

GCC Corporate Earnings Report : Q1-2022

June-2022

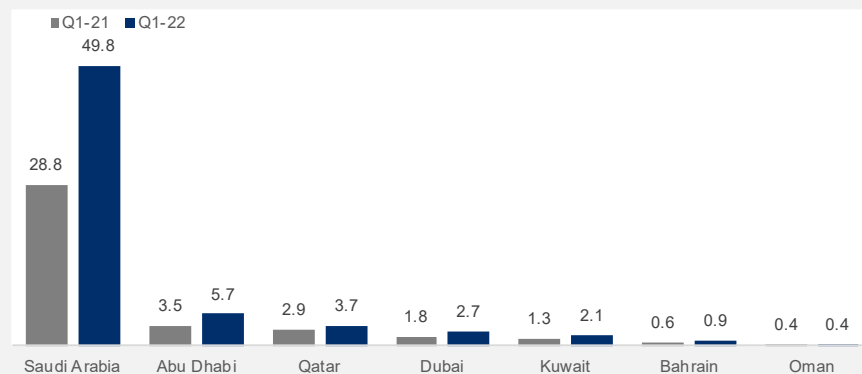
Profits reach another record level led by q-o-q growth in almost all sectors...

Earnings reported by GCC-listed companies reached a new record level during Q1-2022 backed by a broad-based q-o-q growth in profits across all sectors barring the Consumer Durables & Apparels sector. The higher profitability reflected a continued and sustained recovery in economic activity across the GCC during the quarter. The PMI figures for Saudi Arabia, UAE, Dubai and Qatar consistently remained above the growth mark of 50 during the first three months of the year backed by government efforts as well as robust private sector activity. In addition, banking credit to private sector also showed sustained growth in Saudi Arabia, Kuwait and Qatar based on available data from the respective central banks.

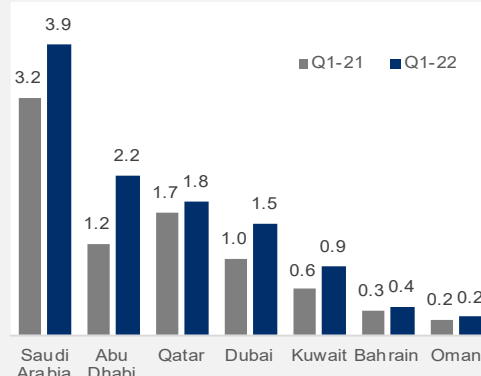
Aggregate net profit for GCC-listed companies reached USD 65.4 Bn during the quarter as compared to USD 51.5 Bn during Q4-2021 resulting in a q-o-q growth of 27.0%. The y-o-y growth was even stronger at 67.0% when compared to Q1-2021 profits of USD 39.2 Bn. Energy, Banks and Diversified Financials were the top three sectors by absolute profit growth vs. Q4-2021 accounting for almost 80% of total q-o-q growth in profits. In terms of y-o-y growth, Energy, Banks and Materials were the top three sectors accounting for 82% of the total absolute growth in profits. Saudi Aramco continued to be the biggest contributor to profit growth during the quarter. However, excluding Aramco, the growth in aggregate profits remained strong at 35.0% q-o-q and at 51.4% in terms of y-o-y growth.

In terms of regional trend, profit growth was seen across the seven exchanges during the quarter. Saudi Arabia reported the biggest y-o-y growth during Q1-2022 with a net income growth of 73.2% followed by Abu Dhabi and Bahrain with y-o-y growths of 63.3% and 62.4% respectively. Oman, on the other hand, reported the smallest y-o-y profit growth during Q1-2022. Saudi Arabia continued to account for the lion's share of aggregate quarterly profits that stood at 76.2% in Q1-2022 vs. 73.4% during Q1-2021.

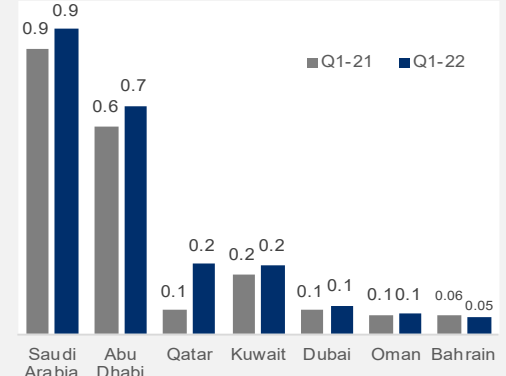
GCC Corporate Earnings : Q1-22 vs. Q1-21 (USD Bn)



GCC Banks: Q1-22 vs. Q1-21 (USD Bn)



GCC Telcos: Q1-22 vs. Q1-21 (USD Bn)



