

بورصة البحرين
BAHRAIN BOURSE

بورصة البحرين
BAHRAIN BOURSE



INVESTOR RELATIONS SEMINAR

7TH NOVEMBER 2018

بورصة البحرين
BAHRAIN BOURSE

BAHRAIN BOURSE'S INTRODUCTION

By Marwa Almaskati, Director of Marketing &
Business Development at Bahrain Bourse

AGENDA

Bahrain Bourse Introduction

**Introduction to Investor Relations
& MEIRA**

**Investor Relations Plan: Aluminium
Bahrain Case**

Q&A



SPEAKERS OF INVESTOR RELATIONS SEMINAR



Clemence Piot

General Manager at Middle East Investor Relations Association (MEIRA)



Eline Hilal

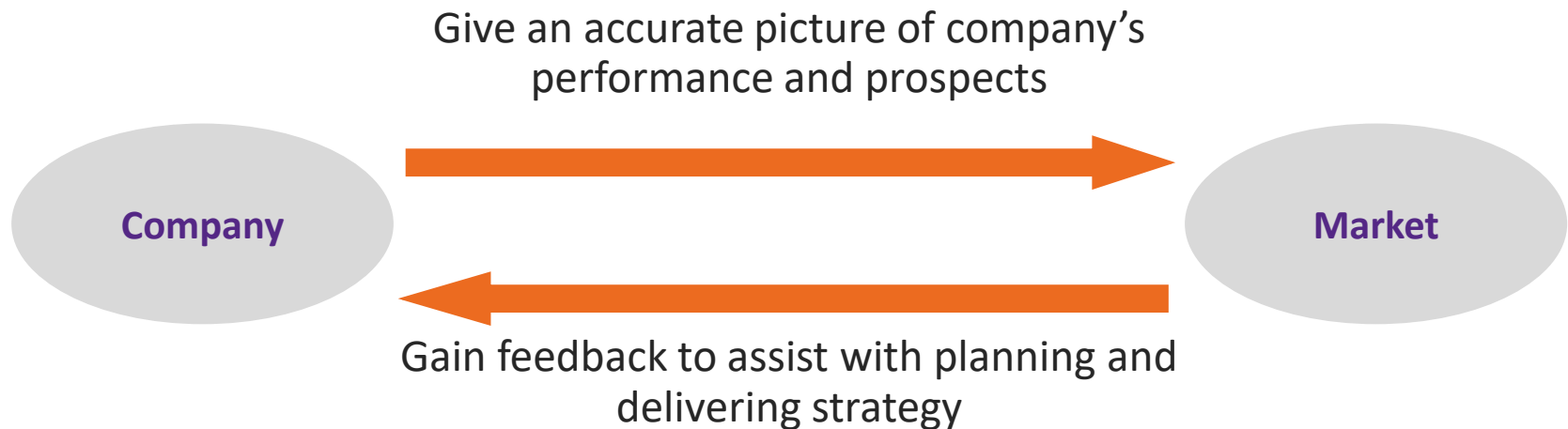
Senior Manager, Investor Relations & Corporate Secretary at Aluminium Bahrain



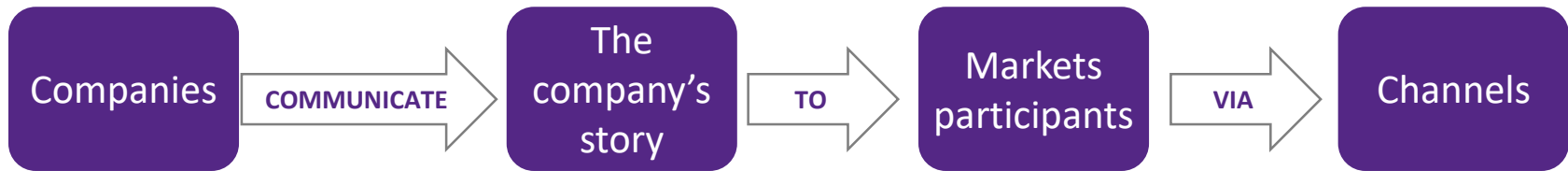
Introduction to the Middle East Investor Relations Association

Introduction to Investor Relations

IR as a strategic management responsibility that integrates finance, communication, marketing and securities law compliance to enable the most effective two-way communication between a company, the financial community and other constituencies which ultimately contributes to a company's securities achieving fair valuation.



