

EARNINGS RELEASE

MA'ADEN REPORTS FIRST QUARTER 2023 RESULTS

RIYADH, 22 May 2023 - 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 quarter ended 31 March 2023.

Financial highlights

- Revenue of SAR 8.05 billion (Q1-FY22: SAR 8.91 billion), reflecting lower commodity prices, despite higher Granulated Fertilizer and Ammonia sales volumes.
- Net profit of SAR 0.42 billion (Q1-FY22: SAR 2.17 billion) impacted by lower EBITDA of SAR 2.18 billion (Q1-FY22: SAR 4.40 billion) primarily due to a one-off utilities charge and higher raw material prices.
- Strong cash generation from operations of SAR 2.99 billion supporting further reduction in long-term borrowings and net debt of 2% and 5% respectively from December 2022.

Robert Wilt, Ma'aden CEO:

"In the first quarter, we increased production and sales volumes in our core Phosphate Business Unit and delivered another period of strong cash generation. This was despite softer commodity prices, which impacted our top-line performance and profitability compared to last year.

"We continue to make good progress to optimize existing operations and bring new projects online. Ammonia 3 production is ramping up towards nameplate capacity and the wider Phosphate 3 project is on track. The aluminium pot relining at Ras Al-Khair is progressing as planned and Mansourah-Massarrah, our largest gold project to date, remains set to commence commercial production in the second half of 2023.

"We are building on our joint venture with the PIF to invest in global mining assets and formally partnered with Ivanhoe Electric to accelerate the world's most ambitious exploration program for critical metals in the energy transition. The expanded joint venture with Barrick Gold finalized earlier

this year is progressing well and these strategic partnerships demonstrate our commitment to developing the Saudi mining sector and maximizing long-term value for shareholders.”

SUMMARY OF FINANCIAL RESULTS

SAR (million)	Q1-FY23	Q4-FY22	QoQ % Variance	Q1-FY22	YoY % Variance
Revenue	8,045	9,472	-15%	8,914	-10%
EBITDA	2,176	3,263	-33%	4,404	-51%
EBITDA margin %	27%	34%	-7pp	49%	-22pp
Normalized EBITDA³	2,669	3,483	-23%	4,404	-39%
Normalized EBITDA margin %	33%	37%	-4pp	49%	-16pp
Net profit¹	419	1,016	-59%	2,172	-81%
Net profit ¹ margin %	5%	11%	-6pp	24%	-19pp
EPS (SAR)²	0.17	0.41	-59%	0.88	-81%
Normalized EPS (SAR)³	0.37	0.48	-23%	0.88	-58%

1: Attributable to shareholders of the company. | **2:** As a result of issuance of bonus shares in Q2-FY22, EPS for prior periods has been revised to ensure comparability. | **3:** Excluding one-off contractual costs and other adjustments in the Aluminium segment.

Q1-FY23 AND POST PERIOD HIGHLIGHTS

- **Finalization of strategic partnership with Ivanhoe Electric:** Ma’aden has successfully cemented a 50/50 joint venture with Ivanhoe Electric for groundbreaking exploration of copper, nickel, gold, silver and other electric metals – the largest exploration program ever conducted using Ivanhoe’s Typhoon™ geophysical surveying system. In May 2023, Ma’aden has signed and announced the completion of a strategic investment in Ivanhoe Electric, representing 9.9% of common shares outstanding for a total consideration of US\$126.4 million.
- **Framework Agreement with Shareek and Support Agreement with the Ministry of Investment (MISA):** The Shareek partnership will support the growth potential of Ma’aden’s entire asset base in line with the Kingdom’s vision to support private sector

investments. The MISA Agreement will support Ma'aden's Phosphate 3 project by providing the required infrastructure to accelerate its completion and significantly boost fertilizer sales and exports. Phase 1 of the Project is progressing towards Final Investment Decision following the awarding of the EPCM services contract to Worley Arabia Limited and JESA International S.A.

- **Mansourah-Massarah commissioning activities ongoing with initial commercial production on track for H2-FY23:** Mansourah-Massarah is expected to produce an average of 250,000 ounces per annum of gold and will be Ma'aden's largest gold project to date as part of the Company's plans to significantly expand its production.

Q1-FY23 RESULTS BY REPORTING SEGMENT

Ma'aden operates through three business units (BUs). The reporting segments are as follows: 1) Phosphates, 2) Aluminium, and 3) Base Metals and New Minerals.