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

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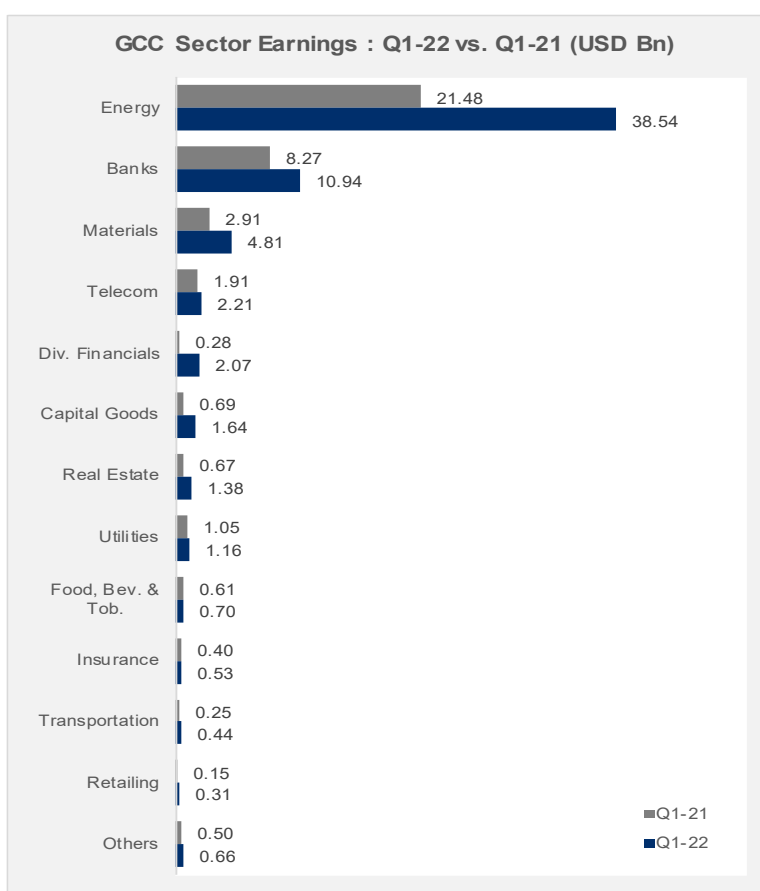
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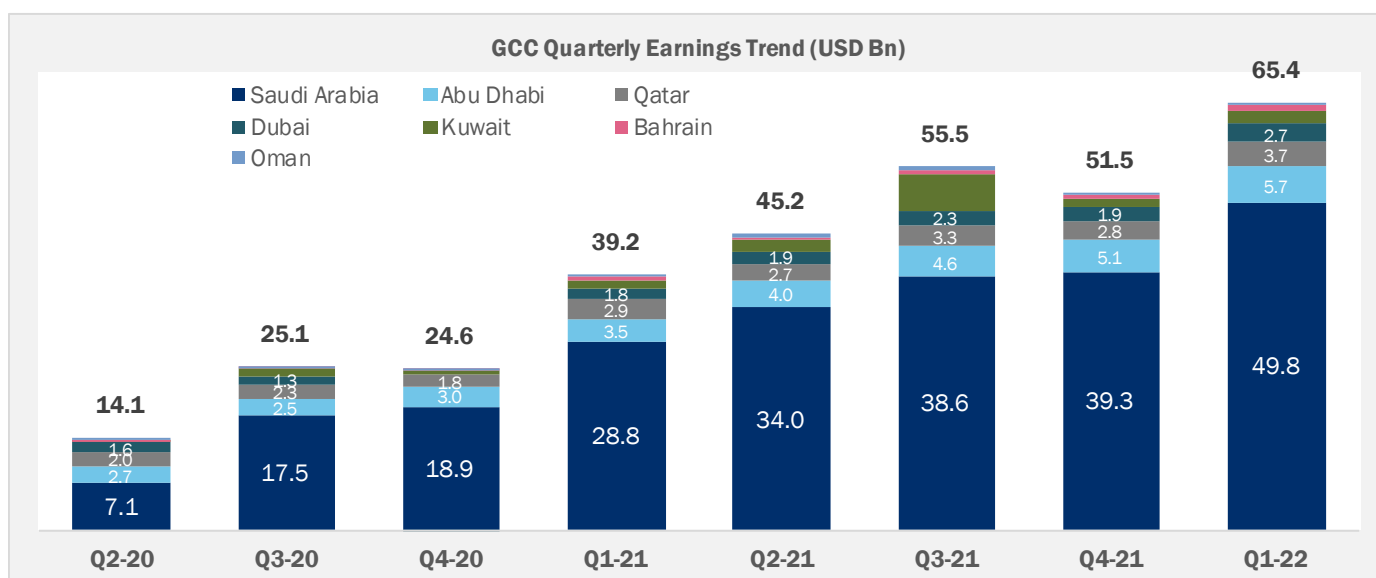
In terms of sectoral performance, profits for the Energy sector increased by 79.5% y-o-y and 21.8% q-o-q during Q1-2022. However, y-o-y growth was not seen across constituents with 9 out of 21 companies reporting a drop in profits during the quarter. Profits for Saudi Aramco increased by 80.6% y-o-y to reach USD 37.9 Bn during Q1-2022 vs. USD 21.0 Bn during Q1-2021. The increase reflected higher oil prices during the quarter with Brent crude spot averaging at USD 100.87/b as compared to an average of USD 61.0/b during Q1-2021, an increase of 65.3%. In addition, a 20% increase in average crude oil production in Q1-2022 vs. Q1-2021 further supported the growth in profits during the quarter. In terms of segments, the company saw improved profits in the downstream operations and announced plans to develop the segment further in Asia and Europe. Other companies in the sector, including Rabigh Refining and ADNOC Drilling, also reported y-o-y profit growth of 58.9% and 11.6% in Q1-2022, respectively.

The Banking sector also reported higher profits during Q1-2022 that reached USD 10.9 Bn recording a growth of 32.3% y-o-y and 25.4% q-o-q. The growth in profits mainly reflected a steep decline in provisions during the quarter further supported by growth in credit facilities. The sector showed y-o-y and q-o-q profit growth across markets during Q1-2022 with UAE-listed banks posting the biggest y-o-y growth in profits at 62% followed by Kuwaiti banks with y-o-y profit growth at 50.6%. Banks listed in Saudi Arabia reported a y-o-y profit growth of 22.4% during the quarter.

Profits for the Materials sector stood at USD 4.8 Bn during Q1-2022 as compared to a profit of USD 2.9 Bn in Q1-2021 and USD 4.5 Bn in Q4-2021. The industry benefitted from elevated commodity prices across the globe during the quarter. Within the sector, SAFCO (SABIC Agri Nutrients) posted the biggest y-o-y absolute increase in profits that reached USD 669.9 Mn in Q1-2022 vs. USD 112.7 Mn in Q1-2021. Profits for SABIC increased by a third or USD 428.1 Mn to reach USD 1.7 Bn also backed by higher prices and volumes.



