

|| Banking Sector:

Company	Net Funded Income (AED)			Non-Funded Income (AED)			Net Profit (AED)			Impairment Charges (AED)			EPS (AED)		
	4Q22	4Q23F	YoY Change	4Q22	4Q23F	YoY Change	4Q22	4Q23F	YoY Change	4Q22	4Q23F	YoY Change	4Q22	4Q23F	YoY Change
1 Abu Dhabi Commercial Bank (ADCB)	2,918	3,420	+17.2%	1,486	1,559	+5.0%	1,786	2,471	+38.3%	1,193	891	-25.3%	0.23	0.34	+46.4%
2 Abu Dhabi Islamic Bank (ADIB)	1,349	1,674	+24.1%	970	884	-8.9%	1,136	1,458	+28.3%	416	207	-50.2%	0.30	0.39	+29.3%
3 Mashreq Bank	1,484	2,224	+49.8%	809	811	+0.3%	1,054	1,920	+82.2%	27	51	+90.3%	5.3	9.6	+82.2%
4 Commercial Bank of Dubai (CBD)	823	890	+8.2%	265	380	+43.4%	503	765	+52.0%	336	200	-40.3%	0.17	0.23	+38.8%
5 Dubai Islamic Bank (DIB)	2,220	2,473	+11.4%	594	663	+11.7%	1,429	1,685	+17.9%	653	616	-5.6%	0.18	0.22	+23.1%
6 Sharjah Islamic Bank (SIB)	328	386	+17.7%	130	132	+1.3%	82	207	+151.9%	152	127	-16.3%	0.03	0.06	+151.9%
7 Commercial Bank International (CBI)	94	91	-2.8%	52	49	-6.5%	50	40	-19.4%	20	18	-9.0%	0.03	0.02	-19.4%
8 United Arab Bank (UAB)	97	110	+12.8%	52	83	+57.8%	36	92	+157.3%	46	17	-62.6%	0.02	0.04	+157.3%
9 National Bank of Ras Al Khaimah (RAKBANK)	733	907	+23.7%	262	290	+10.8%	286	455	+59.1%	339	300	-11.5%	0.14	0.23	+59.1%
10 Emirates NBD	7,744	8,200	+5.9%	2,111	3,519	+66.7%	2,985	4,852	+62.5%	1,943	1,015	-47.7%	0.45	0.75	+65.3%
11 Ajman Bank	123	114	-7.3%	1	80	NM	49	52	+4.2%	5	47	NM	0.02	0.02	-6.3%

Commentary:

- UAE banking system advances rose 5.1% YOY to AED 1,740 Bn in 3Q23. On the other hand, deposits grew at a faster rate recording a 10.7% YOY growth to AED 2,421 Bn in 3Q23.
- The loan-to-deposit ratio fell marginally from 72.1% in 2Q23 to 71.9% in 3Q23 which will further support loan growth in the economy along with strong liquidity.
- The US Fed hiked interest rates for the last time in 2023 by 25 bps in July 2023 to 5.00-5.50% the highest level in 16 years however due to softening of the inflation, the Fed left the interest rates unchanged for the third time in December 2023. In addition, it changed its tone from hawkish to dovish and expected to cut interest rates in the second half of 2024.0
- The average cost-to-income ratio of UAE banks under our coverage yet again improved from 35.1% in 2Q23 to 34.0% in 3Q23 while the cost of risk for the banks under our coverage rose to 1.44% in 3Q23 from 0.92% in 2Q23 mainly due to an increase Ajman's cost of risk.

|| Property Sector:

Company	Revenue (AED Mn)			EBITDA (AED Mn)			EBITDA Margin (%)		Net Profit (AED Mn)			Net Margin (%)		EPS (AED)	
	4Q22	4Q23F	YoY Change	4Q22	4Q23F	YoY Change	4Q22	4Q23F	4Q22	4Q23F	YoY Change	4Q22	4Q23F	4Q22	4Q23F
1 Aldar Properties	3,134	3,734	+19.1%	703	1,053	+49.9%	22.4%	28.2%	916	783	-14.5%	29.2%	21.0%	0.11	0.10
2 Emaar Properties	6,025	6,582	+9.3%	1,778	2,794	+57.2%	29.5%	42.4%	1,042	2,208	+112.0%	17.3%	33.5%	0.12	0.25
3 Emaar Development	2,201	2,829	+28.5%	954	1,189	+24.6%	43.3%	42.0%	970	1,113	+14.8%	44.1%	39.3%	0.24	0.28
4 Tecom Group	494	554	+12.3%	260	309	+19.1%	52.6%	55.8%	87	149	+72.0%	17.5%	26.9%	0.02	0.03
5 Dubai Investment Co	983	884	-10.0%	353	305	-13.6%	35.9%	34.5%	120	213	+77.6%	12.2%	24.1%	0.03	0.05

Commentary:

- The off-plan sales in **Dubai** increased significantly by 18.4% YOY to 19,401 transactions during 4Q23, whereas the value of off-plan sales rose 32.6% YOY to AED 58.9 Bn in 4Q23. **Dubai Real Estate** market recorded 23.1% YOY growth in total transactions to 35,430 transactions in 4Q23. The transaction value rose 50.8% YOY and stood at AED 122.3 Bn in 4Q23. Whereas, residential property transactions in Abu Dhabi rose 50% YOY to AED 6.6 Bn in 3Q23.
- **Emaar Properties** shopping malls achieved a solid occupancy of 97% while Emaar's hotels reported an occupancy of 70% in 9M23. The Group's revenue benefited from solid occupancy levels across its hotels and malls coupled with strong retail sales, and higher rental yields. The average rental yield stood strong at 6.2% in Abu Dhabi and 8.8% in UAE during 3Q23.
- **Emaar Development** delivered over 7,800 residential units in prime locations such as Downtown Dubai, Dubai Creek Harbour, Arabian Ranches, Dubai Hills Estate, Emaar Beachfront, Dubai Marina, and Emaar South. Emaar delivered more than 66,000 residential units as of September 2023, with over 27,000 residences currently under development in the UAE in 3Q23.
- **Aldar Properties** announced its plan to build 233,000 SQM of new grade A logistics facilities in UAE. Meanwhile, Aldar Properties completed its first international acquisition out of the MENA region by fully acquiring London-based developer, London Square. Aldar Properties, Mubadala Investment Company, and Ares Management announced a JV to invest USD 1 Bn in private real estate credit opportunities in the UK and Europe in the next five years. Mubadala will hold a 50% stake in the new platform, with 30% held by Aldar and the remaining by Ares.
- **Tecom's** occupancy rates for Commercial Leasing and Industrial leasing improved to 88.5% in 9M23, owing to development in the technology and manufacturing industries, as well as newly developed BTS commercial projects. It aims to achieve a target of more than 90% of the occupancy rate over the medium term.

|| Telecom Sector:

Company	Revenue (AED Mn)			EBITDA (AED Mn)			EBITDA Margin (%)		Net Profit (AED Mn)			Net Margin (%)		EPS (AED)	
	4Q22	4Q23F	YoY Change	4Q22	4Q23F	YoY Change	4Q22	4Q23F	4Q22	4Q23F	YoY Change	4Q22	4Q23F	4Q22	4Q23F
1 Etisalat and (e&)	13,135	15,050	+14.6%	6,042	7,778	+28.7%	46.0%	51.7%	2,638	3,135	+18.8%	20.1%	20.8%	0.30	0.36
2 du	3,315	3,383	+2.1%	1,303	1,498	+14.9%	39.3%	44.3%	286	436	+52.2%	8.6%	12.9%	0.06	0.10
3 AL Yah Satellite (YAHSAT) (USD'000)	117,956	124,349	+5.4%	68,722	69,533	+1.2%	58.3%	55.9%	30,420	32,325	+6.3%	25.8%	26.0%	0.012	0.013

Commentary:

