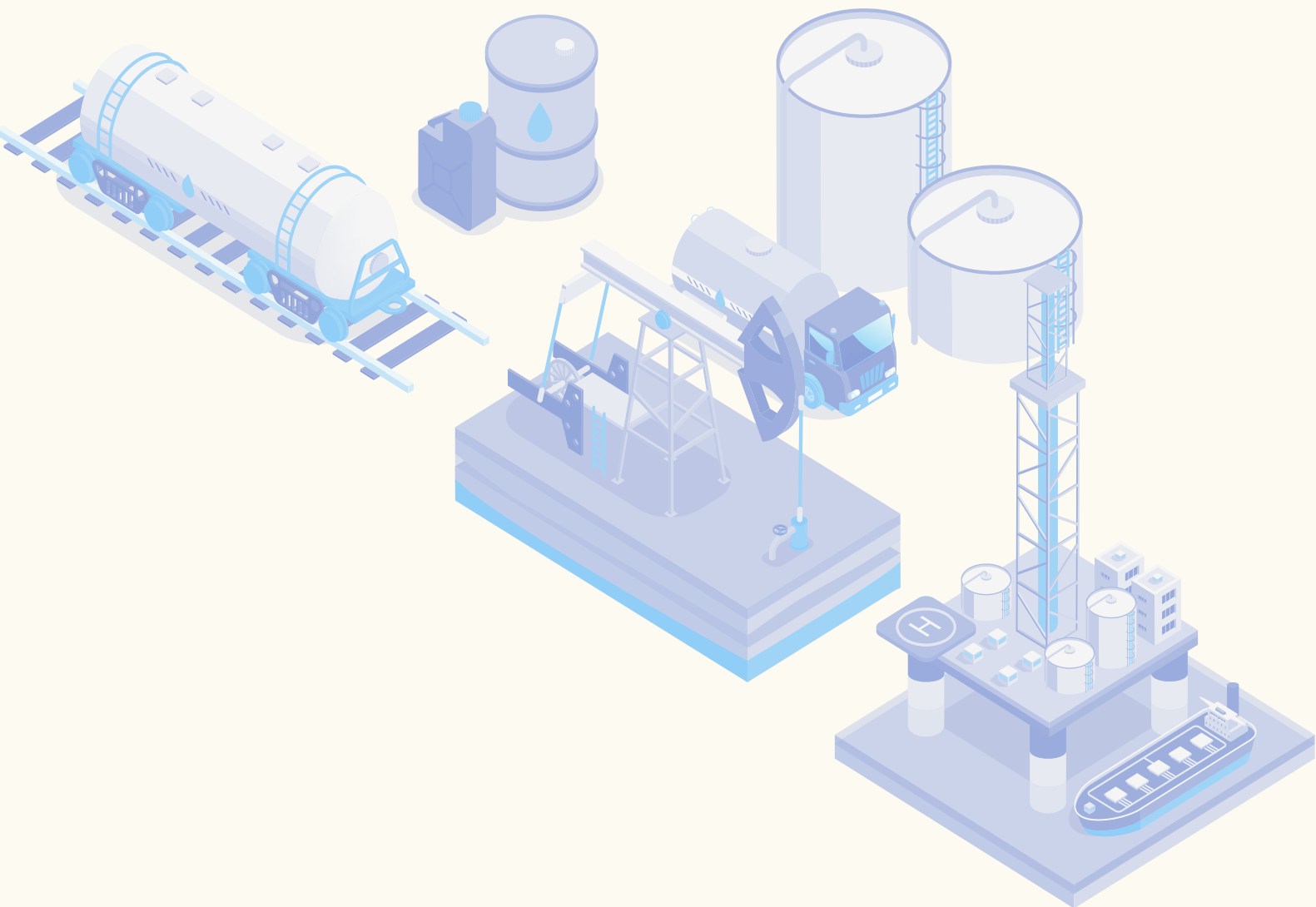


March
2025

الجزيرة كابيتال

ALJAZIRA CAPITAL الجزيرة للأسواق المالية



Oil & Petrochemicals Monthly Report February I 2025

Head of Sell-Side Research

Jassim Al-Jubran

+966 11 2256248

j.aljabran@aljaziracapital.com.sa

Urea, Ethylene and HDPE prices gained; EDC, Ammonia, Propylene declined in February; Aramco decreased propane and butane prices for March

