Petrochemical Tracker
Saudi Arabia
4-Nov. '26

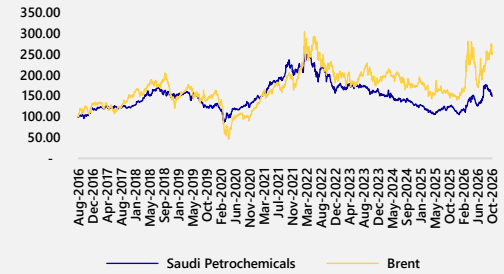
الراجحي المالية
alrajhi capital

Argaam Petrochemical Index*



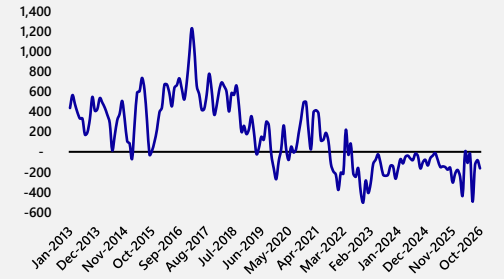
*Source: Argaam, alrajhi capital; *As of October 2026*

Saudi Petrochemicals Share Price Index vs Brent (rebased to 100)



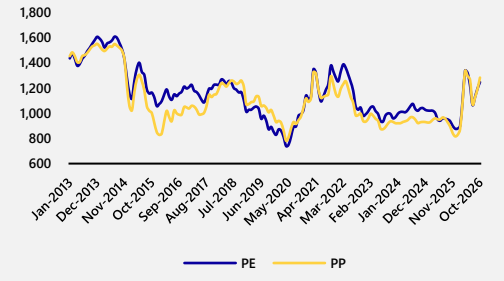
Source: Bloomberg, alrajhi capital calculations; Saudi petrochemical index has been calculated using weighted average of rebased market caps (100) for SABIC, Yansab, Sipchem, Kayan, SABIC Agri, APPC, Alujain, Tasnee, SIIG and Petro Rabigh

Asia Naphtha Cracker Margin (USD/ton)



Source: Bloomberg, alrajhi capital

PE and PP Price Trend (USD/ton)



Source: Bloomberg, alrajhi capital; PE (Polyethylene); PP (Polypropylene)

Research Department
Renison Macwan
MacwanR@alrajhi-capital.sa, Tel +966 11 828 4737

Petrochemical Tracker - November 2026

Price strength continues, Feedstock rise dampens spreads

- Product prices registered broad-based gains in Oct'26 as supply disruptions continued
- Product spreads were mixed m-o-m as feedstocks witnessed modest increase, outpacing the increase in some product prices
- We believe disruption-driven price premium to fade once trade routes become operational, with underlying overcapacity pressurizing prices and margins

More details:

Prices: Most of the product prices exhibited strength m-o-m wherein VAM (+29.2%) and Methanol (+13.8%) witnessed the steepest gains. Other products also displayed steady positive momentum lead by broad based growth across aromatics and polymer chains. However, the fertilizer sector continued to remain muted, with a slight fall in Ammonia prices (-2.6% MoM), while DAP prices remained flat.

Spreads: Product spreads were mixed with naphtha feedstock surging c.9.4% m-o-m to USD 986/ton. Polycarbonates spread slipped into the negative territory extending its m-o-m decline of USD147/ton, while moderate declines were also recorded in MEG spreads and Ethylene-naphtha spreads. MDI and TDI spreads registered the largest expansion.

Important News:

- **SABIC** reported 3Q26 adj. net income of SAR840m (2Q26 loss of SAR380m). **SAFCO's** net income improved by 28% QoQ in 3Q26. **APPC** saw 3Q26 net income of SAR4m (2Q26 loss of SAR98m). **Yansab's** adj. net income declined by 35% QoQ in 3Q26.
- China's oil use is shifting from fuels to petrochemical feedstock, and the Middle East war is speeding up the change, according to the China National Petroleum Corp.
- PTT Global chemical and SCG Chemicals to form Thailand olefins, polyolefins joint venture in 2H27, with assets to be combined valued at USD7.5bn.

Figure 1: **Petrochemical Product Price Comparison**

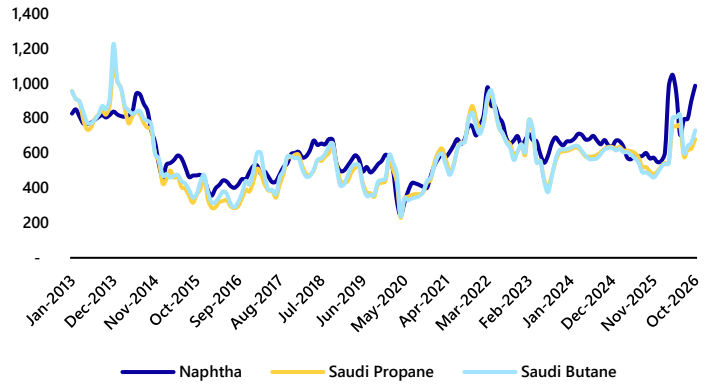
Category	Product Prices (USD/ton)	Oct'26	Sep'26	MoM (%)	Oct'25	YoY (%)
Feedstock	Naphtha	986	901	9.4%	569	73.3%
	Saudi Propane	680	625	8.8%	495	37.4%
	Saudi Butane	730	660	10.6%	475	53.7%
Olefins	Ethylene	1,161	1,152	0.8%	747	55.3%
	Propylene	1,279	1,194	7.1%	797	60.5%
	Butadiene	1,543	1,474	4.7%	917	68.3%
Aromatics	Benzene	1,272	1,173	8.5%	694	83.2%
	Toluene	1,342	1,252	7.2%	733	83.1%
	Mixed Xylenes	1,265	1,169	8.3%	717	76.6%
Methanol Chain	Methanol	493	433	13.8%	261	89.0%
	MTBE	1,174	1,129	4.0%	645	82.0%
Intermediates	MEG	775	807	-3.9%	505	53.7%
	VAM	1,189	920	29.2%	794	49.7%
	EDC	319	328	-2.7%	191	66.8%
Polyethylene	HDPE	1,151	1,117	3.1%	897	28.3%
	LDPE	1,403	1,339	4.8%	1,054	33.1%
	LLDPE	1,182	1,127	4.9%	856	38.0%
Commodity Polymers	PET	1,324	1,263	4.8%	813	62.8%
	PVC	863	848	1.7%	710	21.6%
	PP	1,281	1,191	7.6%	893	43.4%
Polyurethane (PU)	MDI	2,747	2,654	3.5%	2,048	34.1%
	TDI	2,640	2,568	2.8%	1,887	39.9%
Fertilizer	Ammonia	438	450	-2.6%	393	11.5%
	Urea (ME)	445	432	3.1%	397	12.3%
	DAP	840	840	0.0%	727	15.6%

Source: Bloomberg, alrajhi capital; MTBE (Methyl Tert-Butyl Ether); MEG (Monoethylene Glycol); VAM (Vinyl Acetate Monomer); EDC (Ethylene Dichloride); MDI (Methylene Diphenyl Diisocyanate); TDI (Toluene Diisocyanate)

AVIOR CAPITAL MARKETS US, LLC ("Avior US") HAS DISTRIBUTED THIS DOCUMENT under a 15A6 Chaperone agreement with Al Rajhi Capital ("Al Rajhi" or "Foreign Counterparty") (A Foreign Broker-Dealer or Research Provider). Avior US is a FINRA registered Broker-Dealer (CRD# 172595 / SEC# 8-69513). This research report ("Report") and the excerpts from this Report were written entirely by Al Rajhi Capital, and not by Avior US. Avior US is distributing and providing this Report for the reader's consideration.