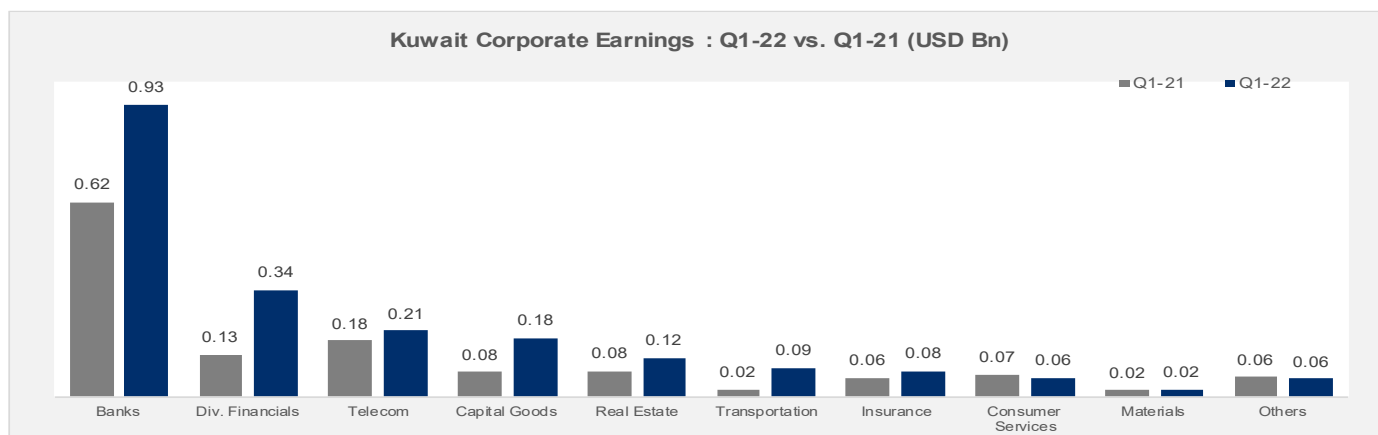
Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

Kuwait

Corporate earnings for companies listed on Boursa Kuwait increased from USD 1.3 Bn in Q1-21 to reach USD 2.1 Bn in Q1-22. The biggest impact on higher aggregate stock exchange profits came from the Banking sector which showed 50.6% jump in profits that reached USD 926.8 Mn in Q1-22 from USD 615.2 Mn in Q1-21. Among the banks, NBK reported a net profit of USD 383.5 Mn for Q1-22 up by 37.6% compared to a net profit of USD 278.8 Mn in Q1-2021 mainly led by lower impairment losses as compared to Q1-2021 coupled with higher net interest income and non-interest income. KFH reported a net profit of USD 228.7 Mn for Q1-2022 up 38.3% compared to USD 165.4 Mn from the previous year also due to lower provisions coupled with strong growth in non-interest income and a relatively smaller increase in net interest income.



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

Net Profits for the Telecom sector increased by 17.7% y-o-y to reach USD 208.4 Mn for Q1-2022 compared to USD 177.1 Mn for Q1-2021. Zain recorded a net profit of USD 155.4 Mn in Q1-2022 compared to USD 147.3 Mn in Q1-2021 an increase of 5.5%. The Group generated consolidated revenue of USD 1.3 Bn, up by 7% y-o-y, mainly due to customer additions during the quarter partially offset by currency devaluations mainly in Sudan. STC Kuwait reported a small net profit decline from USD 26.5 Mn in Q1-2021 to USD 25.3 Mn in Q1-2022 after higher y-o-y revenues were offset by higher overall operating expenses during the quarter. Ooredoo Kuwait recorded a net profit of USD 27.7 Mn in Q1-2022 vs USD 3.3 Mn in Q1-2021, up by 753.0% driven by 14% increase in revenue and 17% increase in EBITDA.

The Diversified Financials sector recorded a net profit of USD 337.6 Mn for Q1-22 against USD 133.3 Mn for Q1-21. Net profits for Asiya Capital Investments came in at USD 41.6 Mn for Q1-22 compared to a loss of USD 0.5 Mn for Q1-21 supported by the upward trend in equity and capital markets. National Investment Co. profits jumped 304.8% to reach USD 50.7 Mn for Q1-2022 vs USD 12.5 Mn for Q1-21. The increase in the net profit was due to increase in unrealized gain of financial assets during the quarter.

Profits for the Capital Goods sector increased from USD 77.1 Mn in Q1-2021 to USD 184.6 Mn in Q1-2022 after a majority of the companies in the sector posted higher profits during the quarter. Net profits reported by National Industries Group increased by 141.9% y-o-y to USD 152.7 Mn due to increase in the share of results of associates. Profits for Gulf Cable & Electrical Ind. Co. reached USD 20.5 Mn as compared to USD 4.2 Mn during Q1-2021. On the other hand, Integrated Holding Co. posted a net profit of USD 4.7 Mn for Q1-2022, against a profit of USD 0.4 for Q1-2021 supported by the increase of operational revenues by 29% during the quarter.

The Transportation sector recorded a profit of USD 89.0 Mn compared to a profit of USD 20.9 Mn in the same period in 2021. This was mainly driven by Kuwait & Gulf Link Transport Co. which reported a net profit of USD 27.1 Mn in Q1-22 vs a loss of USD 6.4 Mn in Q1-21. The increase in the profits was mainly due to increased Industrial activity. Similarly, Jazeera Airways posted a net profit of USD 12.6 Mn from a loss of USD 17.1 Mn supported by the increase in the operating revenue.

