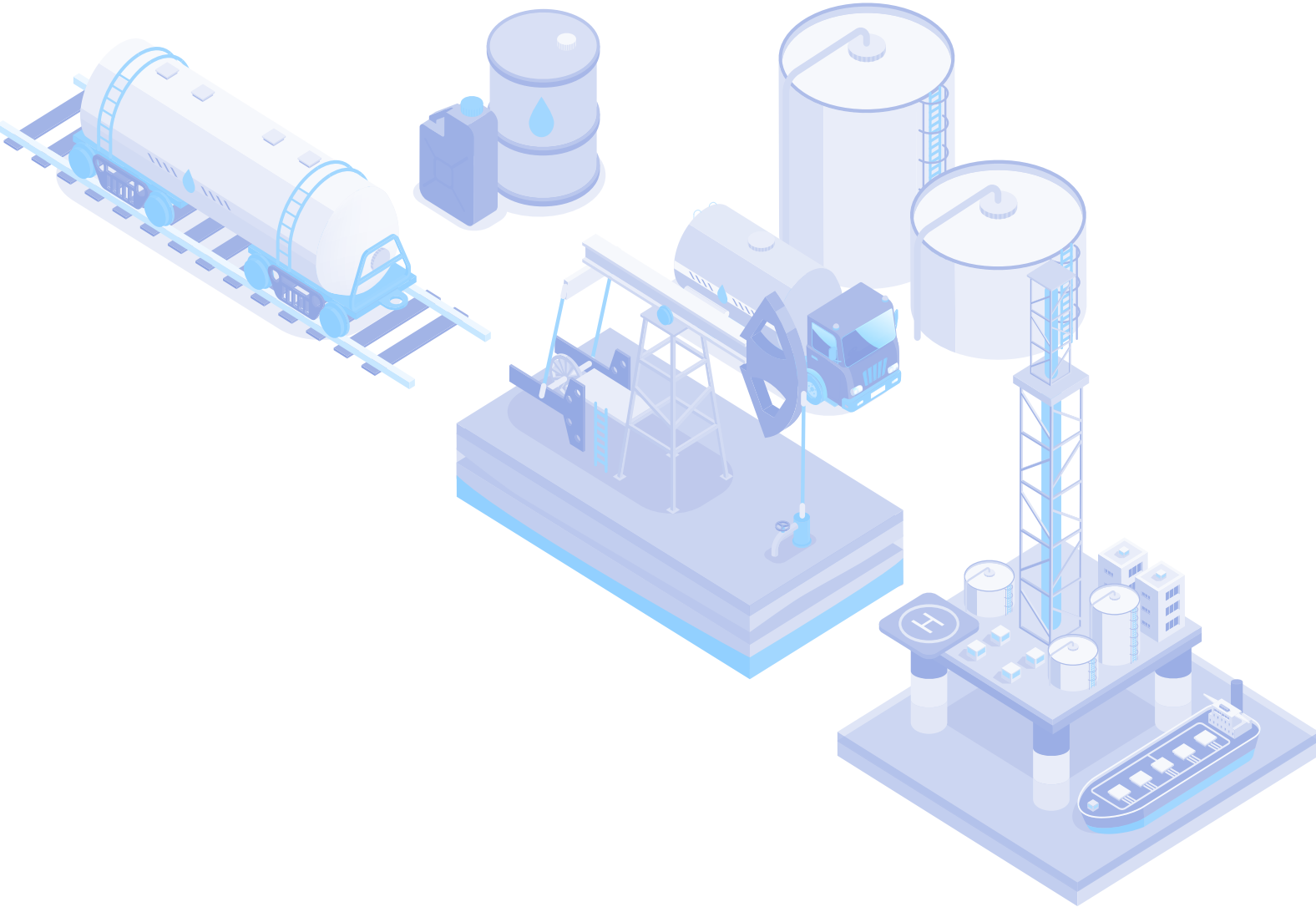


الجزيرة كابيتال

ALJAZIRA CAPITAL الجزيرة للأسواق المالية



January
2024



Oil & Petrochemicals Monthly Report December | 2023

Head of Sell-Side Research

Jassim Al-Jubran

+966 11 2256248

j.aljabran@aljaziracapital.com.sa

MTBE, Urea, Ammonia and EVA prices fell the most in December; EDC, MEG and VAM were among the gainers; Aramco lifted propane and butane prices for January

- **Naphtha prices increased; propane and butane were unchanged in December:** Prices of naphtha rose 2.3% M/M to USD 670 per ton in December. Propane and butane prices remained unchanged at USD 610 per ton and USD 620 per ton, respectively. Aramco increased propane and butane prices slightly for January to USD 620 per ton and USD 630 per ton, respectively.
- **Product prices were directionless in December:** MTBE prices dropped 8.1% M/M to USD 850 per ton due to year-end slowdown in gasoline blending. Urea prices declined 5.9% M/M to USD 320 per ton, weighed down by higher stocks and lower sales in India. Ammonia prices fell 5.8% to USD 485 per ton due to lack of demand in the spot market. EVA prices declined 5.4% M/M to USD 1,230 per ton, attributable to weak downstream demand from footwear and PV industry. However, upstream VAM prices increased 4.2% M/M to USD 865 per ton due to tightening of supply. EDC prices jumped 7.6% M/M to USD 355 per ton in December due to the plant outage in Saudi Arabia. MEG (Asia) prices gained 7.4% M/M to USD 510 per ton amid slowing capacity growth and easing Chinese inventory.
- **Petchem Spreads Trend:** PP-propane spread increased to USD 384 per ton in December from USD 380 per ton in November. PP-butane spread expanded to USD 376 per ton in December from USD 372 per ton in November. HDPE-naphtha spread declined to USD 275 per ton in December against USD 295 per ton in November.