- **Naphtha declined, while propane and butane gained in February:** Naphtha prices decreased 0.7% M/M to USD 670 per ton in February. Propane and butane prices each increased 1.6% M/M, to USD 635 per ton and USD 625 per ton, respectively. Aramco decreased the prices of propane and butane for March to USD 615 per ton and USD 605 per ton, respectively.
- **Prices of most products rose in February:** Urea prices increased 10.1% M/M to USD 435 per ton, supported by seasonal buying and the resumption of operations at downstream compound fertilizer plants. **Ammonia** prices fell 5.1% M/M to USD 370 per ton, impacted by subdued demand in the US and Asia coupled with softening natural gas prices in Europe. **EDC** prices dropped 15.8% M/M to USD 240 per ton, amid weak demand outlook of downstream PVC due to likely imposition of antidumping duties by India. **Ethylene** prices gained 3.0% M/M to USD 855 per ton, driven by constrained supply and stronger buying sentiment. **HDPE** prices rose 1.1% M/M to USD 885 per ton, driven by supply disruptions stemming from production outages. **Propylene** prices decreased 2.9% M/M to USD 825 per ton due to sluggish demand and increased supply.
- **Petchem Spreads Trend:** PP-propane spread rose to USD 440 per ton in February from USD 414 per ton in January. PP-butane spread rose to USD 448 per ton in February from USD 422 per ton in January. HDPE-naphtha spread remained stable at USD 208 per ton in February, consistent with the level recorded in January.

Oil fell in February amid higher US inventories, trade war fears and US-Ukraine tensions; concerns over OPEC+ output, US tariffs weighing on prices in March

- **Oil prices declined in February:** Oil prices softened in early February due to a buildup in US crude stockpiles and US-China trade war concerns. Prices later stabilized on Russia-Ukraine peace deal but edged lower amid rising tensions between US and Ukrainian presidents. Investors' concerns grew over new US tariffs and Iraq resuming exports. In early March, a larger-than-expected US crude stockpile increases, concerns over OPEC+'s output increase in April and potential US tariffs on Canada, China, and Mexico kept the pressure on prices. Brent decreased by 4.7% M/M, while WTI fell 3.8% M/M in February, ending at USD 73.2/bbl and USD 69.8/bbl, respectively. Natural gas prices at Henry Hub rose 26.0% M/M to USD 3.8/mn Btu.
- **Manufacturing activity slowed in the US; China's PMI rose, signaling growth; Eurozone PMI improved slightly:** US ISM manufacturing PMI fell to 50.3 in February from 50.9 in January due to eased demand, stabilized production and de-staffing. China's Caixin manufacturing PMI rose to 50.8 in February from 50.1 in January with growth in output and new orders driven by improving market conditions. Eurozone manufacturing PMI rose to 47.6 from 46.6 in January.

Table 1: Petchem Prices – February FY25

Name	Price (USD per ton)	M/M %	Q/Q %	Y/Y %	YTD %
Naphtha	670	-0.7%	3.1%	-2.2%	3.9%
Saudi Propane	635	1.6%	0.0%	0.8%	0.0%
Saudi Butane	625	1.6%	-0.8%	-2.3%	-0.8%
Ethylene	855	3.0%	0.0%	-7.6%	2.4%
Propylene-Asia	825	-2.9%	5.1%	1.2%	0.6%
HDPE	885	1.1%	-2.7%	-6.8%	-0.6%
LDPE	1,135	1.3%	1.3%	9.7%	0.0%
LLDPE	930	0.0%	-1.1%	-1.1%	-1.6%
PP-Asia	950	0.5%	6.1%	8.0%	7.3%
Styrene-Asia	1,045	-0.9%	3.0%	-5.9%	2.5%
Polystyrene-Asia	1,200	0.8%	-0.8%	-1.6%	-0.8%
PET - Asia	805	0.6%	1.3%	-9.6%	1.3%
PVC-Asia	720	-0.7%	-5.3%	-7.7%	-2.7%
MEG (Asia)	550	0.9%	1.9%	1.9%	0.9%
Methanol-China	295	-1.7%	0.0%	-3.3%	-4.8%
DAP-Gulf	610	0.0%	-1.6%	0.8%	-2.4%
Urea-Gulf	435	10.1%	26.1%	13.0%	22.5%
Ammonia-Gulf	370	-5.1%	-14.9%	29.8%	-15.9%
MTBE-Asia	760	2.7%	5.6%	-16.0%	7.0%
EDC	240	-15.8%	-18.6%	-36.0%	-15.8%
MEG (SABIC)	770	0.0%	-2.5%	-3.8%	-1.3%
PC	1,670	0.6%	-2.3%	-3.5%	-0.9%
Acetic Acid-AA	460	-1.1%	4.5%	-7.1%	5.7%
EVA	1,200	0.8%	2.6%	-7.7%	2.6%
Vinyl Acetate Monomer-VAM	810	2.5%	5.2%	-16.9%	3.2%

Note: Prices as of February 23, 2025

Source: Argaam, Reuters Eikon, Aljazira Capital Research

Table 2: Economic Calendar

Date	Country	Event
Mar 19,26	US	Weekly Petroleum Status Report
20-Mar	US	US Initial Jobless Claims
24-Mar	US	S&P Global US Manufacturing PMI
27-Mar	US	GDP Annualized QoQ
29-Mar	KSA	Current Account Balance
29-Mar	KSA	M3 Money Supply YoY
29-Mar	KSA	SAMA Net Foreign Assets SAR
3-Apr	US	Trade Balance
4-Apr	US	Unemployment Rate
7-Apr	KSA	S&P Global Saudi Arabia PMI
8-Apr		EIA Short-term Energy Outlook
14-Apr		OPEC Monthly Oil Market Report
15-Apr		IEA Oil Market Report
15-Apr	KSA	CPI YoY
1-May	KSA	GDP Constant Prices YoY

