



Saudi Arabian Mining Company (Ma'aden)

Investor Presentation – Q4 & FY 2020 Results





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Mosaed Sulaiman Al Ohali

Chief Executive Officer



Ma'aden's 2025 Strategy

“Sustainable mining champion with global presence”



Pillar 1: Operational, capital and commercial excellence

- Enhance competitiveness
- Enhancing profitability and commercial return in line with the profitability of international companies
- Leverage digital technology and lean manufacturing to improve efficiency levels across all company assets



Pillar 2: National mining champion

- Grow sustainably phosphate, aluminum, gold and base metals in Saudi Arabia
- Grow in specific industrial minerals
- Leading the development of the Saudi mining sector



Pillar 3: Global presence

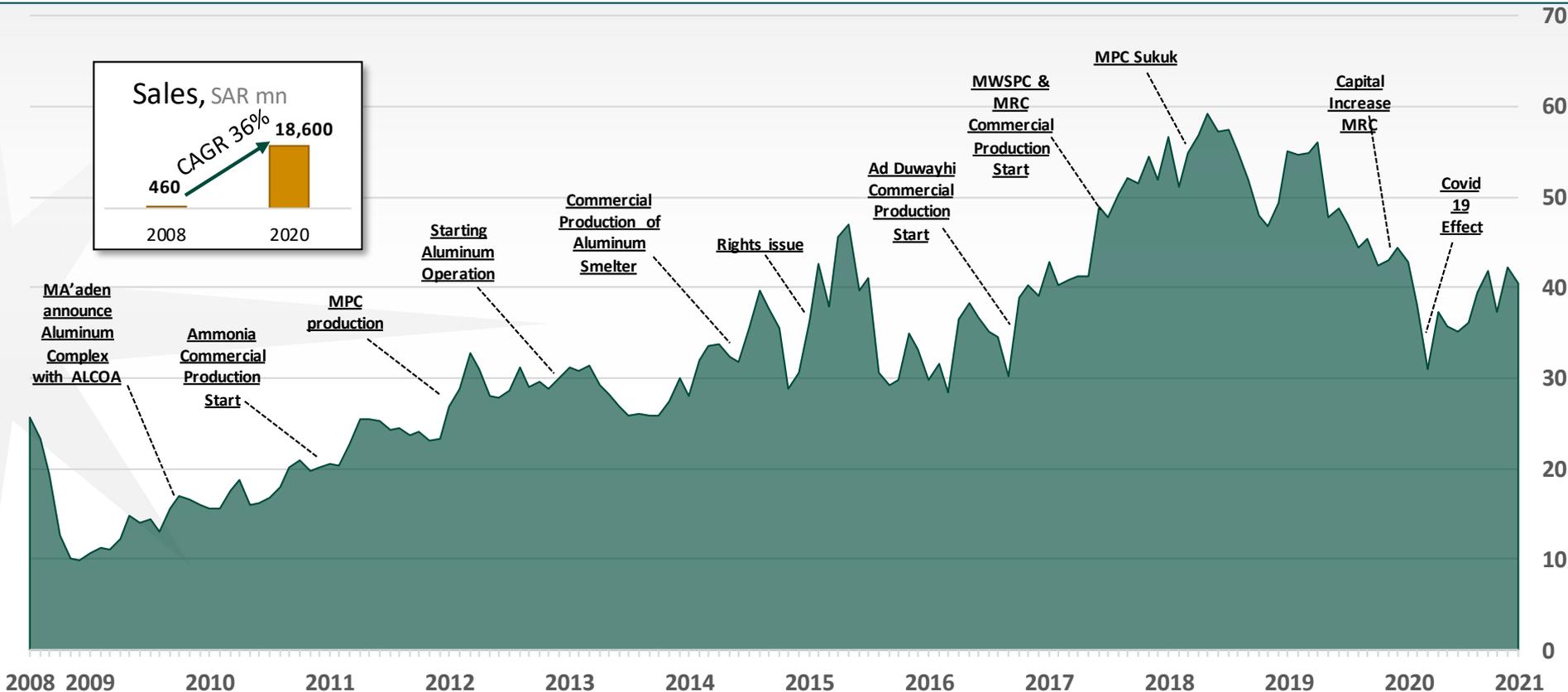
- Leverage world-class mineral deposits in Saudi Arabia to grow as a global industry leader
- Grow globally in selected commodities



Foundations : Sustainability and capability building

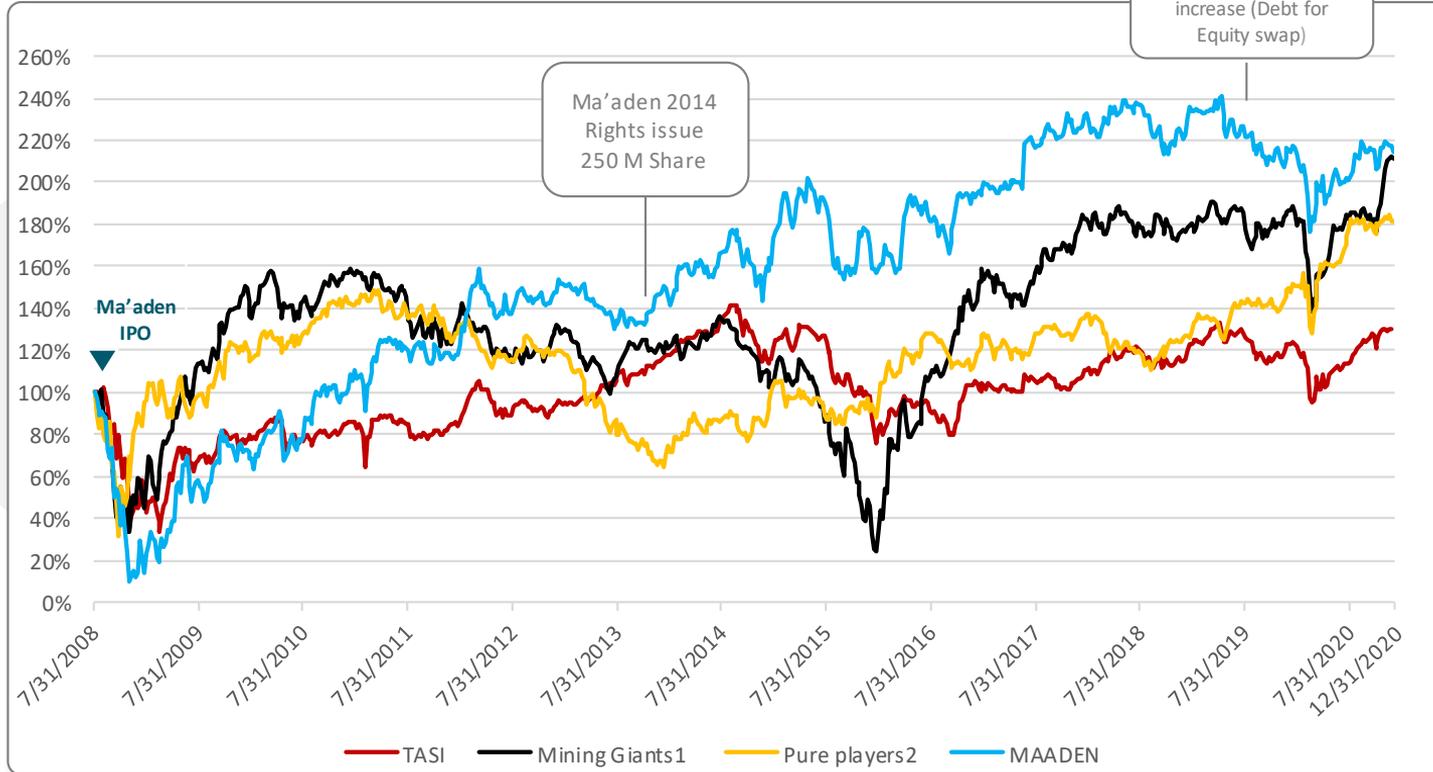
- Build best-in-class safety culture and practices across the organization and foster a zero-harm environment
- Strengthening capabilities and preparing leaders in all core business units to achieve Ma'aden's aspiration for growth
- Lead stewardship of the mining industry in Saudi Arabia and its ecosystem

MAADEN'S GROWTH SINCE ITS INCEPTION



Ma'aden's outperformed peers and the market

Share price returns (indexed to 100)