Oversupply concerns and demand pessimism dragged oil prices in December, prices remained range bound in early January

- **Oil prices dropped further in December:** Crude oil prices declined initially in December amid concerns over compliance of some of the OPEC+ members to the announced cuts. The decline in China's crude oil imports and rise in US gasoline inventories also weighed on the prices. The prices recovered due to fears of supply disruptions amid attacks on ships in the Red Sea. However, the gains were pared as disruptions eased. In early January, oil prices were rangebound, as global economic concerns were counteracted by conflicts in the Middle East. Brent prices decreased 4.4% M/M, while WTI fell 5.1% M/M in December, ending at USD 77.0/bbl and USD 71.7/bbl, respectively. Natural gas prices at Henry Hub declined 11.9% M/M to USD 2.5/mn Btu.
- **Manufacturing activity expanded in China; activity in the US and Eurozone remained below 50 level but PMI increased M/M:** US manufacturing PMI rose to 47.4 in December from 46.7 in November, as production improved but new orders declined. China's Caixin manufacturing PMI edged up to 50.8 in December from 50.7 in November on stronger increases in both output and orders. The Eurozone manufacturing PMI rose to 44.4 in December from 44.2 in November.

Table 1: Petchem Prices – December FY23

Name	Price (USD per ton)	M/M %	Q/Q %	Y/Y %	YTD %
Naphtha	670	2.3%	-6.9%	4.7%	4.7%
Saudi Propane	610	0.0%	10.9%	-6.2%	-6.2%
Butane-Saudi	620	0.0%	10.7%	-4.6%	-4.6%
Ethylene	845	-0.6%	-2.9%	0.6%	0.6%
Propylene-Asia	810	-0.6%	-1.2%	-6.4%	-6.4%
HDPE	950	2.2%	-4.0%	0.0%	0.0%
LDPE	1,000	5.3%	0.0%	-3.8%	-3.8%
LLDPE	940	3.3%	-2.1%	-2.1%	-2.1%
PP-Asia	880	2.3%	-2.2%	-4.3%	-4.3%
Styrene-Asia	1,035	0.5%	-6.3%	2.5%	2.5%
Polystyrene-Asia	1,150	-1.7%	-4.2%	0.4%	0.4%
PET - Asia	870	0.6%	-3.3%	-4.4%	-4.4%
PVC-Asia	745	-3.9%	-11.3%	-10.2%	-10.2%
MEG (Asia)	510	7.4%	5.2%	7.4%	7.4%
Methanol-China	280	0.0%	-1.8%	-6.7%	-6.7%
DAP-Gulf	605	3.4%	3.4%	-15.4%	-15.4%
Urea-Gulf	320	-5.9%	-16.9%	-31.9%	-31.9%
Ammonia-Gulf	485	-5.8%	51.6%	-42.3%	-42.3%
MTBE-Asia	850	-8.1%	-20.2%	0.0%	0.0%
EDC	355	7.6%	18.3%	44.9%	44.9%
MEG (SABIC)	800	-4.8%	-8.0%	-3.6%	-3.6%
PC	1,735	-0.3%	-7.7%	-3.6%	-3.6%
Acetic Acid-AA	480	3.2%	-26.2%	0.0%	0.0%
EVA	1,230	-5.4%	-17.7%	-20.1%	-20.1%
Vinyl Acetate Monomer-VAM	865	4.2%	-6.0%	-21.0%	-21.0%

Note: Prices as of December 31, 2023

Source: Argaam, Reuters Eikon, AlJazira Capital Research

Table 2: Economic Calendar

Date	Country	Event
January 18,24,31	US	Weekly Petroleum Status Report
12-Jan	US	Monthly Budget Statement
15-Jan	KSA	CPI YoY
17-Jan		OPEC Monthly Oil Market Report
18-Jan	US	Initial Jobless Claims
18-Jan		IEA Oil Market Report
25-Jan	US	GDP Annualized QoQ
30-Jan	KSA	M3 Money Supply YoY
30-Jan	KSA	SAMA Net Foreign Assets SAR
31-Jan	KSA	GDP Constant Prices YoY
2-Feb	US	Trade Balance
2-Feb	US	Unemployment Rate
5-Feb	KSA	S&P Global Saudi Arabia PMI
6-Feb		EIA Short-term Energy Outlook
28-Mar	KSA	Current Account Balance

Source: Bloomberg, EIA, OPEC, IEA

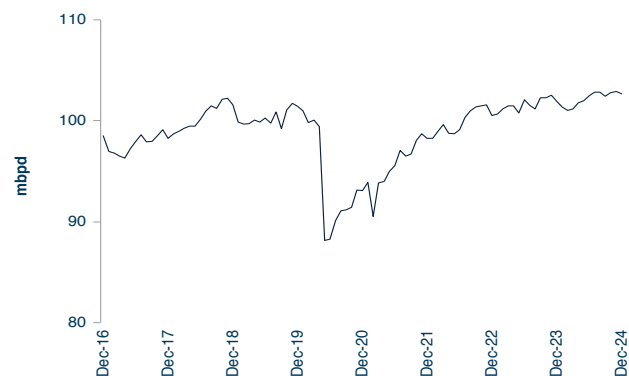
Key comments from international energy agencies

Crude oil supply

Global supply

- Global oil supply is expected to increase 1.5 mbpd in FY24 to 103.5 mbpd with non-OPEC+ supply rising 1.5 mbpd and OPEC+ supply being steady, according to IEA.
- Global supplies of crude oil and liquid fuels are expected to rise by 0.6 mbpd to 102.3 mbpd in FY24 and by 1.6 mbpd to 104.0 mbpd in FY25, as per EIA. Non-OPEC supply is forecast to grow 0.8 mbpd to 70.4 mbpd in FY24 and 0.9 mbpd to 71.3 mbpd in FY25.
- The global refining throughputs are forecasted to average at 83.3 mbpd in FY24, surpassing record of 82.5 mbpd in FY18, according to IEA.