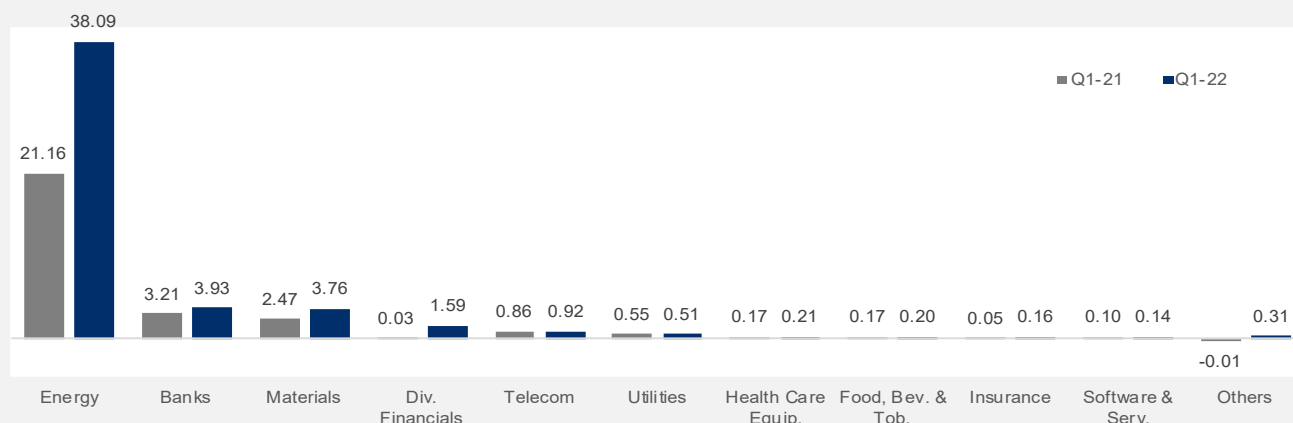
Saudi Arabia

Aggregate net profits for Saudi Arabian listed companies witnessed a y-o-y increase of 73.2% to reach USD 49.8 Bn in Q1-2022 against USD 28.8 Bn in Q1-2021. The key sectors on the exchange including Energy, Diversified Financials, Materials and Banks reported a strong y-o-y growth in profitability during the quarter, whereas Utilities, Consumer Durables & Apparel, and Pharmaceuticals, Biotechnology & Life Sciences reported profit declines during the quarter.

The Energy sector outperformed other sectors as the biggest contributor to net profits during the period by recording a net profit of USD 38.1 Bn. Saudi Aramco posted a net profit of USD 37.9 Bn for Q1-2022 compared to USD 21.0 Bn for Q1-2021

up by 80.6% led by rise in crude oil prices and sales volume in addition to improved margins from refining and chemicals. Rabigh Refining reported profits of USD 193.2 Mn during Q1-2022 vs. a profit of USD 173.2 Mn during Q1-2021, while Aldrees Petroleum & Transport Co. reported growth in profits during the quarter by 58.5% to reach USD 16.6 Mn.

Saudi Arabia Corporate Earnings : Q1-22 vs. Q1-21 (USD Mn)



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

Profits for the Banking sector increased by 22.4% to reach USD 3.9 Bn for Q1-2022. Al Rajhi Bank recorded a profit of USD 1.1 Bn for Q1-22 against a profit of USD 889.6 Mn for Q1-21. The bank's total operating income rose 17% due to an increase in net financing and investment income. Meanwhile, Riyadh Bank reported a 14.7% increase in the net profit that reached USD 413.9 Mn in Q1-22 compared to USD 361.0 Mn in Q1-21 supported by a 28% increase in non-interest income and a marginal increase in net interest income. Lower provisions during the quarter also supported the bottom-line. Saudi National Bank reported profits of USD 1.2 Bn in Q1-2022 from a net profit of USD 909.0 Mn a year earlier. The profit growth was led by 45.6% rise y-o-y in net interest income and 28.4% increase in non-interest income that more than offset higher provisions during the quarter.

In the Diversified Financials sector, Kingdom Holding Co. reported a surge in Q1-2022 net profit to USD 1.6 Bn, compared to USD 24.3 Mn in the prior year period. The profit growth was driven by gains on the sale of half of the company's stake in an associate, as well as improved hotel revenue and other operating revenue. Saudi Advanced Industries Co. posted a y-o-y profit increase of 81.4% to report USD 8.2 Mn in Q1-22 as compared to USD 4.5 Mn in Q1-21, supported by higher revenue and increase in profit share from subsidiaries.

The Materials sector, the second biggest sector by market capitalization on the exchange, reported the third biggest increase in profits by 52.5% to reach USD 3.8 Bn compared to USD 2.5 Bn during the previous year. Profits for SABIC Agri-Nutrients increased more than five folds in Q1-2022 to USD 669.9 Mn from a net profit of USD 112.7 Mn in the previous year driven by an increase in average selling prices and sales volumes, despite higher selling and distribution expenses. SABIC reported a net profit of USD 1.7 Bn for Q1-2022, a rise of 33% from USD 1.3 Bn in Q1-2021. Similarly, Saudi Arabian Mining Co. (Maaden) posted an over twofold increase in Q1-2022 net profit to USD 579.0 Mn.

Net profit for the Telecom sector grew 6.7% y-o-y to USD 915.7 Mn in Q1-22 as compared to USD 858.5 Mn during Q1-21. STC reported a 2.8% y-o-y increase in net profits that reached USD 809.2 Mn. Mobily registered a net profit of USD 85.1 Mn for Q1-22 compared to USD 60.2 Mn in Q1-21. The increase was driven by a 5.8% y-o-y increase in revenue led by growth in subscriber base. Zain KSA net profits rose 97% to USD 21.5 Mn in Q1-2022 driven by 12.4% growth in revenue.

