

## EARNINGS RELEASE

### MA'ADEN REPORTS SECOND QUARTER AND FIRST HALF 2024 RESULTS

**RIYADH, 11 August 2024** – Saudi Arabian Mining Company (“Ma’aden” or the “Company”, 1211 on the Saudi Exchange), the largest multi-commodity mining and metals company in the Middle East, today reported its financial results for the second quarter and first half of 2024, with solid profitability across BUs.

#### FINANCIALS HIGHLIGHTS

- Revenue of SAR 14.53 billion (H1-FY23: SAR 15.01 billion) mainly due to lower Phosphate BU sales.
- EBITDA of SAR 5.91 billion (H1-FY23: SAR 4.50 billion) up 31 % due to significant improvement in production costs.
- Net profit<sup>1</sup> of SAR 2.01 billion (H1-FY23: SAR 770 million) up 160% supported by improved production costs, lower depreciation, and insurance claim benefit.
- Strong cash generation from operations of SAR 4.2 billion<sup>2</sup> in H1-FY24 and closing cash position of SAR 11.90 billion<sup>2</sup>.
- Net Debt to EBITDA remained within guided range at 2.3x.

**1:** Attributable to equity holders of Ma’aden    **2:** including time deposits and related impact.

#### OPERATIONAL AND STRATEGIC HIGHLIGHTS

- Stable overall production volumes and improved operating costs, resulting in better margins and profitability.
- Phosphate 3 Phase 1 expansion progressing with early construction work underway.
- Central Arabian Gold Region development focused on drilling across Uruq South, Umm Salaam and Massarah North to scale potential 10 to 20Moz Exploration upside.
- Completed acquisition of 10% in Vale Base Metals through Manara Minerals.
- Signed SPA to increase Maaden equity share in MWSPC to 85 % by acquiring Mosaic’s stake.
- Contractor fatality post-period end; full incident report in-progress.

**Bob Wilt, Ma'aden CEO said:**

*"We delivered a strong first half of 2024, demonstrating our ability to realize the benefits of operational efficiencies in a stable environment. Our large-scale Phosphate 3 project is progressing, with construction underway, and we are moving forward with a new Aluminium recycling plant at Ras Al-Khair. Additionally, the successful completion of our investment in Vale Base Metals through Manara, is set to increase our exposure to green metals.*

*"Our strategic partnerships and technology-led innovation programs are fast-tracking mineral discoveries through the world's largest greenfield exploration program of its kind. We are committed to delivering on our strategy to further strengthen Ma'aden's leadership position globally and as we position mining as the third pillar of the Saudi economy."*

**SUMMARY OF FINANCIAL RESULTS**

SAR (million)	Q2-FY24	Q1-FY24	Variance	H1-FY24	H1-FY23	Variance
<b>Revenue</b>	<b>7,184</b>	7,348	-2%	<b>14,532</b>	15,011	-3%
<b>EBITDA<sup>1</sup></b>	<b>2,924</b>	2,984	-2%	<b>5,908</b>	4,496	+31%
EBITDA margin %	<b>41%</b>	41%	+0.1pp	<b>41%</b>	30%	+11pp
<b>Net profit/(loss)<sup>1</sup></b>	<b>1,024</b>	982	+4%	<b>2,006</b>	770	+160%
Net profit/(loss) margin %	<b>14%</b>	13%	+1pp	<b>14%</b>	5%	+9pp
<b>EPS (SAR)<sup>1</sup></b>	<b>0.28</b>	0.27	+4%	<b>0.54</b>	0.21	+161%

<sup>1</sup>: Attributable to equity holders of Ma'aden | Numbers presented may not add up precisely to the totals provided due to rounding

In the second quarter of 2024, Ma'aden generated revenue of SAR 7.18 billion, down 2% Quarter-on-Quarter ("QoQ") driven primarily by lower DAP prices and a planned Ammonia shutdown in May and June which impacted production. This was partially offset by increased sales volumes in DAP, Alumina and FRP, and higher prices across Alumina, Primary Aluminium, FRP and Gold, which positively contributed to performance.