Figure 1: World Oil Production



Source: OPEC, AlJazira Capital Research

OPEC Supply

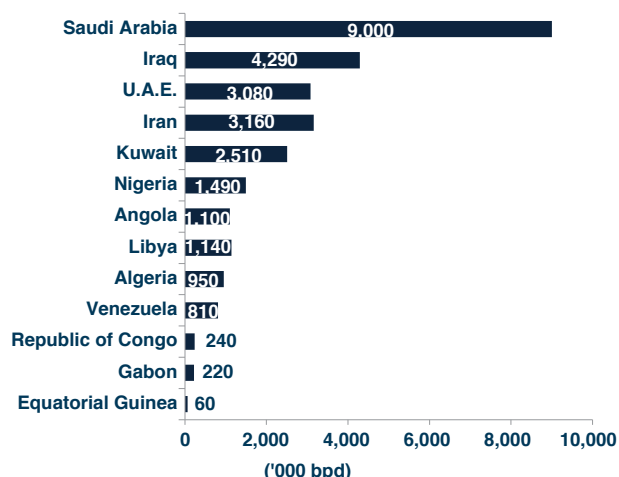
- OPEC crude oil production rose 73,000 bpd M/M in December to average at 26.7 mbpd, as per OPEC's secondary sources.
- On average, OPEC members are estimated to produce 26.0 mbpd of crude oil in Q1-24 compared to 26.6 mbpd of crude oil in Q4-23, as per EIA.
- OPEC's average crude production is estimated at 26.6 mbpd in FY24 and at 27.4 mbpd in FY25, according to EIA.
- OPEC's unplanned oil supply disruptions averaged 1.45 mbpd in December (vs. 1.53 in November), as per EIA.

Table 3: OPEC Monthly Oil Production ('000 bpd)

Prod. ('000 bpd)	Cap.	Sep 2023	Oct 2023	Nov 2023	Dec 2023	% M/M Chg.
Equatorial Guinea	120	60	70	50	60	20.0%
Gabon	220	200	220	220	220	0.0%
Republic of Congo	300	250	260	240	240	0.0%
Venezuela	840	770	800	810	810	0.0%
Algeria	1,060	960	960	950	950	0.0%
Libya	1,200	1,110	1,090	1,120	1,140	1.8%
Angola	1,200	1,110	1,130	1,140	1,100	-3.5%
Nigeria	1,600	1,430	1,490	1,440	1,490	3.5%
Kuwait	2,820	2,580	2,560	2,520	2,510	-0.4%
Iran	3,830	3,110	3,110	3,160	3,160	0.0%
U.A.E.	4,200	3,150	3,150	3,150	3,080	-2.2%
Iraq	4,800	4,300	4,340	4,290	4,290	0.0%
Saudi Arabia	12,000	9,000	9,010	9,000	9,000	0.0%
Total OPEC	34,190	28,030	28,190	28,090	28,050	-0.1%

Source: Bloomberg

Figure 2: OPEC December Oil Production ('000 bpd)



Source: Bloomberg

Crude oil demand

Global

- OPEC estimates a 2.2 mbpd increase in global consumption in FY24, unchanged from the previous month's estimate. IEA estimates global oil demand growth to ease from 2.3 mbpd in FY23 to 1.2 mbpd in FY24. As per EIA, global consumption of petroleum and liquid fuels is forecasted to average at 102.5 mbpd in FY24 (+1.4 mbpd Y/Y) and increase further by 1.2 mbpd Y/Y in FY25.
- Global demand for petroleum and liquid fuels stood at 103.0 mbpd in December, indicating a rise of 2.3 mbpd Y/Y, as per EIA.

OPEC

- OPEC demand for FY24 is forecasted to grow 0.8 mbpd Y/Y to 28.5 mbpd. The OPEC demand is estimated to increase to 29.0 mbpd in FY25, up 0.5 mbpd Y/Y.

Inventory

- Global observed inventories fell by 8.4 mb in November to the lowest level since July 2022, while preliminary data for December indicated increase in global inventories, as per IEA.
- EIA forecasts OECD inventories to stand at 2.82bn barrels by end-FY24 and at 2.86bn by end-FY25.
- Natural gas inventories in the US are estimated to be 8.0% higher than the five-year average by the end of 2024, as per EIA.

Figure 3: OECD Monthly Oil Inventories



Source: US EIA, AlJazira Capital Research

Price outlook

- Brent spot prices are forecasted to average USD 82 per barrel in FY24 and at USD 79 per barrel in FY25, as per EIA.
- Goldman Sachs anticipates Brent crude prices to trade between USD 70-90 per barrel in 2024, slashing upper range by USD 10 per barrel, due to strong US supply. Barclays cut Brent crude forecast by USD 8 per barrel to USD 85 per barrel for 2024, due to expectation of higher supply. EIA expects natural gas prices at Henry Hub to average USD 2.66/mn Btu in FY24 and USD 2.95/mn Btu in FY25.

