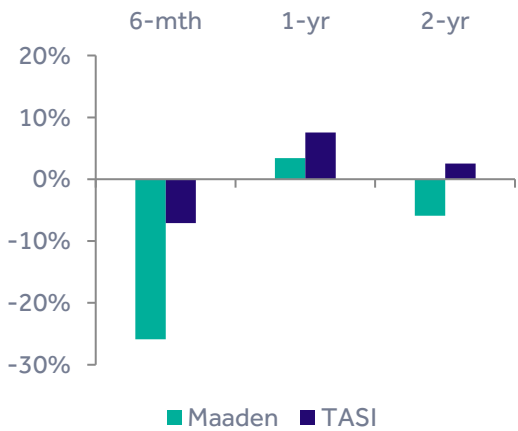


Market Data	
52-week high/low	SAR 56.40 / 35.40
Market Cap	SAR 154,870 mln
Shares Outstanding	3,692 mln
Free-float	32.81%
12-month ADTV	2,099,253
Bloomberg Code	MAADEN AB



■ Alumina Prices Boost Profitability

September 18, 2024

Upside to Target Price	43.0%	Rating	Buy
Expected Dividend Yield	0.0%	Last Price	SAR 41.95
Expected Total Return	43.0%	12-mth target	SAR 60.00

MAADEN	2Q2024	2Q2023	Y/Y	1Q2024	Q/Q	RC Estimate
Sales	7,184	6,966	3%	7,348	(2%)	6,666
Gross Profit	2,188	1,616	35%	2,413	(9%)	2,250
Gross Margins	30%	23%		33%		34%
Operating Profit	1,774	843	110%	1,856	(4%)	1,431
Net Profit	1,024	351	192%	982	4%	1,102

(All figures are in SAR mln)

- MAADEN generated revenues of SAR 7.2 bln in 2Q24, down -2% Q/Q, but up +3% Y/Y, above our conservative estimate of SAR 6.7 bln. Management’s commentary alluded to continued tailwinds from higher commodity prices Y/Y as a key driver in revenues and gross profits; which were up +35% Y/Y but down -9% Q/Q. We also note, that these results were mildly offset via lower volumes from some products, while gold volumes have continued to climb Y/Y (+14%). Gross profits were further lifted on a Y/Y basis via superior realized prices. Reported average realized prices, specifically when compared Q/Q, of Gold (+11%), Alumina (+13%), and Aluminum (+13%) offset lower prices of Ammonia (-2%) and DAP (-11%). These lower prices Q/Q dragged gross profit down -9% Q/Q, while growing +35% Y/Y, supported again, by lower raw material costs Y/Y.
- The Phosphate segment recorded a -13% drop in sales Q/Q, EBITDA in this segment also dropped, falling by -23%; driven by weaker commodity prices. DAP production volumes also dropped, by -1% Q/Q, while sales volumes increased +6% Q/Q; with average realized prices for DAP -11% lower. The Aluminum segment revenues increased +18% Q/Q and +14% Y/Y, results were driven via higher sales and production volumes of Alumina. Alumina realized price increases and improved raw material costs also boosted profitability of this segment. The Base Metals revenues also increased +1% Q/Q and +36% Y/Y.
- Significant growth in net profits Q/Q and Y/Y are attributed to higher prices, lower input costs, and continuous improvements in operational efficiencies. Based upon commodity price tailwinds and Mansourah Massarah’s gold production reaching guided levels in 2024, we maintain our target price and rating.

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## ■ Stock Rating

Buy	Neutral	Sell	Not Rated
Expected Total Return Greater than +15%	Expected Total Return between -15% and +15%	Expected Total Return less than -15%	Under Review/ Restricted

The expected percentage returns are indicative, stock recommendations also incorporate relevant qualitative factors  
For any feedback on our reports, please contact [research@riyadcapital.com](mailto:research@riyadcapital.com)

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