Annualized return since the IPO (in percent)

| | |
|----------------------------|------|
| Ma'aden | 9.2% |
| Mining Giants ¹ | 8.9% |
| Pure players ² | 6.6% |
| Saudi INDEX | 2.4% |

¹ Includes Anglo American, BHP, Glencore, Rio Tinto, Vale, Vedanta

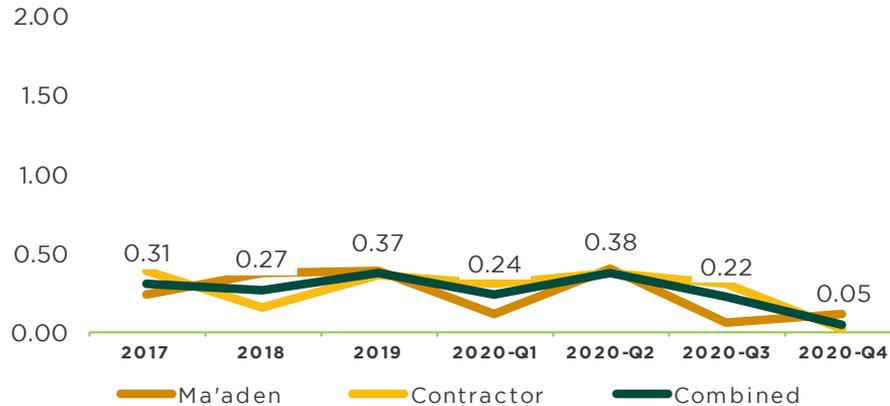
² Includes Aluminum Corp of China, Rusal, Mosaic, Phosagro, Barrick, GoldFields, Newmont

Health, Safety, Security & Environment (HSSE)

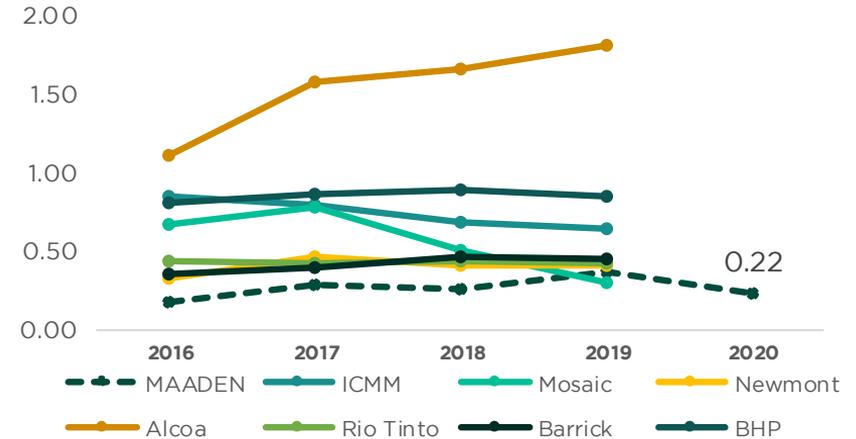


EHSS Performance

Total Recordable Injury Rate (TRIR)



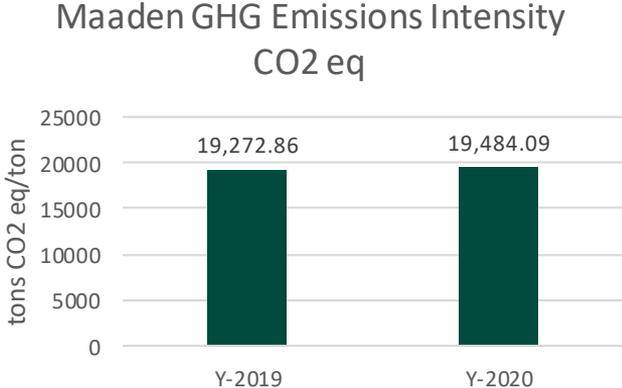
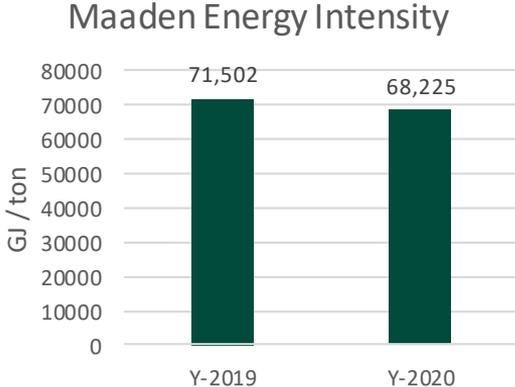
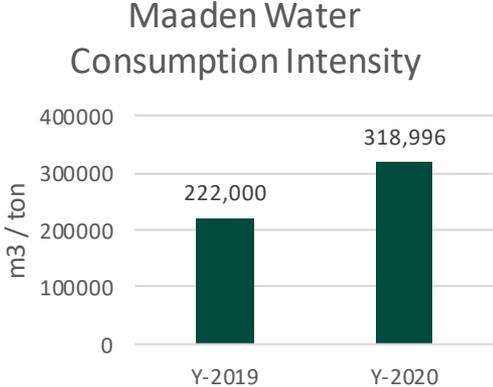
Benchmarking



- Downward trend of TRIR, continues
- Focus on EHSS incidents prevention efforts continue to be effective

TRIR: $\frac{\text{Recordable Injuries} \times 200,000}{\text{Manhours worked}}$

Environmental Sustainability - 2020

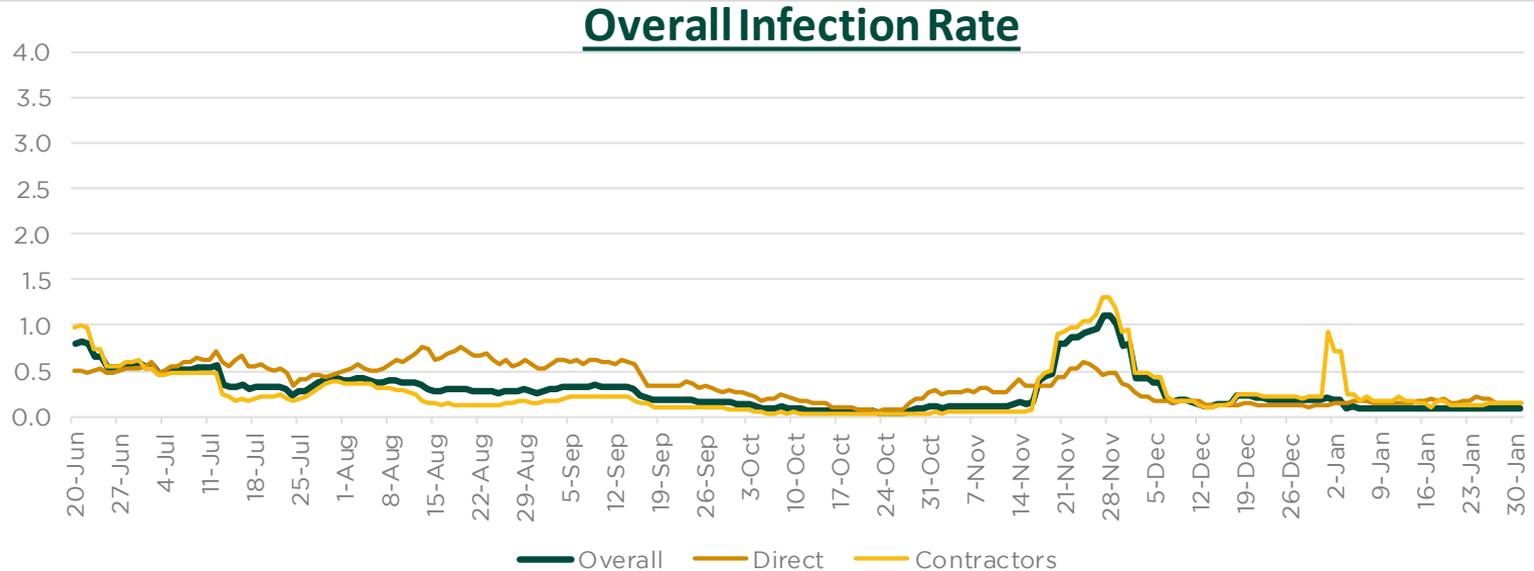


Water use increased due to water addition to new heap leach in MGBM-Bulghah mine

Covid-19 Update



COVID-19 Update



Infection rate is the percentage of the overall workforce with an active COVID-19 infection.