Source: Bloomberg, EIA, OPEC, IEA

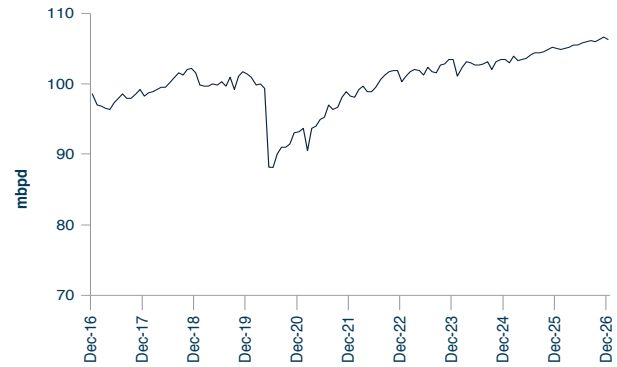
Key comments from international energy agencies

Crude oil supply

Global supply

- Global supplies of crude oil and liquid fuels are expected to rise by 1.4 mbpd to 104.2 mbpd in FY25 (0.4 mbpd lower than previous estimate) and by 1.6 mbpd to 105.8 mbpd in FY26, as per EIA. Non-OPEC supply is forecast to grow 1.4 mbpd to 71.8 mbpd in FY25 and 1.3 mbpd to 73.1 mbpd in FY26.
- Global oil supply rose by 0.2 mbpd in February to 103.3 mbpd, led by OPEC+, according to IEA.
- Throughputs are expected to average 83.3 mbpd in FY25, according to IEA.

Figure 1: World Oil Production



Source: Bloomberg, AlJazira Capital Research

OPEC Supply

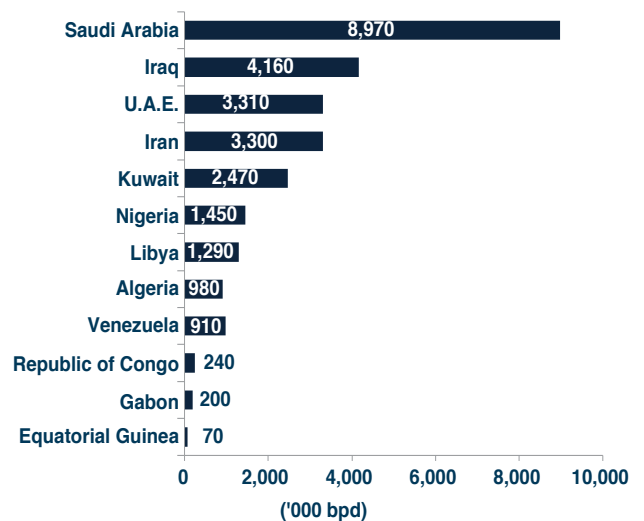
- OPEC crude oil production increased 154,000 bpd M/M in February to an average of 26.9 mbpd, as per OPEC's secondary sources.
- On average, OPEC members are estimated to produce 26.8 mbpd of crude oil in Q1-25 (vs 26.7 mbpd in Q4-24), as per EIA.
- OPEC's average crude production is estimated at 26.6 mbpd in FY25 and at 26.9 mbpd in FY26, according to EIA.
- OPEC's unplanned oil supply disruptions averaged 1.07 mbpd in February (vs. 1.20 mbpd in January), as per EIA.

Table 3: OPEC Oil Production ('000 bpd; excl. Angola)

Prod. ('000 bpd)	Cap.	Nov 2024	Dec 2024	Jan 2025	Feb 2025	% M/M Chg.
Equatorial Guinea	120	80	70	40	70	75.0%
Gabon	220	230	220	230	200	-13.0%
Republic of Congo	300	230	250	250	240	-4.0%
Venezuela	900	880	850	900	980	8.9%
Algeria	1,060	890	900	890	910	2.2%
Libya	1,200	1,190	1,230	1,210	1,290	6.6%
Nigeria	1,600	1,470	1,560	1,520	1,450	-4.6%
Kuwait	2,820	2,470	2,430	2,490	2,470	-0.8%
Iran	3,830	3,360	3,320	3,320	3,310	-0.3%
U.A.E.	4,650	3,300	3,200	3,230	3,300	2.2%
Iraq	4,800	4,120	4,120	4,010	4,160	3.7%
Saudi Arabia	12,000	8,950	8,950	8,940	8,970	0.3%
Total OPEC	33,500	27,170	27,100	27,030	27,350	1.2%