The role of Investor Relations



- IRO
- CFO
- CEO
- Board
- Business lines Executives
- Country Managers

- Equity story
- Debt story
- Strategy
- Financial results
- Outlook
- ESG disclosures

- Shareholders
- Buy-side investors
- Sell-side analysts
- Banks
- Financial Media
- Stock Exchange/regulator

- Website
- AGM
- Conference calls
- Face to face
- Capital markets days
- Conferences
- Interviews

Value of Investor Relations

1

Access to capital

An active IR program builds familiarity with the company and its investment proposition enabling it to more readily access capital from both existing and potential shareholders.

2

Liquidity

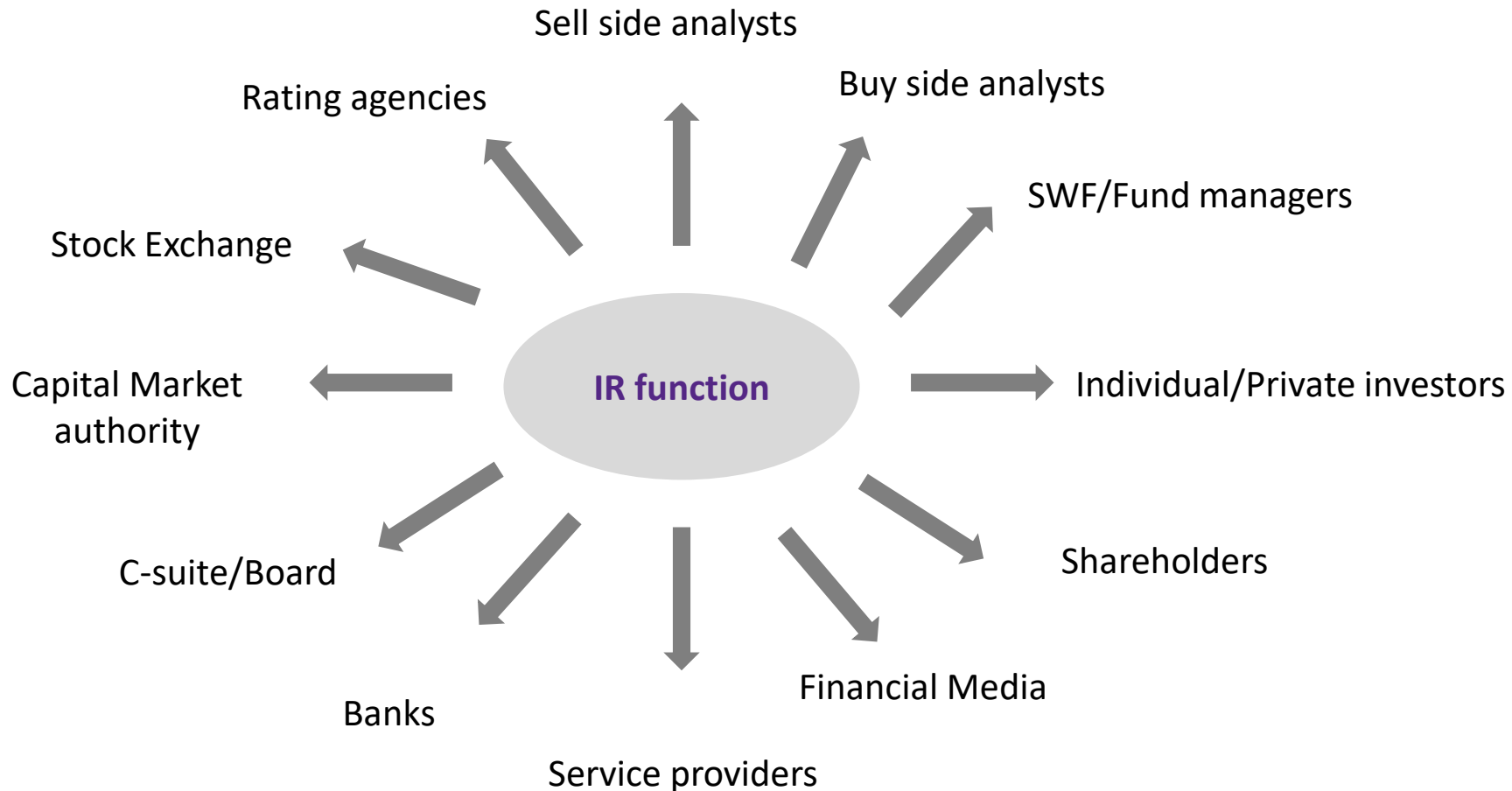
By providing continuous flow of information, a good IR programme creates awareness and promotes the climate of trust needed for a deep and active shareholder base provides liquidity in shares. Liquidity helps to attract potential shareholders.