1. Phosphates

SAR million	QoQ			YoY		
	Q1-FY23	Q4-FY22	variance	Q1-FY23	Q1-FY22	variance
Sales	5,415	6,551	-17%	5,415	5,536	-02%
EBITDA	2,436	3,246	-25%	2,436	3,145	-22%

Sales and EBITDA performance in the Phosphate Business Unit were offset in the first quarter by softer commodity prices and higher operating costs, despite higher sales volumes.

Q1-FY23 average realized prices were \$648/MT for ammonia (Q4-FY22: \$894; Q1-FY22: \$919) and \$621/MT for DAP (Q4-FY22: \$696; Q1-FY22: \$854).

Planned maintenance at the recently commissioned Ammonia 3 plant impacted production and sales volumes for Q1-FY23.

2. Aluminium

SAR million	QoQ			YoY		
	Q1-FY23	Q4-FY22	variance	Q1-FY23	Q1-FY22	variance
Sales	2,079	2,313	-10%	2,079	2,797	-26%
EBITDA	(281)	45	<i>nm</i>	(281)	1,116	<i>nm</i>
Normalized EBITDA ¹	212	265	-20%	212	1,116	-81%

¹: Excluding one-off contractual costs and other adjustments in the Aluminium segment.

While pricing gradually improved in the first quarter compared to Q4-FY22, the Aluminium Business Unit continued to be impacted by lower sales volume, higher overall production costs and a one-off industrial utility charge from a supplier. Subsequently, A settlement agreement has been reached with the supplier.

The intensive pot relining program is progressing according to plan and expected to complete by H1 2023.

Q1-FY23 average realized prices were \$356/MT for alumina (Q4-FY22: \$323; Q1-FY22: \$406), \$2,517/MT for primary aluminium (Q4-FY22: \$2,384; Q1-FY22: \$3,105) and \$3,747/MT for FRP (Q4-FY22: \$3,477; Q1-FY22: \$4,066).

In March 2023, a third-party contractor fatality occurred at Maaden Aluminium during a planned shutdown. We suspended operations for a further 10 days to conduct a comprehensive investigation and root cause analysis of the regrettable incident. We implemented necessary corrective actions and reinforced our safety procedures, ensuring operations were resumed as scheduled.

3. Base Metals and New Minerals

SAR million	QoQ			YoY		
	Q1-FY23	Q4-FY22	variance	Q1-FY23	Q1-FY22	variance
Sales	541	599	-10%	541	581	-07%
EBITDA	215	139	+55%	215	259	-17%

The Base Metals and New Minerals Business Unit performance in the first quarter was supported by the price recovery of gold, compared to Q4-FY22.

The average realized gold price was \$1,911/oz in Q1-FY23 (Q4-FY22: \$1,743; Q1-FY22: \$1,865).

The Company's ambitious exploration program continued to accelerate with drilling at an all-time high run-rate of 100+ km per quarter in Q1-FY23, a higher number than the whole of FY22.

OUTLOOK

Ma'aden has put in place a solid operating model to deliver operational excellence and ensure successful execution of key projects, while solidifying important partnerships and maintaining a continued focus on safety and sustainability.

Supply-demand dynamics are now more effectively managed, raw material prices are easing and fertilizers and ammonia prices have normalized and are expected to remain in-range for the remainder of the year.

This, combined with the successful delivery of key projects that enhance operational capacity, enables Ma'aden to maintain FY23 production and capital expenditure guidance, as outlined at the FY22 results.

Production Guidance – FY23

	Unit	Lower	Upper
DAP Equivalent	KMT	4,900	5,600
Ammonia	KMT	3,100	3,500
Alumina	KMT	1,600	1,825
Aluminium	KMT	780	940
Flat Rolled	KMT	290	340
Gold	Koz	360	420

CAPEX Guidance – FY23

	Unit	Lower	Upper
Sustaining CAPEX	SAR (mn)	1,400	1,700
Growth CAPEX	SAR (mn)	1,350	1,600

ANALYST CALL AND EARNINGS PRESENTATION

Ma'aden will be hosting an analyst call on 30 May 2023 at 15:00 Saudi time to present its Q1-2023 financial results. For conference call details, please email 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 40.3 billion (\$10.7 billion) in 2022. 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 6,500+ direct employees and export products to over 30 countries. We are embarking on massive growth over the next 18 years across our phosphate, aluminium, gold, copper and new minerals – to leverage the Kingdom's estimated \$1.3 trillion mineral endowment and international opportunities.

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

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