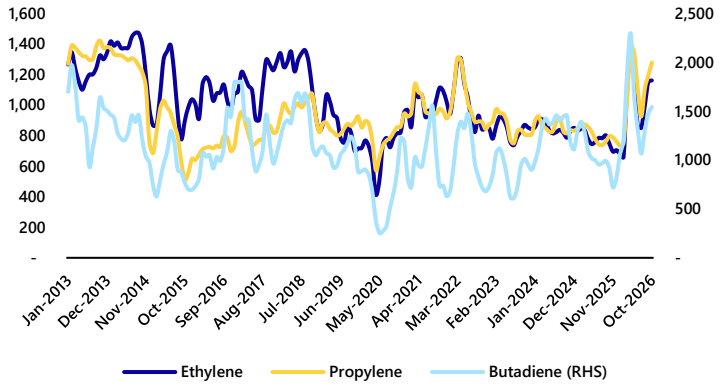
KEY PETROCHEMICAL PRICES

Figure 2: **Feedstock Price Trend (USD/ton)**



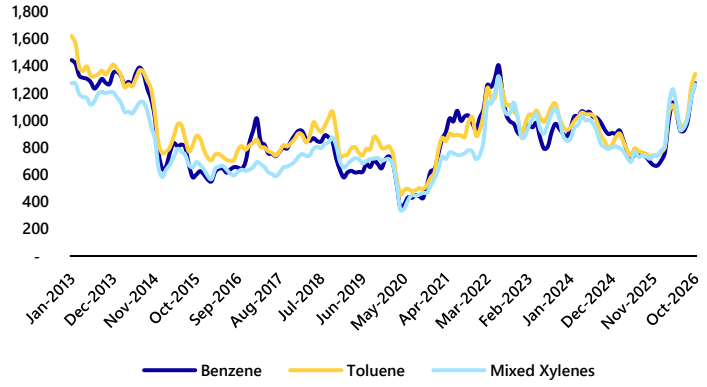
Source: Bloomberg, Argaam, alrajhi capital

Figure 3: **Olefins Price Trend (USD/ton)**



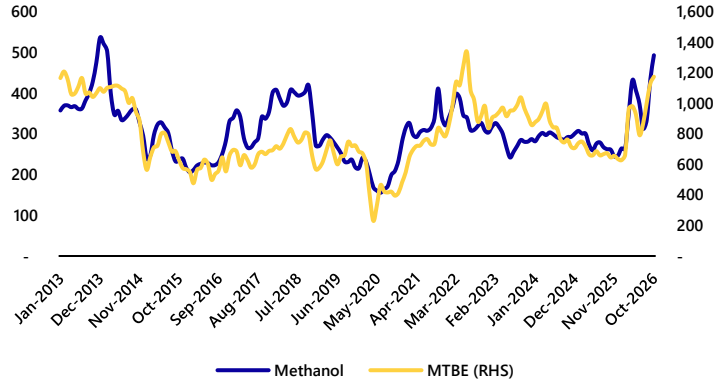
Source: Bloomberg, alrajhi capital

Figure 4: **Aromatics Price Trend (USD/ton)**



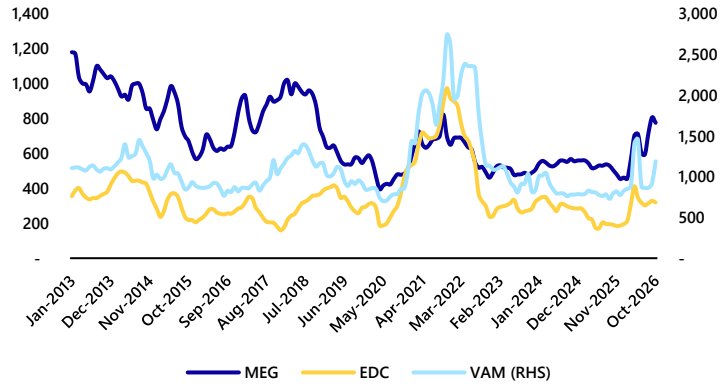
Source: Bloomberg, alrajhi capital

Figure 5: **Methanol and MTBE Price Trend (USD/ton)**



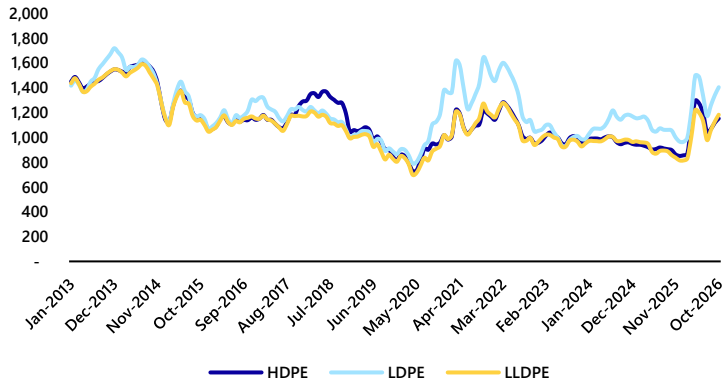
Source: Bloomberg, Argaam, alrajhi capital; MTBE (Methyl Tert-Butyl Ether)

Figure 6: **Intermediate Chemicals Price Trend (USD/ton)**



Source: Bloomberg, alrajhi capital; MEG (Monoethylene Glycol); EDC (Ethylene Dichloride); VAM (Vinyl Acetate Monomer)

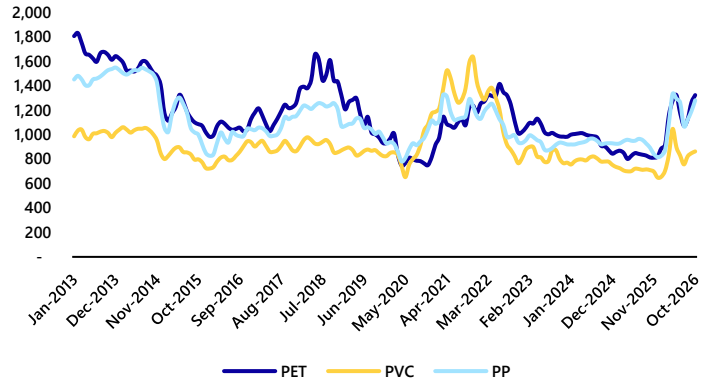
Figure 7: **Polyethylene (PE) Price Trend (USD/ton)**



Source: Bloomberg, alrajhi capital; HDPE (High-Density Polyethylene); LDPE (Low-Density Polyethylene); LLDPE (Linear Low-Density Polyethylene)

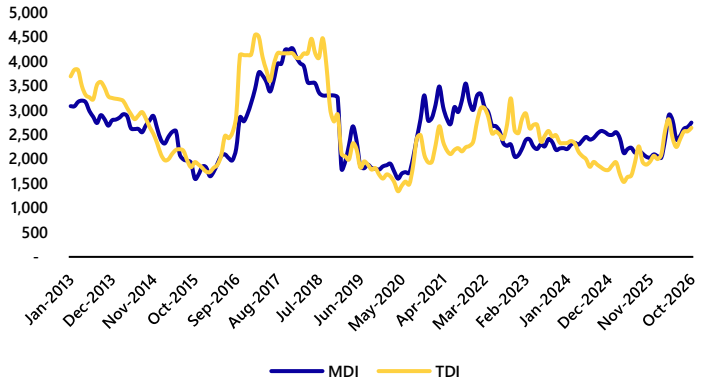
Please see penultimate page for additional important disclosures. Al Rajhi Capital (Al Rajhi) is a foreign broker-dealer unregistered in the USA. Al Rajhi research is prepared by research analysts who are not registered in the USA.

