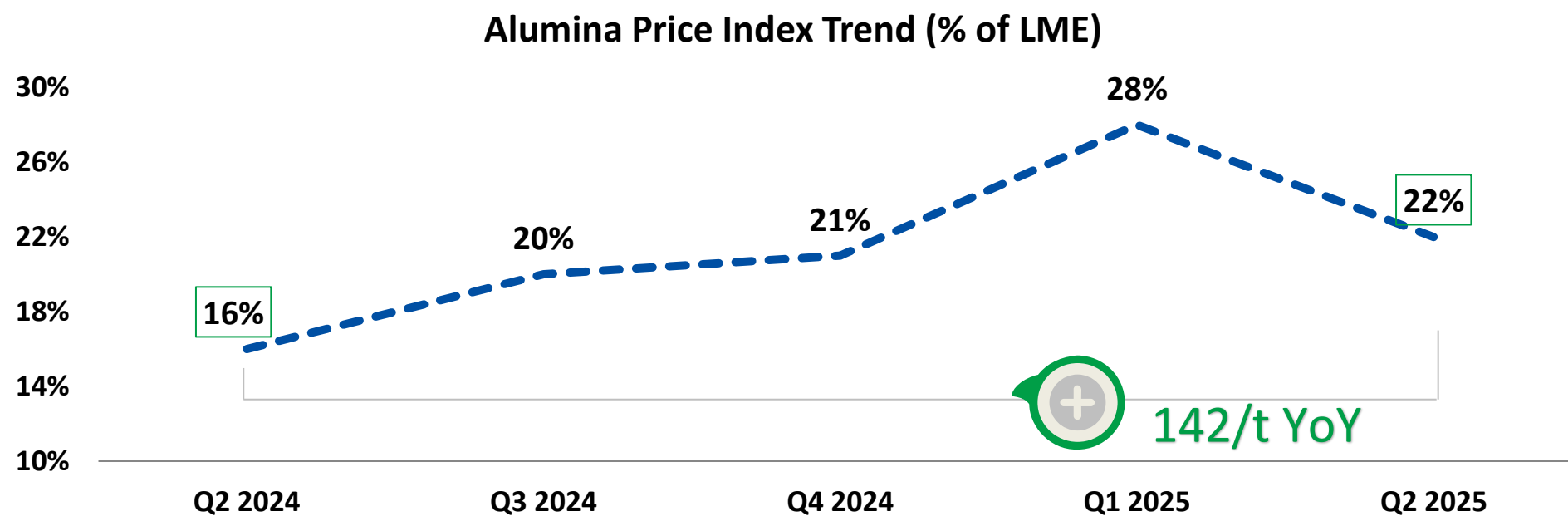
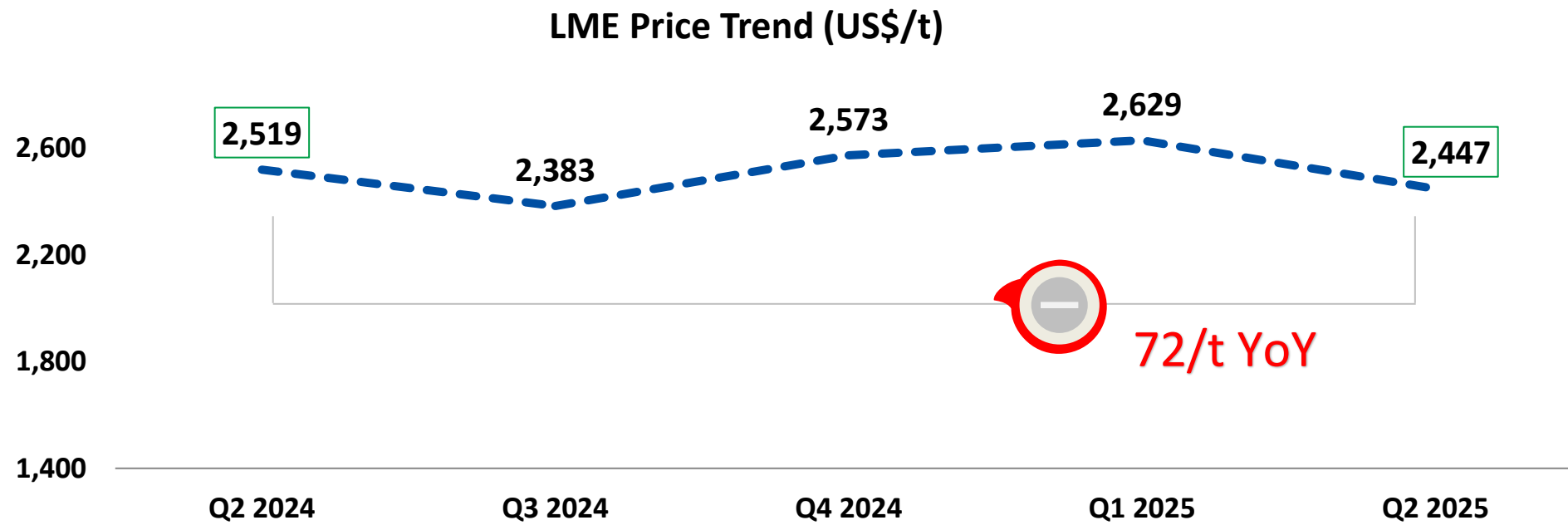
Aluminium Market Pricing & Inventories

- LME Price** averaged US\$2,447/t in Q2 2025 (-3% YoY). Prices fluctuated, hitting a low of US\$2,285/t on 09 April and a high of US\$2,599/t on 23 June. Prices initially dipped in April following the announcement of reciprocal tariffs but regained momentum throughout the quarter. Despite this recovery, prices remain relatively low, reflecting ongoing market volatility
- LME Inventories** are down by a significant 66% YoY to 349,000 MT, with two-thirds of this stock being Russian – this represents the lowest inventory level since early October 2022, indicating significant market challenges
- Premiums** have seen mixed trends: US tariff rise to 50% has driven the US Midwest premium up by 123% YoY, though it still doesn't fully reflect the increased tariff cost. DDP Rotterdam is down by 40% YoY, largely due to the redirection of US.-bound metal. MJP premium is up by 24% YoY, mainly due to inventory depletion and geopolitical factors



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

Alumina Price: 22% of LME Price [US\$533/t]



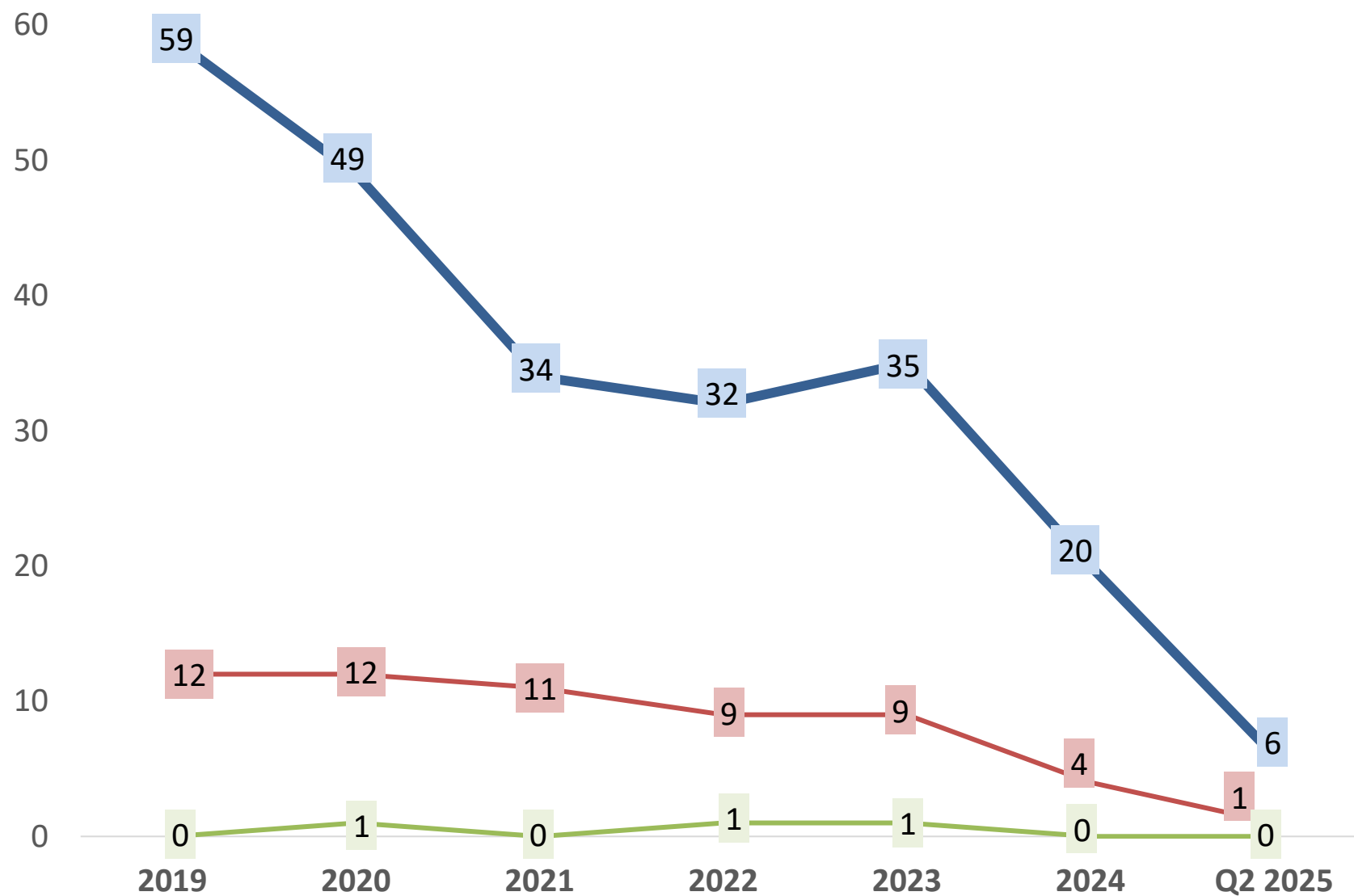


02

ALBA HIGHLIGHTS¹



Safety in Numbers



Total Injuries



Recordable Injuries



Lost Time Injuries





Alba's ESG Leadership: Celebrating Success, Shaping Tomorrow

Safety First, Safety Always

-  Secured RoSPA's 'President's Award' for 3rd consecutive year
-  Signed MoU with NFPA to Strengthen Fire Safety and Occupational Health Measures
-  Marked World Environment Day with a dedicated plant-wide campaign

Investing in Employee Potential

-  Celebrated final year projects of 24 Bahraini employees in Top-Up BEng Programme
-  Promoted 2 Bahraini talent to key managerial positions

Sustainability and Environmental Stewardship

-  Expanded EternAl™ Low-Carbon Product Line with launch of 'EternAl-AC', a new product series incorporating verified in House Carbon Offsets, as well as added EternAl-20 and EternAl-50 to its low-carbon aluminium portfolio

Future Ready: Embracing AI & Automation

-  Setting regional benchmark as 1st Middle East smelter to adopt AI-Powered Seeq platform
-  Successfully migrated to RISE with SAP Private Edition