- UAE telecom companies **e& and Du** agreed to pay a minimum of AED 5.7 Bn and AED 1.8 Bn, respectively, in royalty and corporate tax from 2024 to 2026. Based on a new royalty regime by the UAE Ministry of Finance, the payments amount to 38% of regulated and unregulated UAE profit, with corporate tax at 9% of profit after royalty. The aggregate annual amounts for Du and e& will not be lower than AED 1.8 Bn and AED 5.7 Bn, respectively, excluding certain profits and dividends from international entities. The payments will be due within five months of each fiscal year's end.
- Etisalat (e&)** completed the acquisition of 50.03% stake in Careem Technologies for a consideration of USD 400 Mn which will be financed through debt. The acquisition is a part of Etisalat's strategy to expand its consumer digital offerings and accelerate its global technology group transformation.
- e& completed the acquisition of 63.3% stake in Beehive, peer-to-peer lending platform, for a consideration of USD 23.6 Mn in 3Q23.
- e& added 2.0 Mn new subscribers in 3Q23 to grow total subscribers to 167 Mn, the highest number of subscribers in the Company's history. The company's active subscribers in UAE increased by 4.7% YOY to 14 Mn subscribers in 3Q23. Moreover, du's mobile customer base grew 9.4% YOY to 8.1 Mn subscribers in 3Q23. However, the company added 13,000 new broadband customers in 3Q23 to 573,000 customers.
- Abu Dhabi companies **Al Yah** Satellite Communications Company and Bayanat AI have proposed a merger to create an AI-powered space technology champion with an implied market capitalization of AED 15 Bn. The merger will be executed through a share swap, with Bayanat shareholders owning 54% and Al Yahsat shareholders owning 46%. The combined entity will have strong institutional backing from companies like Mubadala, G42, and IHC which will own 29%, 42%, and 8% stake respectively. The new entity will provide AI-powered geospatial and satellite communications, mobility solutions, and business intelligence. The merger is expected to be completed in 2H24.

|| Energy Sector:

Company	Revenue (AED Mn)			EBITDA (AED Mn)			EBITDA Margin (%)		Net Profit (AED Mn)			Net Margin (%)		EPS (AED)	
	4Q22	4Q23F	YoY Change	4Q22	4Q23F	YoY Change	4Q22	4Q23F	4Q22	4Q23F	YoY Change	4Q22	4Q23F	4Q22	4Q23F
1 Dana Gas (USD, Mn)	114	110	-3.5%	91	58	-35.8%	79.8%	53.1%	24	36	+50.5%	21.2%	32.8%	0.003	0.005
2 ADNOC Drilling(USD,Mn)	733	826	+12.7%	353	408	+15.7%	48.2%	49.3%	234	256	+9.4%	31.9%	31.0%	0.015	0.016
3 ADNOC Distribution	8,187	8,859	+8.2%	655	1,005	+53.4%	8.0%	11.3%	420	687	+63.6%	5.1%	7.8%	0.03	0.07
4 ADNOC GAS (USD, mn)	-	5,481	-	-	1,781	-	-	32.5%	-	887	-	-	16.2%	-	0.012
5 ADNOC L&S (USD, mn)	658	675	2.7%	169	223	+31.9%	25.8%	33.1%	87	143	+64.4%	13.3%	21.2%	0.012	0.019

Commentary:

- **ADNOC Distribution** further expanded its global network by adding 12 new service stations in 3Q23 after opening 16 stations in 1H23. Post the expansion, the total station network reached 828 stations among which 585 stations are located in UAE and KSA. The company aims to achieve its target of opening 25-35 new stations across its network in 2023 and having launched 28 new stations in 9M23.
- ADNOC Distribution profitability was boosted by an inventory gain of AED 289 in 9M23 compared to a gain of AED 665 Mn in 9M22. It records higher inventory gain in the rising oil price environment.
- Total fuel volume grew 40.5% YOY to 10,118 Mn liters in 9M23 due to the consolidation of TotalEnergies Marketing Egypt. ADNOC Distribution's UAE and KSA fuel volumes grew 12.6% YOY in 9M23 due to sustained momentum in the region's economic growth and robust support to retail and corporate fuel consumptions in 9M23.
- **ADNOC Drilling** and **Alpha Dhabi** agreed on a joint venture to invest up to USD 1.5 bn to acquire technology-enabled companies in the oilfield services and energy sectors. The company established its footprint in the international market by providing drilling services in Jordan marking its international expansion.
- The parent of ADNOC Drilling, ADNOC upstream plans to expand its production capacity from 4 Mn to 5 Mn barrels per day by 2027 accelerating its growth plans for the upcoming years.
- **ADNOC L&S** recently took delivery of eight jack-up barges (JUBs) and of two additional newly built LNG dual-fuel Very Large Crude Carriers (VLCCs) in 3Q23 with a total of three vessels delivered year-to-date. The fourth and final vessel is planned to be delivered to the ADNOC L&S fleet by the end of this year.