3

Fair valuation

Achieving fair valuation of the company's stock is the ultimate goal of any IR program. An active communication strategy enables managers to better align investor expectations with corporate goals.

Your stakeholders



The Investor Relations function

Support and structure



External support

- Investor relations advisors
- Financial PR agencies
- Investment banks (ECM, DCM, DRs)
- Accounts and web designers
- Annual reports designers
- Lawyers

Investor Relations - Regulation

- **International regulatory environment**
 - Internationally, capital markets are increasingly regulated, towards more transparency and ease of access to information for shareholders.
- **In UAE:**
 - Since 2014 it is MANDATORY for all listed companies to appoint an IR Officer and to have an IR programme in place (analyst conference calls, investor conferences, IR Website etc).
- **In Oman:**
 - Since October 2018 it is MANDATORY for all listed companies to appoint an IR Officer and to have an IR webpage on the company website.
- **In KSA:**
 - In October 2018, the Saudi CMA published a statement urging listed companies to set up an IR division, and would envisage a regulation if the companies were not complying voluntarily. [Read statement.](#)

The Middle East Investor Relations Association



The Middle East Investor Relations Association (MEIRA or 'the Association') is an independent, non-profit organisation dedicated to promoting the Investor Relations (IR) profession and international standards in corporate governance.

The mission of MEIRA is to enhance the reputation, efficiency and attractiveness of the Middle East capital markets. www.meira.me

Being member of MEIRA

- **Corporate Membership:**

- 1 membership per company
- Valid for 1 Year from subscription date
- Low fees - US\$1,800/year/company

[Download the subscription form to become a member](#)

- **Benefits:**

- Invitation and free attendance to all MEIRA events across the region, covering a large range of IR topics.
- Access to the Bahrain Chapter once set up.
- Up to 25% discounted rates for training.
- Right to display the 2018/2019 MEIRA Member logo on any support of your choice (signature, business card, corporate website, LinkedIn profile).
- 20% discount on IR Magazine annual subscription.

The Middle East Investor Relations Association

Our activities

Membership

Engage with your peers, and be part of a network of IR professionals in your local Chapter.

Training & education

Learn more about IR best practice, receive a certification and train your team.

Resources

Benefit from researches, guides and publications regularly sent to our members.

Events

We organise Conferences, seminars and Awards ceremony every year in the Middle East.

Access

Gain access to the best international IR professionals to support developing your IR programme.

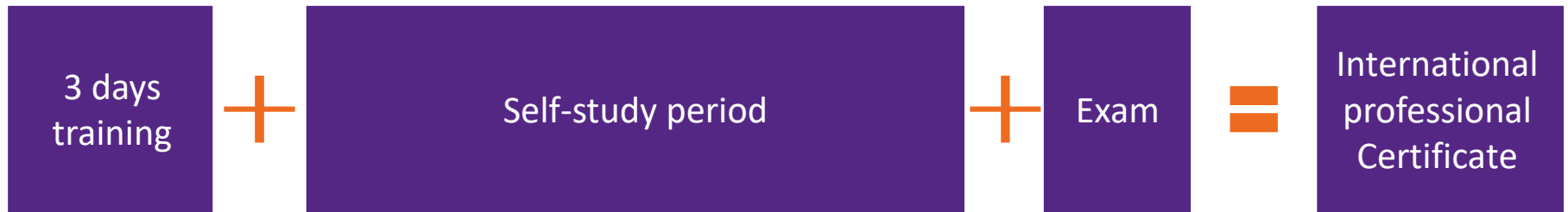
Introduction to Investor Relations



The benefit of the training:

- Provide you with an in-depth knowledge to understand the role and principles of Investor Relations (IR) and the local & international regulations affecting the IR function.
- The course will also give you a hint and prepare you with the basic knowledge required to become a Certified Investor Relations Officer (CIRO).