Building for Tomorrow

-  Solar Farm Project (+6.2 MW) completed

ESG Journey by 2035



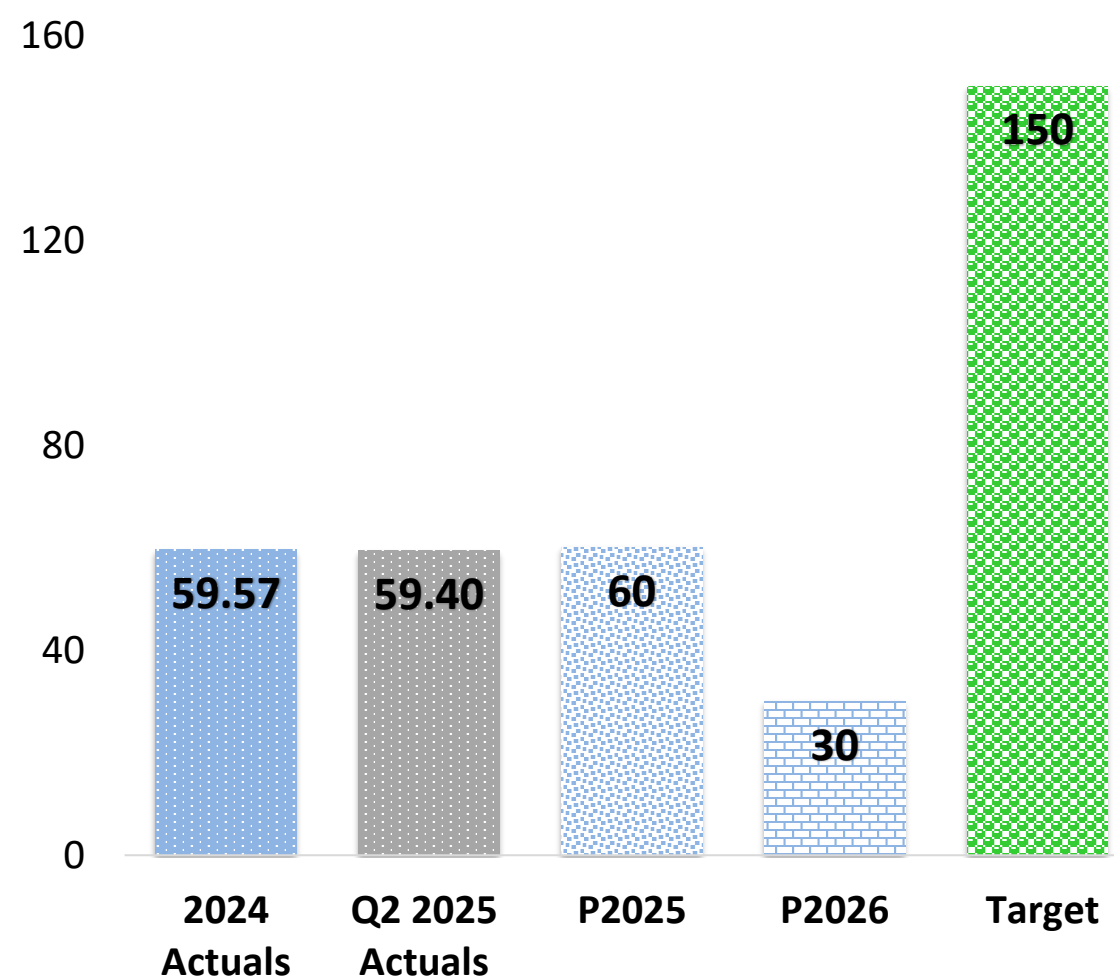
	Q2 2024	Q4 2024	Q2 2027*	2025-2027	2030	2035
	 Alba Solar Farm	 Efficiency Upgrades		 Recycled Material	 Government Collaboration	
Initiative	6.23 MW Solar Farm Capacity [Commissioned]	PS 5 Block 4 Operational & Older Power Stations Retired *Commissioning New Replacement Line & Retiring Lines 1-3		Remelting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



Q2 Major Operational Highlights

- Despite market challenges, sales volume topped a healthy 411,007 MT, up by 3.4% YoY
- Net Finished Production, almost flat, at 402,912 MT
- Value Added Sales (VAP) averaged 76% of total shipments, marking an increase of 9% YoY [VAP: 314,390 MT in Q2'25 versus 288,312 MT in Q2'24]
- e-Al Hassalah: US\$59.4 million against 2025 Target of US\$60 million

e-Al Hassalah (US\$ Million)



Financial Key Performance Indicators – Q2 & H1 2025

EBITDA down due to spike in alumina Prices



H1: US\$358 million
down by 24% YoY

Q2: US\$181 million
down by 37% YoY

H1: US\$114 million
down by 54% YoY

Q2: US\$65 million
down by 64% YoY

FCF¹ impacted by working capital adjustments and payouts to shareholders



H1: US\$114 million
down by 54% YoY

Q2: US\$211 million
up by 46% YoY



Net Income driven by lower EBITDA

Interim Cash Dividend

**10.55 Fils
per share**

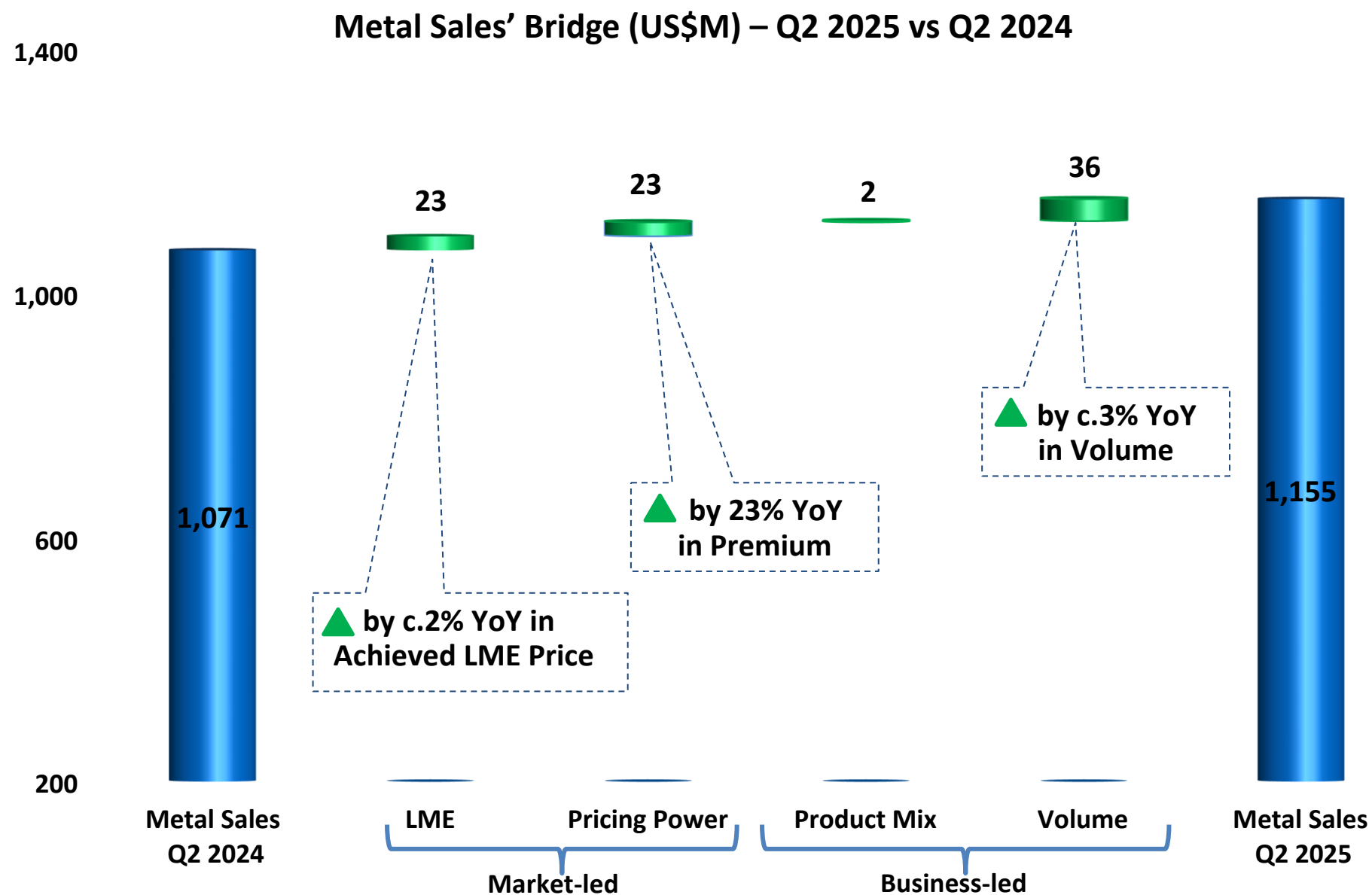


03

Q2 2025 RESULTS

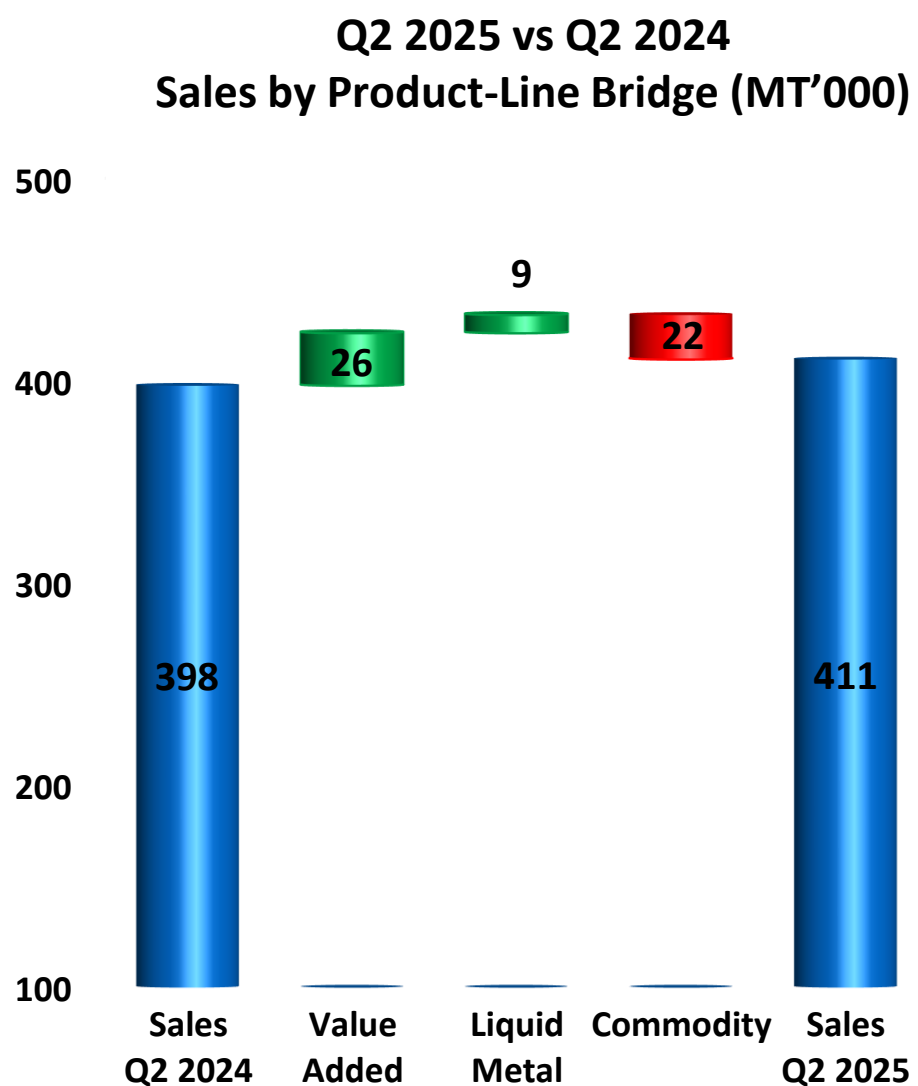
Global Aluminium Market: A New Era of Tariffs & Price Swings