Source: Bloomberg

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



Source: Bloomberg

Crude oil demand

Global

- OPEC estimates a 1.4 mbpd increase in global consumption in FY25 (unchanged from the previous month's estimate) and grow further by 1.4 mbpd in FY26. IEA estimates global oil demand growth to increase from 0.8 mbpd in FY24 to just over 1.0 mbpd growth in FY25 (vs. 1.1 mbpd earlier), reaching 103.9 mbpd. As per EIA, global consumption of petroleum and liquid fuels averaged at 102.9 mbpd in FY24, it is forecasted to increase by 1.3 mbpd Y/Y in FY25 and 1.2 mbpd Y/Y in FY26.
- Global demand for petroleum and liquid fuels stood at 105.2 mbpd in February, up 1.9% Y/Y, as per EIA.
- DoC (countries participating in the Declaration of Cooperation) crude demand for FY25 is forecasted to grow 0.4 mbpd Y/Y to 42.6 mbpd (unchanged from the previous month's estimate), according to OPEC. The DoC demand is estimated to increase to 42.9 mbpd in FY26, up by around 0.3 mbpd Y/Y.

Inventory

- Global oil inventories declined 40.5 mb in January. Total OECD stocks rose by 11.2 mb, supported by an increase of 25 mb of industry crude inventories, as per IEA.
- EIA recorded OECD inventories at 2.73bn barrels by end-FY24 and forecasts at 2.72bn by end-FY25 and 2.76bn by end-FY26.
- Natural gas inventories in the US are estimated to be 3,017bn cu.ft. per day in FY25 and 2,910bn cu.ft. per day in FY26, 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 74 per barrel in FY25 and at USD 68 per barrel in FY26, as per EIA.
- Goldman Sach forecasts Brent prices to reach USD 71 by FY25-end and average at USD 68 per barrel in FY26, lowering its previous forecasts by around USD 5 per barrel. EIA expects natural gas prices at Henry Hub to average USD 4.20/mn Btu in FY25 and USD 4.50/mn Btu in FY26.

Table 4: World Oil Demand and Supply

(mbpd)	FY24				FY25E				FY24	FY25E	FY26E
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
World Crude Oil & Liq. Fuels Supply											
OPEC Supp.	32.38	32.46	32.35	32.36	32.52	32.18	32.28	32.39	32.56	32.66	32.76
Non-OPEC Suppl.	69.82	70.35	70.38	71.01	70.86	71.50	72.21	72.70	72.49	72.97	73.30
Total World Supply	102.19	102.81	102.72	103.38	103.38	103.68	104.49	105.09	105.05	105.62	106.06
World Crude Oil & Liq. Fuels Cons.											
OECD Cons.	44.83	45.60	46.20	46.36	45.76	45.37	46.23	46.17	45.71	45.51	46.37
Non-OECD Cons.	57.15	57.27	56.87	57.16	58.09	58.37	58.23	58.27	59.00	59.47	59.40
Total World Cons.	101.98	102.87	103.07	103.52	103.85	103.74	104.46	104.45	104.72	104.98	105.77
OECD Comm. Inventory (mn barrels)	2,757	2,834	2,796	2,733	2,706	2,726	2,724	2,724	2,727	2,763	2,762
OPEC Surplus Crude Oil Prod. Cap.	1.47	1.39	1.55	1.31	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: EIA STEO March 2025, AlJazira Capital Research

- The gap between crude consumption and supply is estimated to increase to 0.47 mbpd in Q1-25 (higher consumption than supply) from 0.14 mbpd in Q4-24 (higher consumption than supply).
- OECD's crude inventories are expected to be at 2.71bn barrels in Q1-25 compared to 2.73bn barrels in Q4-24.

Petrochemical sector news

- **National Industrialization Co. (Tasnee)** revealed that it has obtained the approval of the Ministry of Energy to allocate quantities of ethane, propane and butane, the necessary feedstock for the establishment of an industrial complex project in Jubail Industrial City. It added that the project will target the production of approximately 3.3mn metric tons of petrochemical products, including HDPE, LLDPE, and MTBE. (Source: Argaam)
- **Saudi Aramco's**, President and CEO Amin Nasser indicated that OPEC+'s decision to gradually increase production will have a positive impact on companies. He added that the company is well-positioned in downstream operations despite unfavorable market conditions. (Source: Argaam)
- **Saudi Aramco** announced that the company has signed definitive agreements to acquire a 25% equity stake in Unioil Petroleum Philippines, one of the largest petroleum companies in the Philippines. (Source: Argaam)
- **Sahara International Petrochemical Co. (Sipchem)** announced that it has obtained approval of the Ministry of Energy to allocate quantities of the necessary feedstock for the establishment of a petrochemical complex in Jubail Industrial City. The complex will be established in partnership with LyondellBasell with an annual production capacity of 1.5mn metric tons of ethylene, in addition to 1.8mn tons of derivative products, including basic and specialty polymers. (Source: Argaam)
- **Alujain Corp.** announced the completion of the scheduled periodic maintenance for the propylene and polypropylene complex of its subsidiary National Petrochemical Industrial Co. (NATPET), with operations resuming as planned on February 20. The company added that this maintenance work will have a positive impact on the efficiency of the plants and the reliability, which supports the company's future operational plans. (Source: Argaam)
- **Saudi Aramco's**, President and CEO Amin Nasser highlighted the Jafurah project's role in solidifying Saudi Arabia's status as a leading global gas producer. He emphasized its importance in achieving the Kingdom's objectives of expanding gas capacity by over 60% by 2030. By 2030, the Jafurah field's daily production capacity is projected to reach two billion standard cubic feet (scf) of sales gas. (Source: Argaam)
- **Saudi Basic Industries Corp. (SABIC)** and Saudi Arabian Mining Co. (Maaden) announced the completion of the regulatory process by Maaden to acquire the entire stake of SABIC Industrial Investments Co., a wholly owned subsidiary of SABIC, in Aluminum Bahrain (Alba). (Source: Argaam)