This is calculated by the following formula:

$$\frac{\text{\# of Active Infections} \times 100}{\text{Workforce}} = \text{Rate of Infection}$$

(The provided data included all Maaden Affiliates Employees including contractor count. The total number is approx. 22,000)

Q4 2020 Update



Q4 2020 - Financial Performance Update

Higher sales and EBITDA; net profit of SR**0.617**bn



Financial Performance

- **Sales** was SR**5.5**bn in Q4-20, up 19% q-o-q, due to higher product prices except gold, combined with higher sales volume of alumina, primary aluminum and FRP, along with higher Meridian sales; and up 13% y-o-y because of higher prices (except FRP), combined with higher volumes of APF, primary aluminum and FRP along with higher Meridian sales
- **EBITDA** was SR**2.0**bn, up 36% q-o-q, mainly due to higher sales and lower overheads expenses, partially offset by higher operating costs; and up 41% y-o-y, due to the higher sales, lower G&A, selling & marketing and exploration expenses
- **Net profit** was SR**0.617**bn in Q4-20, compared to the net loss of SR**0.1**bn in Q3-20, mainly due to higher EBITDA and higher share in JV's income and compared to the net loss of SR**0.43**bn in Q4-19 mainly due to higher EBITDA, higher share in JV net income, lower finance cost and lower zakat & tax partially offset by lower income from time deposits
- **Cash** generated from operations was SR**2.1**bn; up 210% q-o-q
- **Working capital** stood at SR**4.1**bn, down 16% q-o-q due to lower inventories, receivables and higher payables

Q4 2020 – Analyst Forecasts & Expectations

Market expectations for Q4 2020 were exceeded

| | | Sales | EBITDA | Net Profit | EPS |
|------------------------|-------------|--------------|--------------|--------------|-------------|
| Actual Q4 2020: | | 5.549 | 2.003 | 0.617 | 0.46 |
| Aljazira | Forecasts: | 4.961 | 1.401 | -0.071 | -0.06 |
| | vs. Actual: | 12% | 43% | -969% | -867% |
| Arqaam | Forecasts: | 5.219 | 1.893 | 0.336 | 0.27 |
| | vs. Actual: | 6% | 6% | 84% | 70% |
| BOAM | Forecasts: | 4.34 | <i>n.a.</i> | 0.062 | -0.58 |
| | vs. Actual: | 28% | <i>n.a.</i> | 895% | -179% |
| Citi | Forecasts: | <i>n.a.</i> | <i>n.a.</i> | <i>n.a.</i> | <i>n.a.</i> |
| | vs. Actual: | <i>n.a.</i> | <i>n.a.</i> | <i>n.a.</i> | <i>n.a.</i> |
| EFG | Forecasts: | 5.1 | 1.800 | 0.244 | 0.2 |
| | vs. Actual: | 9% | 11% | 153% | 130% |
| Falcom | Forecasts: | <i>n.a.</i> | <i>n.a.</i> | <i>n.a.</i> | <i>n.a.</i> |
| | vs. Actual: | <i>n.a.</i> | <i>n.a.</i> | <i>n.a.</i> | <i>n.a.</i> |
| GS | Forecasts: | 4.906 | 1.850 | 0.163 | 0.13 |
| | vs. Actual: | 13% | 8% | 279% | 254% |
| HSBC | Forecasts: | 4.268 | 1.414 | 0.131 | 0.11 |
| | vs. Actual: | 30% | 42% | 371% | 318% |
| SICO | Forecasts: | 5.093 | 1.800 | 0.201 | 0.163 |
| | vs. Actual: | 9% | 11% | 207% | 182% |
| Consensus | Forecasts: | 4.841 | 1.693 | 0.152 | 0.03 |
| | Percentage | 15% | 18% | 305% | 1282% |

Q4 2020 - Production Update



Production

- **Ammonium Phosphate** production was **1,338kt** (up 6% y-o-y and down 5% q-o-q)
- **Ammonia** production was **598kt** (down 3% y-o-y and down 1% q-o-q)
- **Aluminum** production was **260kt** (up 9% y-o-y and up 4% q-o-q)
- **Alumina** production was **455kt** (up 1% y-o-y and down 4% q-o-q)
- **Flat Rolled Products** production was **74kt** (down 5% y-o-y and up 9% q-o-q)
- **Gold** production was **90koz** (down 31% y-o-y and down 1% q-o-q)
- **Copper** production was **16kt** (down 1% y-o-y and up 4% q-o-q)

FY 2020 Update



FY 2020 - Financial Performance Update

Higher sales and EBITDA; smaller net loss of SR0.85bn



Financial Performance

- **Sales** reached SR**18.6bn**, up 5% vs. 2019, mainly due to higher volume sold except alumina and inclusion of Meridian sales for full year, partially offset by lower sales prices of all products except gold
- **EBITDA** reached SR**5.6bn**, up 1% vs. 2019, mainly due to volume impact, lower selling & marketing expenses, offset by higher operating expenses mainly volume related, higher G&A due to Meridian full year, higher severance fee and exploration expenses
- **Net loss** of SR**0.85bn** in 2020, lower than the net loss of SR**1.5bn** in 2019, mainly due to higher EBITDA and lower finance cost, partially offset by higher depreciation and lower income from term deposit
- **Cash** generated from operations was SR**4.0bn**, up 20% vs. 2019, mainly due to lower loss before zakat and lower working capital
- **Working capital** stood at SR**4.1bn** at the end of 2020; down 1% compared to the year-end 2019 balance, due to increase in trade payables and lower receivables partially offset by higher inventories

FY 2020 – Analyst Forecasts & Expectations

Market expectations for FY 2020 were beaten soundly

| | | Sales | EBITDA | Net Profit | EPS |
|------------------------|-------------|---------------|--------------|---------------|--------------|
| Actual FY 2020: | | 18.580 | 5.633 | -0.847 | -0.17 |
| Aljazira | Forecasts: | 17.992 | 5.037 | -0.852 | -0.69 |
| | vs. Actual: | 3% | 12% | -1% | -75% |
| Arqaam | Forecasts: | 17.923 | 5.161 | -0.734 | -0.6 |
| | vs. Actual: | 4% | 9% | 15% | -72% |
| BOAM | Forecasts: | 17.371 | 5.390 | -0.719 | -0.58 |
| | vs. Actual: | 7% | 5% | 18% | -71% |
| Citi | Forecasts: | 21.487 | <i>n.a.</i> | -0.946 | -0.77 |
| | vs. Actual: | -14% | <i>n.a.</i> | -10% | -78% |
| EFG | Forecasts: | 18.300 | 4.800 | -1.039 | -0.84 |
| | vs. Actual: | 2% | 17% | -18% | -80% |
| Falcom | Forecasts: | 17.500 | 5.000 | -0.700 | -0.59 |
| | vs. Actual: | 6% | 13% | 21% | -71% |
| GS | Forecasts: | 17.937 | 5.479 | -0.618 | -0.5 |
| | vs. Actual: | 4% | 3% | 37% | -66% |
| HSBC | Forecasts: | 17.299 | 4.208 | -0.649 | -0.53 |
| | vs. Actual: | 7% | 34% | 31% | -68% |
| SICO | Forecasts: | 16.703 | 5.517 | -0.556 | -0.45 |
| | vs. Actual: | 11% | 2% | 52% | -62% |
| Consensus | Forecasts: | 18.057 | 5.074 | -0.757 | -0.62 |
| | Percentage | 3% | 11% | 12% | -72% |

