

# Jamjoom Pharmaceuticals Factory

Sector : Healthcare

## BUY

10 March 2026

- **Jamjoom reported record revenue for 2025 at SAR 1.5bn. Core Saudi market increased by 15%, while all other geographies also performed well during the year. General medicine and Consumer health drive topline growth.**
- **Gross margin expanded by 36bps on the back of changes in product mix and improvement in efficiencies.**
- **Net profit grew by 30% YoY in 2025, slightly below our forecast**
- **Revenue for 2026e expected at SAR 1.7bn, while net profit forecasted to reach SAR 514mn. Target price revised to SAR 160.06 per share, recommend to BUY.**

Jamjoom reported revenue growth of 13.8% YoY, reaching SAR 1.5 billion in 2025, broadly in line with our estimates. Saudi Arabia, grew 15.3%, supported by rising institutional demand. The Gulf region delivered 10.4% growth, driven by particularly strong performance in the UAE and Bahrain. Iraq recorded 12.6% growth while in Egypt, revenue increased by 5.2% in constant currency. Meanwhile, North Africa and other export markets posted strong 15% growth. By Therapeutic Area (TA), the core Ophthalmology (+8.2%) and Dermatology (+6%) segments delivered single-digit growth and together contributed 44% of total sales (vs. 46.7% in 2024). Growth was primarily driven by General Medicine (+26.6%), supported by stronger penetration in the institutional channel. Consumer Health (+21.1%) maintained its momentum, fueled by targeted awareness campaigns and broader retail coverage. The Cardiometabolic portfolio also showed solid expansion, with Cardiovascular (+20.6%) and Anti-Diabetic (+40.2%) segments performing strongly. Total production volumes were slightly lower than the previous year at 166 million units (-5.2% YoY) largely due to the deliberate reduction at the Jeddah main facility. The production at the Jeddah facility was reduced to re-balance inventory and shift toward higher-value products. However, the Jeddah Sterile Facility witnessed doubling of production by 144.6% YoY and the production at the Egypt facility increased 14.9% YoY.

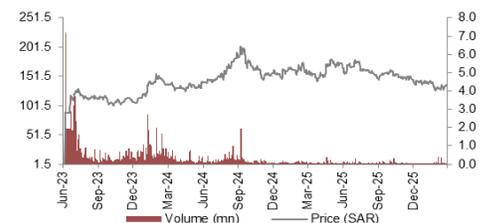
The Company launched six new brands during the year, expanding the active portfolio to 147 brands. Currently the pipeline consists of 57 products that are in various stages of evolution and likely to hit the market over the coming quarters. Further the Company has signed 16 agreements, including 3 new agreements concluded in 4Q25. Recent partnerships include ones with U.S., French and Chinese based companies which will expand the Consumer Health portfolio.

Gross margin expanded by 36bps YoY in 2025 on the back of improvements in operational efficiency, re-balancing the product portfolio and disciplined cost control. EBITDA increased 21.9% YoY to SAR 532.7 million, resulting in an EBITDA margin of 35.5%. Finance cost decreased significantly compared to the previous year due to the absence of prior-year forex losses. The share of profit from the Algerian joint venture decreased by 25.5% YoY to reach SAR 13.8mn. Overall, net profit grew 30.1% to reach a record high of SAR 463.8 million during the year, while 4Q25 bottomline was much higher than expectation.

**Target price (SAR) 160.06**

**Current price (SAR) 137.30**

**Return 16.60%**



Exchange Saudi Arabia  
Index weight (%) 0.1%

(mn)	SAR	USD
Market Cap	9,611	2,560
Enterprise value	9,250	2,498

#### Major shareholders

Jamjoom Yousuf Moham	41.7%
Jamjoom Mahmoud Yous	5.6%
Jamjoom Ahmed Yousse	4.6%
Others	48.2%

#### Valuation Summary (TTM)

PER TTM (x)	23.5
P/Book (x)	6.4
EV/EBITDA (x)	21.1
Dividend Yield (%)	2.6
Free Float (%)	48%
Shares O/S (mn)	70
YTD Return (%)	-4%
Beta	0.7