EBITDA for the quarter stood at SAR 2.92 billion, supported by a strong improvement in the Aluminium BU. Effective management of operating expenses, alongside an insurance claim benefit in the Aluminium BU from last year's pot relining, ensured the EBITDA margin remained steady at

41% despite higher energy prices. Net profit was up QoQ to SAR 1.02 billion with the margin expanding to 14%, supported by lower zakat and severance fees.

H1-FY24 EBITDA increased year-on-year ("YoY") by 31% due to higher production and sales volumes across Aluminium and Gold, alongside improved overall raw material costs, and the continued focus on operational efficiencies across the business. This supported an increase in the EBITDA margin to 41% from 30% in H1-FY23 driven by improved operating costs and the impact that the one-off industrial utility charge had in the previous year.

## RESULTS BY REPORTING SEGMENT

Ma'aden operates through three Business Units (BUs) - Phosphate, Aluminium, and Base Metals and New Minerals ("BMNM").

### 1. Phosphate

SAR (million)	Q2-FY24	Q1-FY24	Variance	H1-FY24	H1-FY23	Variance
<b>Sales</b>	<b>3,698</b>	4,251	-13%	<b>7,949</b>	9,457	-16%
<b>EBITDA</b>	<b>1,594</b>	2,060	-23%	<b>3,654</b>	4,058	-10%
<i>EBITDA margin</i>	<b>43%</b>	48%	-5pp	<b>46%</b>	43%	+3pp
<b>Production volume (kmt)</b>						
<b>DAP</b>	<b>1,448</b>	1,445	+0.2%	<b>2,893</b>	3,156	-8%
<b>Ammonia</b>	<b>629</b>	850	-26%	<b>1,479</b>	1,696	-13%
<b>Sales volume (kmt)</b>						
<b>DAP</b>	<b>1,516</b>	1,427	+6%	<b>2,943</b>	3,150	-7%
<b>Ammonia</b>	<b>360</b>	488	-26%	<b>848</b>	1,044	-19%
<b>Avg. realized prices (\$/MT)</b>						
<b>DAP</b>	<b>526</b>	591	-11%	<b>557</b>	568	-2%
<b>Ammonia</b>	<b>338</b>	346	-2%	<b>346</b>	421	-18%

*Numbers presented may not add up precisely to the totals provided due to rounding.*

The Phosphate BU generated revenue of SAR 3.70 billion and EBITDA of SAR 1.59 billion in Q2-FY24. DAP production volumes remained steady with sales volumes up 6% QoQ despite slightly

weaker realized prices. Ammonia production volumes fell by 26% QoQ due to the planned turnaround in the second quarter, with sales volumes down 26% on flat prices. The lower EBITDA margin in the quarter was impacted by lower Ammonia sales volumes and lower DAP prices, partially offset by operational efficiencies and effective cost management.

H1-FY24 EBITDA margin improved to 46% supported by operational efficiencies and lower raw material costs YoY. Revenue and EBITDA for the first half were impacted due to an overall softer pricing environment, and subdued DAP demand from key markets YoY, in addition to the planned Ammonia turnaround in Q2-FY24.

On 30 April 2024, Ma'aden announced its intention to increase its stake in Ma'aden Wa'ad Al Shamal Phosphate Company ("MWSPC") to 85% through a share purchase agreement with The Mosaic Company ("Mosaic"). This aligns with Ma'aden's growth strategy and is expected to enhance integration across its phosphate operations.