FY 2020 - Production Update



Production

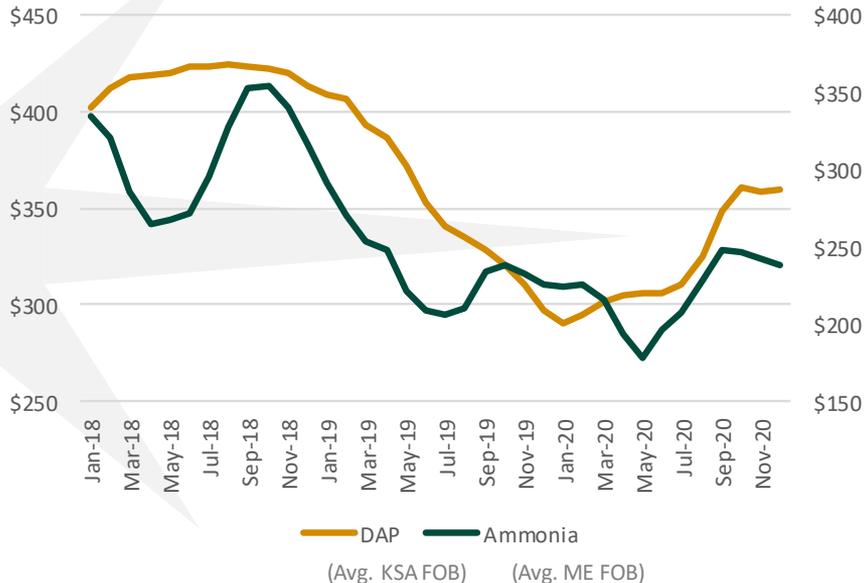
- **Ammonium Phosphate** production was **5,137kt** (down 2% vs. 2019)
- **Ammonia** production was **2,342kt** (up 4% vs. 2019)
- **Aluminum** production was **1,011kt** (up 5% vs. 2019)
- **Alumina** production was **1,782kt** (down 1% vs. 2019)
- **Flat Rolled Products** production was **303kt** (up 3% vs. 2019)
- **Gold** production was **409koz** (up 2% vs. 2019)
- **Copper** production was **68kt** (up 14% vs. 2019)

Market Prices & Outlook



Phosphate & Ammonia Prices

Phosphate and Ammonia prices stabilizing



Source: Bloomberg

Phosphate:

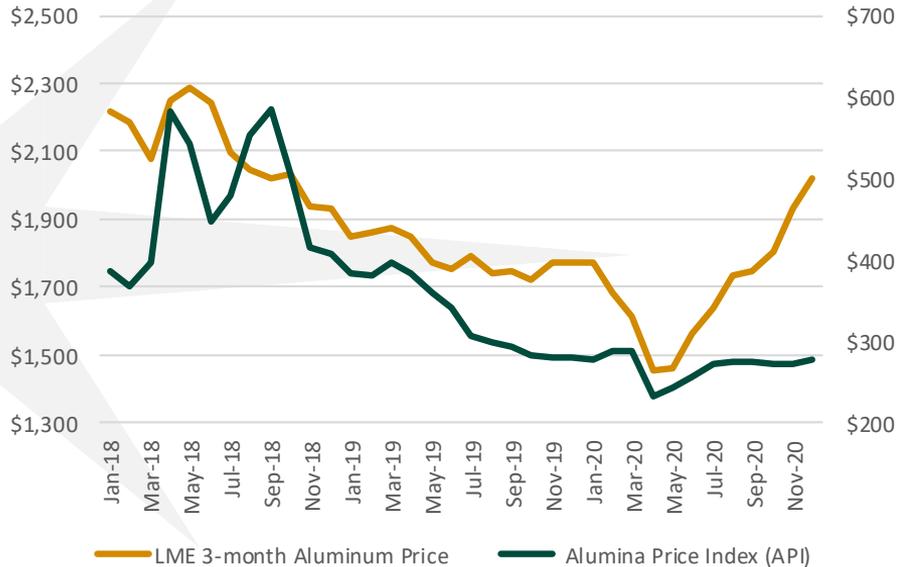
- Prices rose 10% vs. Q3-20
- Tight supply and strong demand across key markets
- High consumption in India for Rabi season
- Lower than average inventory levels in India
- Healthy farmer economics in both, the US and Brazil
- Chinese exports down 7% in 2020 (vs. 2019)
- Q1-2021 Outlook: Prices will remain on firm footing, underpinned by tight availability and strong demand

Ammonia:

- Prices increased 6% vs. Q3-20
- Driven by supply shortage and higher industrial demand
- Far Eastern industrial operating rates reached over 80% in Q4-20 vs sub 50% in early 2020
- Q1-2021 Outlook: Prices expected to remain firm due to tight supply and improved demand in the Far East

Aluminum & Alumina Prices

LME Prices continue on an uptrend



Source: Bloomberg

Aluminum

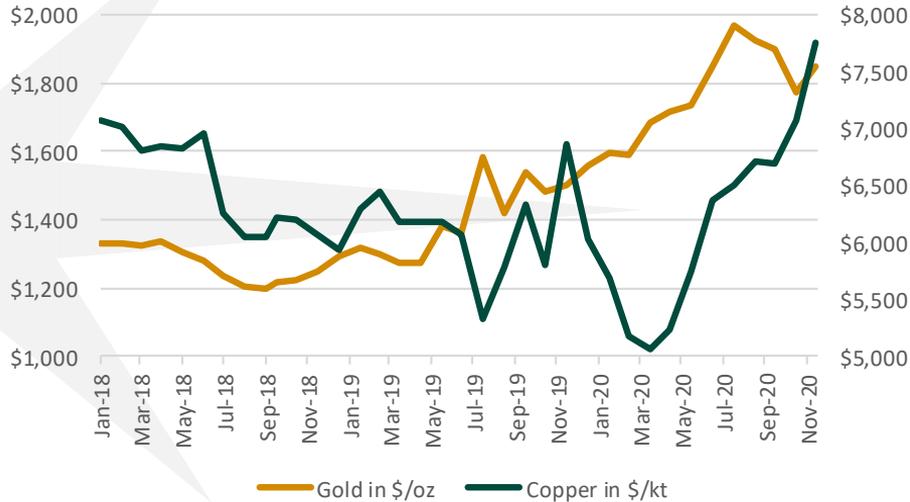
- Major Chinese demand and weak dollar drove Q4 prices
- Hope for stimulus across Europe and US underpinned sentiments of a quick recovery
- December first month since Covid-19 with positive y-o-y growth in the World ex-China
- Rising coronavirus cases and tighter restrictions in Europe could be detrimental to the near term recovery
- World had a 2.7 million tons surplus at the end of 2020; this will take some time to work down

Alumina

- Alumina prices rose 2.8% in Q4 vs. Q3
- Q4 saw a rebound in Chinese demand
- Price upside capped by a modest expected surplus due to higher production from Asian refineries

Gold & Copper Prices

Copper continues to rise; Gold inching higher



Source: Bloomberg

Gold

- 2020 was a strong year for gold which benefited from demand for capital safe-havens attributed to investor anxiety from COVID-19 and concerns about currency debasement
- Support still comes from accommodative monetary and fiscal policies, plus increased geopolitical risks
- The gold market is expected to remain in surplus in 2021, however expected to shrink from 1,909t in 2020 to 1,807t in 2021
- Expectations for the gold in 2021 are bullish as prices are expected to average \$1,895/oz in 2021

Copper

- Prices reached an eight year-high
- The assumption is that rest of world demand will recover by 7% in 2021, with Chinese consumption growing by a further 3.5%.
- Some expectation of further Chinese stockpiling means that a deficit is more likely.

Yaser A. Barri

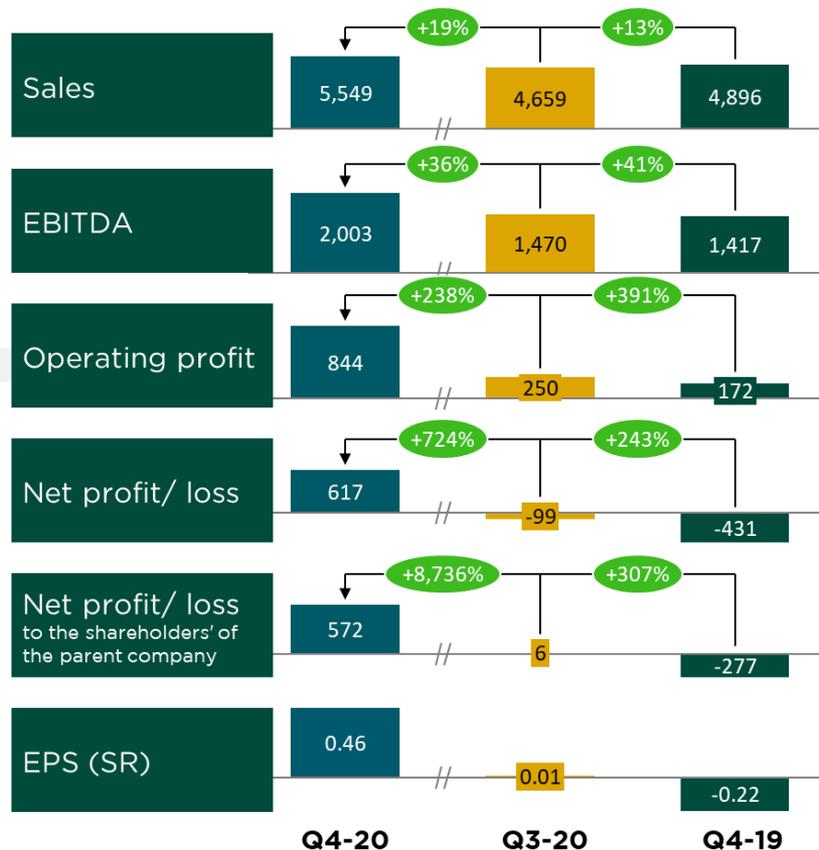
SVP, Finance & Chief Financial Officer (A)



