

Company

Saudi Arabian Mining
Co.
2Q25 Result Review

Rating

Under Review

Bloomberg Ticker

MAADEN AB

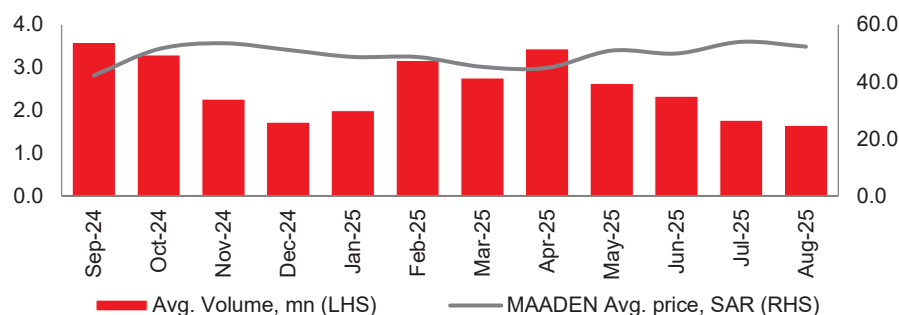
Date

14 August 2025

Results

Target Price (SAR) **UR**

Upside/ Downside **-**

**Revenue grew on the back of higher commodity prices**

Revenue rose 31% YoY to SAR 9.4bn in 2Q25, driven by higher commodity prices and higher phosphate and gold sales volumes, partially offset by lower aluminum sales volumes.

Net profit soars on the back of a strong gross profit growth

Gross profit surged (+61% YoY) in 2Q25, primarily due to higher sales volume and improved pricing, coupled with a comparatively lower increase in raw material costs. Moreover, increased contributions from JV and an associate, coupled with reduced finance costs and lower tax expense, offset higher operating expenses leading to a sharp rise in net profit (+88% YoY).

U-Capital view

Ma'aden's two key strategic acquisitions during 1H25 (1. SABIC's stake in ALBA; 2. Alcoa's stake in Maaden Aluminum Company and Maaden Bauxite and Alumina Company) are expected to help the company to better capitalize on rising regional demand. Also, Ma'aden's Phosphate 3 Phase 1 is set for completion by end-2026, with production starting in 2027. This expansion will boost output, supporting future revenue growth. Currently, the stock is under review, and we will revisit our investment case upon the availability of detailed financial reports.

| | |
|----------------------------|-----------|
| Current Market Price (SAR) | 52.0 |
| 52wk High / Low (SAR) | 57.4/37.9 |
| 12m Average Vol. (mn) | 2.5 |
| Mkt. Cap. (USD/SAR bn) | 54/202 |
| Shares Outstanding (mn) | 3,888.8 |
| Free Float (%) | 36.2% |
| 3M ADTV (SAR mn) | 100.5 |
| 6M ADTV (SAR mn) | 119.7 |
| P/E'25e (x) | 45.8x |
| EV/EBITDA'25e (x) | 16.5x |
| Dividend Yield '25e (%) | 0.0% |
| Price Perf. (1m/3m) (%) | -6.6/1.8 |

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For our
last report

**Financial Summary**

| SAR mn | 2Q24 | 3Q24 | 4Q24 | 1Q25 | 2Q25 | 2Q25e | YoY | QoQ | Var. | 1H24 | 1H25 | YoY |
|----------------------|--------|--------|--------|--------|--------|-------|-----|-----|------|--------|--------|-----|
| P&L | | | | | | | | | | | | |
| Sales/Revenue | 7,184 | 8,045 | 9,969 | 8,511 | 9,416 | 8,323 | 31% | 11% | 13% | 14,532 | 17,927 | 23% |
| Gross profit | 2,188 | 2,403 | 2,240 | 3,191 | 3,523 | 2,747 | 61% | 10% | 28% | 4,601 | 6,715 | 46% |
| Operating profit | 1,774 | 1,674 | 950 | 2,280 | 2,560 | 1,902 | 44% | 12% | 35% | 3,630 | 4,840 | 33% |
| Net profit / (loss) | 1,024 | 971 | (106) | 1,550 | 1,922 | 1,266 | 88% | 24% | 52% | 2,006 | 3,472 | 73% |
| BS | | | | | | | | | | | | |
| Shareholders' Equity | 48,294 | 49,153 | 51,886 | 53,273 | 57,375 | | 19% | 8% | | 48,294 | 57,375 | 19% |
| Ratios | | | | | | | | | | | | |
| Gross margin | 30.5% | 29.9% | 22.5% | 37.5% | 37.4% | 33.0% | | | | 31.7% | 37.5% | |
| Operating margin | 24.7% | 20.8% | 9.5% | 26.8% | 27.2% | 22.9% | | | | 25.0% | 27.0% | |
| Net profit margin | 14.3% | 12.1% | -1.1% | 18.2% | 20.4% | 15.2% | | | | 13.8% | 19.4% | |
| EPS, SAR | 0.3 | 0.2 | (0.0) | 0.4 | 0.5 | 0.3 | | | | 0.5 | 0.9 | |
| P/E (TTM) | | | | | 46.6 | | | | | | | |
| ROE (TTM) | | | | | 8.2% | | | | | | | |

Source: Financials, Tadawul, Bloomberg, U Capital Research



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Disclaimer

Recommendation

| BUY | ACCUMULATE | HOLD | REDUCE | SELL |
|------------------|--------------------------|--------------------------|--------------------------|-----------------|
| Greater than 20% | Between +10% and +20% | Between +10% and -10% | Between -10% and -20% | Lower than -20% |

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