Figure 8: **Commodity Polymers Price Trend (USD/ton)**



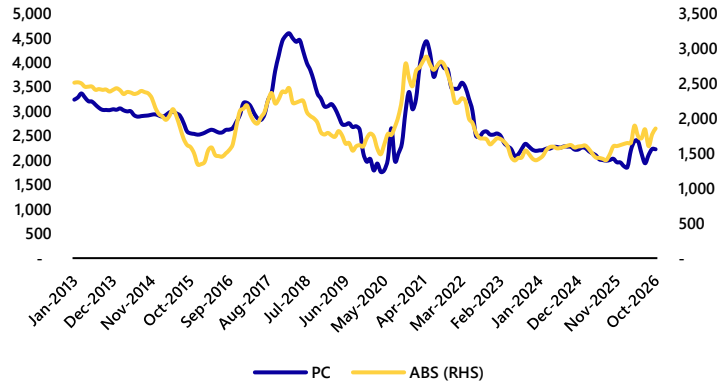
Source: Bloomberg, alrajhi capital; PET (Polyethylene Terephthalate); PVC (Polyvinyl Chloride)

Figure 9: **Polyurethane Price (USD/ton)**



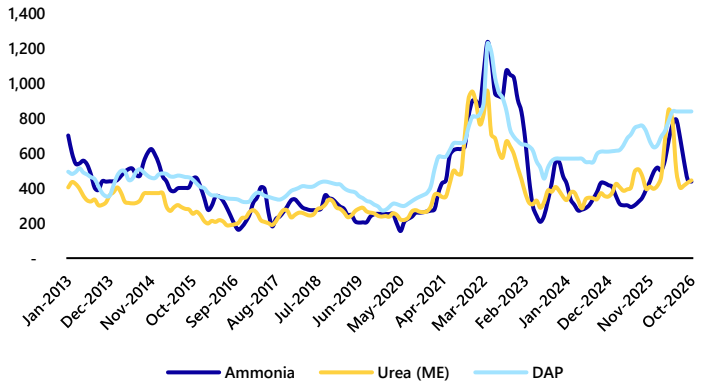
Source: Bloomberg, alrajhi capital; MDI (Methylene Diphenyl Diisocyanate); TDI (Toluene Diisocyanate)

Figure 10: **Engineering Plastics Trend (USD/ton)**



Source: Bloomberg, alrajhi capital; PC (Polycarbonate); ABS (Acrylonitrile Butadiene Styrene)

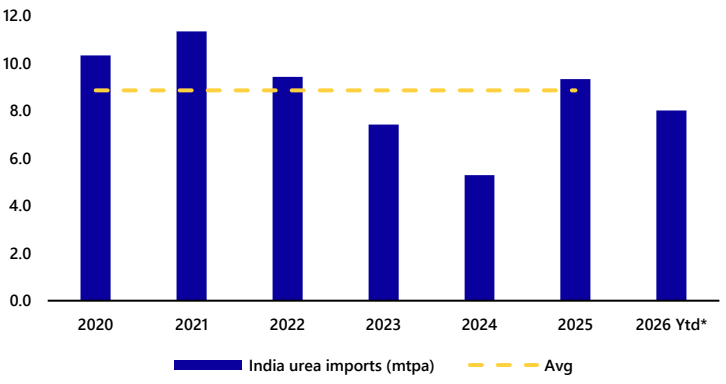
Figure 11: **Fertilizer Price Trend (USD/ton)**



Source: Bloomberg, alrajhi capital

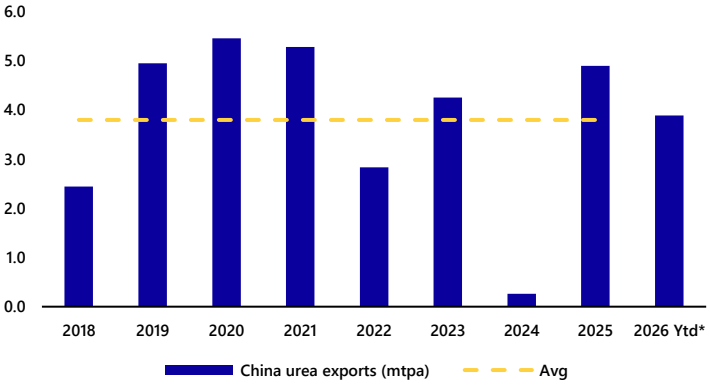
FERTILIZER INDUSTRY KEY DATA

Figure 12: **India Urea Imports (mtpa)**



*Source: Department of Fertilizer, Government of India, alrajhi capital; * Jan-Sep'26*

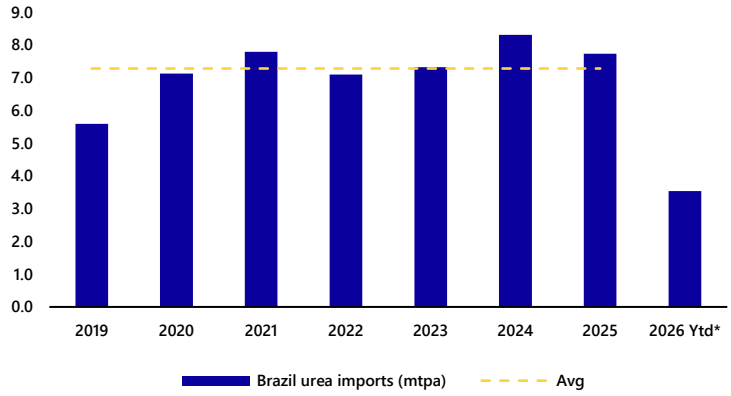
Figure 13: **China Urea Exports (mtpa)**



*Source: China Custom, alrajhi capital; * Jan-Sep'26*

Please see penultimate page for additional important disclosures. Al Rajhi Capital (Al Rajhi) is a foreign broker-dealer unregistered in the USA. Al Rajhi research is prepared by research analysts who are not registered in the USA.

Figure 14: **Brazil Urea Imports (mtpa)**



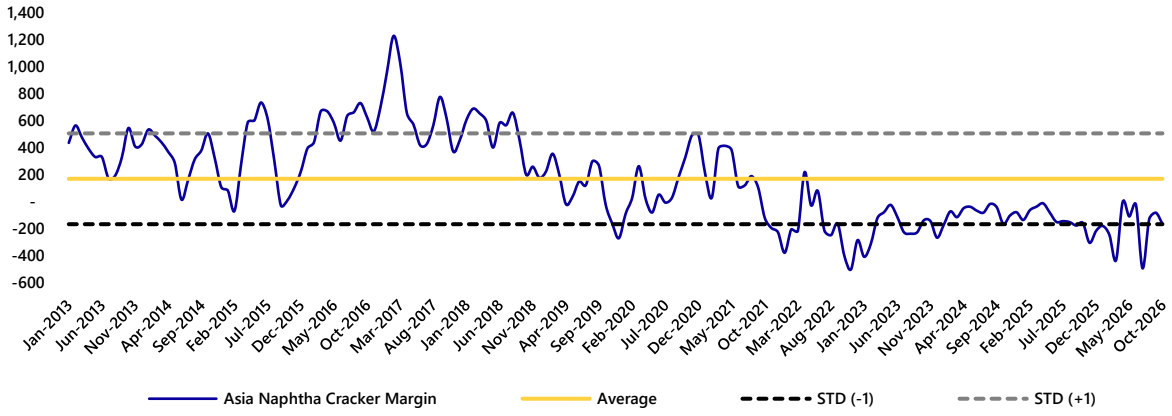
*Source: Comex Stat, alrajhi capital; *Jan-Sep'26*

