

We have estimated Q12017 earnings for nine below exhibited stocks under our coverage:

Company	Estimated Earnings (SAR mn)	% Change QoQ	% Change YoY	Target Price (SAR/ share)	Recommendation
<b>Al Hammadi</b> HAMMAD AB	36.0	235.5	67.0	45.5	Neutral
Coming online of Olaya hospital and increase in patient traffic to support earnings.					
<b>Care</b> CARE AB	32.5	--	-1.5	62.0	Overweight
We expect doubts about receivables and provisions for XO items to shed.					
<b>Mouwasat</b> Mouwasat AB	76.0	5.3	6.9	145.0	Neutral
We see Mouwasat as one of the stable companies and expect earnings continue to grow at a decent rate.					
<b>MEAHCO</b> MEH AB	108.8	24.2	3.4	81.5	Neutral
Declining trend of receivables to continue in the foreseeable future. Further, earnings to get support from Hail hospital.					
<b>Dallah</b> DALLAH AB	63.0	21.0	8.0	110.0	Neutral
Dallah has relatively better receivable position amongst the local peers.					
<b>Healthcare Equipment and Services</b>					
<b>Nadec</b> NADEC AB	26.2	237.6	3.8	28.0	Neutral
Sudan expansion and adapted business strategy to generate reasonable earnings.					
<b>Savola</b> SAVOLA AB	105.0	--	13.0	47.0	Overweight
Operational expenses expected to squeeze, consequently aiding earnings.					
<b>Food and Beverages</b>					
<b>Catering</b> CATERING AB	145.0	38.3	2.4	107.0	Overweight
We believe revenue from catering segment to stabilize around the current levels. Whilst profitability to be driven by growth in business lounges segment.					
<b>Commercial and Professional Services</b>					
<b>Herfy</b> HERFY AB	60.0	8.4	11.9	89.5	Overweight
We expect growth in earnings to be driven by strong performance from bakery segment.					
<b>Consumer Services</b>					

## Arbah Capital

Al Khaleej Road, Samic Tower, 8th Floor,  
P.O. Box 8807, Dammam 31492, Kingdom  
of Saudi Arabia  
Toll Free : 800-433-7777  
T: +966-13-831-6444  
F: +966-13-809-4906  
Web: [www.arbahcapital.com](http://www.arbahcapital.com)

## Arbah Research

E: [research@arbahcapital.com](mailto:research@arbahcapital.com)  
T: +966-3831-6483

## Arbah Asset Management

E: [am@arbahcapital.com](mailto:am@arbahcapital.com)  
T: +966-3831-6455

## Brokerage

E: [a.alsyari@arbahcapital.com](mailto:a.alsyari@arbahcapital.com)  
T: +966-3831-6490

## Customer Care

[customercare@arbahcapital.com](mailto:customercare@arbahcapital.com)  
[info@arbahcapital.com](mailto:info@arbahcapital.com)

## Rating Methodology

### Upside/ Downside Potential

Greater than or equal to +15%  
Between +15% and -14%  
Less than or equal to -15%

### Recommendation

Overweight  
Neutral  
Underweight

Analyst at discretion may deviate from the above mentioned recommendation methodology and revise the Fair Value in exceptional circumstances.

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