Key ratios	2023	2024	2025
EPS (SAR)	4.18	5.09	6.63
BVPS (SAR)	20.06	21.29	24.53
DPS (SAR)	2.50	3.06	4.00
Payout ratio (%)	60%	60%	60%

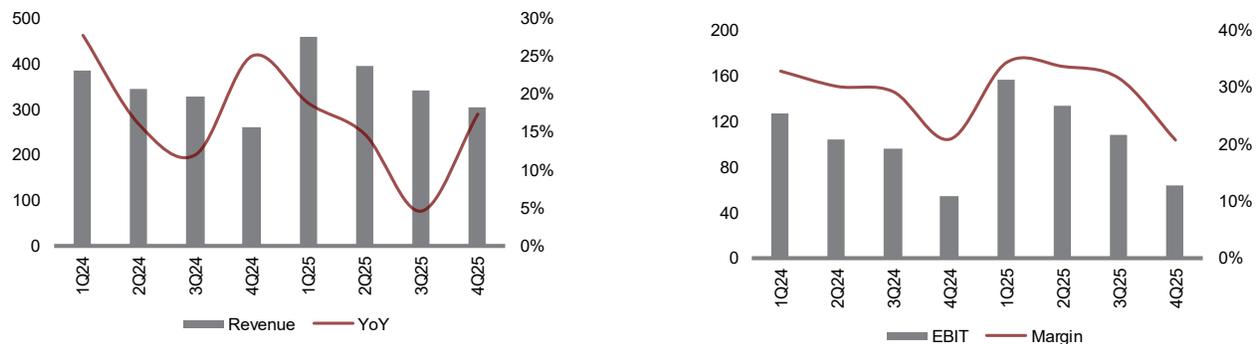
Price performance (%)	1M	3M	12M
Jamjoom Pharmaceuticals I	6%	-7%	-12%
Tadawul All Share Index	-3%	1%	-8%

52 week	High	Low	CTL*
Price (SAR)	183.80	125.00	9.8

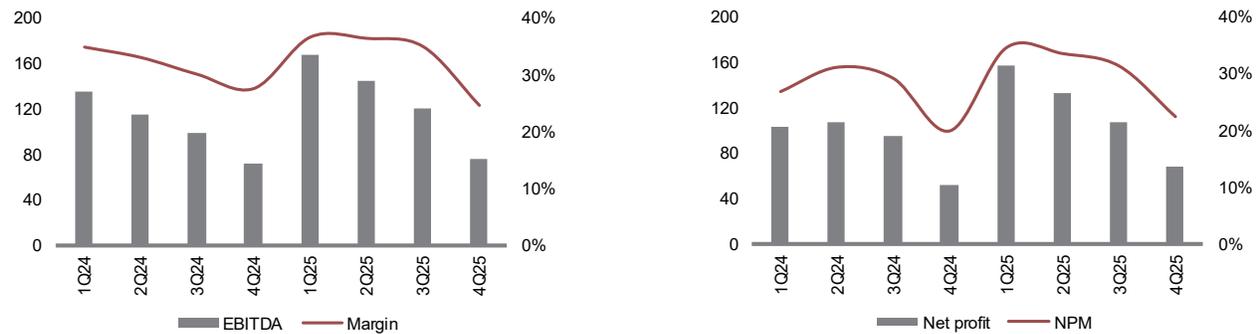
\* CTL is % change in CMP to 52w k low

**Valuation:** Jamjoom Pharma is a leading player in the pharmaceutical sector, with a consistent track record of strong financial performance. The company has maintained stable margins while increasing production across its manufacturing facilities. In addition, Jamjoom has entered into strategic agreements with global partners, which are expected to strengthen its product pipeline and enhance production capabilities. We maintain a positive outlook on both the sector and the company. Management has guided for revenue growth of 10–12% in 2026E, which we believe is conservative given the company’s expanding production capacity. With incremental capacity utilization expected to support higher volumes, we project 2026E revenue to reach SAR 1.73 billion. Margins are expected to remain largely in line with the previous year, and we forecast net profit of SAR 514 million. Based on our blended DCF and peer valuation approach, we derive a target price of SAR 160.06 per share, implying an upside potential of 16.6% from the current level. The current decline in stock price provides a good opportunity to increase exposure in the company, accordingly, we provide a BUY rating on Jamjoom Pharma.