Table 4: World Oil Demand and Supply

(mbpd)	FY23				FY24E				FY23	FY24E	FY25E
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
World Crude Oil & Liq. Fuels Supply											
OPEC Supp.	32.77	32.46	31.63	31.91	31.42	32.03	32.24	32.13	32.19	31.96	32.63
Non-OPEC Suppl.	68.33	69.06	70.13	70.60	69.91	70.24	70.64	70.73	69.54	70.38	71.32
Total World Supply	101.11	101.52	101.76	102.51	101.33	102.27	102.88	102.85	101.73	102.34	103.95
World Crude Oil & Liq. Fuels Cons.											
OECD Cons.	45.28	45.71	46.23	46.48	46.08	45.57	46.25	46.33	45.93	46.06	45.99
Non-OECD Cons.	54.71	55.22	55.30	55.33	56.06	56.56	56.50	56.47	55.14	56.40	57.68
Total World Cons.	99.99	100.93	101.54	101.81	102.14	102.12	102.75	102.81	101.07	102.46	103.67
OECD Comm. Inventory (mn barrels)	2,746	2,822	2,840	2,843	2,815	2,836	2,843	2,820	2,843	2,820	2,858
OPEC Surplus Crude Oil Prod. Cap.	1.94	2.13	1.95	1.54	n/a	n/a	n/a	n/a	1.89	n/a	n/a

Source: EIA STEO January 2024, AlJazira Capital Research

- The gap between crude consumption and supply is estimated to increase to 0.81 mbpd in Q1-24 (higher consumption than supply) from 0.70 mbpd in Q4-23 (higher supply than consumption).
- OECD's crude inventories are expected to be at 2.82bn barrels in Q1-24, lower than 2.84bn in Q4-23.

Petrochemical sector news

- **Saudi Industrial Investment Group** announced to stop operations at the projects of its joint ventures, Saudi Chevron Phillips (SCP) and Jubail Chevron Phillips (JCP), for planned periodic maintenance and catalyst replacement. JCP is suspended for 50 days from January 07, and SCP is closed for 36 days from January 13. The financial impact of this turnaround will appear in the company's Q1-24 financials. (Source: Tadawul)
- **Methanol Chemicals Co. (Chemanol)** is currently implementing a methanol plant expansion project, which will increase energy efficiency by reducing consumption and improving plant performance and productivity by 40.0%, contributing to enhancing the company's results, according to Chairman Ali Al-Turki. (Source: Argam)
- **Saudi Basic Industries Corp. (SABIC)** along with its affiliate Scientific Design (SD), which is licensed in ethylene glycol technology entered an MoU with Linde Engineering, a subsidiary of Linde, to explore collaboration opportunities to decarbonize the SD ethylene glycol process. (Source: Argam)
- **Rabigh Refining and Petrochemical Co. (Petro Rabigh)** completed a CO₂-capturing facility at its Mono Ethylene Glycol (MEG) plant; the new carbon extraction facility has been opened in partnership with Gulf Cryo Co. The company said that delayed equipment delivery and safety-related construction procedures were the reasons for the project's delay. (Source: Tadawul)
- **Sahara International Petrochemical Co. (Sipchem) and National Industrialization Co. (Tasnee)** awarded an engineering, procurement, and construction contract valued at SAR 1.9bn (USD 500.0mn) to SGC-eTEC. The contract aims to boost production at the ethylene cracker plant, a joint venture affiliated to Tasnee Sahara Olefins Co. (TSOC), which is 32.6% owned by Sipchem and 60.0% by Tasnee. The expansion project will likely be complete in H1-26, with operations leading to an increase in Olefins production by an estimated 18.0%. (Source: Tadawul)
- **Saudi Aramco** notified several petrochemical firms through an official notice of an increase in feedstock price from January 01, 2024. (Source: Tadawul)
- **Alujain Corp.** signed an agreement to sell a 35.0% stake of its subsidiary, National Petrochemical Industrial Co. (NATPET), to Basell International Holdings B.V., a subsidiary of New York Stock Exchange-listed LyondellBasell Industries N.V., for nearly SAR 1.9bn (USD 500.0mn). (Source: Tadawul)

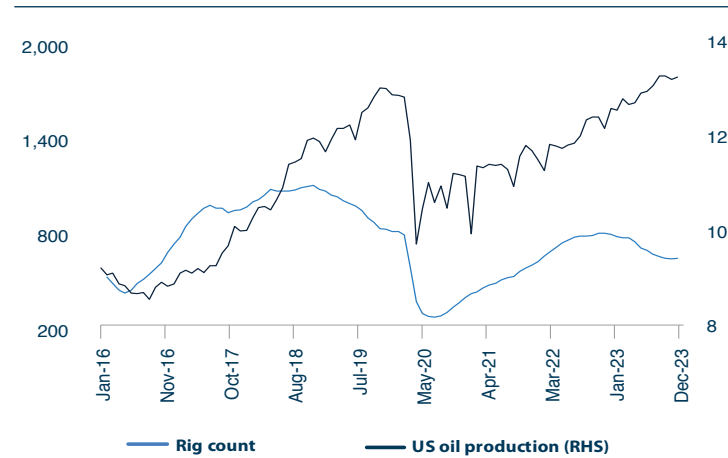
Table 5: KSA Petrochemical Companies Key Metrics

Company	Net profit (TTM; SAR mn)	P/E (Adjusted)	P/B	EV/ EBITDA	DPS (SAR) TTM	Dividend Yield	YTD returns
SABIC	-728.3	High	1.3x	13.0x	3.40	4.4%	-7.8%
TASNEE	234.8	22.8x	0.8x	High	-	-	-5.2%
YANSAB	-600.1	NEG	1.7x	35.6x	1.75	4.6%	-1.1%
SABIC Agri-Nutrients	4,849.4	12.4x	3.4x	9.8x	6.00	4.8%	-9.1%
Sipchem	1,495.3	14.8x	1.4x	10.7x	2.00	6.5%	-9.1%
Advanced	141.7	High	3.1x	35.7x	-	-	-3.3%
KAYAN	-2,305.5	NEG	1.1x	39.1x	-	-	-10.1%
SIIG	-195.5	NEG	1.5x	-	1.00	5.0%	-9.7%
Nama Chemical	-112.7	NEG	2.7x	-	-	-	4.4%
Chemanol	-99.6	NEG	1.1x	38.8x	-	-	-7.6%
ALUJAIN	7.4	High	1.1x	12.7x	-	-	6.9%