Triple Boost: LME Price, Premiums and Volume Drive Higher Metal Sales

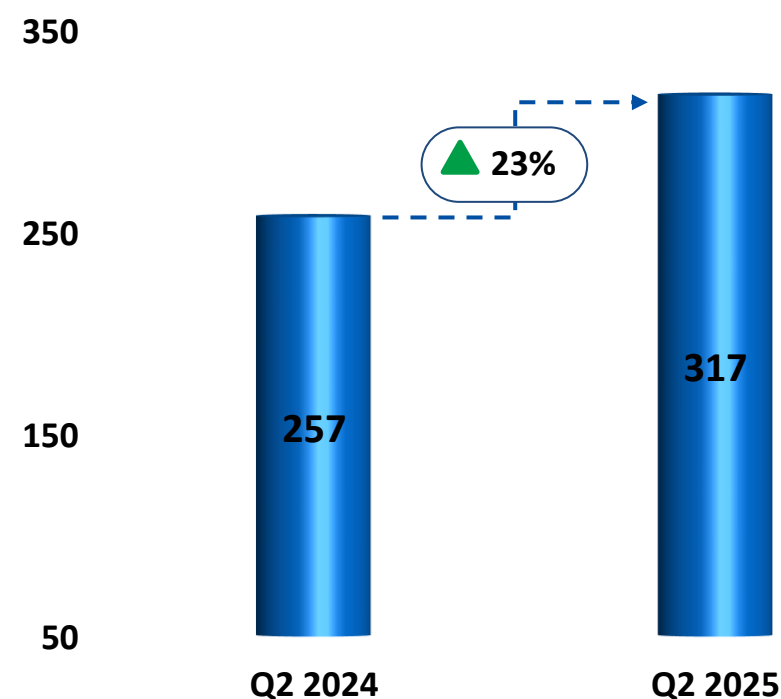


Global Aluminium Market: A New Era of Tariffs & Price Swings

Higher VAP | Higher Liquid Metal | Lower Commodities' Volume



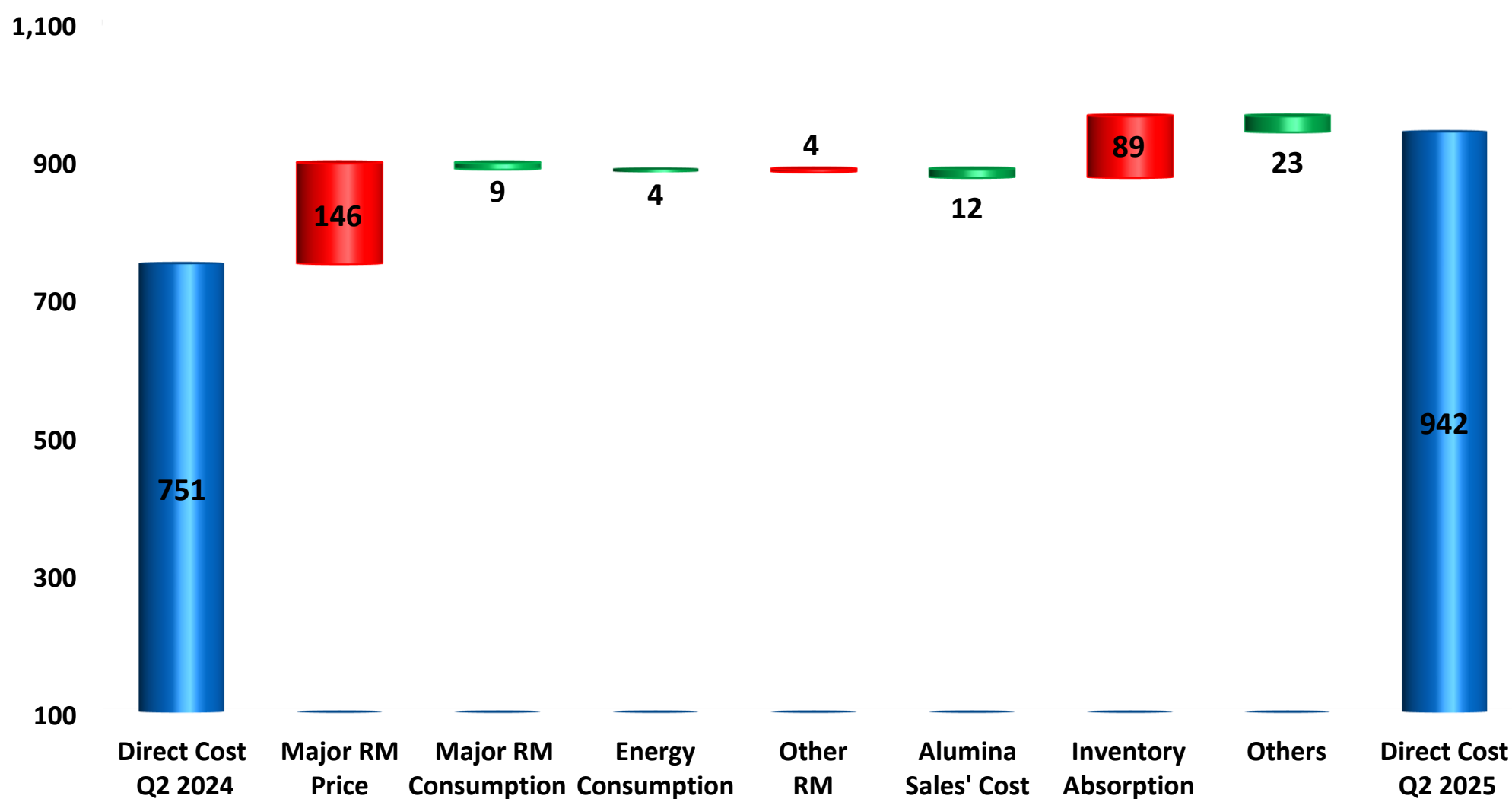
Premium Above LME Trend US\$/MT



Global Aluminium Market: A New Era of Tariffs & Price Swings

Cost Creep: Double Impact of Higher Alumina Prices & Inventory Absorption

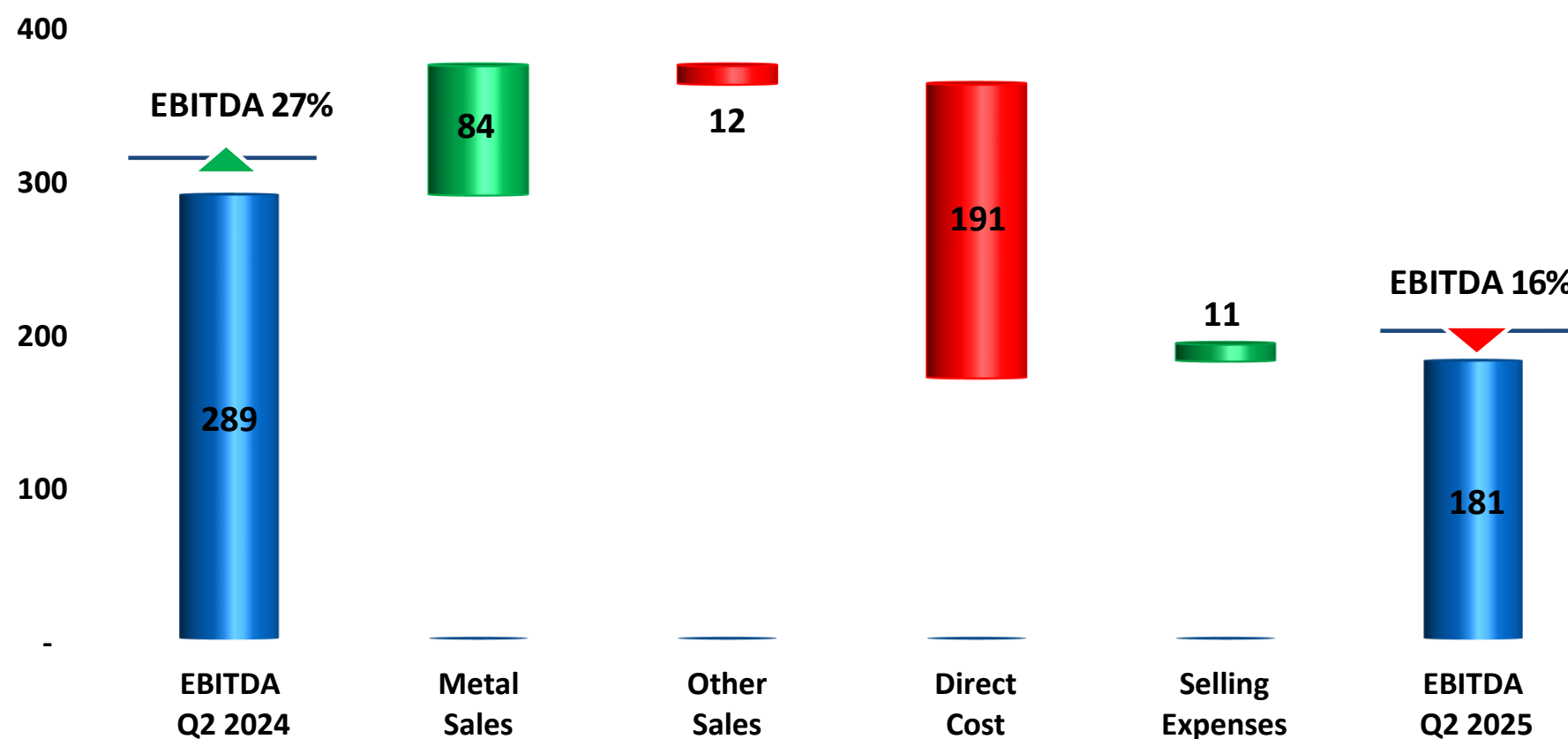
Q2 2025 vs Q2 2024 - Direct Cost Bridge (US\$M)