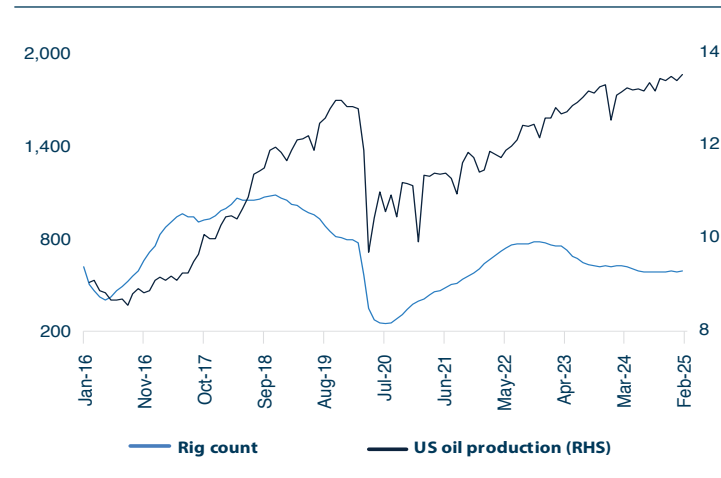
Table 5: KSA Petrochemical Companies Key Metrics

Company	Net profit (TTM; SAR mn)	P/E (Adjusted)	P/B	EV/ EBITDA	DPS (SAR) TTM	Dividend Yield (2024)	YTD returns
SABIC	1,538.5	High	1.2x	12.2x	3.40	5.4%	-5.5%
TASNEE	100.0	High	0.6x	High	-	-	-10.0%
YANSAB	420.3	47.1x	1.7x	11.7x	2.00	6.0%	-11.1%
SABIC Agri-Nutrients	3,327.2	15.4x	2.8x	10.8x	6.00	5.6%	-3.1%
Sipchem	564.8	48.8x	1.0x	13.3x	1.00	4.8%	-16.8%
Advanced	-259.2	NEG	2.7x	High	-	-	-8.6%
KAYAN	-1,803.7	NEG	0.8x	13.7x	-	-	-15.5%
SIIG	201.2	High	1.1x	-	0.50	3.4%	-11.1%
Nama Chemical	-86.7	NEG	3.3x	-	-	-	0.5%
Chemanol	-171.4	NEG	1.0x	41.5x	-	-	-22.6%
ALUJAIN	-0.7	NEG	0.7x	12.2x	-	-	-10.6%

Source: Bloomberg, Tadawul, Argaam, Aljazira Capital Research; Data as of March 13, 2024

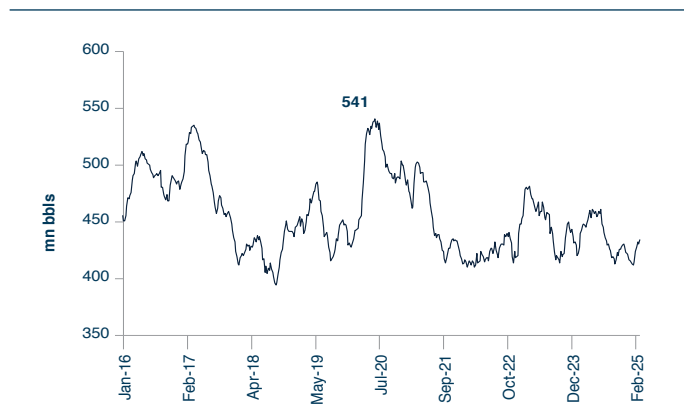
US oil and gas developments

Figure 4: US Oil Production versus Rig Count



Source: US EIA, AlJazira Capital Research

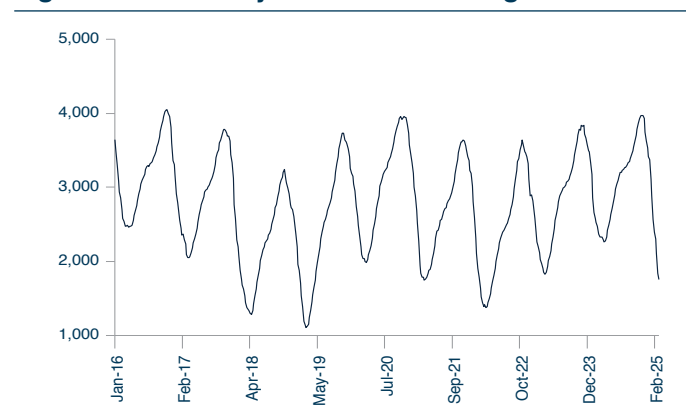
Figure 5: US Weekly Oil Inventories



- US weekly oil inventories increased 0.8% W/W to 433.8mn barrels for the week ended February 28. On M/M basis, inventories rose 2.4%.