Source: Bloomberg, Tadawul, Argam, Aljazeera Capital Research; Data as of January 18, 2024

US oil and gas developments

Figure 4: US Oil Production versus Rig Count



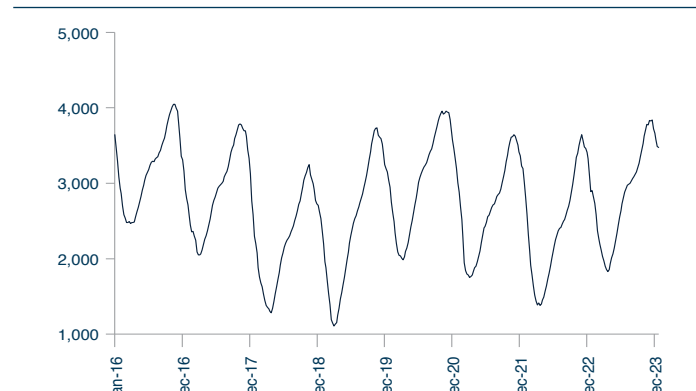
Source: US EIA, AlJazira Capital Research

Figure 5: US Weekly Oil Inventories



Source: US EIA, AlJazira Capital Research

Figure 6: US Weekly Natural Gas Storage



Source: US EIA, AlJazira Capital Research

Price Trend: Oil, Natural Gas & Petrochemicals Products

Figure 7: Oil Price Trends (USD per Barrel)

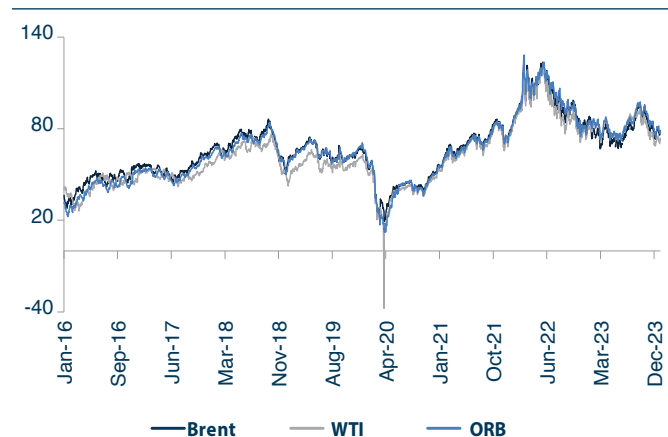


Figure 8: Henry Hub Natural Gas (USD per MMBtu)

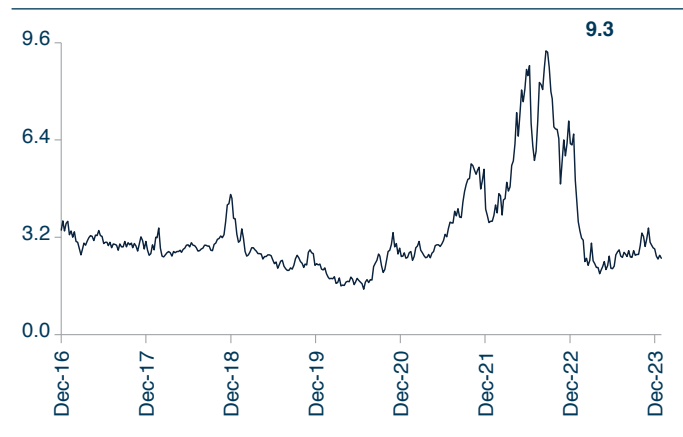
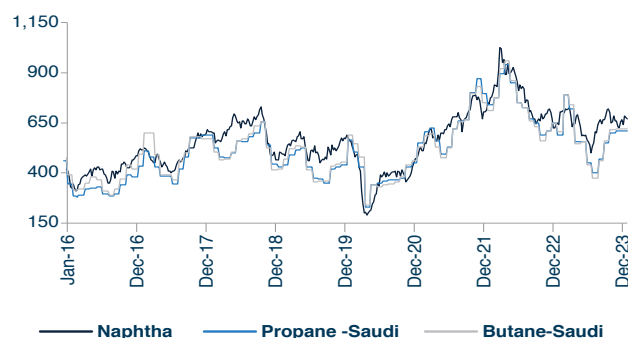


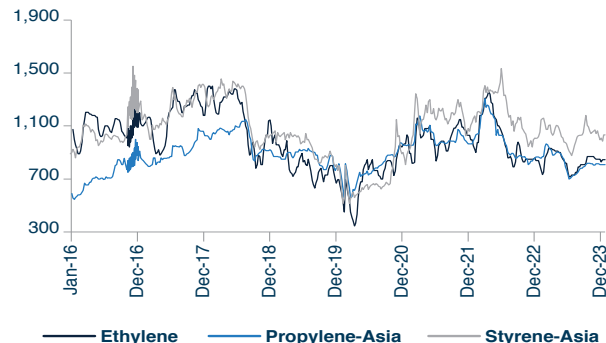


Figure 9: Feedstock Price Trends (USD per Ton)



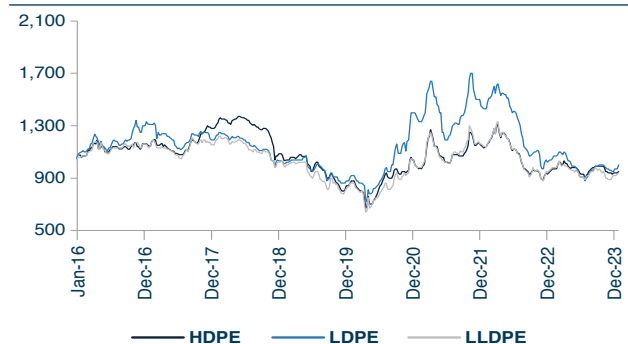
Source: Argaam, AlJazira Capital Research