## 2. Aluminium

SAR (million)	Q2-FY24	Q1-FY24	Variance	H1-FY24	H1-FY23	Variance
<b>Sales</b>	<b>2,484</b>	2,103	+18%	<b>4,587</b>	4,257	+8%
<b>EBITDA</b>	<b>936</b>	581	+61%	<b>1,518</b>	66	+2,187%
<i>EBITDA margin</i>	<b>38%</b>	28%	+10pp	<b>33%</b>	2%	+32pp
<b>Production volume (kmt)</b>						
<b>Alumina</b>	<b>493</b>	440	+12%	<b>933</b>	813	+15%
<b>Aluminium</b>	<b>240</b>	246	-2%	<b>486</b>	408	+19%
<b>FRP</b>	<b>66</b>	52	+27%	<b>118</b>	130	-9%
<b>Sales volume (kmt)</b>						
<b>Alumina</b>	<b>83</b>	74	+12%	<b>157</b>	301	-48%
<b>Aluminium</b>	<b>153</b>	153	--	<b>305</b>	217	+41%
<b>FRP</b>	<b>66</b>	57	+16%	<b>123</b>	131	-6%
<b>Avg. realized prices (\$/MT)</b>						
<b>Alumina</b>	<b>419</b>	372	+13%	<b>395</b>	357	+11%
<b>Aluminium</b>	<b>2,574</b>	2,285	+13%	<b>2,430</b>	2,461	-1%
<b>FRP</b>	<b>3,475</b>	3,283	+6%	<b>3,387</b>	3,764	-10%

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The Aluminium BU generated revenue of SAR 2.48 billion in Q2-FY24. The increase of 18% was driven by an increase in production and sales of Alumina, in addition to improvements in the Flat Rolled Product ("FRP") market as can sheet demand increased. EBITDA increased by 61% QoQ to SAR 936 million driven by higher sales prices and lower raw material prices and operational efficiencies, partially offset by higher energy costs. In addition, EBITDA was further supported by an insurance claim of SAR 270 million relating to the pot relining program which was recognized during the quarter.

H1-FY24 showed a significant improvement YoY in production across Alumina and Aluminium with sales up 8% and EBITDA recovering significantly to SAR 1.52 billion. This was primarily driven by improved raw material costs, higher Primary Aluminium production and sales volumes following the successful completion of the pot relining program which impacted the prior year, alongside the insurance claim recognized in the quarter.

### 3. Base Metals and New Minerals

SAR (million)	Q2-FY24	Q1-FY23	Variance	H1-FY24	H1-FY23	Variance
<b>Sales</b>	<b>1,002</b>	994	+1%	<b>1,996</b>	1,278	+56%
<b>EBITDA</b>	<b>570</b>	565	+1%	<b>1,135</b>	787	+44%
<i>EBITDA margin</i>	<b>57%</b>	57%	--	<b>57%</b>	62%	-5pp
<b>Production volume (Koz)</b>						
<b>Gold</b>	<b>114</b>	127	-10%	<b>241</b>	176	+37%
<b>Sales volume (Koz)</b>						
<b>Gold</b>	<b>115</b>	127	-9%	<b>242</b>	176	+38%
<b>Avg. realized prices (\$/oz)</b>						
<b>Gold</b>	<b>2,317</b>	2,088	+11%	<b>2,197</b>	1,937	+13%

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The BMNM BU recorded a stable quarter following a period of sustained growth. Revenue and EBITDA remained steady as higher average realized gold prices were offset by lower production and sales volumes, primarily due to lower grades. Mansourah-Massarrah contributed 125 Koz in H1 and is on track to produce 250 Koz in 2024. The favourable market outlook saw gold prices continue to rise by 11% QoQ to \$2,317 per ounce.

H1-FY24 revenue increased by 56% YoY and EBITDA rose by 44% on higher average realized gold prices and production due to the increased contribution from Mansourah-Massarrah.