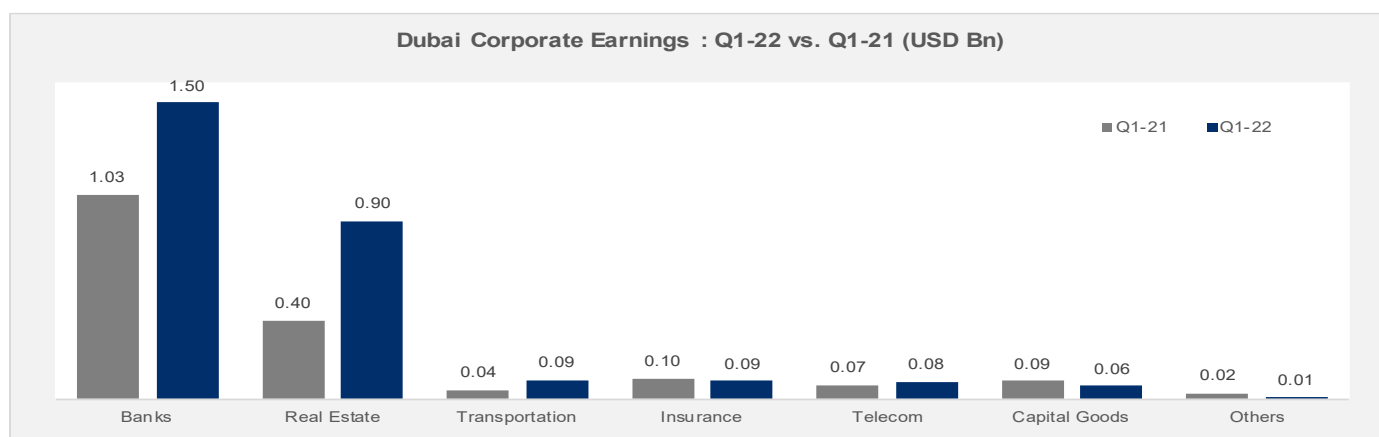
Dubai

Net profits for Dubai-listed companies increased by 56.0% y-o-y to USD 2.73 Bn in Q1-2022 against USD 1.75 Bn in Q1-2021. Earnings growth during the quarter was mainly driven by Real Estate and Banks. The two sectors accounted for the biggest absolute increase in corporate profits in Q1-2022 with y-o-y increases of 126.5% and 45.3%, respectively. It is noteworthy that out of eleven sectors on the exchange, seven have witnessed a y-o-y increase in profits during Q1-2022 while the remaining four sectors including the Insurance and Capital Goods sectors recorded a decline.

In the Banking sector, Emirates NBD witnessed a y-o-y profit increase of 18.1% to reach USD 746.2 Mn during Q1-2022 contributing significantly to the total earnings improvement in the sector during the quarter. The bank delivered its highest quarterly profit since 2019. The banks healthy performance was attributed to deposit growth and customer transactions combined with reduced impairment charges during the quarter. However, Mashreq Bank reported the largest jump in absolute profits after it reported Q1-2022 net profits of USD 165 Mn as compared to USD 11.7 Mn in Q1-2021. The bank credited the

positive performance to increased operating income and reduced risk charge.

The Real Estate sector was the main driver of profits in Q1-2022 with net profits of USD 899 Mn up from USD 397 Mn in Q1-2021. The sector witnessed the largest increase in absolute net profits during Q1-2022 thanks to Emaar Properties Co which reported Q1-2022 profits jump of nearly 2.5 times which reached USD 609.6 Mn jumping from USD 178.7 Mn in Q1-2021. Emaar's results were explained by the company's market share increase in overseas countries such as Egypt and India combined with an overall increase in property sales. Comparatively, Union Properties reported its third consecutive quarterly loss at USD 3.4 Mn in Q1-2022 down from a profit of USD 1.5 Mn in Q1-2021. The loss came mainly due to finance costs of USD 4.6 Mn which is related to the legacy debt.



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

Total Q1-2022 net profits in the Transport sector reached USD 92.5 Mn as compared to USD 43.6 Mn in Q1-2021 mainly driven by Air Arabia that reported more than eight-folds increase in profits. The airline's Q1-2022 net profits reached USD 79.2 Mn from USD 9.2 Mn in Q1-2021. The low-cost carrier's strong performance was attributed to higher passenger demand, ease of travel restrictions and cost control measures. Comparatively, quarterly profits of Gulf Navigation Holding stood USD 0.5 Mn down from USD 21.8 Mn while Q1-2022 net profits of Aramex nudged 2.8% y-o-y to reach USD 12.9 Mn.

In the Telecom sector, Du reported profits of USD 84.7 Mn registering a 21% y-o-y increase during Q1-2022. Increased revenue from handset sales combined with a robust of new broadband and prepaid customers contributed to the company's result during the quarter.

In the insurance sector, Arab Orient Insurance reported the biggest Q1-2022 profits that reached USD 53.3 Mn as compared to USD 51.7 Mn for the same period in 2021. Aggregate Q1-2022 earnings in the Insurance sector declined by 9.9% to USD 89.4 Mn down from USD 99.2 Mn in Q1-2021. The sectors total profits were weighed down by the USD 9.5 Mn loss reported by Al Sagr National Insurance during the quarter.