Source: US EIA, AlJazira Capital Research

Figure 6: US Weekly Natural Gas Storage



- US weekly natural gas storage decreased 4.3% W/W to 1.760 bcf in the week ended February 28. On M/M basis, natural gas storage declined 26.6%.

Source: US EIA, AlJazira Capital Research

Price Trend: Oil, Natural Gas & Petrochemicals Products

Figure 7: Oil Price Trends (USD / Barrel)

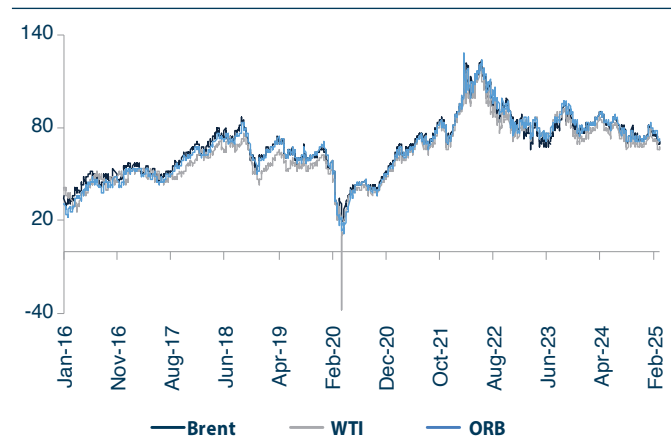
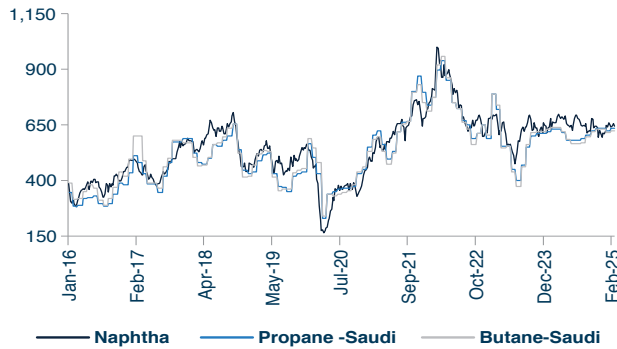


Figure 8: Henry Hub Natural Gas (USD / MMBTu)

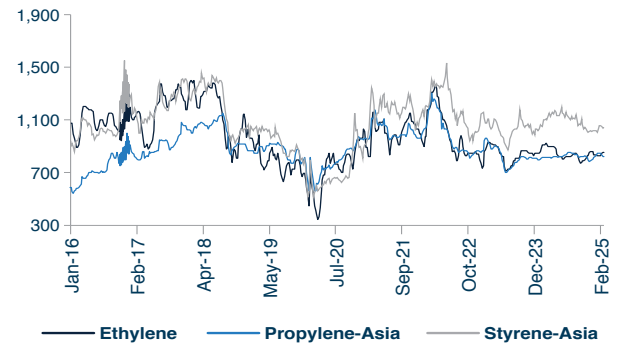


Figure 9: Feedstock Price Trends (USD / Ton)



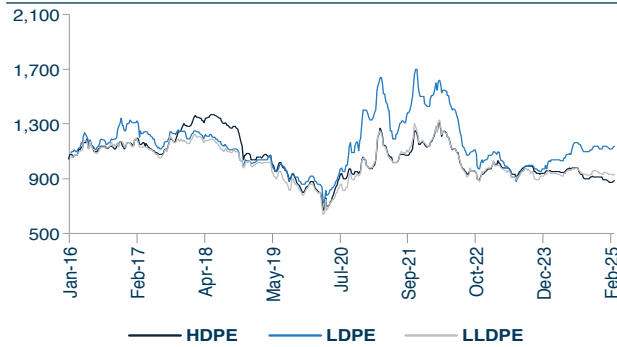
Source: Argaam, AlJazira Capital Research

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



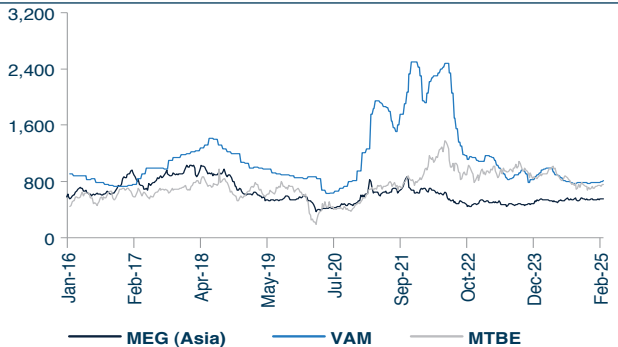
Source: Argaam, AlJazira Capital Research