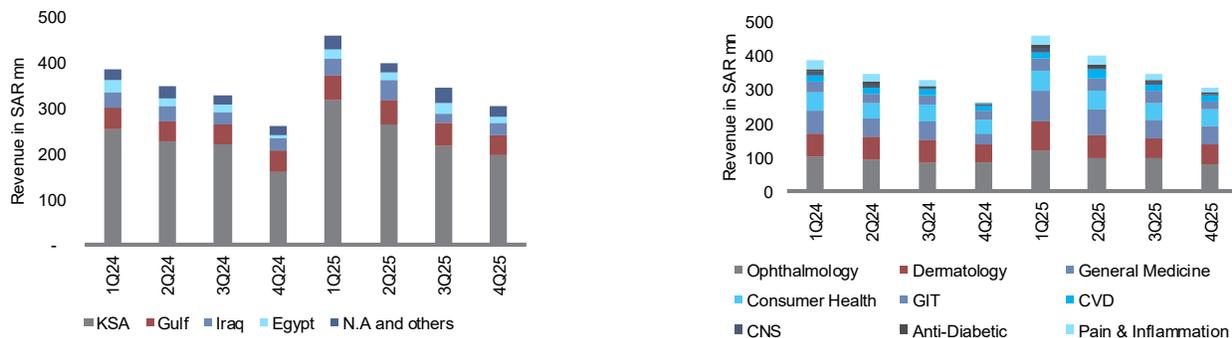
**Robust growth in revenue continues +17.3% YoY in 4Q25, Operating margin steady on a YoY basis**



**EBITDA higher by 4.7% YoY in 4Q25, best 4Q for the company in terms of net profit +31.9% YoY in 4Q25**



**Broadbased growth across all geographies and segments, core TAs contribute 44% of total sales**





Income Statement (in SAR mn)	2022	2023	2024	2025	2026e	2027e	2028e	2029e
<b>Revenue</b>	<b>917</b>	<b>1,101</b>	<b>1,318</b>	<b>1,501</b>	<b>1,737</b>	<b>2,010</b>	<b>2,242</b>	<b>2,504</b>
Direct Costs	-323	-397	-498	-562	-662	-767	-856	-956
<b>Gross Profit</b>	<b>594</b>	<b>704</b>	<b>821</b>	<b>939</b>	<b>1,074</b>	<b>1,243</b>	<b>1,386</b>	<b>1,548</b>
Selling and distribution	-261	-286	-317	-357	-408	-472	-527	-588
General and Admin	-55	-66	-71	-79	-87	-101	-112	-125
R&D	-33	-33	-34	-39	-43	-50	-56	-63
Impairment on receivables	-11	-5	-18	-3	-15	-18	-20	-22
<b>Operating Profit</b>	<b>233</b>	<b>313</b>	<b>381</b>	<b>462</b>	<b>520</b>	<b>602</b>	<b>672</b>	<b>750</b>
<b>EBITDA</b>	<b>256</b>	<b>338</b>	<b>418</b>	<b>506</b>	<b>564</b>	<b>650</b>	<b>723</b>	<b>750</b>
Net finance cost	-49	-2	-17	5	4	4	4	6
Other income	2	4	19	27	23	24	25	26
<b>Profit before tax</b>	<b>186</b>	<b>316</b>	<b>383</b>	<b>493</b>	<b>547</b>	<b>631</b>	<b>701</b>	<b>782</b>
Zakat and Income Tax	-15	-23	-26	-29	-33	-38	-42	-47
<b>Profit after tax</b>	<b>171</b>	<b>292</b>	<b>357</b>	<b>464</b>	<b>514</b>	<b>593</b>	<b>659</b>	<b>735</b>