Global Aluminium Market: A New Era of Tariffs & Price Swings

Lower EBITDA Driven by Higher Costs & Partially Offset by Higher Metal Sales

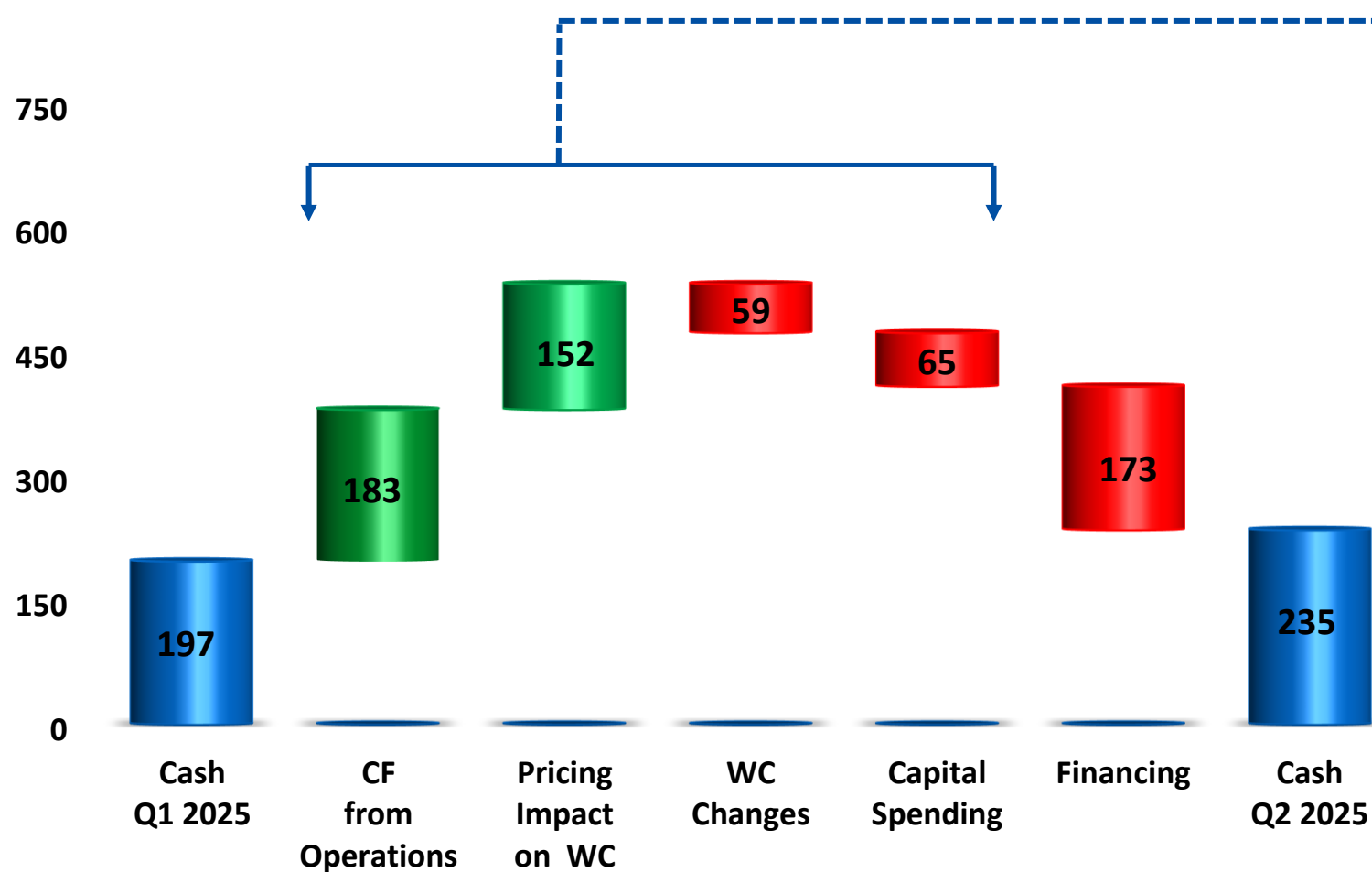
Q2 2025 vs Q2 2024 - EBITDA Bridge (US\$M)



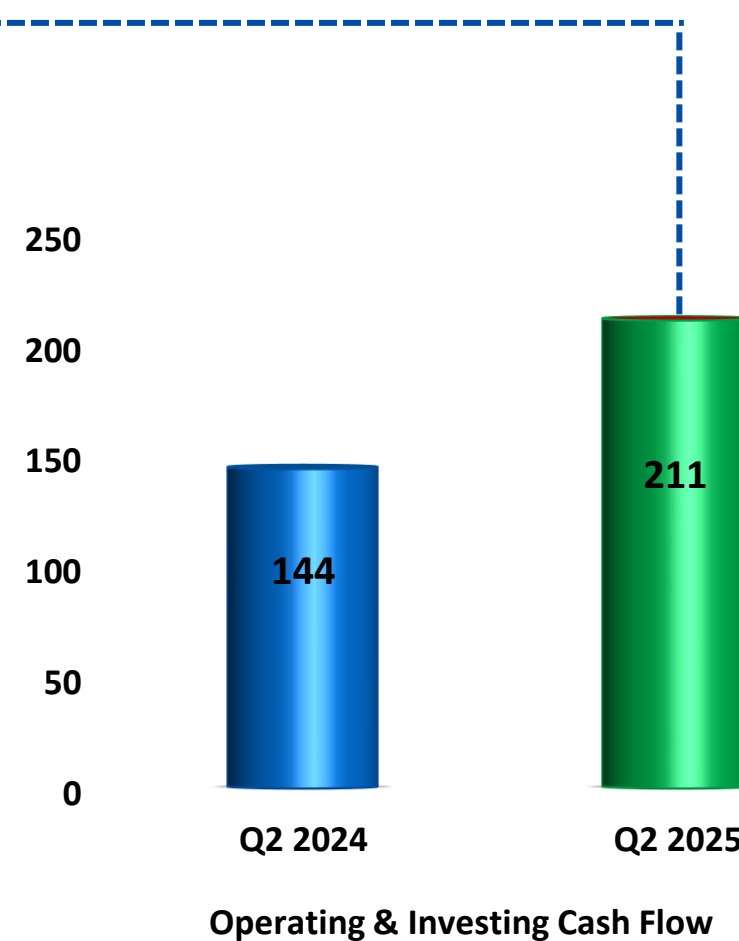
Global Aluminium Market: A New Era of Tariffs & Price Swings

Cash Flow Bridge Q1 2025 to Q2 2025

Q1 2025 to Q2 2025 Cash Flow Bridge (US\$M)



Free Cash Flow (US\$M)



Key Financial Performance Indicators

Particulars	Q2 2025	Q2 2024	H1 2025	H1 2024
 Revenue ¹ (US\$M)	1,154	1,082	2,242	1,972
 EBITDA (US\$M) <i>EBITDA%</i>	181 <i>16%</i>	289 <i>27%</i>	358 <i>16%</i>	469 <i>24%</i>
 Profit (US\$M)	65	182	114	247
 Loss Unrealised Derivatives (US\$M)	1	(1)	2	-
 Adjusted Profit ² (US\$M)	64	183	112	247
 AVG Cash LME (US\$/MT)	2,447	2,519	2,538	2,360
 AVG API ³ (US\$/MT)	533	392	639	377



04

INDUSTRY PERSPECTIVES¹ IN 2025

Trade Turbulence Casts Shadow Over Short-Term Aluminium Market Outlook

- 
Market Outlook: Market uncertainty persists, with recent LME gains primarily driven by a weaker USD. The LME price is expected to consolidate in the coming months, and the recent rally is anticipated to lose steam soon, given the ongoing uncertainties surrounding tariffs with no significant progress made
- 
Demand Outlook: While tariffs continue to drive near-term volatility, the broader outlook for aluminum demand remains robust
- 
Supply Conditions: Modest growth in Chinese aluminium output is expected due to smelter restarts and ramp-ups. Production outside China is also likely to increase with capacity expansions and restarts
- 
Premium Outlook: The MJP premium for Q3 is forecasted at US\$108/t, a projected drop of US\$74/t from Q2. This expected decline reflects ongoing weak demand in Japan and increased primary aluminium supply in the Asian market. European premiums may also soften due to anticipated redirection of metal originally bound for the U.S. Meanwhile, the U.S. Midwest premium has risen significantly following the Section 232 tariff increase and is expected to climb further if the tariffs remain in effect
- 
LME Price Forecast: Near-term LME prices are projected to range between US\$2,300/t and US\$2,450/t

Input Material Markets (Al_2O_3 , AlF_3 and GPC)

-  **Alumina Market:** Prices are among the steepest falling commodities compared to the start of 2025. This was somewhat inevitable given the record-high starting price level and the easing of previous alumina production bottlenecks. Market sentiment remains bearish, with no clear price floor yet, though some stabilisation is expected later in the year
-  **Carbon Market:** Prices for (GPC, CPC, and Anodes) are anticipated to increase amidst volatile market conditions
-  **Liquid Pitch Market:** Prices are expected to soften in the short term due to competition, while coal tar pitch markets showed mixed trends
-  **Aluminium Fluoride Prices:** The aluminum fluoride market is currently experiencing a price decline, driven by reduced raw material costs and weak demand. However, the price is expected to stabilise in short run



05

2025 ALBA PRIORITIES

Alba: Safe, Sustainable, Successful

Leading the Way: Safety First, Sustainability Always

-  Aligned with Bahrain's 2060 vision of net-zero emissions, Alba embeds sustainability from raw material sourcing to product delivery, minimising environmental footprint

Operational Excellence and Growth

-  Exceed 2024 Net Finished Production of 1,622,261 MT
-  Achieve e-Al Hassalah 2025 Target of US\$60 million, progressing towards 2026 Target of US\$150 million

Market 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 & boost Value Added Sales (VAP) sales
-  Establish Alba Daiki Sustainable Solutions (ADSS) for aluminium dross processing by September 2026
-  Complete Feasibility Study for the New Replacement Line which will replace Reduction Lines 1-3