Figure 11: Polyethylene Price Trends (USD / Ton)



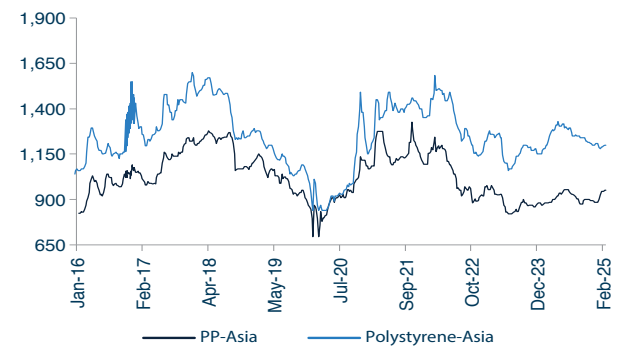
Source: Argaam, AlJazira Capital Research

Figure 12: Intermediates Price Trends (USD / Ton)



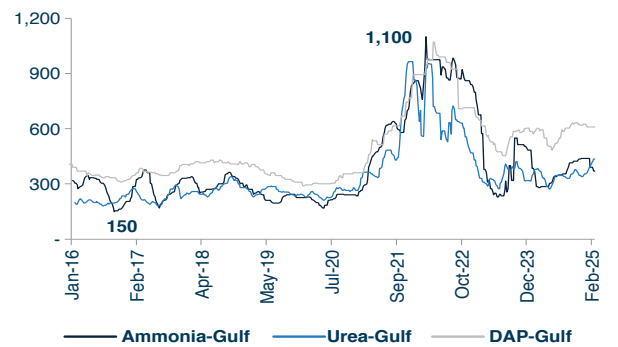
Source: Argaam, AlJazira Capital Research

Figure 13: Polypropylene & Polystyrene



Source: Argaam, AlJazira Capital Research

Figure 14: Ammonia, Urea & DAP



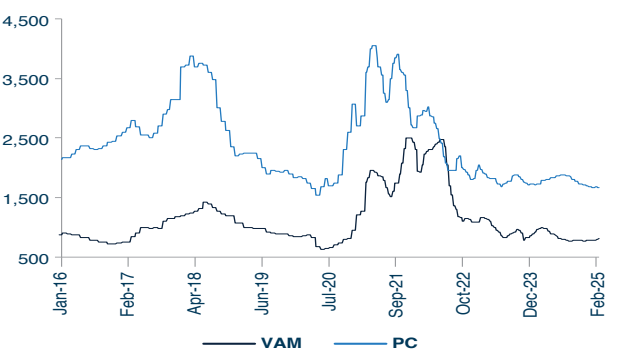
Source: Argaam, AlJazira Capital Research

Figure 15: Methanol-China (USD / Ton)



Source: Argaam, AlJazira Capital Research

Figure 16: PC-VAM

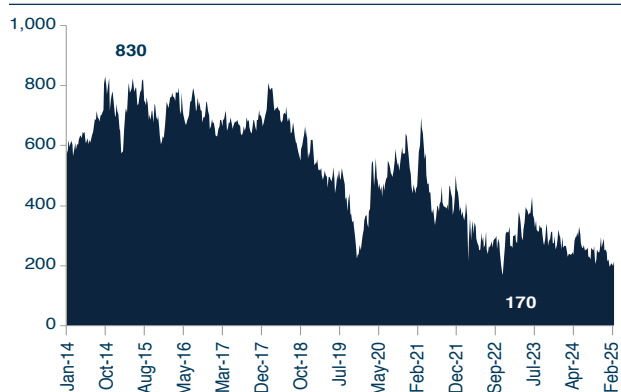


Source: Argaam, AlJazira Capital Research

Petchem Spreads Trend

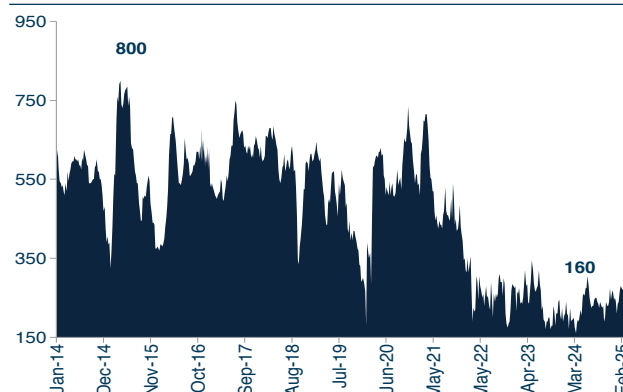
- Naphtha prices averaged USD 671 per ton in February, down from USD 675 per ton in January.
- Polypropylene average prices rose to USD 948 per ton in February from USD 914 per ton in January.
- The HDPE-naphtha spread remained stable at USD 208 per ton in February, consistent with the level recorded in January.
- The PP-naphtha spread increased to USD 276 per ton from USD 239 per ton during the previous month.
- The PP-propane spread rose to USD 440 per ton in February from USD 414 per ton in January.
- The PVC-EDC spread gained to USD 499 per ton in February from USD 478 per ton in January.
- The polystyrene-benzene spread contracted to USD 281 per ton in February compared to USD 299 per ton in January.
- The HDPE-ethylene spread fell to USD 33 per ton in February from USD 51 per ton in January.
- PP-butane spread rose to USD 448 per ton in February from USD 422 per ton in January.
- LDPE-naphtha spread widened by 0.6% M/M to USD 455 per ton, while LDPE-ethylene spread contracted 5.5% M/M to USD 280 per ton in February.
- LLDPE-naphtha spread declined 1.9% to USD 258 per ton and LLDPE-ethylene fell 22.4% M/M to USD 83 per ton in February.