Abu Dhabi

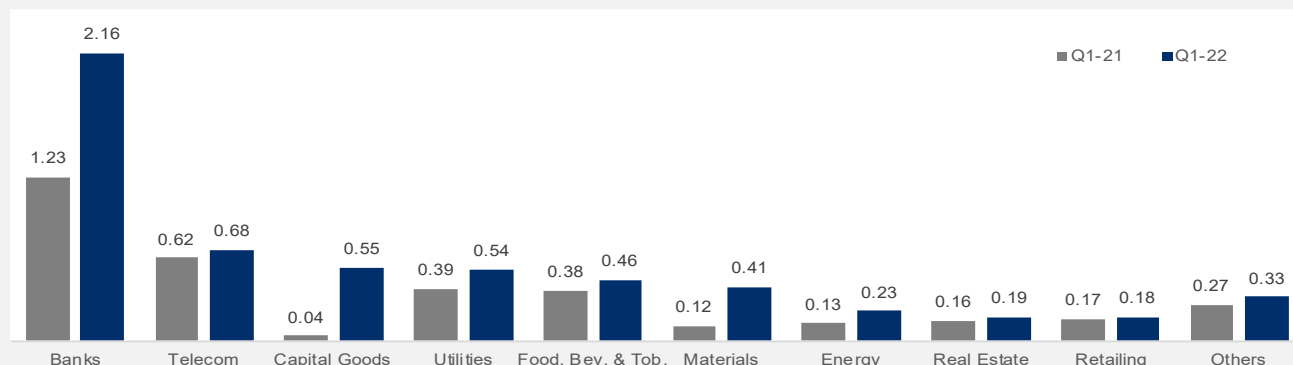
Listed companies in Abu Dhabi witnessed a 63.3% rise in net profits during Q1-2022 to reach USD 5.7 Bn compared with USD 3.5 Bn during Q1-2021 mainly led by higher profits for the Banking sector. The sector's net profits reached USD 2.2 Bn as compared to USD 1.2 Bn during Q1-2021, witnessing a y-o-y rise of USD 931.4 Mn or 75.8%. The Telecom sector posted the second-largest net profits during Q1-2022, with a y-o-y increase in profit at 9.6% to reach USD 684.8 Mn compared with USD 624.9 Mn during Q1-2021. Capital Goods, Utilities and Food, Beverage & Tobacco Sectors were some of the other sectors that reported rise in net profits during the quarter. On the other hand, the Pharmaceutical, Insurance and Food & Staples Retailing sectors reported decline in profits during the quarter.

In the Banking Sector, First Abu Dhabi Bank, the UAE's biggest lender, led the way posting the largest absolute increase in Q1-2022 net profits with a y-o-y increase of 106.8% to reach USD 1.4 Bn compared with a net profit of USD 674 Mn during Q1-2021. FAB attributed the increase in profits to robust loan growth which contributed to sustained demand and improved deposit mix. Abu Dhabi Commercial Bank posted the second largest Q1-2022 net profits among the banks that reached USD 403.9 Mn for the quarter, a 32.3% y-o-y increase. ADCB attributed its solid performance in Q1-2022 to improving economic conditions in the UAE backed by the bank's diversified loan book and well performing subsidiaries.

The Capital Goods sector witnessed the largest percentage increase in y-o-y quarterly profits. Q1-2022 net profits of the sector reached USD 553 Mn up from USD 39.6 Mn in Q1-2021. The jump in the profits was driven by the recently listed Alpha Dhabi Holding company which reported multifold increase in net profits that reached USD 537 Mn during Q1-2022 up from USD 27.4 Mn in Q1-2021. The company attributed the performance to the increase of its portfolio combined with key strategic

investments and acquisitions made over the quarter. Another constituent, Abu Dhabi Ship Building, reported a quarterly profit of USD 0.5 Mn bouncing back from a loss USD 4.3 Mn in Q1-2021.

Abu Dhabi Corporate Earnings : Q1-22 vs. Q1-21 (USD Bn)



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

Total net profits in the Materials sector jumped 3.5 times to reach USD 409.7 Mn up from USD 116.2 Mn despite 4 out of the nine companies in the sector posting losses during the quarter. Fertigllobe reported a Q1-2022 net profits of USD 356.6 Mn as compared to USD 85.2 Mn in Q1-2021 single handedly driving the sectors total net profits during the quarter.

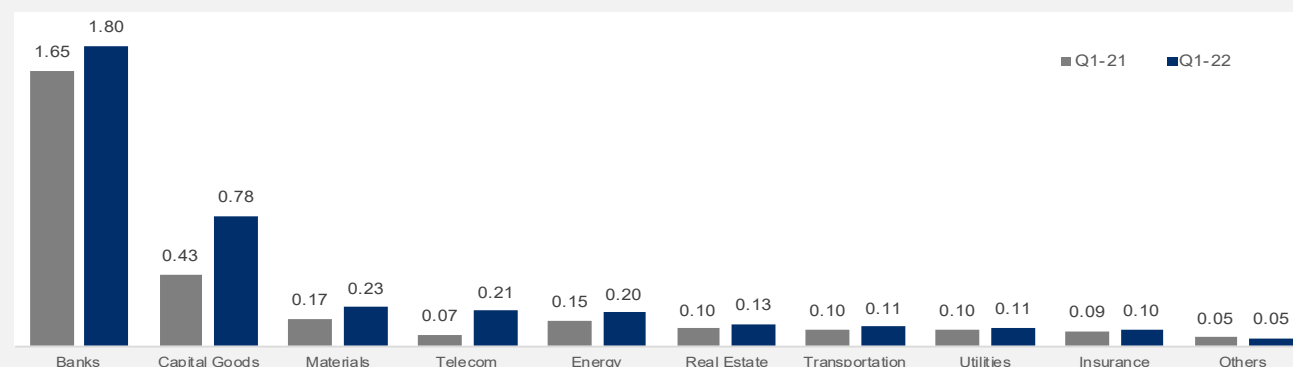
Qatar

Total Earnings for Qatari-listed companies increased by 28.0% during Q1-22 to reach USD 3.7 Bn as compared to USD 2.9 Bn in Q1-2021. Qatar's Banking sector reported a profit growth of 9.1% in Q1-2022 that reached USD 1.8 Bn accounting for 48.5% of the overall exchange profits during the quarter. QNB reported a net profit increase of 10.4% in Q1-22 reaching USD 990.4 Mn compared to a net profit of USD 896.9 Mn. The bottom-line improvement was driven by strong growth in net interest income and a relatively smaller increase in non-interest income that more than offset a 39% increase in provisions during the quarter.