Figure 15: **Brazil Ammonium Sulphate Imports (mtpa)**



*Source: Comex Stat, alrajhi capital; *Jan-Sep'26*

Figure 16: **Asia Naphtha Cracker Margins (USD/ton)**

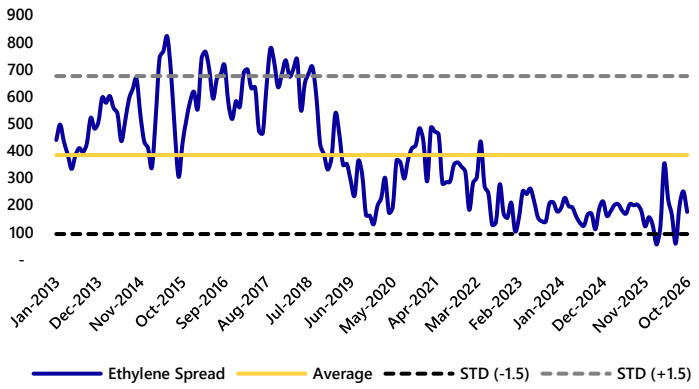


Source: Bloomberg, alrajhi capital calculations

Please see penultimate page for additional important disclosures. Al Rajhi Capital (Al Rajhi) is a foreign broker-dealer unregistered in the USA. Al Rajhi research is prepared by research analysts who are not registered in the USA.

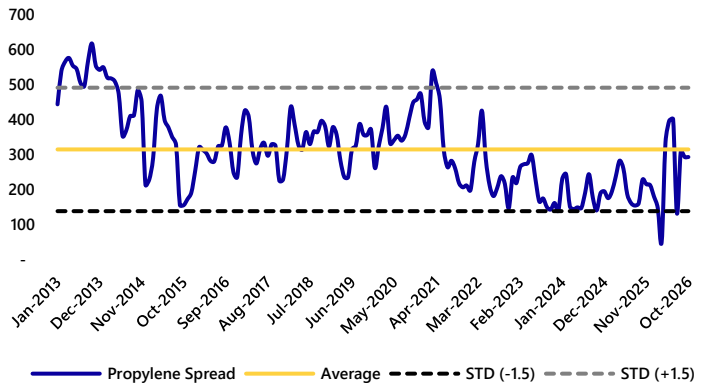
PRODUCT SPREADS

Figure 17: **Ethylene-Naphtha Spreads (USD/ton)**



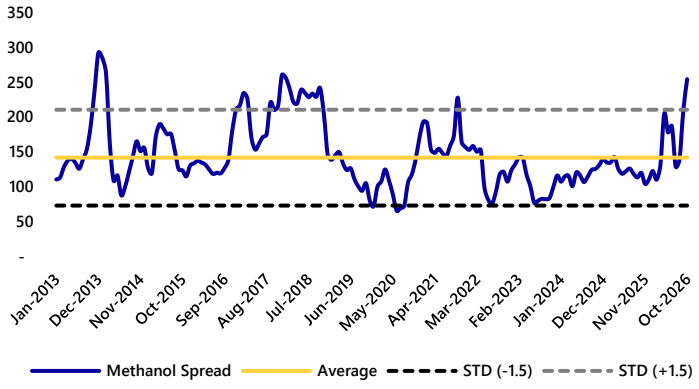
Source: Bloomberg, alrajhi capital calculations

Figure 18: **Propylene-Naphtha Spreads (USD/ton)**



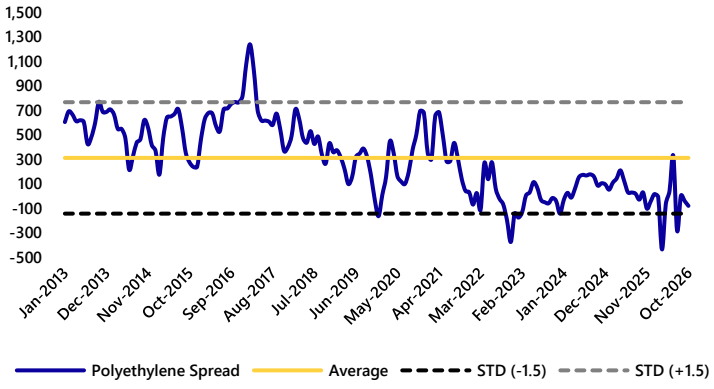
Source: Bloomberg, alrajhi capital calculations

Figure 19: **Methanol Spreads (USD/ton)**



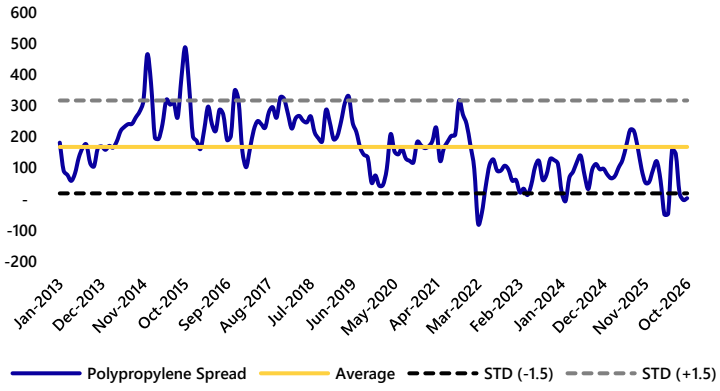
Source: Bloomberg, alrajhi capital calculations

Figure 20: **Polyethylene (PE) Spreads (USD/ton)**



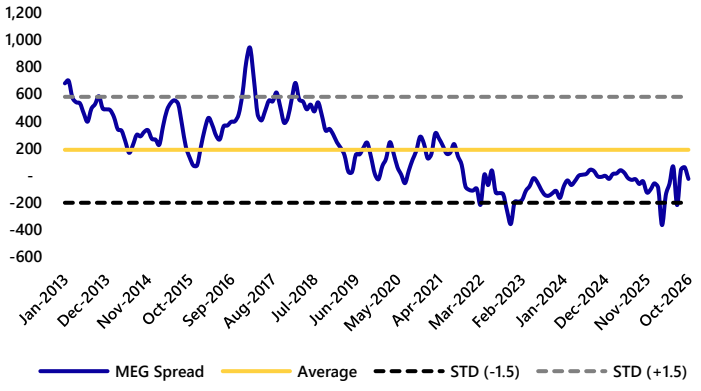
Source: Bloomberg, alrajhi capital calculations; Polyethylene is an average of HDPE, LDPE, LLDPE

Figure 21: **Polypropylene (PP) Spreads (USD/ton)**



Source: Bloomberg, alrajhi capital calculations

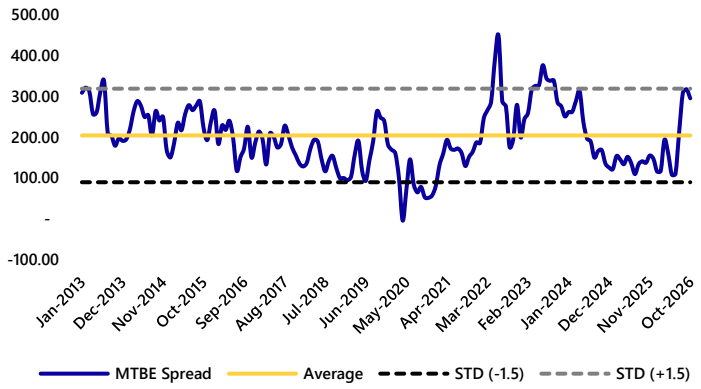
Figure 22: **MEG Spreads (USD/ton)**



Source: Bloomberg, alrajhi capital calculations; MEG (Monoethylene Glycol)