Figure 17: Naphtha- HDPE



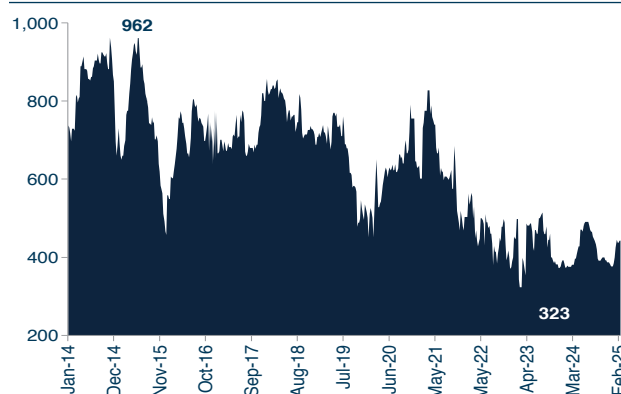
Source: Argaam, AlJazira Capital Research

Figure 18: Naphtha- PP



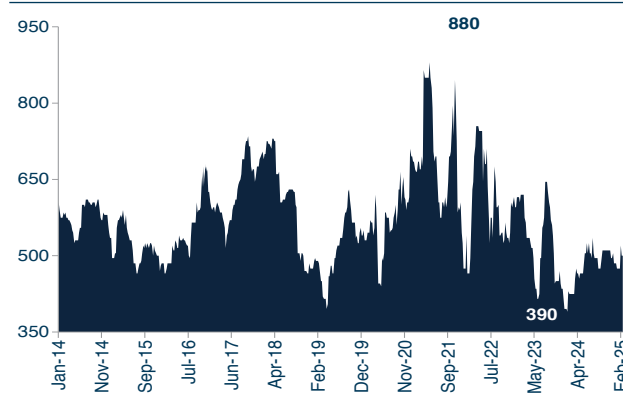
Source: Argaam, AlJazira Capital Research

Figure 19: Propane (Saudi) - PP



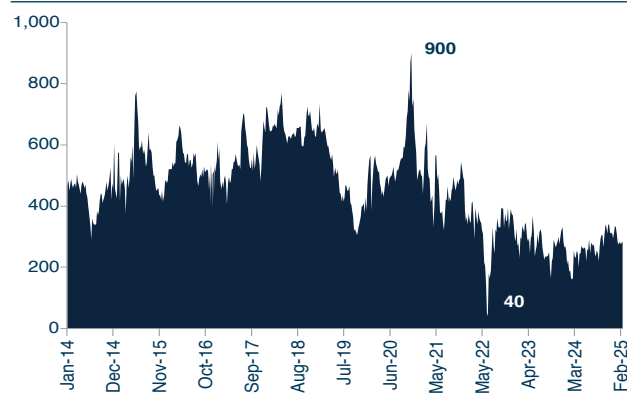
Source: Argaam, AlJazira Capital Research

Figure 20: EDC- PVC



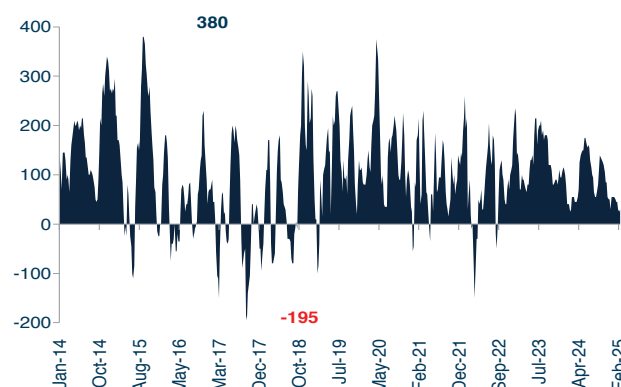
Source: Argaam, AlJazira Capital Research

Figure 21: Benzene- Polystyrene



Source: Argam, AlJazira Capital Research

Figure 22: Ethylene- HDPE



Source: Argam, 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: Argam Plus



RESEARCH
DIVISION

Head of Sell-Side Research
- Director
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