Utilities Sector:

Company	Revenue (AED Mn)			EBITDA (AED Mn)			EBITDA Margin (%)		Net Profit (AED Mn)			Net Margin (%)		EPS (AED Mn)	
	4Q22	4Q23F	YoY Change	4Q22	4Q23F	YoY Change	4Q22	4Q23F	4Q22	4Q23F	YoY Change	4Q22	4Q23F	4Q22	4Q23F
1 Dubai Electricity and Water Authority (DEWA)	6,706	7,119	+6.2%	3,094	3,536	+14.3%	46.1%	49.7%	1,486	1,613	+8.6%	22.2%	22.7%	0.030	0.032
2 National Central Cooling (TABREED)	557	578	+3.8%	320	354	+10.7%	57.5%	61.3%	201	180	-10.3%	36.0%	31.1%	0.07	0.06

Commentary:

- **DEWA** generated 18.897 TWH of electricity in 3Q23 compared to 17.375 TWH in 3Q22 with a reliability factor of 99.5%. Water desalination production also increased 5.4% YOY to 38.7 Bn imperial gallons (IG) in 3Q23.
- DEWA declared a dividend of AED 3.1 Bn in 1H23 and further plans to declare a dividend of AED 3.1 Bn in 2H23.
- DEWA commissioned 1,414 distribution substations of 11kV across Dubai 2023. Total number of medium voltage substations (11kV and 6.6kV) reached 44,015 stations by the end of 2023. The Company also started operational testing of 829 MW 4th phase of its power plant in Al Aweer with an investment of AED 1.1 Bn. After commissioning total capacity of Al Aweer power complex will increase to 2,825 MW.
- **Tabreed** is expected to add 120,000 RT capacity over 2023-2024 mainly due to additions in new projects and new connections across the existing connections. Moreover, in 9M23 Tabreed also delivered an additional 41,319 RT across the portfolio during 9M23. It commissioned its new SeaWorld Abu Dhabi plant in the UAE, two plants in KSA, and a new acquisition of a Tata Realty plant in India. The total number of plants amounted to 89 in 9M23 with a total connected capacity exceeding 1.3 Mn RT in 9M23.
- Tabreed achieved 9% YOY consumption volumes in 9M23 attributed to new connections and strong demand from the existing customers.
- The company is emerged as a preferred bidder in Industrial Infrastructure Corporation (TSIIC) a Hyderabad-based city master plan. Phase 1 of the project facilitates 2,500 RT of the district cooling facility with a total project cost of AED 36.2 Mn. The total concession capacity of the project is 125,000 RT to be implemented with the progress of the master development plan in the various phases.
- Tabreed secured its first green credit facility of AED 600 Mn in partnership with First Abu Dhabi Bank with Abu Dhabi Commercial Bank and Emirates NBD. The facility has a tenure of five years

|| Transportation Sector:

Company	Revenue (AED Mn)			EBITDA (AED Mn)			EBITDA Margin (%)		Net Profit (AED Mn)			Net Margin (%)		EPS (AED)	
	4Q22	4Q23F	YoY Change	4Q22	4Q23F	YoY Change	4Q22	4Q23F	4Q22	4Q23F	YoY Change	4Q22	4Q23F	4Q22	4Q23F
1 Air Arabia	1,393	1,509	+8.3%	459	527	+15.0%	32.9%	34.9%	355	467	+31.5%	25.5%	31.0%	0.08	0.10
2 Aramex	1,534	1,543	+0.6%	149	164	+10.3%	9.7%	10.6%	32	27	-17.2%	2.1%	1.7%	0.022	0.018
3 Dubai Taxi Company	491	523	+6.5%	112	132	+18.4%	22.7%	25.3%	90	89	-0.6%	18.3%	17.1%	0.04	0.04