Q4 2020 - Financial Performance



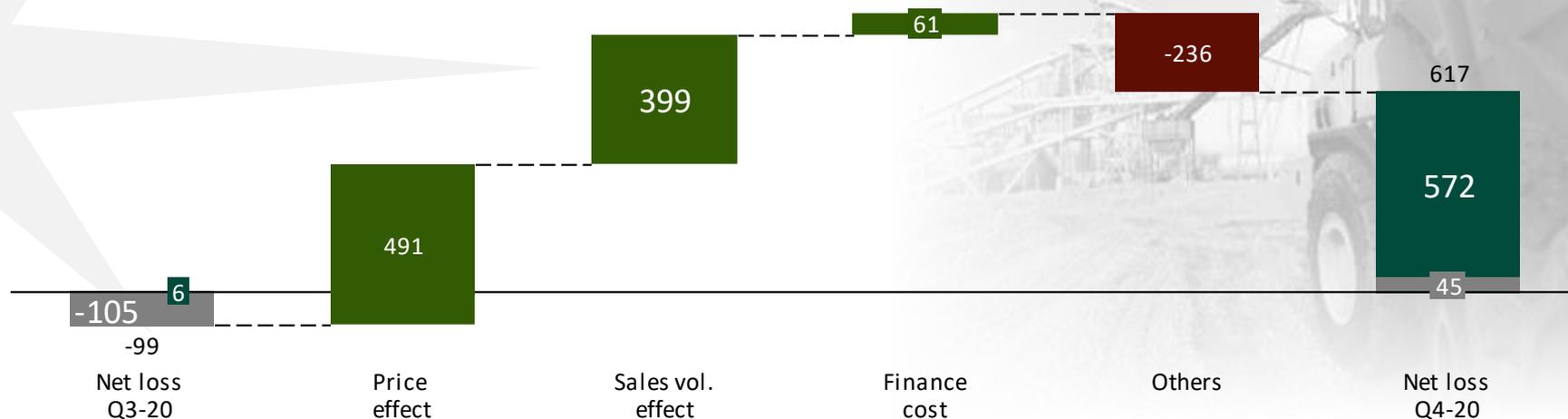
Q4 2020 - Consolidated Key Financial Results



Q4 net profit compared to Q3-20 net loss

Movement in net profit by line items (q-o-q)

- Profit / (Loss) attributed to the shareholders' of parent co.
- Profit / (Loss) attributed to minority interest

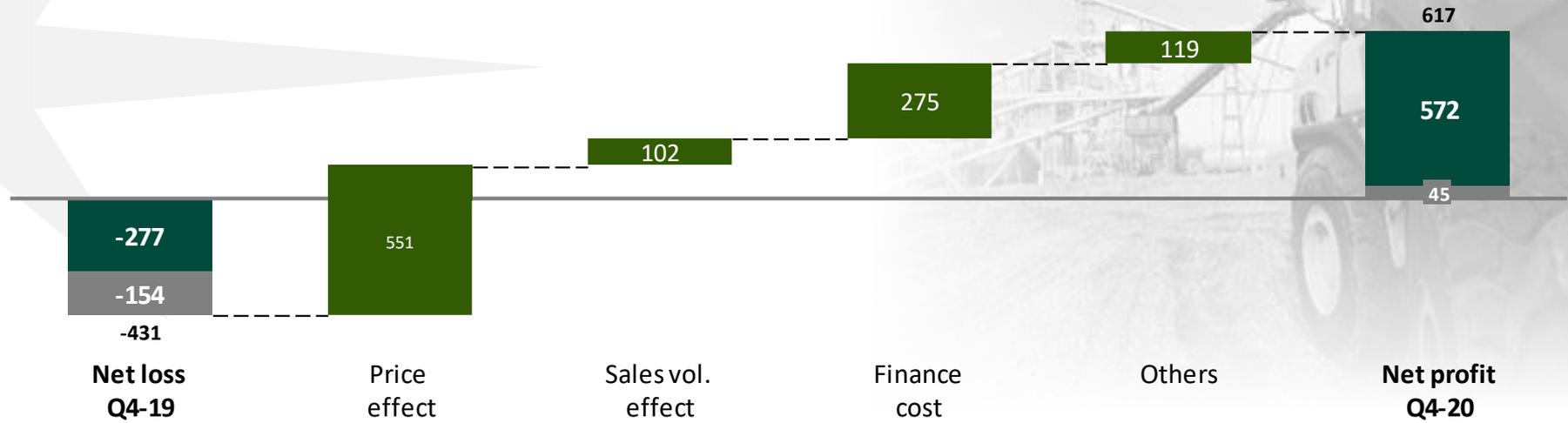


Q4 net profit compared to Q4-19 net loss

SRM

Movement in net profit/ (loss) by line items (y-o-y)

- Profit / (Loss) attributed to the shareholders' of parent co.
- Profit / (Loss) attributed to minority interest



Q4 2020 - Consolidated Sales and EBITDA by Segment

Consolidated

| | Q4-20 | vs. LY Qtr. | vs. Prev. Qtr. |
|----------------------|-------|----------------|-------------------|
| Sales (SRmn) | 5,549 | ↑ 13% | ↑ 19% |
| EBITDA* (SRmn) | 2,003 | ↑ 41% | ↑ 36% |
| <i>EBITDA margin</i> | 36% | ↑ 7% | ↑ 5% |

Phosphate

| | Q4-20 | vs. LY Qtr. | vs. Prev. Qtr. |
|----------------------|-------|----------------|-------------------|
| Sales (SRmn) | 2,844 | ↑ 33% | ↑ 24% |
| EBITDA* (SRmn) | 997 | ↑ 101% | ↑ 44% |
| <i>EBITDA margin</i> | 35% | ↑ 12% | ↑ 5% |

50% of Group EBITDA

Aluminium

| | Q4-20 | vs. LY Qtr. | vs. Prev. Qtr. |
|----------------------|-------|----------------|-------------------|
| Sales (SRmn) | 2,080 | ↑ 2% | ↑ 22% |
| EBITDA* (SRmn) | 712 | ↑ 34% | ↑ 59% |
| <i>EBITDA margin</i> | 34% | ↑ 8% | ↑ 8% |