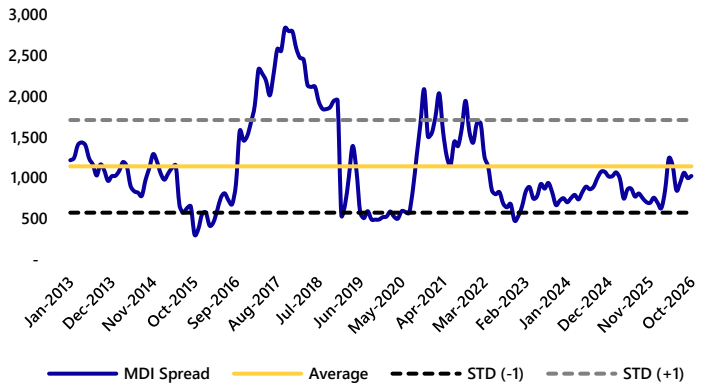
Please see penultimate page for additional important disclosures. Al Rajhi Capital (Al Rajhi) is a foreign broker-dealer unregistered in the USA. Al Rajhi research is prepared by research analysts who are not registered in the USA.

Figure 23: **MTBE Spreads (USD/ton)**



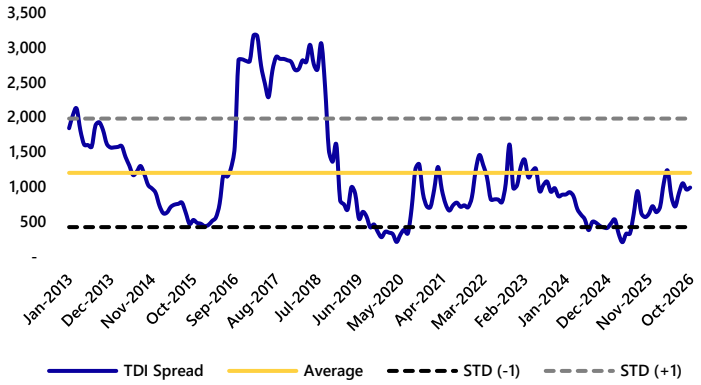
Source: Bloomberg, Argaam, alrajhi capital calculations; MTBE (Methyl Tert-Butyl Ether)

Figure 24: **MDI Spreads (USD/ton)**



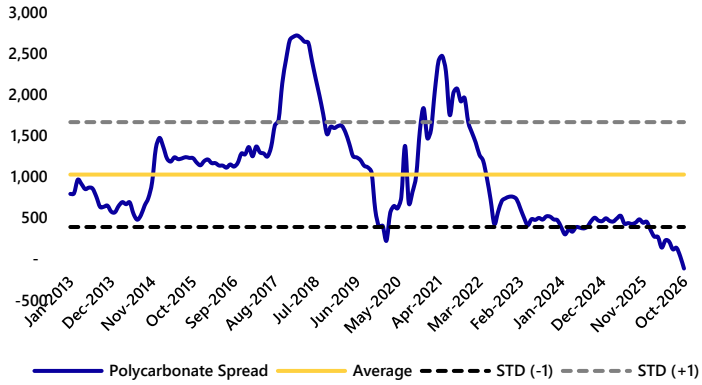
Source: Bloomberg, alrajhi capital calculations; MDI (Methylene Diphenyl Diisocyanate)

Figure 25: **TDI Spreads (USD/ton)**



Source: Bloomberg, alrajhi capital calculations; TDI (Toluene Diisocyanate)

Figure 26: **Polycarbonate Spreads (USD/ton)**



Source: Bloomberg, alrajhi capital calculations

Figure 27: **Petrochemical Spreads Trend (USD/ton)**

Product Spread	Oct'26	Sep'26	MoM	Oct'25	YoY	Long term average
Ethylene-Naphtha	175	251	-75	179	-4	384
Propylene-Naphtha	293	293	0	228	65	315
Butadiene-Naphtha	557	573	-15	348	209	523
Benzene-Naphtha	287	272	15	126	161	269
PE-Naphtha	260	293	-33	367	-107	530
PP-Propylene	3	-3	6	97	-94	168
MTBE Spread	295	318	-22	137	158	204
MEG Spread	-26	60	-86	-43	17	189
MDI Spread*	1,024	999	25	705	319	1,142
TDI Spread*	989	962	28	567	422	1,200
Polycarbonate Spread	-116	30	-147	481	-598	1,026

*Source: Bloomberg, alrajhi capital calculations; *PU bucket – MDI & TDI*

Please see penultimate page for additional important disclosures. Al Rajhi Capital (Al Rajhi) is a foreign broker-dealer unregistered in the USA. Al Rajhi research is prepared by research analysts who are not registered in the USA.