Figure 10: Basic Petchem Price Trends (USD per Ton)



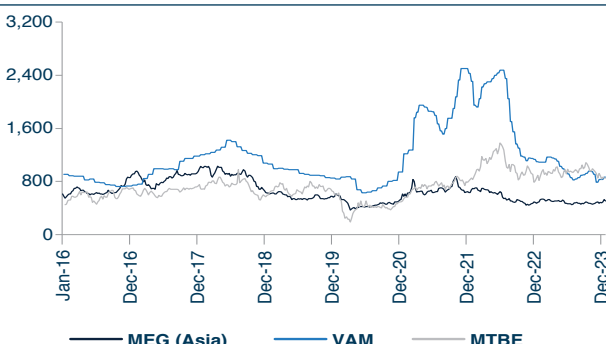
Source: Argaam, AlJazira Capital Research

Figure 11: Polyethylene Price Trends (USD per Ton)



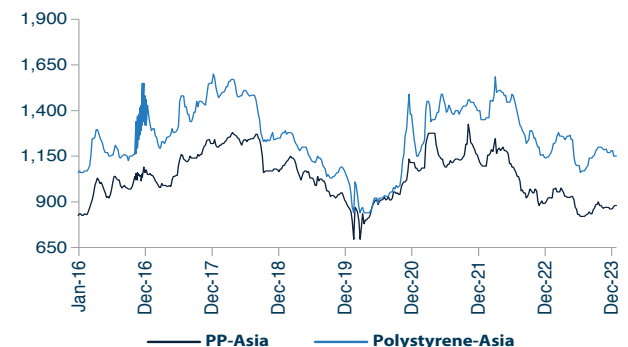
Source: Argaam, AlJazira Capital Research

Figure 12: Intermediates Price Trends (USD per Ton)



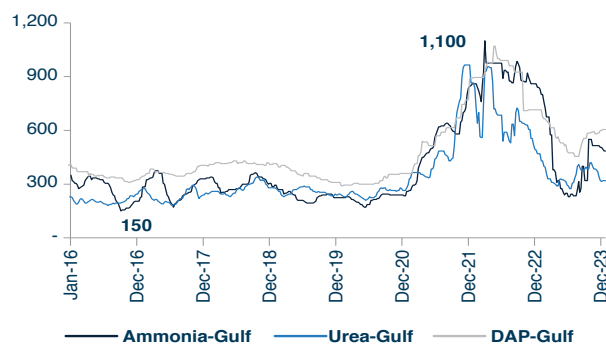
Source: Argaam, AlJazira Capital Research

Figure 13: Polypropylene & Polystyrene



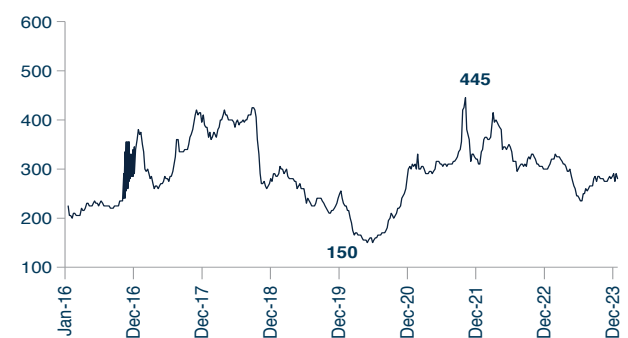
Source: Argaam, AlJazira Capital Research

Figure 14: Ammonia, Urea & DAP



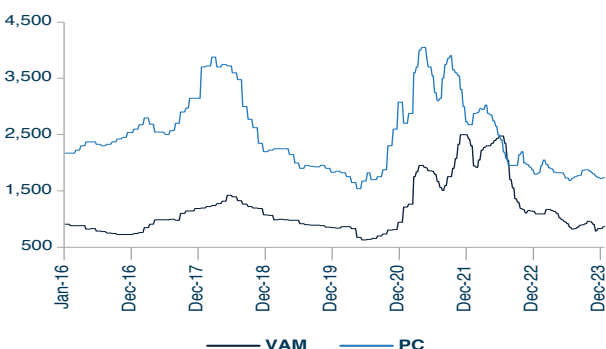
Source: Argaam, AlJazira Capital Research

Figure 15: Methanol-China (USD per Ton)