35% of Group EBITDA

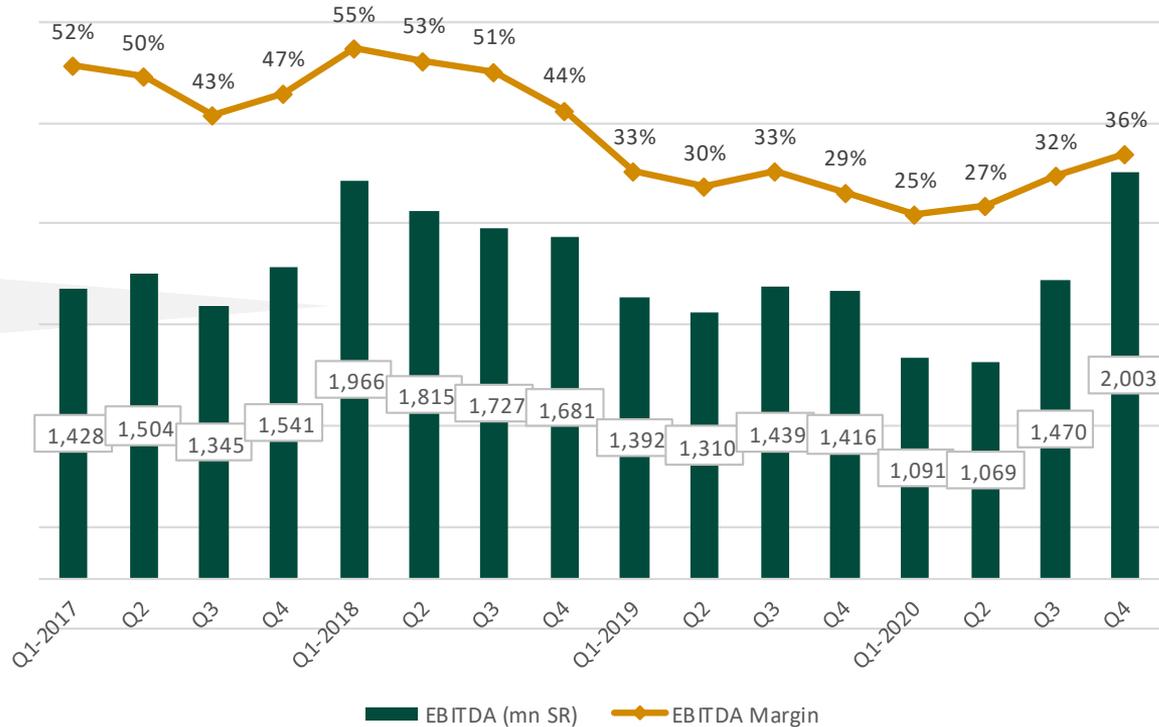
Gold

| | Q4-20 | vs. LY Qtr. | vs. Prev. Qtr. |
|----------------------|-------|----------------|-------------------|
| Sales (SRmn) | 625 | ↓ -12% | ↓ -7% |
| EBITDA* (SRmn) | 294 | ↓ -25% | ↓ -11% |
| <i>EBITDA margin</i> | 47% | ↓ -8% | ↓ -2% |

15% of Group EBITDA

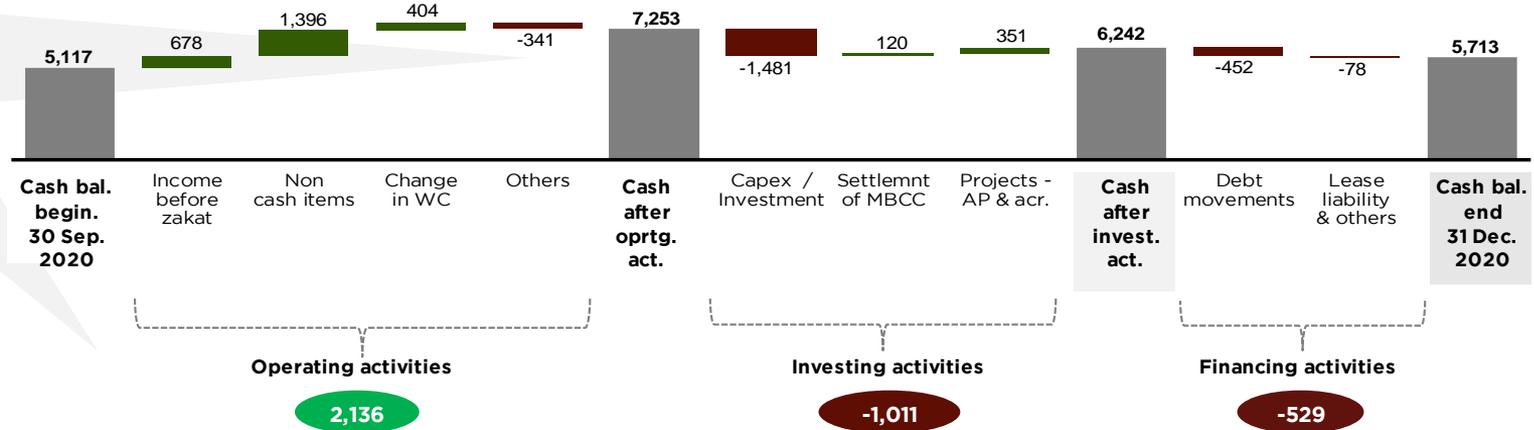
Quarterly EBITDA and EBITDA margins

Highest EBITDA since Q1 2017; Rising EBITDA margins in 2020



Q4 - Consolidated statement of cash flows

Healthy cash flow from operating activities



FY 2020 - Financial Performance



FY 2020 - Consolidated Key Financial Results

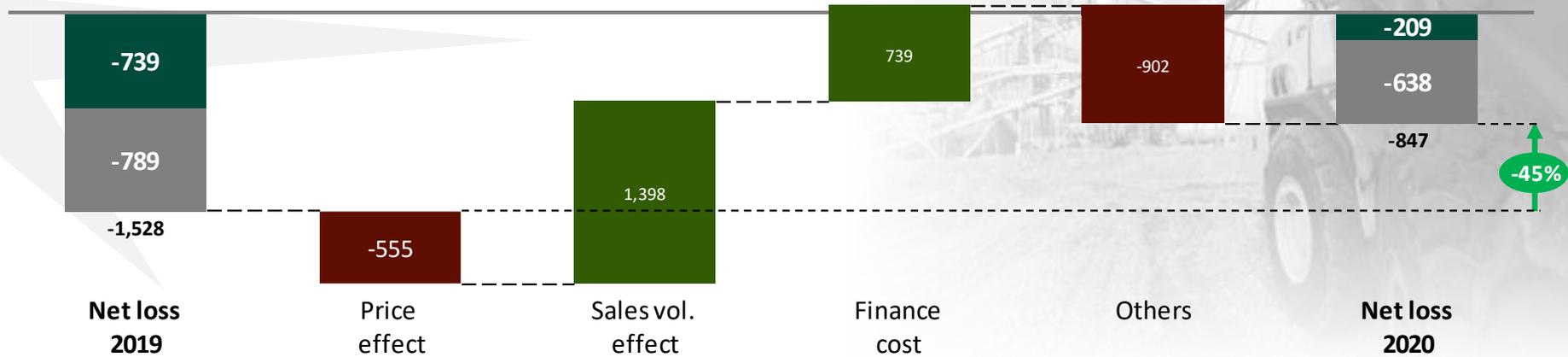
| | 2020 | 2019 | |
|-----------------------------------------------------------|--------|--------|-----|
| Sales | 18,580 | 17,736 | 5% |
| EBITDA | 5,633 | 5,557 | 1% |
| Operating loss/ profit | 811 | 886 | -8% |
| Net loss | -847 | -1,528 | 45% |
| Net loss to the shareholders' of the parent company | -209 | -739 | 72% |
| EPS (SR) | -0.17 | -0.62 | |

FY 2020 net loss 45% lower than FY 2019

SRM

Movement in net profit by line items 2020 vs 2019

- Profit / (Loss) attributed to the shareholders' of parent co.
- Profit / (Loss) attributed to minority interest



FY 2020 - Consolidated Sales and EBITDA by Segment

Consolidated

| | 2020 | | vs. Prev. Yr. |
|----------------------|--------|---|------------------|
| Sales (SRmn) | 18,580 | ↑ | 5% |
| EBITDA* (SRmn) | 5,632 | ↑ | 1% |
| <i>EBITDA margin</i> | 30% | ↓ | -1% |

Phosphate

| | 2020 | | vs. Prev. Yr. |
|----------------------|-------|---|------------------|
| Sales (SRmn) | 8,663 | ↑ | 5% |
| EBITDA* (SRmn) | 2,174 | ↓ | -11% |
| <i>EBITDA margin</i> | 25% | ↑ | 1% |

39% of Group EBITDA

Aluminium

| | 2020 | | vs. Prev. Yr. |
|----------------------|-------|---|------------------|
| Sales (SRmn) | 7,182 | ↓ | -3% |
| EBITDA* (SRmn) | 2,150 | ↓ | -1% |
| <i>EBITDA margin</i> | 30% | ↑ | 1% |