Figure 28: **Petrochemical & Fertilizer Valuation Table**

Company	Country	Cur*	Last Price	Market Cap (Local Cur* mn)	Market Cap (USDmn)	EV/EBITDA (x)		P/E (x)		Dividend Yield		EBITDA Margin	
						FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
SABIC	Saudi Arabia	SAR	47.0	142,500	37,966	10.5	7.6	81.5	22.1	5%	6%	15%	18%
RABIGH	Saudi Arabia	SAR	15.3	41,918	11,168	4.6	7.3	4.3	NA	NA	NA	17%	12%
YANSAB	Saudi Arabia	SAR	31.6	17,336	4,619	9.7	10.3	26.7	34.7	6%	7%	24%	23%
SIPCHEM	Saudi Arabia	SAR	11.6	8,382	2,233	22.1	8.4	NA	29.2	NA	6%	11%	20%
SIIG	Saudi Arabia	SAR	12.4	8,369	2,230	NA	21.5	31.6	21.2	4%	8%	NA	NA
KAYAN	Saudi Arabia	SAR	4.8	7,185	1,914	20.8	9.2	NA	NA	0%	0%	9%	18%
TASNEE	Saudi Arabia	SAR	7.1	4,736	1,262	NA	14.1	NA	49.9	NA	NA	NA	19%
APPC	Saudi Arabia	SAR	23.5	5,964	1,589	15.0	11.7	NA	20.7	1%	2%	23%	25%
ALUJAIN	Saudi Arabia	SAR	22.8	1,536	409	6.0	7.4	7.8	12.5	7%	7%	24%	21%
CHEMANOL	Saudi Arabia	SAR	22.1	328	87	NA	8.0	NA	NA	NA	NA	2%	10%
NAMA	Saudi Arabia	SAR	18.7	441	117	NA	NA	NA	NA	NA	NA	NA	NA
KSA AVERAGE						**12.7**	**10.5**	**30.4**	**27.2**	**4.0%**	**5.1%**	**15.6%**	**18.4%**
MENA ex KSA													
BOROUGE	UAE	AED	2.3	68,532	18,658	12.5	9.1	23.0	15.1	6%	7%	31%	35%
SASOL LTD.	South Africa	ZAR	273.2	178,606	10,717	NA	3.4	7.0	5.1	0%	5%	NA	25%
MESAIEED PETROCHEMICAL	Qatar	QAR	0.9	11,131	3,054	NA	NA	NA	NA	NA	NA	NA	NA
BOUBYAN PETROCHEMICALS CO	Kuwait	KWd	675.0	383	1,230	NA	NA	NA	NA	NA	NA	NA	NA
SIDI KERIR PETROCHEMICALS CO	Egypt	EGP	14.6	16,658	301	12.4	10.7	12.7	10.3	5%	7%	9%	10%
North America													
DOW INC	US	USD	34.7	24,690	24,690	6.6	7.4	13.2	18.8	4%	4%	14%	13%
LYONDELLBASELL INDU-CL A	US	USD	68.6	21,618	21,618	6.0	7.4	7.4	10.6	4%	5%	16%	13%
DUPONT DE NEMOUR INC	US	USD	140.1	19,082	19,082	11.7	11.0	19.5	17.7	2%	2%	25%	25%
WESTLAKE CHEMICAL	US	USD	68.3	9,095	9,095	8.0	7.8	35.9	30.5	3%	3%	15%	15%
EASTMAN CHEMICAL	US	USD	66.5	7,638	7,638	7.7	7.4	10.8	10.2	5%	5%	17%	17%
CELANESE CORP	US	USD	49.3	5,261	5,261	7.9	8.0	8.0	7.8	0%	0%	21%	21%
METHANEX CORP	Canada	USD	71.6	5,296	5,296	4.0	5.6	5.9	9.3	1%	1%	37%	33%
OLIN CORP	US	USD	17.6	2,069	2,069	9.2	7.4	NA	64.6	4%	4%	8%	10%
HUNTSMAN CORP	US	USD	9.6	1,745	1,745	10.7	9.3	NA	130.9	4%	4%	6%	7%
EUROPE													
BASF SE	Germany	EUR	53.6	47,545	53,221	8.6	8.5	17.3	18.5	4%	4%	12%	12%
DSM-FIRMENICH AG	Switzerland	EUR	107.5	26,999	30,222	17.4	16.1	29.5	25.3	2%	2%	19%	20%
ARKEMA SA	France	EUR	56.9	4,290	4,802	6.4	6.1	12.4	11.6	6%	6%	14%	14%
SOLVAY SA	Belgium	EUR	23.9	2,505	2,804	5.8	5.6	10.3	9.6	10%	10%	19%	19%
LANXESS AG	Germany	EUR	11.7	1,015	1,137	6.0	5.4	NA	NA	1%	2%	9%	9%
ASIA													
NAN YA PLASTICS CORP	Taiwan	TWD	301.0	2,149,253	65,518	22.5	13.8	17.8	12.3	4%	6%	29%	36%
WANHUA CHEMICAL	China	CNY	70.3	224,611	33,654	8.1	7.5	11.4	10.4	3%	3%	19%	18%
RONGSHENG PETROCHEMICAL	China	CNY	11.9	121,172	18,156	8.0	7.1	12.4	11.7	3%	3%	16%	16%
LG CHEM LTD.	South Korea	KRW	240,500.0	16,765,681	12,467	7.4	5.4	NA	12.2	1%	2%	14%	17%
SATELLITE CHEMICAL CO LTD- A	China	CNY	25.1	85,159	12,760	5.4	5.2	7.6	7.5	4%	4%	30%	29%
FORMOSA PLASTICS	Taiwan	TWD	73.1	437,326	13,331	13.5	13.9	17.9	18.7	4%	4%	12%	12%
PETRONAS CHEMICALS GROUP	Malaysia	MYR	4.7	37,280	9,148	7.3	8.6	21.2	34.0	2%	2%	14%	13%
MITSUBISHI GAS CHEMICAL CO	Japan	JPY	3,543.0	749,159	4,744	10.7	8.1	NA	12.2	3%	3%	12%	13%
LB GROUP CO LTD-A	China	CNY	14.8	35,788	5,362	11.6	9.6	20.9	13.7	5%	6%	18%	20%
SUMITOMO CHEMICAL	Japan	JPY	565.0	850,614	5,386	6.8	5.4	13.6	8.0	3%	3%	13%	15%
INDORAMA VENTURES PCL	Thailand	THB	25.0	141,767	4,201	7.7	7.9	13.9	15.3	3%	3%	10%	10%
KUMHO PETROCHEMICAL	South Korea	KRW	106,500.0	2,673,883	1,988	3.0	3.5	5.0	6.2	3%	3%	11%	9%
DENKA CO LTD	Japan	JPY	3,055.0	271,335	1,718	9.2	7.5	17.4	14.3	3%	3%	14%	16%
HANSOL CHEMICAL CO LTD	South Korea	KRW	212,500.0	2,191,189	1,629	9.8	7.9	13.2	10.8	1%	2%	25%	27%
TATA CHEMICALS	India	INR	610.0	156,369	1,652	12.2	11.5	48.0	48.3	2%	2%	13%	13%
LOTTE CHEM	South Korea	KRW	47,250.0	2,078,885	1,546	12.7	11.7	NA	NA	2%	2%	6%	7%
LATAM													
ORBIA ADVANCE CORP SAB DE	Mexico	MXN	21.7	44,221	2,378	6.0	5.8	100.7	6.8	0%	10%	15%	15%
ALPEK SA DE	Mexico	MXN	15.4	32,596	1,753	4.1	5.3	6.8	17.5	0%	3%	12%	10%
BRASKEM SA	Brazil	BRL	3.3	2,533	466	6.9	8.5	1.0	NA	NA	NA	12%	10%
Global Petrochemical Average						**9.5**	**8.6**	**19.6**	**21.0**	**3.2%**	**4.0%**	**16.3%**	**17.2%**

Please see penultimate page for additional important disclosures. Al Rajhi Capital (Al Rajhi) is a foreign broker-dealer unregistered in the USA. Al Rajhi research is prepared by research analysts who are not registered in the USA.

Petrochemical Tracker

Saudi Arabia
4-Nov. '26

Company	Country	Cur*	Last Price	Market Cap (Local Cur* mn)	Market Cap (USDmn)	EV/EBITDA (x)		P/E (x)		Dividend Yield		EBITDA Margin	
						FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
FERTILIZERS													
MAADEN	Saudi Arabia	SAR	55.7	215,049	57,294	15.5	13.1	26.1	21.2	0%	0%	39%	43%
NUTRIEN LTD	Canada	USD	69.4	33,364	33,364	7.2	7.2	14.3	13.7	3%	3%	22%	23%
CF INDUSTRIES	US	USD	123.3	18,211	18,211	5.6	7.0	8.1	10.3	2%	2%	49%	43%
INDUSTRIES QATAR	Qatar	QAR	9.8	59,139	16,224	16.8	10.4	53.4	13.9	4%	7%	29%	35%
SABIC AGRI	Saudi Arabia	SAR	114.2	54,506	14,522	11.0	9.1	16.9	13.1	6%	6%	37%	41%
YARA INTERNATIONAL	Norway	NOK	395.1	100,719	10,881	4.3	4.9	8.0	9.8	6%	5%	18%	16%
MOSAIC Co	US	USD	18.4	6,050	6,050	7.7	6.0	51.3	13.2	5%	5%	13%	16%
FERTIGLOBE	UAE	AED	2.2	18,429	5,017	5.3	5.3	11.0	10.2	6%	7%	34%	38%
OCI NV	Netherlands	EUR	4.1	867	970	18.7	40.3	NA	NA	NA	NA	5%	5%
Global Fertiliser Average						**10.2**	**11.5**	**23.6**	**13.2**	**3.9%**	**4.4%**	**27.3%**	**28.8%**

*Source: Bloomberg, alrajhi capital calculations; Closing prices as of 2nd November 2026, *Currency*

Please see penultimate page for additional important disclosures. Al Rajhi Capital (Al Rajhi) is a foreign broker-dealer unregistered in the USA. Al Rajhi research is prepared by research analysts who are not registered in the USA.