CIRO Programme



The benefit of the Certification:

- Prestigious and internationally recognized Certification
- Selective Exam, multiple tentative are allowed
- Includes all an IRO needs to know to perform his/her day-to-day job

- **Existing MEIRA Chapters**

- UAE (Dubai and Abu Dhabi)
- Qatar
- Kuwait
- Oman
- Palestine
- Saudi Arabia (2017)
- Jordan (2019)
- Lebanon (2019)

- **Benefits of having a local Chapter:**

- Raise the standards of IR Best Practice and disclosures in Bahrain.
- Work towards a more transparent and liquid market, attracting more international investors.
- Create an IR Community.
- Attract international speakers/experts to share their IR knowledge.



ALBA Investor Relations plan

IR Seminar
November 07, 2018



DISCLAIMER

This document has been prepared and issued by and is the sole responsibility of Aluminium Bahrain B.S.C. (the “Company”). The document is being supplied to you solely for your information and for use at the Company’s presentation. No information made available to you in connection with the presentation may be passed on, copied, reproduced, in whole or in part, or otherwise disseminated, directly or indirectly, to any other person. This document and its contents are directed only to the intended audience. It is being made on a confidential basis and is furnished to you solely for your information. By accepting this material the recipient confirms that he or she is a relevant person. This document must not be acted on or relied on by persons who are not relevant persons. Any investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons. If you are not a relevant person you should not attend the presentation and should immediately return any materials relating to it currently in your possession. Forward-looking statements speak only as at the date of this presentation and Aluminium Bahrain B.S.C. expressly disclaims any obligations or undertaking to release any update of, or revisions to, any forward-looking statements in this presentation. No statement in this presentation is intended to be a profit forecast. As a result, you are cautioned not to place any undue reliance on such forward-looking statements. You should not base any behaviour in relation to financial instruments related to the Company’s securities or any other securities and investments on such information until after it is made publicly available by the Company or any of their respective advisers. Some of the information is still in draft form and has not been legally verified. The Company, its advisers and each of their respective members, directors, officers and employees are under no obligation to update or keep current information contained in this presentation, to correct any inaccuracies which may become apparent, or to publicly announce the result of any revision to the statements made herein except where they would be required to do so under applicable law, and any opinions expressed in them are subject to change without notice. No representation or warranty, express or implied, is given by the Company, its undertakings or affiliates or directors, officers or any other person as to the fairness, accuracy or completeness of the information or opinions contained in this presentation and no liability whatsoever for any loss howsoever arising from any use of this presentation or its contents otherwise arising in connection therewith is accepted by any such person in



Agenda

1. Investor Relations (IR) Definition	4
2. Primary Goals of IR	6
3. IR Objectives	10
4. IR Activities	12
5. IR Key Stakeholders	14
6. Key Elements of IR	16
7. Investor Relations' Influence on Alba	19



What is Investor Relations (IR)?

Investor relations is a strategic management responsibility that integrates **finance, communication, marketing** and **securities law' compliance** to enable the **most effective two-way communication** between the **Company**, the **Financial Community** and other constituencies – which ultimately contributes to the Company's securities achieving fair valuation. (Adopted by the NIRI Board of Directors, March 2003.)

Investor relations, when conducted effectively, will also preserve and enhance the Company's credibility in both the investment community and the public arena.



Agenda

- | | |
|--|----------|
| 1. Investor Relations (IR) Definition | 4 |
| 2. Primary Goals of IR | 6 |
| 3. IR Objectives | 10 |
| 4. IR Activities | 12 |
| 5. IR Key Stakeholders | 14 |
| 6. Key Elements of IR | 16 |
| 7. Investor Relations' Influence on Alba | 19 |



Primary Goals of Investor Relations

- Ensure that financial markets **value accurately** the Company's assets, expectations of future earnings and cash flows;
- Maintain favorable **access to capital markets**;
- Maintain **market liquidity** under all conditions;
- Inform management and BOD about developments in financial markets and perceptions of investors;
- Enhance management's understanding of peers' performance, strengths and strategies;
- Maintain **open communications and credibility** with investors, employees, customers, suppliers and communities in which the Company operates; and
- Ensure **consistency of communications/ messages** with related constituencies and the trade, financial and general media.