38% of Group EBITDA

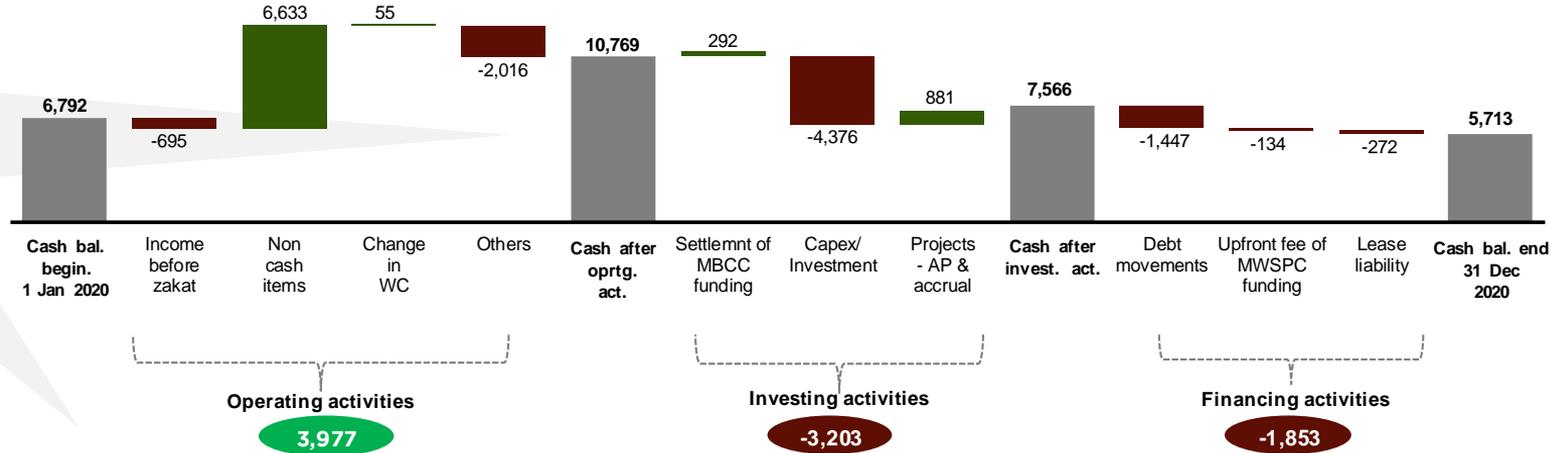
Gold

| | 2020 | | vs. Prev. Yr. |
|----------------------|-------|---|------------------|
| Sales (SRmn) | 2,735 | ↑ | 31% |
| EBITDA* (SRmn) | 1,308 | ↑ | 38% |
| <i>EBITDA margin</i> | 48% | ↑ | 2% |

23% of Group EBITDA

FY 2020 - Consolidated statement of cash flows

Healthy cash flow from operating activities



Financial Ratios

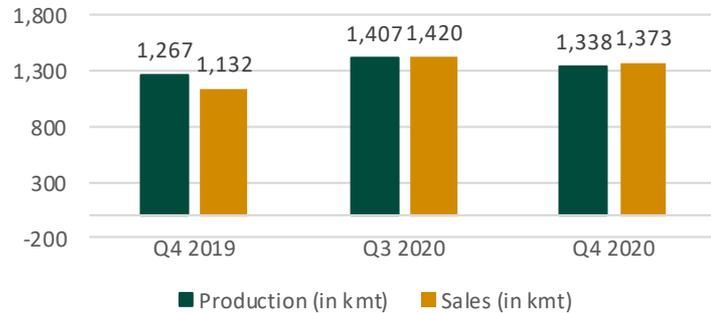
| | | 2020 | 2019 |
|---------------|---------------------------------------------|-------|-------|
| Profitability | Return on total assets (ROA) (%) | 0.8% | 0.9% |
| | Return on total assets excl. CWIP (ROA) (%) | 0.9% | 0.9% |
| | Return on total equity (ROE) (%) | -2.4% | -4.0% |
| | EBITDA margin | 30.3% | 31.4% |
| | ROIC | 1.0% | 1.1% |
| Efficiency | Asset turnover | 0.19 | 0.18 |
| | Inventory turnover | 5.9 | 5.0 |
| | Accounts receivables turnover | 6.2 | 7.3 |
| | Account payable turnover | 7.8 | 7.8 |
| Debt coverage | Interest cover | 3.3 | 2.4 |
| | Net debt:EBITDA | 7.6 | 7.7 |
| Liquidity | Current ratio | 1.5 | 1.8 |
| | Quick (acid test) ratio | 1.2 | 1.5 |