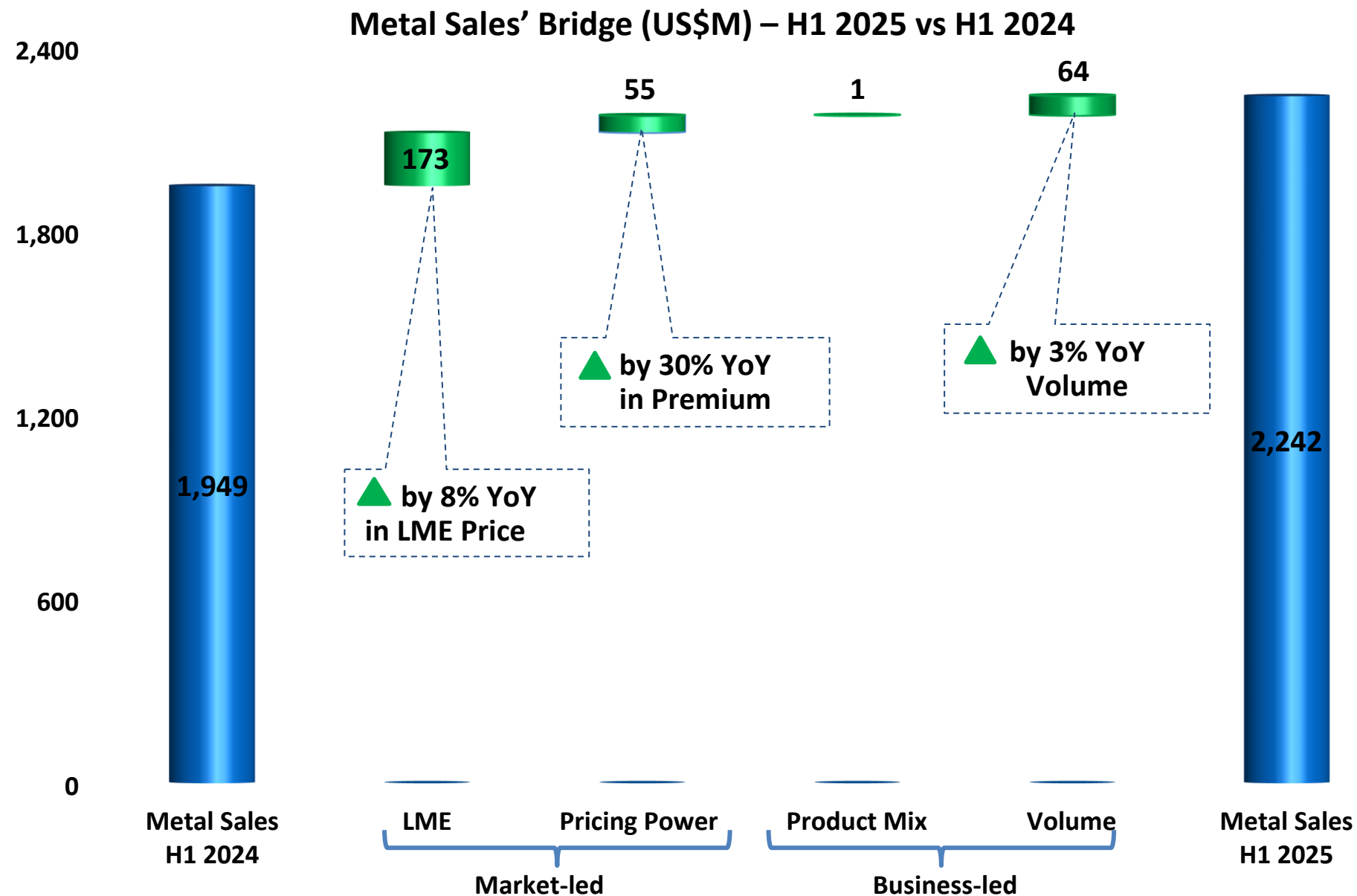


06

Appendix H1 2025

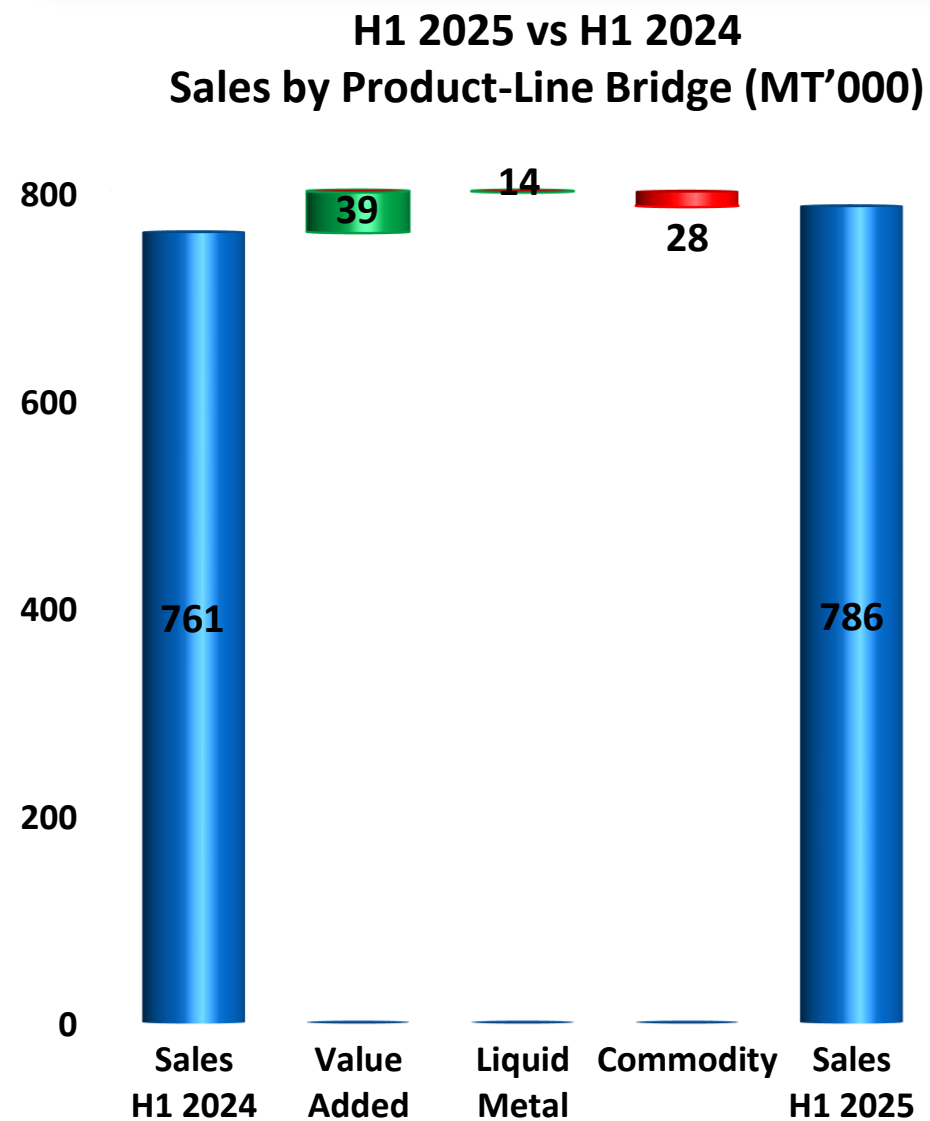
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Triple Boost: LME Price, Premiums & VAP Volume Drive Higher Metal Sales

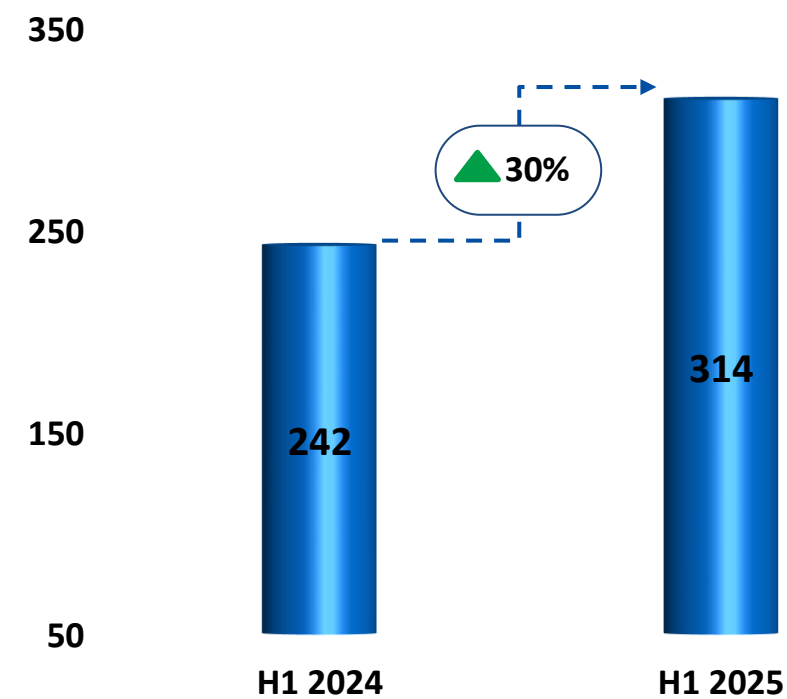


Global Aluminium Market: A New Era of Tariffs & Price Swings

Higher VAP | Higher Liquid Metal | Lower Commodities' Volume



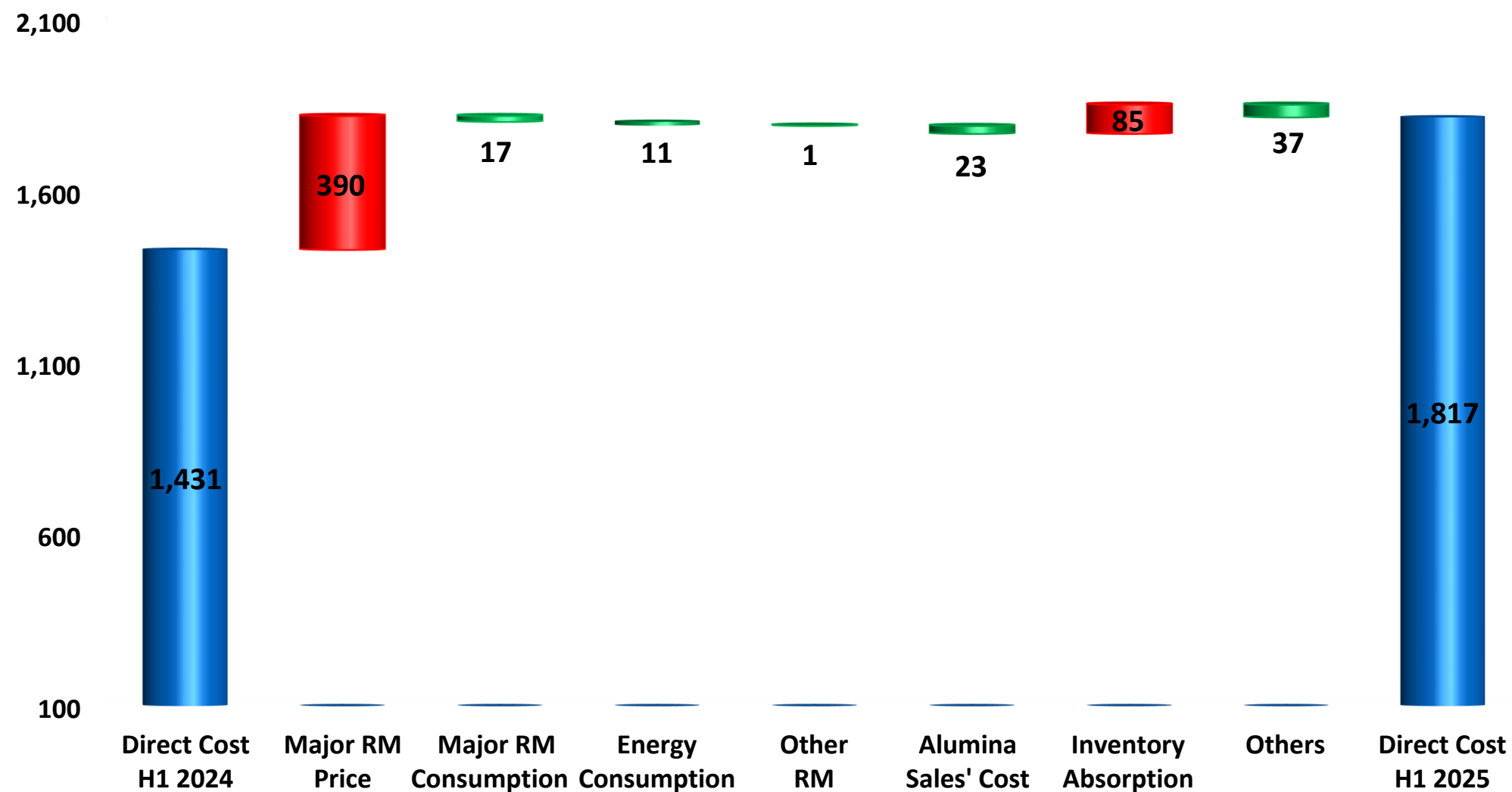
Premium Above LME Trend US\$/MT



Global Aluminium Market: A New Era of Tariffs & Price Swings

Cost Creep: Double Impact of Higher Alumina Prices & Inventory Absorption

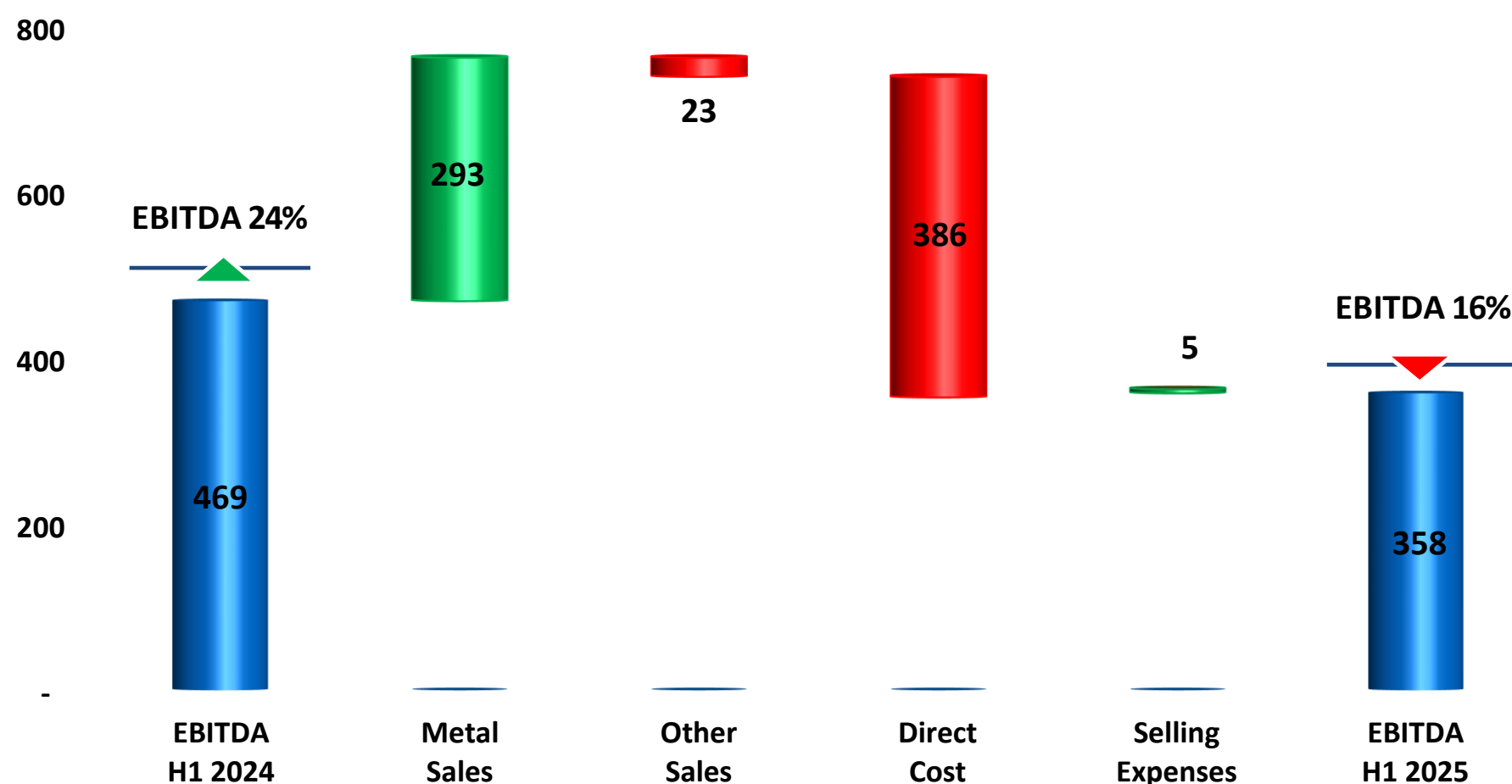
H1 2025 vs H1 2024 - Direct Cost Bridge (US\$M)