Source: Argaam, AlJazira Capital Research

Figure 16: PC-VAM



Source: Argaam, AlJazira Capital Research

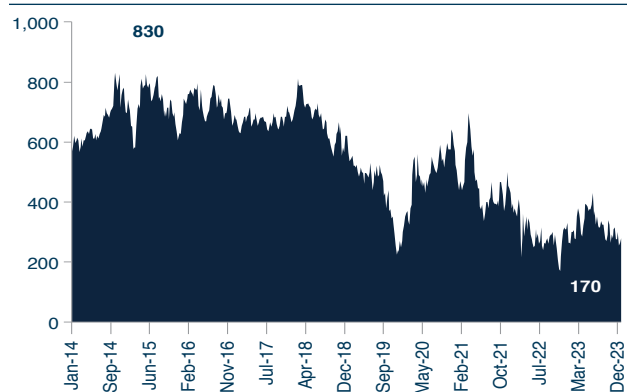




Petchem Spreads Trend

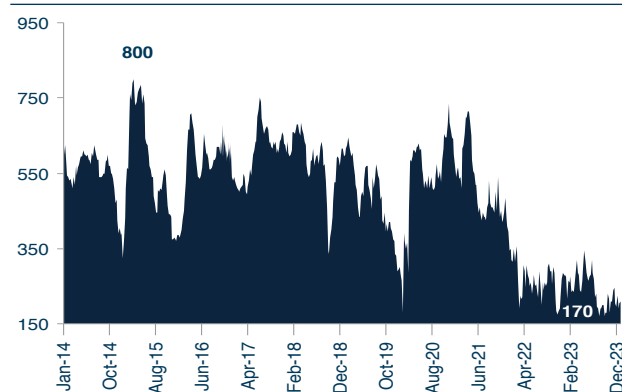
- Naphtha prices averaged USD 667 per ton in December, up from USD 643 per ton in November.
- Polypropylene average prices inched up to USD 872 per ton in December from USD 868 per ton in November.
- The HDPE-naphtha spread declined to USD 275 per ton in December against USD 295 per ton in November.
- The PP-naphtha spread decreased to USD 205 per ton from USD 225 per ton during the previous month.
- The PP-propane spread increased to USD 384 per ton in December from USD 380 per ton in November.
- The PVC-EDC spread contracted to USD 425 per ton in December from USD 455 per ton in November.
- The polystyrene-benzene spread rose to USD 294 per ton in December compared to USD 290 per ton in November.
- The HDPE-ethylene spread jumped to USD 99 per ton in December from USD 86 per ton in November.
- PP-butane spread expanded to USD 376 per ton in December from USD 372 per ton in November.
- LDPE-naphtha spread fell 3.9% M/M at USD 305 per ton, while LDPE-ethylene spread surged 18.6% M/M to USD 129 per ton in December.
- LLDPE-naphtha rose 2.6% to USD 259 per ton. Whereas LLDPE-ethylene spread increased 89.7% M/M to USD 83 per ton in December.

Figure 17: Naphtha- HDPE



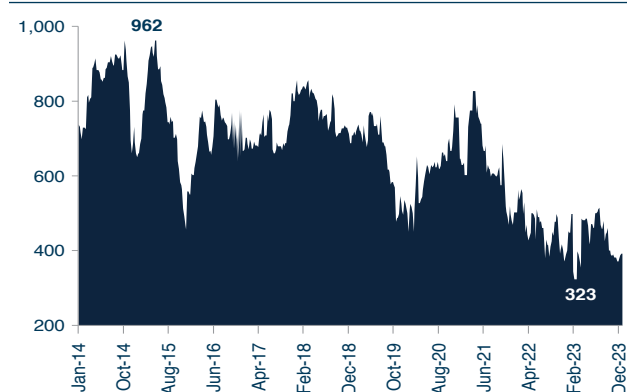
Source: Argaam, AlJazira Capital Research

Figure 18: Naphtha- PP



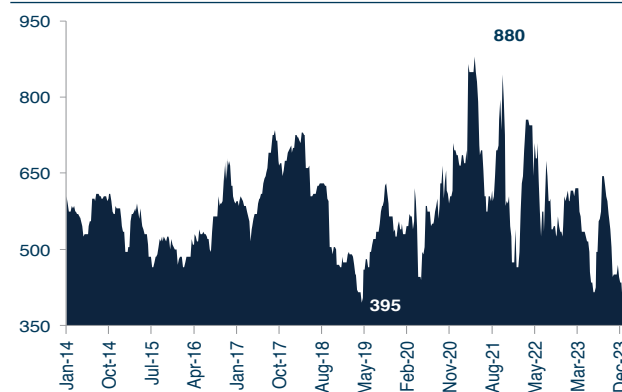
Source: Argaam, AlJazira Capital Research

Figure 19: Propane (Saudi)- PP



Source: Argaam, AlJazira Capital Research

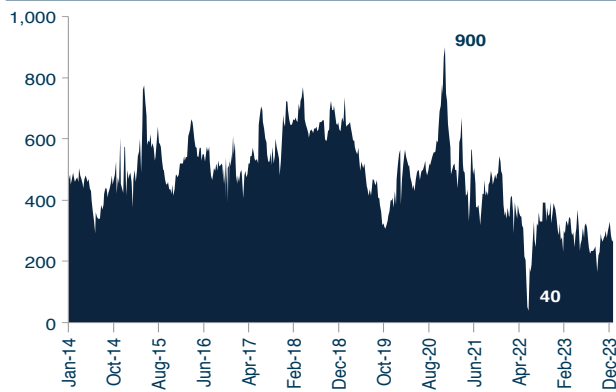
Figure 20: EDC- PVC



Source: Argaam, AlJazira Capital Research

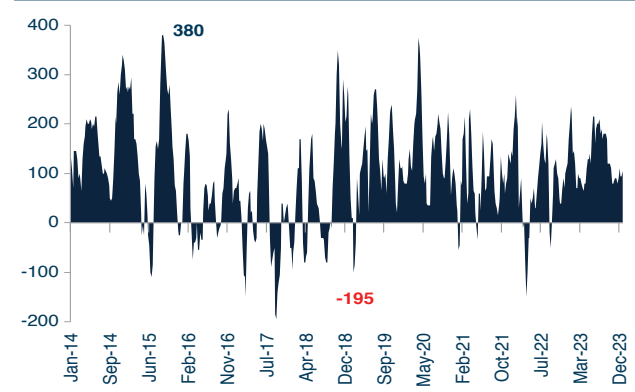


Figure 21: Benzene- Polystyrene



Source: Argaam, ALJazira Capital Research

Figure 22: Ethylene- HDPE



Source: Argaam, ALJazira Capital Research

Table 6: Petrochemical Products by Saudi Petrochemical Companies

Company	Finished Products
SABIC	Polyethylene, polypropylene, poly styrene, ethylene glycol (MEG), methyl tert-butyl ether (MTBE), benzene, urea, ammonia, PVC, and PTA
SABIC Agri- Nutrients	Urea, ammonia
YANSAB	Polyethylene, polypropylene, MEG, MTBE, and benzene
Tasnee	Polyethylene, polypropylene, and propylene (TiO2)
Saudi Kayan	Polyethylene, polypropylene, MEG, polycarbonate, and bisphenol A
Petro Rabigh	Polyethylene, polypropylene, propylene oxide, and refined petroleum products
Sahara Petrochemicals (Sipchem)	Polyethylene, polypropylene, Methanol, butanol, acetic acid, and vinyl acetate monomer
Saudi Group	Styrene, benzene, cyclohexene, propylene, polyethylene, polypropylene, and polystyrene
Advanced	Polypropylene
Alujain	Polypropylene
CHEMANOL	Formaldehyde – improvers concrete
NAMA	Epoxy resin, hydrochloric acid, liquid caustic soda, and soda granule
MAADEN	Ammonia and DAP