IMPORTANT DISCLOSURES FOR U.S. PERSONS

This research report was prepared by Al Rajhi Capital (Al Rajhi), a company authorized to engage in securities activities in Saudi Arabia. Al Rajhi is not a registered broker-dealer in the United States and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This research report is provided for distribution to "major U.S. institutional investors" in reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act").
Under no circumstances should any recipient of this research report effect any transaction to buy or sell securities or related financial instruments through Al Rajhi.
The analyst whose name appears in this research report is not registered or qualified as a research analyst with the Financial Industry Regulatory Authority ("FINRA") and, therefore, may not be subject to applicable restrictions under FINRA Rules on communications with a subject company, public appearances and trading securities held by a research analyst account.

Additional Disclosures

This research report is for distribution only under such circumstances as may be permitted by applicable law. This research report has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient, even if sent only to a single recipient. This research report is not guaranteed to be a complete statement or summary of any securities, markets, reports or developments referred to in this research report.
Neither Al Rajhi nor any of its directors, officers, employees or agents shall have any liability, however arising, for any error, inaccuracy or incompleteness of fact or opinion in this research report or lack of care in this research report's preparation or publication, or any losses or damages which may arise from the use of this research report.
Al Rajhi may rely on information barriers, such as "Chinese Walls" to control the flow of information within the areas, units, divisions, groups, or affiliates of Al Rajhi.
Investing in any non-U.S. securities or related financial instruments (including ADRs) discussed in this research report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the U.S. Securities and Exchange Commission. Information on such non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in effect within the United States.
The value of any investment or income from any securities or related financial instruments discussed in this research report denominated in a currency other than U.S. dollars is subject to exchange rate fluctuations that may have a positive or adverse effect on the value of or income from such securities or related financial instruments.
Past performance is not necessarily a guide to future performance and no representation or warranty, express or implied, is made by Al Rajhi with respect to future performance. Income from investments may fluctuate. The price or value of the investments to which this research report relates, either directly or indirectly, may fall or rise against the interest of investors. Any recommendation or opinion contained in this research report may become outdated as a consequence of changes in the environment in which the issuer of the securities under analysis operates, in addition to changes in the estimates and forecasts, assumptions and valuation methodology used herein.
No part of the content of this research report may be copied, forwarded or duplicated in any form or by any means without the prior consent of Al Rajhi and Al Rajhi accepts no liability whatsoever for the actions of third parties in this respect. This research document has been prepared by Al Rajhi Capital Company ("Al Rajhi Capital") of Riyadh, Saudi Arabia. It has been prepared for the general use of Al Rajhi Capital's clients and may not be redistributed, retransmitted or disclosed, in whole or in part, or in any form or manner, without the express written consent of Al Rajhi Capital. Receipt and review of this research document constitute your agreement not to redistribute, retransmit, or disclose to others the contents, opinions, conclusion, or information contained in this document prior to public disclosure of such information by Al Rajhi Capital. The information contained was obtained from various public sources believed to be reliable but we do not guarantee its accuracy. Al Rajhi Capital makes no representations or warranties (express or implied) regarding the data and information provided and Al Rajhi Capital does not represent that the information content of this document is complete, or free from any error, not misleading, or fit for any particular purpose. This research document provides general information only. Neither the information nor any opinion expressed constitutes an offer or an invitation to make an offer, to buy or sell any securities or other investment products related to such securities or investments. It is not intended to provide personal investment advice and it does not take into account the specific investment objectives, financial situation and the particular needs of any specific person who may receive this document.
Investors should seek financial, legal or tax advice regarding the appropriateness of investing in any securities, other investment or investment strategies discussed or recommended in this document and should understand that statements regarding future prospects may not be realized. Investors should note that income from such securities or other investments, if any, may fluctuate and that the price or value of such securities and investments may rise or fall. Fluctuations in exchange rates could have adverse effects on the value of or price of, or income derived from, certain investments. Accordingly, investors may receive back less than originally invested. Al Rajhi Capital or its officers or one or more of its affiliates (including research analysts) may have a financial interest in securities of the issuer(s) or related investments, including long or short positions in securities, warrants, futures, options, derivatives, or other financial instruments. Al Rajhi Capital or its affiliates may from time to time perform investment banking or other services for, solicit investment banking or other business from, any company mentioned in this research document. Al Rajhi Capital, together with its affiliates and employees, shall not be liable for any direct, indirect or consequential loss or damages that may arise, directly or indirectly, from any use of the information contained in this research document.
This research document and any recommendations contained are subject to change without prior notice. Al Rajhi Capital assumes no responsibility to update the information in this research document.
Neither the whole nor any part of this research document may be altered, duplicated, transmitted or distributed in any form or by any means. This research document is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or which would subject Al Rajhi Capital or any of its affiliates to any registration or licensing requirement within such jurisdiction.

DISCLAIMER AND ADDITIONAL DISCLOSURES FOR EQUITY RESEARCH

Disclaimer

This research document has been prepared by Al Rajhi Capital Company ("Al Rajhi Capital") of Riyadh, Saudi Arabia. It has been prepared for the general use of Al Rajhi Capital's clients and may not be redistributed, retransmitted or disclosed, in whole or in part, or in any form or manner, without the express written consent of Al Rajhi Capital. Receipt and review of this research document constitute your agreement not to redistribute, retransmit, or disclose to others the contents, opinions, conclusion, or information contained in this document prior to public disclosure of such information by Al Rajhi Capital. The information contained was obtained from various public sources believed to be reliable but we do not guarantee its accuracy. Al Rajhi Capital makes no representations or warranties (express or implied) regarding the data and information provided and Al Rajhi Capital does not represent that the information content of this document is complete, or free from any error, not misleading, or fit for any particular purpose. This research document provides general information only. Neither the information nor any opinion expressed constitutes an offer or an invitation to make an offer, to buy or sell any securities or other investment products related to such securities or investments. It is not intended to provide personal investment advice and it does not take into account the specific investment objectives, financial situation and the particular needs of any specific person who may receive this document.
Investors should seek financial, legal or tax advice regarding the appropriateness of investing in any securities, other investment or investment strategies discussed or recommended in this document and should understand that statements regarding future prospects may not be realized. Investors should note that income from such securities or other investments, if any, may fluctuate and that the price or value of such securities and investments may rise or fall. Fluctuations in exchange rates could have adverse effects on the value of or price of, or income derived from, certain investments. Accordingly, investors may receive back less than originally invested. Al Rajhi Capital or its officers or one or more of its affiliates (including research analysts) may have a financial interest in securities of the issuer(s) or related investments, including long or short positions in securities, warrants, futures, options, derivatives, or other financial instruments. Al Rajhi Capital or its affiliates may from time to time perform investment banking or other services for, solicit investment banking or other business from, any company mentioned in this research document. Al Rajhi Capital, together with its affiliates and employees, shall not be liable for any direct, indirect or consequential loss or damages that may arise, directly or indirectly, from any use of the information contained in this research document.
This research document and any recommendations contained are subject to change without prior notice. Al Rajhi Capital assumes no responsibility to update the information in this research document.
Neither the whole nor any part of this research document may be altered, duplicated, transmitted or distributed in any form or by any means. This research document is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or which would subject Al Rajhi Capital or any of its affiliates to any registration or licensing requirement within such jurisdiction.