Global Aluminium Market: A New Era of Tariffs & Price Swings

Lower EBITDA Driven by Higher Costs & Partially Offset by Higher Metal Sales

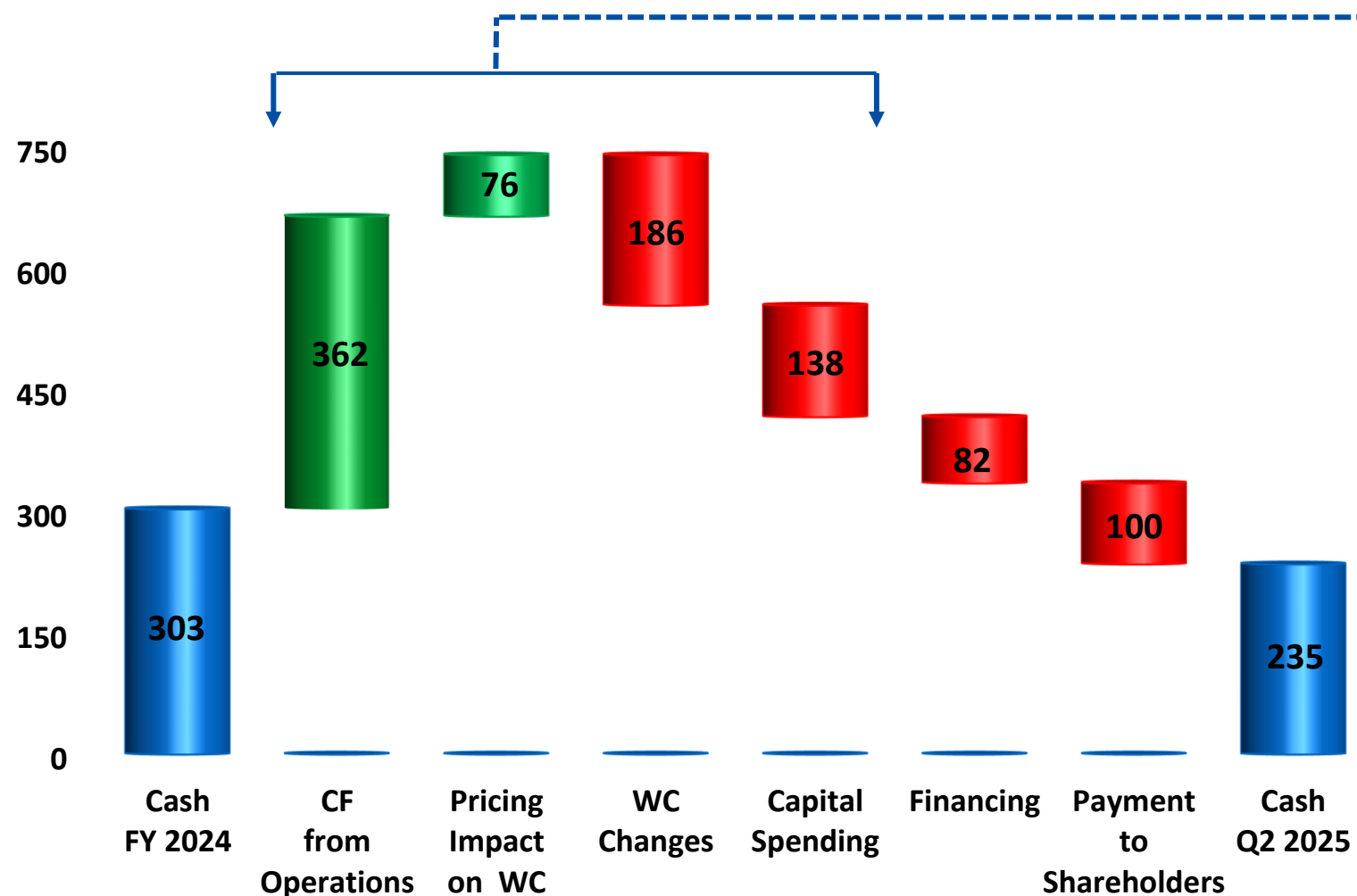
H1 2025 vs H1 2024 - EBITDA Bridge (US\$M)



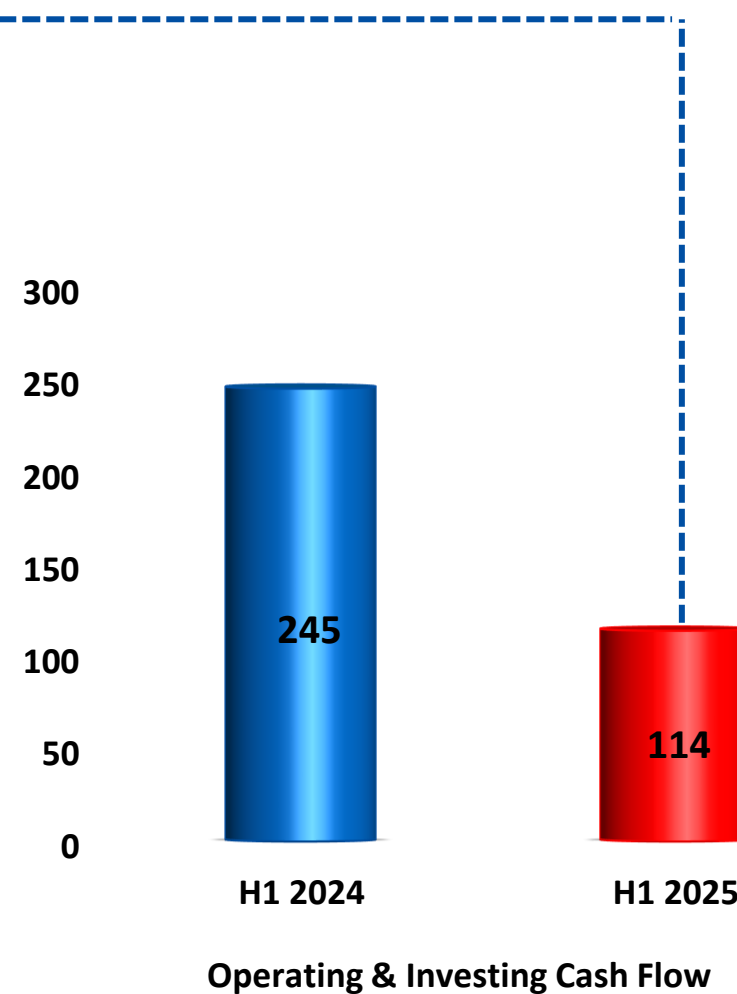
Global Aluminium Market: A New Era of Tariffs & Price Swings

Cash Flow Bridge FY 2024 to Q2 2025

FY 2024 to Q2 2025 Cash Flow Bridge (US\$M)



Free Cash Flow (US\$M)





Alba Shareholders' Structure

Mumtalakat
INVESTING FOR BAHRAIN

69.38%



MAADEN

20.62%
(since 19 Feb'25)

Free Float
10%
(since 23 Nov'10)

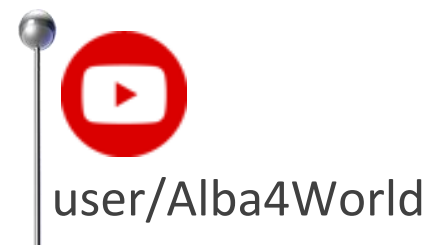
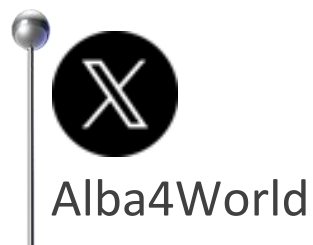
Alba Ticker [BHB: ALBH, BD 0.985 on 30 June 2025]



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Aluminium Bahrain Webcast

Wednesday, 6th August 2025

Introduction

Nishit Lakhotia

Group Head of Research, SICO Bank

Welcome

Thank you. Greetings, ladies and gentlemen. This is Nishit Lakhotia from SICO Bank. I would like to welcome you all to Aluminium Bahrain's Second Quarter 2025 Results Conference Call. It is my pleasure to host Alba's senior management today on the call. By now, you should have received the company's presentation, earnings release, and detailed financial for the second quarter, which is also available on the company website.

Now without further delay, I will hand over the call to Eline Hilal, Alba's Director of Investor Relations. Thank you.

Overview

Eline Hilal

Director of Investor Relations, Aluminium Bahrain

Welcome

Thank you, Nishit and SICO for hosting Alba's Q2 and H1 2025 webcast. Many thanks Nadia for the introduction. Good afternoon, everyone. I hope you are enjoying your summer. This webcast will be co-chaired by Alba's CEO, CFO as well as me. We will start our session by going into the agenda.

Agenda

I will be covering the first two sections, while our CFO will take a deep dive into Alba's Q2 2025 financial performance. Finally, our CEO will be providing us with insights into the industry perspectives for the remainder of this year along with Alba's key priorities.

Market fundamentals

World Market Demand (+3%YoY): Tariffs, Economic Slowdown, & Regional Trends

We will start first by looking at the global economic trends on page five of the presentation, where we see a story of notable slowdown as growth rates are lower than in previous years. This deceleration is largely driven by a combination of trade frictions as we are all aware, persistent policy uncertainty and inflation across regions.

The threats of tariffs continues to cast a long shadow, while the global trade war has deescalated from its peak in early April of the year, tariffs persist. Only two major US trade deal with the UK and China have been announced and tensions with other key US partners have not been fully eased. This uncertainty will remain a major threat to the global demand.

However, and despite all these challenges, the global demand was up by 3% year-over-year. China's Q2 global domestic product exceeded expectations, a performance mainly driven by strong investments and steady exports. However, the weak domestic demand, the ongoing property issues and deflation remain key concerns.

While recent policies aimed to stabilise the economy, more stimulus is likely to be needed. These dynamics combined did contribute to a 4% year-over-year rise and the demand from deflation.