The large-scale exploration program continued to advance in Q2-FY24 across the Central Arabian Gold Region with a focus on infill and extension drilling across Uruq South, Umm Salaam and Massarah North. This has continued to return promising results as the company further scales the potential 10 to 20Moz Exploration upside across the region. In total, 123km was drilled during the quarter, bringing the total drilled in H1-FY24 to 236km. Separately, ~60km<sup>2</sup> of land was surveyed in the second quarter, totalling ~140km<sup>2</sup> for H1-FY24 using the Typhoon™ geophysical surveying system through the JV with Ivanhoe Electric. A third Typhoon™ system, now on site, will expand the use of the technology to other areas of the Kingdom. In addition, Ma'aden was granted new exploration licences in the quarter that extends and further consolidates the company's footprint in the Central Arabian Gold Region.

## OUTLOOK

Ma'aden remains on track to deliver on its FY24 production guidance across its business units. This is expected to be supported by a further stabilization in commodity prices and continuous improvements across the organization to make operations more efficient and scalable.

The Phosphate BU is continuing to develop the first phase of the Phosphate 3 mega-complex with initial groundwork earlier in the year and early construction work now progressing. The plant will add 1.5Mt annual capacity by the end of 2026.

The Aluminium BU is expected to benefit from improvements in raw material prices and power efficiency, with demand for flat rolled production further improving following a period of global destocking. The development of a new aluminium recycling plant at Ras Al-Khair is currently in prefeasibility stage and is expected to progress towards the bankable feasibility stage in Q3-FY24. This will produce approximately 400,000 Mt annually once operational in 2026.

The sustained gold price momentum provides a positive backdrop for the continued expansion of gold operations with Mansourah-Massarrah, Ma'aden's largest gold mine, now fully operational and on track to produce 250 Koz in 2024, contributing to the expected increase in FY24 production.

In addition, Ma'aden will continue to identify and drill targets across the Central Arabian Gold Region. This potentially world-class gold belt within the Arabian Shield has the potential to host 10~20 Moz of Exploration upside which the company will continue to delineate and scale in H2 and beyond. The drilling will focus on targets at Uruq South, Umm Salaam and Massarah North alongside expansion drilling on parallel structures within the belt.

The acquisition of 10% of Vale Base Metals by Manara Minerals, which completed in Q2, is set to significantly increase Ma'aden's exposure to green metals, critical to the global energy transition. In addition, Ma'aden will progress the acquisition of Mosaic's stake in MWSPC which is due to complete by the end of 2024, subject to regulatory and shareholder approval.

## Guidance

Ma'aden maintains the following FY24 production and capital expenditure guidance:

### Production Guidance – FY24

	Unit	Lower	Upper
DAP Equivalent	KMT	5,500	5,800
Ammonia	KMT	3,200	3,400
Alumina	KMT	1,600	1,800
Aluminium	KMT	850	1,050
Flat Rolled	KMT	240	290
Gold	Koz	450	560

### CAPEX Guidance – FY24

	Unit	Lower	Upper
Sustaining CAPEX	SAR (mn)	2,500	3,000
Growth CAPEX	SAR (mn)	5,600	6,600

## ANALYST CALL AND EARNINGS PRESENTATION

Ma'aden will be hosting an analyst call on Monday, 12 August 2024 at 17:00 KSA time to present its Q2-FY24 financial results. For conference call details, please email [invest@maaden.com.sa](mailto:invest@maaden.com.sa).

## ABOUT MA'ADEN

Ma'aden is the largest multi-commodity mining and metals company in the Middle East and among the fastest-growing mining companies in the world, with revenues of SAR 29.3 billion (US\$7.8 billion) in 2023.



We are developing the mining industry into the third pillar of Saudi economy in line with Vision 2030, and aim to be a role model in responsible and sustainable operations.

We operate 17 mines and sites, have 7,000+ direct employees and export products to over 30 countries. We are embarking on massive growth through our 2040 strategy, across phosphate, aluminium, gold, copper and new minerals – to leverage the Kingdom's estimated US\$2.5 trillion mineral endowment and international opportunities.

For more information, please visit <https://www.maaden.com.sa>

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