Source: Argaam Plus



RESEARCH DIVISION

Head of Sell-Side Research - AGM
Jassim Al-Jubran
+966 11 2256248
j.aljabran@aljaziracapital.com.sa

RESEARCH
DIVISION

AlJazira Capital, the investment arm of Bank AlJazira, is a Shariaa Compliant Saudi Closed Joint Stock company and operating under the regulatory supervision of the Capital Market Authority. AlJazira Capital is licensed to conduct securities business in all securities business as authorized by CMA, including dealing, managing, arranging, advisory, and custody. AlJazira Capital is the continuation of a long success story in the Saudi Tadawul market, having occupied the market leadership position for several years. With an objective to maintain its market leadership position, AlJazira Capital is expanding its brokerage capabilities to offer further value-added services, brokerage across MENA and International markets, as well as offering a full suite of securities business.

RATING
TERMINOLOGY

1. **Overweight:** This rating implies that the stock is currently trading at a discount to its 12 months price target. Stocks rated "Overweight" will typically provide an upside potential of over 10% from the current price levels over next twelve months.
2. **Underweight:** This rating implies that the stock is currently trading at a premium to its 12 months price target. Stocks rated "Underweight" would typically decline by over 10% from the current price levels over next twelve months.
3. **Neutral:** The rating implies that the stock is trading in the proximate range of its 12 months price target. Stocks rated "Neutral" is expected to stagnate within +/- 10% range from the current price levels over next twelve months.
4. **Suspension of rating or rating on hold (SR/RH):** This basically implies suspension of a rating pending further analysis of a material change in the fundamentals of the company.

Disclaimer

The purpose of producing this report is to present a general view on the company/economic sector/economic subject under research, and not to recommend a buy/sell/hold for any security or any other assets. Based on that, this report does not take into consideration the specific financial position of every investor and/or his/her risk appetite in relation to investing in the security or any other assets, and hence, may not be suitable for all clients depending on their financial position and their ability and willingness to undertake risks. It is advised that every potential investor seek professional advice from several sources concerning investment decision and should study the impact of such decisions on his/her financial/legal/tax position and other concerns before getting into such investments or liquidate them partially or fully. The market of stocks, bonds, macroeconomic or microeconomic variables are of a volatile nature and could witness sudden changes without any prior warning, therefore, the investor in securities or other assets might face some unexpected risks and fluctuations. All the information, views and expectations and fair values or target prices contained in this report have been compiled or arrived at by Al-Jazira Capital from sources believed to be reliable, but Al-Jazira Capital has not independently verified the contents obtained from these sources and such information may be condensed or incomplete. Accordingly, no representation or warranty, express or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information and opinions contained in this report. Al-Jazira Capital shall not be liable for any loss as that may arise from the use of this report or its contents or otherwise arising in connection therewith. The past performance of any investment is not an indicator of future performance. Any financial projections, fair value estimates or price targets and statements regarding future prospects contained in this document may not be realized. The value of the security or any other assets or the return from them might increase or decrease. Any change in currency rates may have a positive or negative impact on the value/return on the stock or securities mentioned in the report. The investor might get an amount less than the amount invested in some cases. Some stocks or securities maybe, by nature, of low volume/trades or may become like that unexpectedly in special circumstances and this might increase the risk on the investor. Some fees might be levied on some investments in securities. This report has been written by professional employees in Al-Jazira Capital, and they undertake that neither them, nor their wives or children hold positions directly in any listed shares or securities contained in this report during the time of publication of this report, however, The authors and/or their wives/children of this document may own securities in funds open to the public that invest in the securities mentioned in this document as part of a diversified portfolio over which they have no discretion. This report has been produced independently and separately by the Research Division at Al-Jazira Capital and no party (in-house or outside) who might have interest whether direct or indirect have seen the contents of this report before its publishing, except for those whom corporate positions allow them to do so, and/or third-party persons/institutions who signed a non-disclosure agreement with Al-Jazira Capital. Funds managed by Al-Jazira Capital and its subsidiaries for third parties may own the securities that are the subject of this document. Al-Jazira Capital or its subsidiaries may own securities in one or more of the aforementioned companies, and/or indirectly through funds managed by third parties. The Investment Banking division of Al-Jazira Capital maybe in the process of soliciting or executing fee earning mandates for companies that is either the subject of this document or is mentioned in this document. One or more of Al-Jazira Capital board members or executive managers could be also a board member or member of the executive management at the company or companies mentioned in this report, or their associated companies. No part of this report may be reproduced whether inside or outside the Kingdom of Saudi Arabia without the written permission of Al-Jazira Capital. Persons who receive this report should make themselves aware, of and adhere to, any such restrictions. By accepting this report, the recipient agrees to be bound by the foregoing limitations.

Asset Management | Brokerage | Investment Banking | Custody | Advisory

Head Office: King Fahad Road, P.O. Box: 20438, Riyadh 11455, Saudi Arabia, Tel: 011 2256000 - Fax: 011 2256068