IR Short-Term Goals

- Profile shareholder-base
- Compile extended sell-side analyst target list
- Work on Investor Presentations
- Compile list of industry media contacts in the industry
- Compile and analyse peer group ownership data
- Prepare detailed department budget
- Meet with all CXOs
- Increase retail shareholders' awareness
- Develop formal disclosure policies
- Disseminate company-wide policy/procedures concerning external communications
- Meet with HR/PR to set internal communications strategy
- Update photos and bios of BOD and CXOs
- Establish IR calendar



IR Long-Term Goals

- Analyze industry sell-side analyst coverage
- Analyze shareholder-base and determine best mix
- Increase daily trading volume/activity
- Establish plan for continuous contact with analysts and major shareholders
- Increase exposure at conferences/presentations
- Expand knowledge and understanding of your industry
- Prepare IR presentation for BOD meetings
- Visit subsidiaries/field offices and build relationships with division heads
- Set global IR strategies
- Educate employees about investing
- Work with outside consultants where appropriate



Agenda

- | | |
|--|-----------|
| 1. Investor Relations (IR) Definition | 4 |
| 2. Primary Goals of IR | 6 |
| 3. IR Objectives | 10 |
| 4. IR Activities | 12 |
| 5. IR Key Stakeholders | 14 |
| 6. Key Elements of IR | 16 |
| 7. Investor Relations' Influence on Alba | 19 |



IR Objectives

- Advise management on shareholders' value creation and market behaviours;
- Establish a leadership role in defining and executing strategies;
- Provide ongoing education to management;
- Maintain a meaningful investor feedback system;
- Successfully target and create a strong base of longer-term institutional shareholders;
- Manage the disclosure process;
- Improve the information of communications' materials;
- Attract individual investors; and
- Keep the BOD informed on market perceptions and status of the IR Program



Agenda

- | | |
|--|-----------|
| 1. Investor Relations (IR) Definition | 4 |
| 2. Primary Goals of IR | 6 |
| 3. IR Objectives | 10 |
| 4. IR Activities | 12 |
| 5. IR Key Stakeholders | 14 |
| 6. Key Elements of IR | 16 |
| 7. Investor Relations' Influence on Alba | 19 |



Basic IR Activities

- Administrative;
- Annual General Meeting/ Capital Market Day;
- Communication Channels;
- Conference Calls;
- Relationship Management;
- Info Disclosure;
- Market Intelligence/Peer Analysis;
- Proxy Process; and
- Shareholder Relations