Explanation of Al Rajhi Capital's rating system

Al Rajhi Capital uses a three-tier rating system based on absolute upside or downside potential for all stocks under its coverage except financial stocks and those few other companies not compliant with Islamic Shariah law:
"Overweight": Our target price is more than 10% above the current share price, and we expect the share price to reach the target on a 12 month time horizon.
"Neutral": We expect the share price to settle at a level between 10% below the current share price and 10% above the current share price on a 12 month time horizon.
"Underweight": Our target price is more than 10% below the current share price, and we expect the share price to reach the target on a 12 month time horizon.
"Target price": We estimate target value per share for every stock we cover. This is normally based on widely accepted methods appropriate to the stock or sector under consideration, e.g. DCF (discounted cash flow) or SoTP (sum of the parts) analysis.
Please note that the achievement of any price target may be impeded by general market and economic trends and other external factors, or if a company's profits or operating performance exceed or fall short of our expectations.

Please see penultimate page for additional important disclosures. Al Rajhi Capital (Al Rajhi) is a foreign broker-dealer unregistered in the USA. Al Rajhi research is prepared by research analysts who are not registered in the USA.

Contact us

Dr. Sultan Altowaim
Head of Research
Tel : +966 11 836 5468
Email: AltowaimS@alrajhi-capital.com

Al Rajhi Capital

Research Department
Head Office, King Fahad Road
P.O. Box 5561, Riyadh 11432
Kingdom of Saudi Arabia
Email: research@alrajhi-capital.com

Al Rajhi Capital is licensed by the Saudi Arabian Capital Market Authority, License No. 07068/37

Notice to US Investors:

Rule 15a6 Disclosure

This research report ("Report") was prepared, approved, published, and distributed by Al Rajhi Capital, a company located outside of the United States (the "Foreign Counterparty"). Avior Capital Markets US LLC ("Avior US"), a US registered broker-dealer, distributes this Report in the US on behalf of the Foreign Counterparty. Only major U.S. institutional investors (as defined in Rule 15a-6 under the US Securities Exchange Act of 1934 (the "Exchange Act") may receive this Report under the exemption in Rule 15a-6. A US institutional investor must effect any transaction in the securities described in this Report through Avior US.

Neither the Report nor any analyst who prepared or approved the Report is subject to US legal requirements or the Financial Industry Regulatory Authority, Inc. ("FINRA") or other US regulatory requirements concerning research reports or research analysts. The Foreign Counterparty is not a registered broker-dealer under the Exchange Act nor is it a member of the Financial Industry Regulatory Authority, Inc., or any other US self-regulatory organisation.

Analyst Certification

In connection with the companies or securities that; each analyst identified in this Report certifies that: The views expressed on the subject companies and securities in this Report reflect their personal views No part of his or her compensation was, is or will be directly or indirectly dependent on the specific recommendations or views expressed in this Report.

Note that:

(i) The Foreign Counterparty is the employer of the research analyst(s) responsible for the content of this Report, and

(ii) Research analysts preparing this Report are resident outside the United States and are not associated persons of any US regulated broker-dealer. Therefore, the analyst(s) are not subject to supervision by a US broker-dealer and are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with US rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

Important US Regulatory Disclosures on Subject Companies

Analysts of the Foreign Counterparty produced this material solely for informational purposes and the use of the intended recipient. No person may reproduce, this Report under any circumstances. No person may copy or make this Report available to any other person other than the intended recipient. Avior US distributes this Report in the United States of America. The Foreign Counterparty distributes this Report elsewhere in the world. This document is not an offer, or invitation by or on behalf of Avior US, the Foreign Counterparty, their affiliates, or any other person, to buy or sell any security. Avior US and the Foreign Counterparty and their affiliates obtained the information contained herein from published information and other sources, which Avior US and the Foreign Counterparty and their affiliates reasonably consider to be reliable.

Avior US and the Foreign Counterparty accept no liability or responsibility whatsoever for the accuracy or completeness of any such information. All estimates, expressions of opinion and other subjective judgments contained herein are valid as of the date of this document. Avior US assumes responsibility for the Report content with regards to research distributed in the US.

Neither Avior US nor the Foreign Counterparty has managed or co-managed a public offering of securities for the subject company in the past 12 months, have not received compensation for investment banking services from the subject company in the past 12 months and do not expect to receive and does not intend to seek compensation for investment banking services from the subject company in the next three months. Avior US and the Foreign Counterparty have not owned any class of equity securities of the subject company. There are no other actual, material conflicts of interest of Avior US and the Foreign Counterparty at the time of the publication of this Report. As of the publication of this Report, Avior US nor the Foreign Counterparty makes a market in the subject securities.

Avior US and its affiliates, to the fullest extent permissible by law, accept no liability of any nature whatsoever for any claims, damages or losses arising from, or in connection with, the contents of this Report or the use, reliance, publication, distribution, dissemination, disclosure, alteration or reproduction of this Report, or any views or recommendations recorded therein.

Participants in foreign exchange transactions may incur risks arising from several factors, including the following: (i) exchange rates can be volatile and are subject to large fluctuations; (ii) the value of currencies may be affected by numerous market factors, including world and national economic, political and regulatory events, events in equity and debt markets and changes in interest rates; and (iii) currencies may be subject to devaluation or government imposed exchange controls which could affect the value of the currency. Investors in securities such as ADRs, whose values are affected by the currency of an underlying security, effectively assume currency risk.

Subject to the applicable laws, all transactions should be executed through Avior US. Aside from within this Report, important conflict disclosures can also be found at https://aviorcapital.us/us-regulatory-disclosures/, and Investors are strongly encouraged to review this information before investing.

NOTICE TO UK INVESTORS:

This Report, prepared by the Foreign Counterparty, is distributed in the United Kingdom ("UK") by Avior Capital Markets International Limited ("Avior UK"), regulated by the Financial Conduct Authority (FRN: 191074), on behalf of the Foreign Counterparty. This Report, including any recommendations in respect thereof, may only be distributed to, and relied on by, qualifying investors, who are permitted to receive same in the UK.

Securities, money market instruments, strategies, financial or investment instruments mentioned herein may not be suitable for all investors. The information and opinions provided in this Report do not constitute a personal recommendation and take no account of the investor's individual circumstances. Investors should consider this Report as only a single factor in making any investment decisions and, if appropriate, should seek advice from an investment advisor. This Report is not an offer, or invitation by or on behalf of Avior UK, the Foreign Counterparty, their affiliates, or any other person, to buy or sell any security.

Avior UK does not assume any responsibility, or liability of any nature whatsoever, arising from or in connection with the content, use, reliance or dissemination of the Report or any recommendation in respect thereof and disclaims any such liability.

Avior Capital Markets US, LLC is a FINRA registered broker-dealer (CRD # 172595) formed for that purpose in the State of Delaware with its principal office at 45 Rockefeller Plaza, Suite 2335, New York, New York 10111.

Avior Capital Markets International Limited is regulated by the Financial Conduct Authority (FRN: 191074), with its principal office at Suite 5.05, 1 King William Street, London, EC4N 7AF, United Kingdom.

Al Rajhi Capital is a Saudi Arabian Registered broad-scoped financial services company. Its registered address is Unit No 1, 8467 King Fahd Road, Al Muruj Dist., Riyadh 12263 – 2743, SA

Please see penultimate page for additional important disclosures. Al Rajhi Capital (Al Rajhi) is a foreign broker-dealer unregistered in the USA. Al Rajhi research is prepared by research analysts who are not registered in the USA.