Commentary:

- According to IATA, global airlines are witnessing a peak year for air travel with an overall passenger traffic demand reaching 99% of 2019 levels in November 2023. Carriers in the Middle East saw an 18.6% rise in passenger traffic during 9M23 compared to the same period last year.
- The airline capacity is expected to grow faster in 2024 where the global airlines focus on fleet expansion amid the growing travel demand. According to IATA, globally c.4.7 Bn travelers are anticipated to travel in the upcoming years.
- According to the International Air Transport Association (IATA) the Middle East continues to witness strong growth in international passenger traffic. Global passenger demand increased in terms of revenue passenger kilometers (RPKs) rose 29.7% YOY in November 2023, it is just 0.9% below the pre-pandemic level. International passenger traffic reached 94.5% of pre-pandemic levels with a 26.4% YOY growth in November 2023.
- **Air Arabia** signed an agreement during the Dubai Airshow 2023 and announced the order for 240 CFM LEAP-1A engines to power its existing order of 120 Airbus A320neo family aircraft including the brand-new A321XLR aircraft. The agreement will support the Company for fleet expansion and future growth. This, however, helps Air Arabia to expand its operations across its seven hubs in the UAE, Morocco, Egypt, Armenia, and Pakistan and introduce new routes to enhance the carrier's global network.
- Air Arabia carried a total of 12.4 Mn passengers in 9M23 marking a 36% growth compared to the first nine months of last year. The company's seat load factor stood at 81% in 9M23. Air Arabia's performance is driven by strong passenger demand with effective cost-control measures by the management team.

|| Financials Sector:

Company	Revenue (AED Mn)			EBITDA (AED Mn)			EBITDA Margin (%)		Net Profit (AED Mn)			Net Margin (%)		EPS(AED)	
	4Q22	4Q23F	YoY Change	4Q22	4Q23F	YoY Change	4Q22	4Q23F	4Q22	4Q23F	YoY Change	4Q22	4Q23F	4Q22	4Q23F
1 GFH Financial Group	163	128	-21.5%	-	-	-	-	-	-66	33	NM	-40.7%	26.0%	0.00	0.01
2 Dubai Financial Market (DFM)	82	111	+35.6%	-	-	-	-	-	59	108	+81.8%	51.7%	65.5%	0.007	0.013
3 Shuaa Capital	59	38	-36.7%	-	-	-	-	-	1	4	+189.3%	1.9%	9.9%	0.001	0.001
4 Waha Capital	32	32	+1.8%	-	-	-	-	-	157	73	-53.5%	51.7%	31.1%	0.081	0.038
5 Abu Dhabi National Insurance Company (ADNIC)	-	1,602	-	-	-	-	-	-	-	96	-	-	6.0%	-	0.17
6 Amanat Holdings	169	232	+37.7%	82	92	+12.7%	48.3%	39.5%	58	57	-0.9%	34.4%	24.7%	0.023	0.023

Commentary:

- **DFM** added 35,357 new investors, 72% of whom are foreign investors, lifting its investor base to more than a million subscribers as of 9M23. The trading value on DFM reached AED 78 Bn in 9M23, a 12.0% increase from 9M22. DFM general index rose 25.0% and since 2020 market capitalization doubled to AED 697 Bn in 9M23.
- **Shuaa Capital** announced that the company received the support of 93.0% of noteholders to extend the maturity of the existing USD 150 Mn bond till the end of 1Q24. Shuaa also received approval from the Board to optimize its capital structure through a decrease and subsequent increase in the company's issued shares in October 2023.
- **Amanat Holdings** signed an MOU with Mada International Holding in September 2023 for a 900-bed long-term post-acute care tender of the Ministry of Health Public-Private Partnership ("PPP") in Riyadh and Dammam. It also appointed Dr Shamsheer Vayalil as the Chariman of the Board of Directors.
- **Waha Capital's** funds Waha MENA Equity Fund SP recorded the total return of 13.5%, followed by Waha Emerging Markets Credit Fund SP return of 4.3% and Waha Islamic Income Fund SP total return of 3.93% in 9M23.