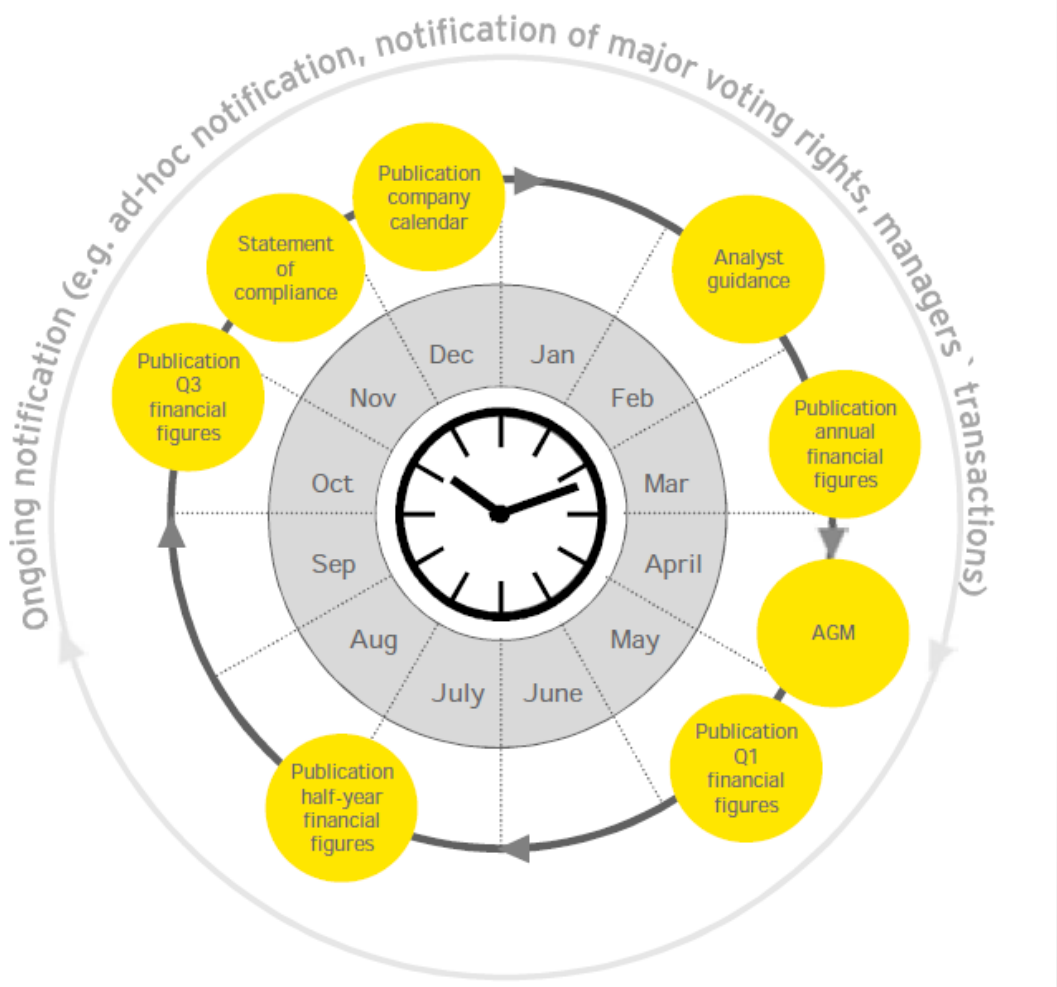




Basic IR Activities

IR obligations

IR voluntary



Agenda

- | | |
|--|-----------|
| 1. Investor Relations (IR) Definition | 4 |
| 2. Primary Goals of IR | 6 |
| 3. IR Objectives | 10 |
| 4. IR Activities | 12 |
| 5. IR Key Stakeholders | 14 |
| 6. Key Elements of IR | 16 |
| 7. Investor Relations' Influence on Alba | 19 |



Key Relationships: Internal versus External Stakeholders

Internal Stakeholders

Chairman & Board of Directors
CEO & CXOs
Business Units* Directors/Managers
Finance Manager
Public Relations Manager
Corporate Secretary
Legal Manager

External Stakeholders

Institutional Portfolio Managers
Buy-side/Sell-side Analysts
Individual Shareholders
Brokers
Financial Publications
Investment Bankers
Suppliers/ Customers
Government Agencies
Regulators
Financial Community
Rating Agencies
Media

* Depends on Industry Type



Agenda

- | | |
|--|-----------|
| 1. Investor Relations (IR) Definition | 4 |
| 2. Primary Goals of IR | 6 |
| 3. IR Objectives | 10 |
| 4. IR Activities | 12 |
| 5. IR Key Stakeholders | 14 |
| 6. Key Elements of IR | 16 |
| 7. Investor Relations' Influence on Alba | 19 |



Key Elements of IR Plan: **Calendar-Driven**

- **Filings (Institutional Ownership)**
- **Annual General Meeting**
- **Annual Report**
- **Earnings Conference Call**
- **Earnings Releases**
- **Proxy Solicitation & Mailing of Proxy Materials**
- **On-time Disclosure**
- **Prospectus**



Key Elements of IR Plan: **Tactic-Driven**

- **Analyst Contact/ Analyst Meetings**
- **Budget**
- **Crisis Communications Plan**
- **Fact Sheet**
- **Investors' Screening (ongoing)**
- **Investor Relations Kit**
- **Media List**
- **Press Releases**
- **Relationships with Market-Makers**
- **Photo Archives**



Key Elements of IR Plan: **Strategy-Driven**

- Capital Market Day/Analyst Day
- Benchmarking
- **Competitive Industry Analysis**
- **Corporate Governance**
- **Disclosure Policies**
- Employee Communications
- **Investor Conferences/One-on-One Meetings**
- **Market Intelligence**
- **Sell-side Outreach**
- **Investors' Targeting**



Agenda

1. Investor Relations (IR) Definition 4
2. Primary Goals of IR 6
3. IR Objectives 10
4. IR Activities 12
5. IR Key Stakeholders 14
6. Key Elements of IR 16
- 7. Investor Relations' Influence on Alba 19**



Investor Relations' Influence on Alba

- Boost market valuation (higher share prices), maximize investor demand via communicating its investment proposition
- Create a culture of transparency
- Use shareholder IDs to inform IR Strategies & Investors' Targeting
- Help access to capital at favourable prices
- Leverage right brokers to screen institutional investors
- Keep audience on check
- Keep intrinsic investors content as they matter



THANK YOU



STAY IN TOUCH

◆ To express your interest in joining MEIRA and be part of the Bahrain Chapter, kindly contact us on:

info@meira.me

mbsd.info@bahrainbourse.com



بورصة البحرين
BAHRAIN

THANK
YOU



www.bahrainbourse.com

بورصة البحرين
BAHRAIN BOURSE