However, the story is different in other parts of the world. In North America, tariff uncertainty continues to be a barrier to a sustained improvement in demand with consumption down 1% year-over-year. In Europe, we saw a 2% year-over-year decline in consumption, a direct result of continued high energy costs and a slowdown in auto industries.

The Middle East also experienced a 4% year-over-year drop in demand, primarily driven by lower consumption in Bahrain and the UAE.

World Market Supply +2% YoY

Moving now into slide six. The global aluminum supply story for the second quarter was one of limited growth and was up by 2% year-over-year. China supply rose by a modest 2% year-over-year due to limited capacity expansion, with the country nearing its self-imposed production capacity ceiling of 45 million metric tonnes, significant that supply growth from the region is unlikely.

Meanwhile, Middle East supply saw a 1% increase year-over-year while in Europe the supply remained flat. The return to full operations by German smelters led to a notable 75% increase year-over-year. However, this was entirely offset by a 3% year-over-year reduction from the Russian smelters.

In North America, production contracted by 3% year-over-year, primarily due to a decline from Canadian smelters. This limited growth in supply combined with the demand dynamics has created a tight market balance. The global market is showing a deficit of 531,000 metric tonnes when including China and a deficit of 175,000 metric tons when excluding China. And this is a clear indication of the market under pressure.

Aluminium Market Pricing & Inventories

Moving now into slide seven for aluminum market pricing and inventories. The LME price averaged about \$2,450 per tonne in the second quarter, a 3% year-over-year decrease. Prices continue to be volatile, dipping in April after reciprocal tariffs were announced before gaining momentum throughout the quarter, hitting a high of \$2,599 per tonne in late June.

A key indicator of today's market challenges is the state of the LME inventories as they were down by a significant 66% year-over-year to land at 350,000 metric tonnes with two thirds of the stock being Russian. This clearly represents the lowest inventory level in warehouses since October 2022.

Last on the slide we see mixed premium trends as in the bottom chart. The US Midwest premium has surged by 123% year-over-year, driven by a new 50% tariff, though it does not fully reflect the increased cost. In contrast, DDP Rotterdam was down by 40% year-over-year, largely due to the redirection of the US-bound metal, while MJP premium is up 24% year-over-year, mainly due to inventory depletion and geopolitical factors.

This quarter story is one of a challenging global landscape, a tightly balanced aluminum market and a significant degree of volatility.

Alumina Price: 22% of LME Price [US\$533/t]

We are going to move into page eight for the alumina price. We are showing two charts on this slide, one for the LME price trend. As you know, the LME price was down by \$72 per metric tonne in Q2 2025 versus \$2,520 per metric tonne in Q2 2024. As for the alumina price index, it averaged 22% of the LME price in the second quarter corresponding to an increase of \$442 per tonne against the \$391 per tonne in Q2 2024.

Alba Highlights*Safety in Numbers*

With that, we will dive into Alba's highlights for the second quarter on slide 10. As we always do, we will start with our safety performance. Having zero LTI has enabled Alba to reach another height in our safety journey with 38 million safe working hours without LTI.

Alba's ESG Leadership: Celebrating Success, Shaping Tomorrow

Moving now to slide 11. Basically, we are recapturing in the slide all our press releases that we have made public. I will continue with the safety momentum as Alba has secured the President's Award for the third consecutive year from RoSPA.

We have also signed recently an MoU with NFPA to strengthen our Fire Safety and Occupational Health Measures. We also marked for the first time in our history the World Environment Day in a dedicated plant-wide campaign.

Moving now into our human capital. We have celebrated the final year projects of 25 Bahraini employees in Top-Up engineering programme. We have also promoted two Bahraini talent to key managerial positions.

With regard to sustainability and environmental stewardship, we have expanded our EternAl, the low-carbon product line with the launch of EternAl-AC, a new product series incorporating verified in-house carbon offsets, as well as added two new variations: EternAl-20 and EternAl-50 to EternAl-15 and EternAl-30.

In terms of AI and automation, we are ready to embrace the future and we have set original benchmark being the first Middle East smelter to adopt the AI-powered Seeq platform. We have also migrated successfully to RISE with SAP Private edition.

On energy, we have completed the solar farm project and it adds plus 6.2 megawatt of green energy into Alba.

ESG Journey by 2035

Moving now to slide 12. We have not changed anything in this slide. So if you have any questions, you are very welcome to ask at the end of the session.

Q2 Major Operational Highlights

By that I will move into page 13 of the presentation. Basically, in terms of Alba's operational performance and despite the challenges that we have seen in the market, our sales volume has expanded by 3.5% year-over-year to reach 411,000 metric tonnes for the second quarter.

Our net finished production was almost flat. Our value-added sales for the first time in history hit a record high with 76% of total shipments. While e-Al Hassalah, our savings programme, we have managed to save \$59.5 million against a 2025 target of \$60 million.

Financial Key Performance Indicators – Q2 & H1 2025

With that, I will move into the last slide in my section. I will not go through it as I will read some excerpts from our Chairman's quote in the press release as the CFO will be sharing detailed insights about our performance.

Despite global market headwinds, Alba stands resilient and focused. While our profitability has been tempered by external pressures, which I have covered in my first two slides today, the continued growth in our revenue and the remarkable rise in our value added sales to 76% reflect truly the strength of Alba's vision and the agility of our operations.

The profitability gap compared to the second quarter of last year was largely attributed to higher landed alumina prices in this period; without that distortion, our performance would have exceeded last year's.

With that, I will leave it to Ricardo to walk us through the financial performance of Alba.

Financial Performance

Ricardo Santana

CFO, Aluminium Bahrain

Introduction

Hello. Good afternoon, good morning, depending where you are in the world. It is always a pleasure to liaise with the investors community of Alba. Before we talk about the financial results, let me share with you some key highlights of our performance during this quarter.

In summary, the second quarter of 2025 can be summarised as a quarter of consistent safety and operational performance. In the quarter ended in June, we could also observe the unwind of the seasonal effects of the first quarter of 2025. Although Alba results were still impacted by higher alumina prices from the previous quarters, the good news is that June inventory costs were significantly lower and in line with recent alumina prices, which paved the way for stronger financial performance over the remainder of the year.

Q2 2025 Results

As a way also of introduction to our results, we will now provide some insight in terms of safety, production and sales.

From a safety perspective, as mentioned by Eline already, during Q2 2025, Alba has achieved the new major safety milestone, which is its all-time record of 37 million safe working hours without any LTI. This accomplishment reflects Alba's continued commitment to workplace safety and its strategic focus on embedding safety across all levels of operation. By now we have already surpassed the mark of operating at 38 million hours without any LTI.

From a production perspective, the hot metal production was above previous year quarter by 1,500 tonnes, while lower on year-to-date basis by 1,300 tonnes due to the fact that 2024 was a leap year, and therefore we had one additional production day on the same period last year. However, from a full year perspective, Alba has operated slightly above its performance from the same period previous year.

And in terms of finished goods production, Alba performance was basically flat when compared to year-to-date 2024 as pointed by Eline before.

In terms of sales in the quarter, Alba continued its strong commercial performance by achieving higher sales volumes compared to previous year, with additional 25,000 tonnes, which resulted in its all-time record for the first half of the year. VAP sales have also shown an increase in Q2 2024 with 76% of total sales, again 73% in Q2 2024. It is also important to note that Alba has performed 74% of VAP sales year-to-date, which is its all-time record for first half of the year.

And finally, it is important to notice as well that Alba also achieved 79% of the VAP sales in the month of June, which is one of the highest VAP percentage ever achieved for a month in Alba's history.

Global Aluminium Market: A New Era of Tariffs & Price Swings

Triple Boost: LME Price, Premiums and Volume Drive Higher Metal Sales

Talking about the financials and going on through this slides to go to the page 16. It is important to mention that this reliable operational performance, as previously mentioned, and the outstanding things results allowed Alba to benefit from a higher revenue approximately \$120, which means \$23 million impact on our revenues compared to previous year. And stronger premiums approximately \$72 above previous year resulting additional \$23 million impact in our revenues.

The improved product mix supported those with additional \$2 million of revenues while the additional volume increases our revenue \$36 million, definitely an outstanding performance in terms of sales for the quarter.

Higher VAP | Higher Liquid Metal | Lower Commodities' Volume

Going to the next slide, we can see at the left side of the page, it is quite clear that improved mix of sales with the transition from commodity products to value added products, which allows us to access higher margins.

We can also see in the same chart, the increased support to the Bahraini local industry with the increase of liquid metal sales. The increase in premiums can also be seen in the right side of the same slide.

Cost Creep: Double Impact of Higher Alumina Prices & Inventory Absorption

If we go to the page 18 to talk about our cost. From the cost perspective, the first variance item on the waterfall shows clearly that our costs were highly impacted by the alumina prices that increases around 36% when compared to previous year's quarter. It is important to mention that our higher cost inventories were consumers in this quarter, which gives us a better perspective for the remainder of the year.

Going back to the slide, we have positive impacts related to efficiency from the consumption of raw materials and energy. Let me further highlight that we started seeing efficiencies in energy as a consequence of the Block 4 implementation.

Other raw materials were mainly impacted by prices, while we have not sold any alumina vessel in 2025. That is why we see this throughout positive impact in costs when compared to previous years.

We had higher sales this year at high inventory costs which has significantly impacted our results as demonstrated in the inventory absorption periods, when compared to previous year. Finally, we have also seen some positive impacts to \$23 million, mainly due to euros appreciation and sometime impacts in plant expenditure.

Lower EBITDA Driven by Higher Costs & Partially Offset by Higher Metal Sales

Going to the next slide, as you can see in the waterfall, metal states have increased our result to \$84 million when compared to previous year, due to the outstanding sales performance, higher LME and higher premiums. While we have not sold an alumina vessel in the period, \$12 million impact of assessing the positive impact in costs discussed in previous slide. Therefore zero net impact to our results.

Our direct cost increases by \$191 million, mainly as a consequence of high alumina prices over the period.

Finally, our selling expenses have improved \$11 million as a consequence of lower shipping costs compared to previous year. It is important to note that shipping costs from the first half of 2024, which is our comparison period, were highly impacted by the Red Sea crisis.

Cash Flow Bridge Q1 2025 to Q2 2025

Going to the next slide. The left side of the page demonstrates the positive impact of cash flow generated by operation, the positive impact in our working capital over the decrease of alumina price mainly. It is important to mention that alumina has been traded with prices below \$400 and it is reflected today in our balance sheet.

While our P&L was still impacted by higher prices from previous quarters, working capital charges were impacted by higher inventories, which is the usual profile for the first half of the year and also by timing effect.

Usual capital spending impacted our cash flow \$65 million, while the repayment of our loans, interest and principal impacted our cash flow in \$173 million for the period.

The right side of this slide demonstrate the positive impact of our free cash flow when compared to the same period in previous year.

Key Financial Performance Indicators

Going to the next slide. In summary, as previously discussed, revenues were impacted by higher LME, while our EBITDA in profits were impacted by higher alumina prices. Both LME and alumina variances are demonstrated in the bottom of this page.

In conclusion, our Q2 2025 performance reflects record safety achievements, robust value growth and disciplined financial management, which underscored Alba's resilience to market challenging circumstances and geopolitical risks.

We see Alba well-positioned to sustain its operational financial performance into the second half of the year.

Now, we will listen to our CEO, Mr Ali Al Baqali.

Industry Perspectives in 2025

Ali Al Baqali

CEO, Aluminium Bahrain

Trade Turbulence Casts Shadow Over Short-Term Aluminium Market Outlook

Thank you, Ricardo, for your detailed analysis, and thank you, Eline, also for highlighting the outlook of the market in the beginning.