The Capital Goods sector reported the second biggest earnings during the quarter at USD 782.9 Mn as compared to USD 428.3 Mn in Q1-2022. Net profits reported by Industries Qatar surged 89.5% to USD 740.5 Mn in Q1-22 compared to USD 390.8 Mn in Q1-2021. Sales volumes for the quarter increased by 9%, primarily driven by higher plant operating rates which improved production volumes.

In the Telecom sector, Ooredoo's consolidated net profits increased by 245.0% to USD 180.5 Mn in Q1-2022 compared to USD 52.3 Mn in Q1-2021. The Telco's revenue grew 6% y-o-y to USD 0.52 Bn in Q1-2022 driven by growth in post-paid services, Ooredoo TV and B2B services. Vodafone Qatar maintained its growth trajectory in Q1-22, reporting a net profit of USD 29.4 Mn for Q1-2022, representing an increase of 64.5% y-o-y. Total revenue increased by 25% y-o-y to reach USD 200.8 Mn driven by continued growth in the Company's postpaid revenue and fixed broadband services in addition to higher service revenue. EBITDA for the period increased by 28% to reach USD 82.7 Mn led by higher service revenue.

Qatar Corporate Earnings : Q1-22 vs. Q1-21 (USD Bn)



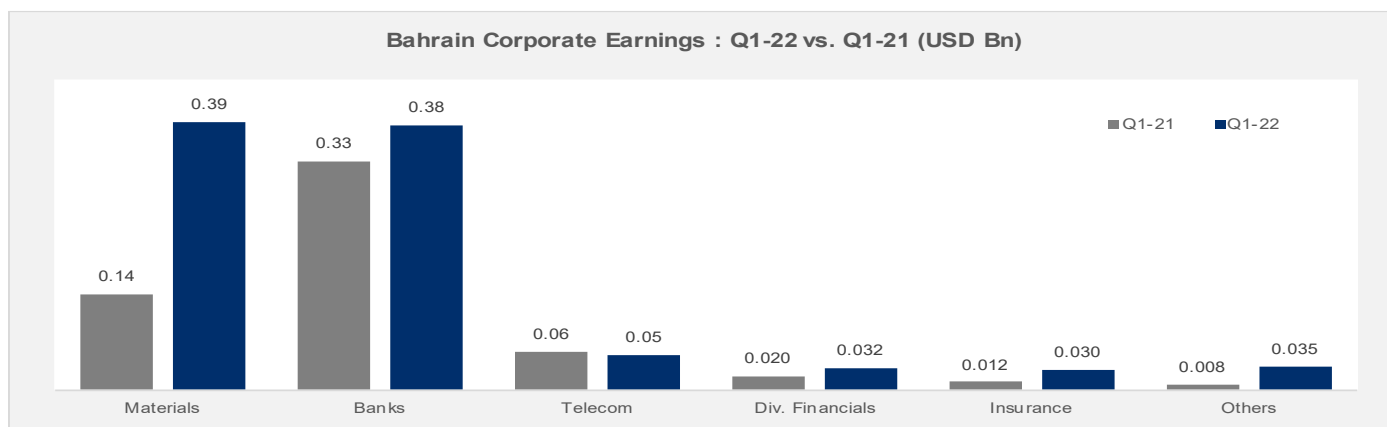
Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

The Materials sector posted a net profit of USD 230.6 Mn in Q1-2022 compared to a net profit of USD 165.3 Mn driven by higher profits reported by QAMCO and MPHC. QAMCO recorded a net profit of USD 65.6 Mn in Q1-2022 compared to net profit of USD 33.5 Mn mainly led by higher average realized selling prices, which increased by 93.5% in Q1-22 vs Q1-21. MPHC net profit increased 18.2% to USD 121.3 Mn in Q1-2022 compared to a profit of USD 102.6 Mn driven by higher revenue and selling prices.

Net profits for the Energy sector improved by 29.7% y-o-y to reach USD 199.4 Mn supported by the profits reported by Nakilat and Qatar Fuel Company (WOQOD). Nakilat registered a net profit increase of 20.6% to reach USD 104.6 Mn for Q1-22 vs USD 86.7 Mn for Q1-21. Qatar Fuel Company posted a net profit increase of 5.0% to reach USD 72.0 Mn in Q1-2022 vs USD 68.6 Mn in Q1-2021 mainly driven by increase in sales of petroleum and non-petroleum products. The number of Woqod operating stations reached 119 by the end of the first quarter of 2022 and is expected to reach 129 by the end of 2022.

Bahrain

Total Q1-2022 net profits for Bahrain-listed companies increased by 62.4% y-o-y to USD 922.5 Mn after key sectors posted an increase in net profits during the quarter. The Materials sector reported the largest net profits during Q1-2022 at USD 389.3 Mn as compared to USD 138.4 Mn during Q1-2021. Aluminum Bahrain which is the only constituent of the sector attributed its performance to higher LME prices which partially offset lower sales volumes.