|| Industrials Sector:

Company	Revenue (AED Mn)			EBITDA (AED Mn)			EBITDA Margin (%)		Net Profit (AED Mn)			Net Margin (%)		EPS (AED)	
	4Q22	4Q23F	YoY Change	4Q22	4Q23F	YoY Change	4Q22	4Q23F	4Q22	4Q23F	YoY Change	4Q22	4Q23F	4Q22	4Q23F
1 RAK Ceramics	901	829	-7.9%	138	140	+1.9%	15.3%	16.9%	70	75	+6.6%	7.8%	9.0%	0.07	0.08
2 Abu Dhabi Ports	1,763	4,343	+146.4%	546	945	+72.9%	31.0%	21.8%	353	321	-9.0%	20.0%	7.4%	0.07	0.06

Commentary:

- **Rak Ceramics** in India is actively assessing the possibility of upgrading the Gris and Samalkot facility aiming to enhance production efficiencies and expand capacity through innovative measures. Meanwhile, in Bangladesh, the ongoing work to upgrade the existing tiles line is in progress with plans for commercial production to commence in the first quarter of 2024.
- Brent crude oil prices declined 17.8% QOQ from USD 95.35 per barrel in September 2023 to USD 78.35 per barrel in December 2023. Following this gas price is also expected decline during the period which will lower the cost of production of Ceramics enhancing profitability.
- **AD port group** acquired 10 offshore vessels for an investment of around AED 735 Mn (USD 200 Mn) with an average life of 9 years. The vessels are expected to delivered in 4Q23 and expected to commence operation from 1Q24. The acquisition is also expected to boost AD ports offshore and subsea capabilities in the Middle East and Southeast Asia by around 20%.
- The joint venture between AD ports and KazMor TansFlot (KMTF) acquired two oil tankers named Liwa and Taraz to provide offshore and shipping services for commodity exporters with a combined investment of USD 35 Mn.
- Ad ports completed the acquisition of Sese Auto Logistics which offers road and rail transport logistics with a fleet of over 200 trucks that covers more than 30 Mn Kilometers annually across Europe. The acquisition was completed for a total consideration (enterprise value) of EUR 81 Mn. Sese Auto Logistics serves the leading OEMs such as Renault, Stellantis, Mazda, Daimler, BMW, PSA, MAN and others.

|| Basic Material Sector:

Company	Revenue (USD Mn)			EBITDA (USD Mn)			EBITDA Margin (%)		Net Profit (USD Mn)			Net Margin (%)		EPS (USD)	
	4Q22	4Q23F	YoY Change	4Q22	4Q23F	YoY Change	4Q22	4Q23F	4Q22	4Q23F	YoY Change	4Q22	4Q23F	4Q22	4Q23F
1 Fertiglobe PLC	1,054	662	+37.2%	453	291	+35.6%	43.0%	44.0%	172	107	-37.4%	16.3%	16.2%	0.02	0.01
2 Borouge PLC	1,593	1,400	-12.1%	541	530	-2.0%	34.0%	37.9%	245	231	-5.5%	15.4%	16.5%	0.01	0.01

Commentary:

- OCI Global announced the sale of its 50.0% stake in **Fertiglobe** to Abu Dhabi National Oil Company P.J.S.C. ("**ADNOC**") for a total consideration of USD 3.62 Bn, fully exiting and monetizing its entire equity stake. Following the completion of the deal ADNOC's shareholding in Fertiglobe will increase to 86.2% with the remaining share traded as free float on Abu Dhabi Stock Exchange.
- Fertiglobe completed its first shipment of the world's first internationally recognized renewable ammonia with ISCC PLUS (International Sustainability and Carbon Certification) certification in November 2023. The renewable ammonia was manufactured at the company's facilities in Egypt using renewable hydrogen from its pilot Egypt Green Hydrogen electrolyzer. Additionally, the company is also planning to produce near-zero emissions synthetic soda ash for Unilever.
- Fertiglobe entered into a commercial agreement with a bank for the issue of a new USD 500 Mn term facility, which was oversubscribed 1.9x. The new term facility is yet to be executed, while the proceeds will be used to refinance shorter-term borrowings, further improving the company's maturity profile and liquidity.
- **Borouge** signed a two-year agreement with NAFFCO for AED 160 Mn to provide Borouge's polyethylene solutions for NAFFCO's mega projects across the UAE.
- Borouge signed a MoU with the National Petroleum Construction Company (NPCC) for AED 60 Mn to supply steel pipe coating solutions to NPCC's infrastructure and energy projects for two years. Borouge will also supply critical materials for major UAE energy projects, which include the Borouge 4 project, ADNOC Gas' sales gas pipeline network enhancement (ESTIDAMA) program, the Maximizing Ethane Recovery and Monetisation (MERAM) project, ADNOC's Hail and Ghasha Gas Development project, and ADNOC Offshore's Umm Lulu field.

|| Consumer Staples Sector:

Company	Revenue (AED Mn)			EBITDA (AED Mn)			EBITDA Margin (%)		Net Profit (AED Mn)			Net Margin (%)		EPS (AED)	
	4Q22	4Q23F	YoY Change	4Q22	4Q23F	YoY Change	4Q22	4Q23F	4Q22	4Q23F	YoY Change	4Q22	4Q23F	4Q22	4Q23F
1 Agthia Group	1,118	1,176	+5.2%	187	207	+10.7%	16.7%	17.6%	89	91	+2.4%	7.9%	7.7%	0.112	0.115
2 Americana Restaurants (USD, Mn)	608	633	+4.2%	131	154	+16.8%	21.6%	24.3%	63	72	+14.0%	10.4%	11.4%	0.008	0.009

Commentary:

- **Agthia Group** is strengthening its exports resources by adding new food services volumes in both domestic and international markets, experiencing a 33% YOY growth in export revenue from Egypt to AED 55.6 Mn in 9M23. Agthia is focusing on investing in innovations in the snacking segment and launched new brands into UK and European Retail channels. The company aims to boost its innovation capabilities by launching new formats and adjacent products in the UAE, KSA, Qatar, and the US. Also in the Water segment, Agthia launched its first 100% locally-produced rPET water bottle in 9M23.
- The CBUE further revised its inflation projections for 2023 from 2.8% to 2.4%. The revision is mainly due to a higher-than-expected pass-through of a decline in oil prices to the transportation sector partially offset by an increase in house prices. Other factors that contributed to a fall in prices include lower food prices and global disinflationary trends.
- **Americana Restaurant's** store portfolio stood to 2,338 restaurants at the end of 9M23. The company continues to expand its portfolio by adding new stores with a gross total addition of 184 new restaurants in 9M23(108 gross new stores in 1H23). In addition, there are 92 new restaurants under construction as of 9M23. The company further anticipates adding 250-260 net new restaurants by the end of 2023, with a strong emphasis on capitalizing on growth opportunities, particularly in KSA.
- The company maintains a robust financial position with an adjusted free cash flow of USD 195.0 Mn with a cash conversion ratio of 66.3% as of 9M23. Americana maintains a strong position to cover its capex requirements as well as offer support to its dividend policies.
- Americana's adjusted EBITDA margins rose 10.4% YOY to USD 446.5 Mn 9M23 compared to the same period in 2022 mainly due to declining commodity inflation and a strong focus on operational efficiencies.

FAB Securities Contacts:

Research Analysts

Ahmad Banihani +971-2 -6161629 ahmad.banihani@Bankfab.com

Sales & Execution

Trading Desk Abu Dhabi Head Office

+971-2 -6161777

+971-4 -5659593

Institutional Desk

+971-4 -5658397 / 04-5658597

Sales and Marketing

+971-2 -6161703

Customer Service

Abu Dhabi Office

+971-2 -6161600 [Online Trading Link](#)

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