Q4 2020 - Operational Performance

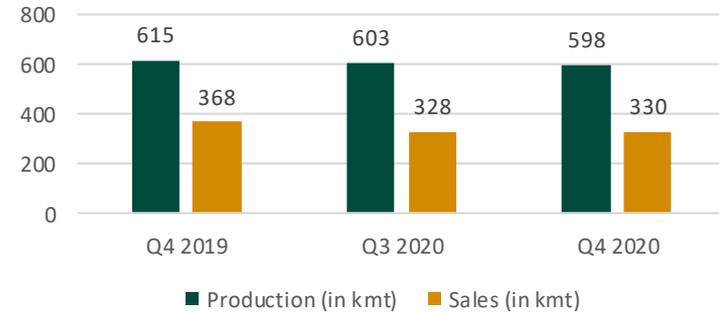


Phosphate & Ammonia: Production & Sales - Q4

Ammonium Phosphate Fertilizer

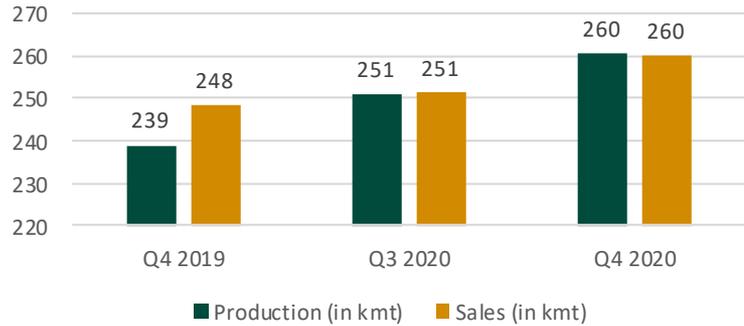


Ammonia

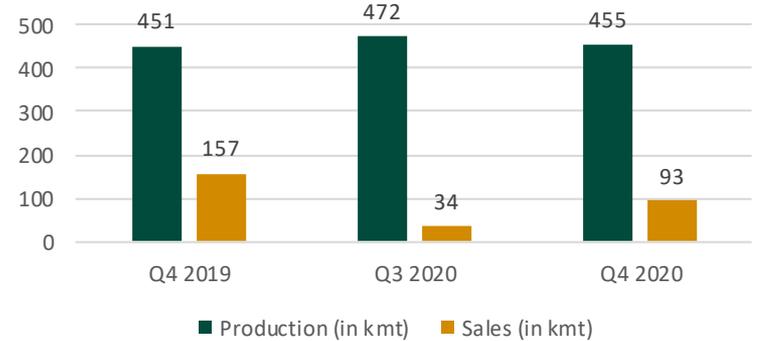


Aluminum & Alumina: Production & Sales - Q4

Aluminum



Alumina



Flat Rolled Products



Gold & Copper: Production & Sales - Q4

Gold



Copper

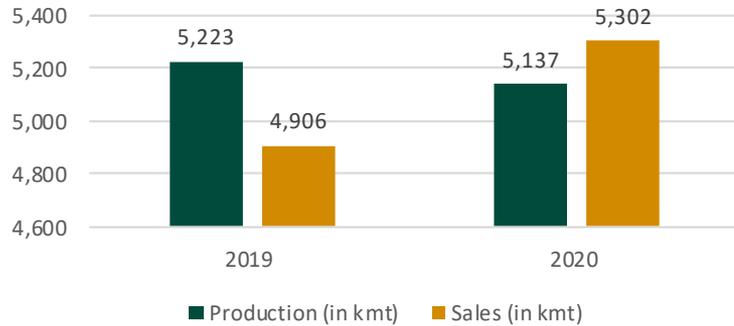


FY 2020 - Operational Performance

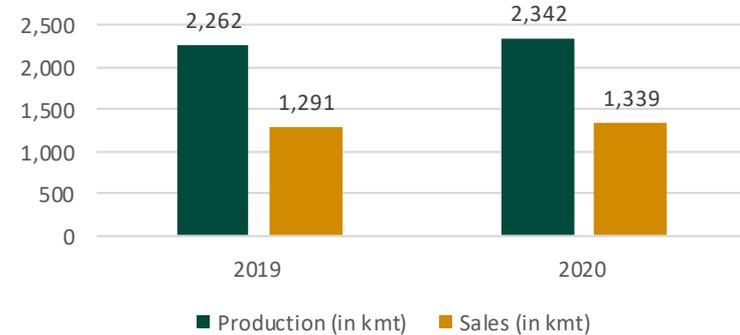


Phosphate & Ammonia: Production & Sales – FY 2020

Ammonium Phosphate Fertilizer

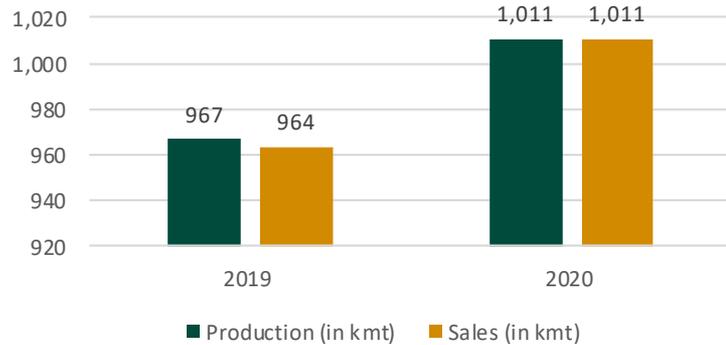


Ammonia

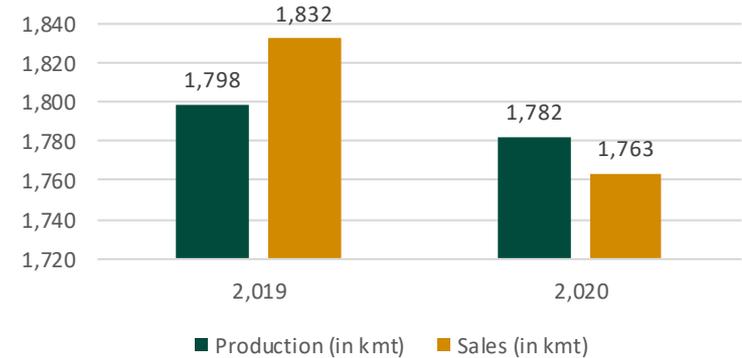


Aluminum & Alumina: Production & Sales - FY 2020

Aluminum



Alumina

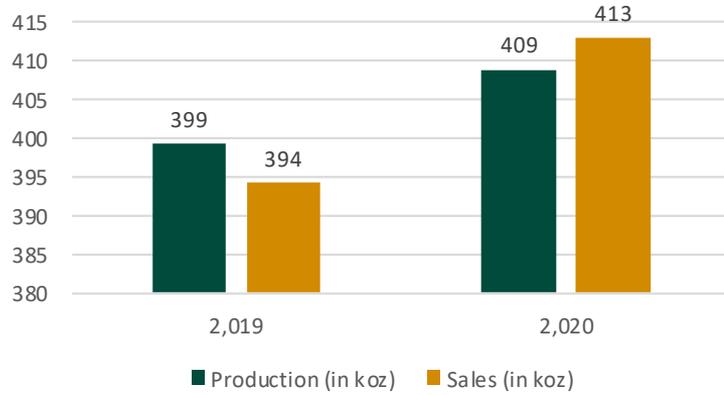


Flat Rolled Products

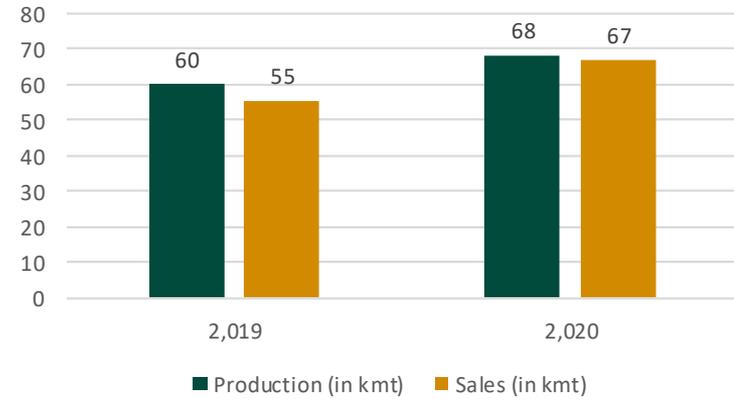


Gold & Copper: Production & Sales – FY 2020

Gold



Copper



Updates on Ma'aden's Projects



Updates on Ma'aden's Projects

Ammonia III

- Expected to produce **1,1kmt** p.a.
- US\$**1,113**mn Budget
- Completion: Q4 2021 (20kmt) and full operational Q1 2022

MMGP

- Expected to produce **250k** ounces of gold p.a.
- US\$**880**mn Budget
- Completion: Q2 2022

Phosphate III

- Expected to produce **3,0kmt** p.a.
- US\$**4,219**mn Budget
- Completion: Q1 2025 (Phase 1)

Remediation at Wa'ad Al-Shamal

- Phosphate production to improve from **2.8kmt** in 2021 to **3.1kmt** in 2025

Q&A





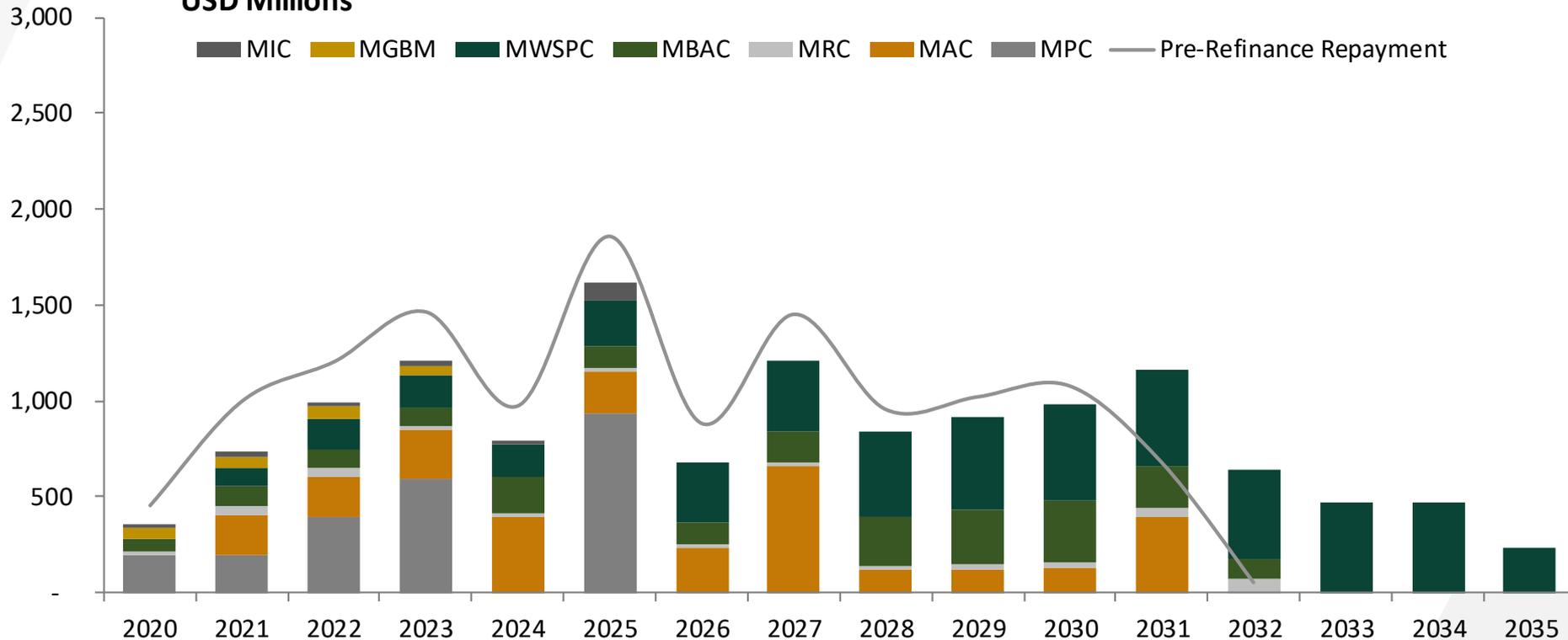
Appendix

Debt repayment profile

Schedule debt repayment profile, in mn USD

USD Millions

MIC
 MGBM
 MWSPC
 MBAC
 MRC
 MAC
 MPC
 Pre-Refinance Repayment





Thank You