I am in slide number 23 now. In this slide, I will provide you with a market outlook based on the market intelligence report which we are receiving on regular basis.

The market instability, uncertainty is still there in the second quarter because of the US tariff and weaker US dollar. However, the primary uncertainty of this is because of the weakness of the US dollar at this stage.

If we look at the price outlook LME projected within the range of \$2,300 to \$2,450 and today the price is around \$2,550. From the demand side, aluminium remain strong or robust despite volatility from the market, based on the US tariff. From the supply side, we saw slight increase in Chinese output, which is already expected because of the smelter restart and expand their capacity.

From the premium side, the original premium, the premium from Europe from the mid DPP Rotterdam we see there is some softness, the spot of MJB also is lower than the QOP[?]. And we saw a high increase in the US Midwest to capture the increase of the Section 232, which is related to the tariff on aluminium and steel which is representing 50% tariffs.

Input Material Markets (Al_2O_3 , AlF_3 and GPC)

By this, I will move to the major raw material as usual on page 24.

Alumina price, we saw a lot of soften in the price compared to quarter one and quarter four last year. Alumina price today is traded at around \$370 per metric tonne. If you take it as equivalent to percentage to LME is around 14% to 15%, but in Q2 it was high around between as Eline stated around 20% to 22% to LME price.

Other raw material, the carbon or the black material. These materials related or correlate directly to the oil price. If you see, the oil price is increasing these black materials like the carbon and the liquid which is increasing. But what we see the market is stabilising for these and we see some stabilisation in the price.

For the aluminum fluoride, we saw some soften in the price in this quarter, which is a quarter three. But if you look at the price in quarter two compared to quarter one, it is almost same price.

2025 Alba Priorities

Alba: Safe, Sustainable, Successful

In the last section of our final presentation on Alba priorities, page 26. I think we are very proud as Eline said and Ricardo, for the first time in Alba history, we reached to 37 in a quarter two, but just before two weeks we achieved 38 million working hours without lost-time injuries. This is the first time in Alba history, and I think in the aluminum industry as well.

Before also two weeks we had our safety campaign, the summer campaign, it was with a team, summer is here, ring the safety bell. This is the first time also in Alba we let the kids of the Alba employees to lead this campaign. The impact was very good. The kids of the employee, they did a lot of safety presentations to our workers which received very well by the employees and we want to transfer safety cultures not only in Alba but to Bahrain society as well. We share this presentation, these tips in our Instagrams, in our social media and it were received well by Bahrain community as well.

From the operational side, we are expecting to achieve our objectives or our target to exceed the production at least of the last year, which is above 1,622,000 metric tonnes. In terms of our efficiency, we still pushing for e-Al Hassaah programme to target \$60 million for this year and to achieve the \$150 million by next year hopefully.

Regarding the project ongoing or our growth perspective, we are continuing leveraging or capitalising on our certifications like Aluminum Stewardship, ASI, EcoVadis and others to capitalise on producing our value-added products to have our own product entity with low-carbon aluminium.

Just a word also to percolate on our JV with Daiki dross plants. Our company called or the JV called ADSS, Alba Daiki Sustainable Solutions. It is the first kind in the region to create the dross in-house and it will be a good and sustainable solution to handle the dross not only in Alba but in Bahrain as a whole.

Finally, just to give you a high level update on our new replacement line, and update you last times in the quarter one we already awarded the final feasibility study to practice. They give us six to eight months to complete the study and we are expecting to receive the first report or the first draft by November this year. Then in the quarter four rather to give you latest update on the new replacement line.

By this, I am ending the IR presentation. I will use the floor now if you have any questions, we can answer it. Thank you very much.

Q&A

Nour Eldin Sherif (Arqaam Capital): Thank you so much for the call and for the opportunity to ask questions. I think it is better that we take it one by one if you do not mind. Can you guide us on how much of a decline should we expect in the cash cost in Q3, given that most of the spike in alumina prices was recalled in the first half of the year?

Ricardo Santana: Well, I can talk about this. In summary, it is important to highlight that we do not provide guidance. But what we can share at this stage is that definitely as I mentioned during the presentation that the high cost inventories, they were already consumed.

Now basically whatever we have in terms of our balance sheet is needed to [inaudible] what we have in terms of price. The outlook is positive definitely for the following quarters.

Nour Eldin Sherif: You have mentioned that the US Midwest premium was up significantly but does not fully paid for the US tariffs. So does Alba bear the cost there? Does it impact the margins?

Ali Al Baqali: Actually, the tariff in the US is also covering the tariff percentage. We are okay. The margin is still there. We are not losing money. We have been making money on the US.

Nour Eldin Sherif: Okay, clear. On the replacement project, should this require increment in natural gas? And if you can give us more details about how much of cost savings initially that we should incorporate?

Ali Al Baqali: This is at early stage, but to give you a heads up, there is slight inconvenience[?] in the production because our aim is to build the old and inefficient lines, replace it to the new lines with higher capacity. But the full details will be provided once we receive the certification[?].

Nour Eldin Sherif: And is there a range for the CAPEX for the replacement project?

Ali Al Baqali: What was the question?

Ricardo Santana: CAPEX range For CAPEX.

Nour Eldin Sherif: Range for CAPEX.

Ali Al Baqali: We are aiming to have similar to Line 6 CAPEX but it would be very challenging because of the inflation, because of the other market. We are waiting for the feasibility study to have a clear picture on the CAPEX side.

Nour Eldin Sherif: Thank you so much.

Ali Al Baqali: Yes, for the question one, Alba share price has underperformed despite solid fundamental. What are the key drivers behind this disconnect and what steps is management taking to improve market confidence and close the valuation gaps?

I think we are underperformed because we are undervalued because the market in Bahrain or in Bahrain, Alba is only 10% floated shares. It is illiquid. Any transaction done, it is not reflecting the true price of Alba. What market is doing? What Alba is doing as a management, we are a market maker to manage this volatility, but at the end, if you compare us with real peers, we are undervalued, not because we are underperformance, we are higher performance, we are efficient. But the problem the gap is on Bahrain outlook and this is also somehow affecting also our share price.

The second question. Yeah, also the merger with Ma'aden aluminum operation was not scrapped. Ma'aden bought 21% stake in Alba from SABIC in January. What is the likelihood of merger talks resuming within the next, say, 18 months? Why did merger talks fail? And do you think these differences could yet be resolved? Could you tell us about any discussion with Emirates Global Aluminum about potential takeover or any other kind of tie up?

Anyway, there is no scrap on our discussion with Ma'aden. As we mentioned last time, depends on the priorities of both companies. The discussion was stopped but maybe in the future this discussion will be initiated. I do not have a timeframe for that, but it depends on both companies what their strategic vision would look like in the future.

For the EGA, we do not have any discussion with EGA at this stage and this is a new idea come to me I think. Thank you for this question.

Eline Hilal: Okay, thank you. Can you please provide details on the spread between market rates of aluminum and alumina versus Alba's actual number in Q2 full year 2025 H1? And is there any lag between the market trends and Alba numbers? That is the first one.

Ricardo Santana: Should we go part by part? Okay. Yes, there is lagging effect. In the alumina, the lag effect takes around two, three months to hit our inventories and also depending on where the product is sold. So depending on the region that it is sold, it can take more one to two months. So the alumina cycle takes more time to impact our results.

Our mean is around one to two months. So mean is more close to what we see in the market. In summary, alumina takes more time than aluminium in terms of the impacts in our results.

Second part?

Eline Hilal: Is there any increase in costs due to gas costs in Q2 and H1 2025?

Ricardo Santana: No, no increase at all. The same gas costs that we have been facing over the last two, three years. So let's say, more than that.

Eline Hilal: What are our thoughts on the long-term availability and the cost of gas over a five to seven-year period? And how will this availability and cost change the dynamics and profitability for Alba over the long run?

Ali Al Baqali: By the way, for the gas long term, we have a contract with Bapco Energies for fixed the price at \$4 per MMBtu for five years and we have a supply for 10 years. After that, I do not have any feasibility. It depends on the negotiation and the government price. Any other questions?

Eline Hilal: Do you expect any medium to long-term impact of higher value-add aluminum tariff? Both relative and in absolute terms?

Ricardo Santana: Okay, it is different. Continues the question or not. It is another one. Okay, sorry. So at this stage, as Ali mentioned, as you mentioned, the impacts were in fact slightly positive. So the premiums mainly because we had in [inaudible] lower cost, the premiums were increased or more than sufficient to offset the impact on the cost.

But in terms of future, we need to see how the market reacts. The good news so far is that the Midwest premium is reacting strongly. So at the end of the day this increase is being passed through the consumer cycle, but for now it is difficult to see what will really happen and we need to follow how they can unfold the good things that Alba is well positioned in terms of redirecting sales is needed, but we also respect the consumers and our contracts with the customers that we have here. So at this stage, it is too early to see and to foresee type of impacts for the future.

Eline Hilal: Given the drawdown of high cost inventory during the quarter, is it safe to assume that alumina costs going forward to be more in line with alumina price average for the last three, four months?

Ricardo Santana: Yes. It is a fair comment. I would say, it is a fair assumption. Definitely a fair assumption.

Eline Hilal: Thank you, Ricardo. So last two questions. The surge in the cost of revenue despite higher revenue, the cost throw disproportionately up by 27.9% year-over-year for the first half of this year. Question one, what are the likely causes higher raw materials, example,

alumina, energy, increased freight and logistic costs, operational inefficiencies or maintenance costs?

Ricardo Santana: Okay. I think the page 18 slide summarizes what is happening in terms of costs. The main impact is mainly due to alumina. It is on the major raw materials right on the first variance 146 regional mentioned during the presentation and is basically as part of alumina also an important impact that is also related to allumina inventory absorption. So we have sold more this year compared to previous year and obviously we absorbed the inventory at higher costs and that is back with our results.

But in terms of efficiencies, it was mentioned during the meeting the good efficiency in terms of raw materials consumption on the energy related to the Block 4 implementation.

We also have some tiny effects that impacted our results and also the appreciation of euros that also positively impact our results.

So in terms of efficiency, we are very pleased with our operational performance, taking into consideration the improvement in terms of consumption for major raw materials and energy.

Eline Hilal: What is the percentage of impact of tariffs can be seen on Alba performance?

Ali Al Baqali: So as mentioned, so for now, the impact is slightly positive, so it is basically slightly positive. And obviously during the year it will depend on how the Midwest premium will develop. So how it will develop. So far, outlook is still positive.

Eline Hilal: Any plan of merger or acquisitions in the region?

Ali Al Baqali: At the current stage, we do not have any plan, but plan always is a dream for us and this is a continuous exercise every time we are doing.

Eline Hilal: Last question from the webcast is, what is the transportation cost US dollar percent to assume for shipping of alumina to Alba? Is it fair to assume \$50 to \$60?

Ali Al Baqali: See, it depends on the [inaudible] side. If it's Panamax or super Panamax or [inaudible], it depends. The \$54, \$60, it depends, if it is for us, smaller quantity and depends on the region. It come from America, from Brazil, from Australia, from India, depends on the market price. And \$50, \$60, I think it is in the higher side as well. It's very, very high. Slower than this. Last question.

Eline Hilal: That was the last question. I am not sure Gabrielle or Nadia, if you have received other questions from the line.

No audio questions. Okay. Then with that, if you have any other questions, please feel free and drop us your questions into investorrelations@alba.com.bh. And we hope we catch up again for the third quarter and the first five months of this year in November. Thank you very much for taking the time to be with Alba's executive management for the last one hour or so. We trust we have answered all your questions and wishing you a very nice day. Thank you, Nishit, and thank you, Notified Me.

Ali Al Baqali: Thank you.

Ricardo Santana: Thank you.

[END OF TRANSCRIPT]