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

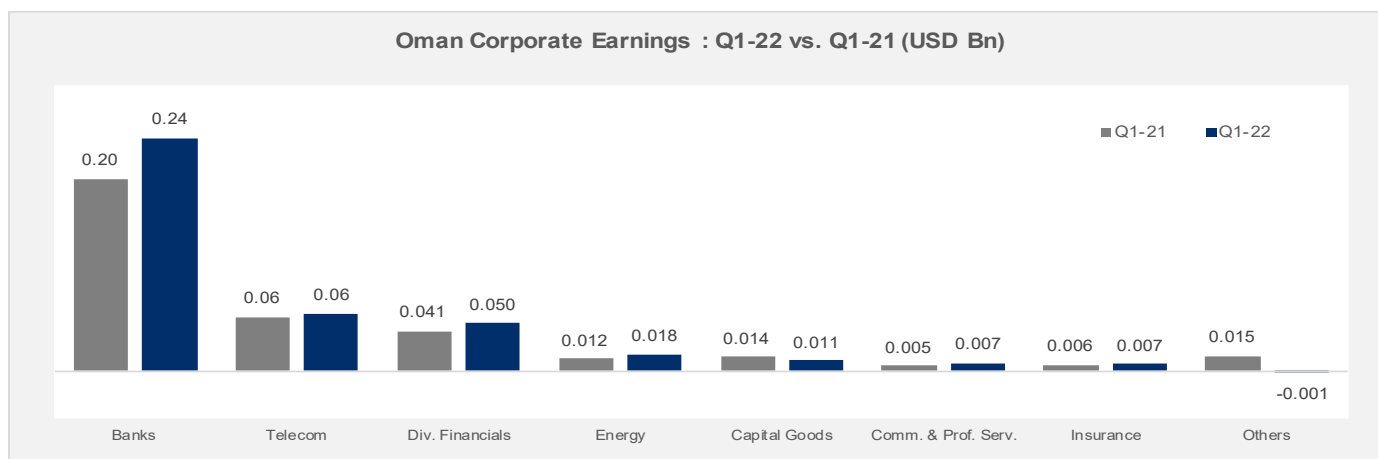
In the Banking Sector, Al Baraka Banking Group and Ahli United Bank posted the largest increases in absolute net profits during Q1-2022 pulling up the total net profits of the sector during the quarter which witnessed a 15.5% overall increase to reach USD 384.5 Mn. Ahli United Bank reported USD 170.9 Mn net profits in Q1-2022 as compared to USD 159.6 Mn during the similar period of the past year. Moreover, Al Baraka Banking Group reported a Q1-2022 net profits increase of 78% which reached USD 45.6 Mn compared to USD 25.6 Mn for the same period in 2021. The banks result was attributed to increases in net operating income and effective management strategy.

Quarterly net profits in the Telecom sector declined by 8.4% y-o-y to USD 51.7 Mn down from USD 56.4 Mn during Q1-2021. The sector Q1-2022 net earnings which were the third largest total profits among the sectors in the Bourse were weighed down by Batelco's 9.2% fall in profits. The telco announced Q1-2022 net earnings of USD 47.5 Mn as compared to USD 52.3 Mn during the similar period of 2021. The decline in Batelco's net profits was attributed to increased operational expenses associated with setting up new digital entities.

Total Q1-2022 net earnings for the Insurance sector jumped 150% y-o-y to reach USD 29.9 Mn driven by Bahrain National Holding Co. which reported a threefold increase in net profits which stood at USD 20.6 Mn. All the five companies which made up the Insurance sector reported y-o-y profits increase during Q1-2022. Comparatively, in the Diversified Financials sector, total net earnings reached USD 32.3 Mn registering 61.3% y-o-y increase. GFH Financial Group posted profits of USD 19.1 Mn, the biggest net earnings among companies in the sector, during Q1-2022 as compared to USD 16.1 Mn to the similar period in 2021. The company attributed the growth in net earnings to several key investment banking deals the group made during the quarter.

Oman

Total Earnings for Omani-listed companies increased by 12.3% during Q1-2022 to reach USD 394.7 Mn as compared to USD 351.4 Mn in Q1-2021. Profit growth during the quarter was mainly led by key sectors on the exchange including Banks, Diversified Financials and Telecoms which has mainly offset the quarterly losses reported by sectors including Utilities and Food & Beverage.



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

The Omani Banking sector reported a profit growth of 20.9% in Q1-2022 that reached USD 243.7 Mn compared to USD 201.6 Mn in Q1-2021. The Telecom sector posted the second largest Q1-2022 net profits in the MSX exchange that reached USD 59.6 Mn as compared to USD 56.5 Mn in Q1-2021. The Banking and Telecom sectors represented over 76.9% of total Q1-2022 net profits of listed companies on the exchange. Bank Muscat posted the largest Q1-2022 net profit among the banks at USD 125.3 Mn up from USD 117.9 Mn in Q1-2021. Increases in non-interest income and customer deposits were attributed to the bank's performance during the quarter.

In the Diversified Financials sector, total Q1-2022 earnings reached USD 49.8 Mn as compared to USD 41 Mn during the similar period of the past year. OMINVEST reported the biggest net profit among the 14 companies in the sector at USD 22.9 Mn during Q1-2022 down from USD 24.4 Mn in Q1-2021. OMINVEST profits constituted over 45% of total net profits in the sector. OMINVEST's decline in net profits was attributed to reduced contribution from its subsidiary Jabreen Capital. Comparatively, Al Madina Investment Holding reported the only loss in the sector posting USD 0.6 Mn loss during the quarter as compared to USD 0.5 Mn loss in Q1-2021.

Total net profits for the Energy sector increased 43.9% y-o-y to reach USD 17.8 Mn during Q1-2022. The sectors profits were mainly driven by Renaissance Services that posted a net profit of USD 9 Mn during the quarter registering a y-o-y increase of 63.2% during the quarter.

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- * **Neutral:** Target Price represents expected returns between -10% and $+10\%$ in the next 12 months
- * **Underperform:** Target Price represents an expected return of $< -10\%$ in the next 12 months

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