Balance Sheet (in SAR mn)	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Property, Plant and Equipment	703	696	672	689	732	786	846	916
Right-of-use asset	2	2	2	29	28	28	27	26
Intangible assets	14	13	12	17	17	17	17	17
Other non current assets	0	36	57	69	69	69	69	69
<b>Non-current assets</b>	<b>720</b>	<b>747</b>	<b>743</b>	<b>805</b>	<b>847</b>	<b>899</b>	<b>959</b>	<b>1,028</b>
Current Inventories	132	234	271	248	298	345	385	430
Trade receivables	352	332	444	586	695	804	897	1,002
Prepayments and other receivables	56	51	52	48	69	80	90	100
Other current assets	6	5	1	1	1	1	1	1
Cash and cash equivalents	141	284	262	358	361	471	612	753
<b>Current assets</b>	<b>688</b>	<b>907</b>	<b>1,029</b>	<b>1,241</b>	<b>1,424</b>	<b>1,702</b>	<b>1,984</b>	<b>2,286</b>
<b>ASSETS</b>	<b>1,408</b>	<b>1,654</b>	<b>1,772</b>	<b>2,046</b>	<b>2,271</b>	<b>2,601</b>	<b>2,943</b>	<b>3,314</b>
Share capital	700	700	700	700	700	700	700	700
Reserves	-8	-41	-93	-84	-84	-84	-84	-84
Retained earnings	524	745	884	1,101	1,335	1,619	1,923	2,262
<b>EQUITY</b>	<b>1,216</b>	<b>1,404</b>	<b>1,491</b>	<b>1,717</b>	<b>1,951</b>	<b>2,235</b>	<b>2,539</b>	<b>2,878</b>
Long-term loans	-	-	-	-	-	-	-	-
Lease liabilities	2	2	2	13	12	11	9	7
Employees' benefits	62	68	77	91	69	80	90	88
<b>Non-current liabilities</b>	<b>65</b>	<b>70</b>	<b>79</b>	<b>104</b>	<b>81</b>	<b>91</b>	<b>99</b>	<b>95</b>
Short-term loan	-	-	-	-	-	-	-	-
Lease liabilities	0	0	0	3	3	3	2	2
Trade payables and other current liabilities	109	154	173	186	219	253	282	315
Zakat and income tax provision	18	26	29	35	16	19	21	23
<b>Current liabilities</b>	<b>127</b>	<b>180</b>	<b>202</b>	<b>225</b>	<b>238</b>	<b>275</b>	<b>306</b>	<b>341</b>
<b>LIABILITIES</b>	<b>192</b>	<b>250</b>	<b>281</b>	<b>329</b>	<b>319</b>	<b>366</b>	<b>404</b>	<b>436</b>
<b>EQUITY AND LIABILITIES</b>	<b>1,408</b>	<b>1,654</b>	<b>1,772</b>	<b>2,046</b>	<b>2,271</b>	<b>2,601</b>	<b>2,943</b>	<b>3,314</b>

Cash Flow (In SAR Mn)	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Cash from operations	229	296	263	406	431	517	606	672
Investing cash flow	-54	-77	-62	-69	-87	-101	-112	-125
Financing cash flow	-146	-75	-224	-242	-341	-306	-354	-405
Change in cash	29	143	-23	96	3	111	140	142
Beginning cash	113	141	284	262	358	361	471	612
<b>Ending cash</b>	<b>141</b>	<b>284</b>	<b>262</b>	<b>358</b>	<b>361</b>	<b>471</b>	<b>612</b>	<b>753</b>



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## Rating Criteria and Definitions

Rating	Rating Definitions
<p>The chart displays six rating categories with their corresponding percentage ranges and colors: Strong Buy (green, &gt;20%), Buy (dark green, 10-20%), Hold (yellow, 0%-10%), Neutral (light yellow, -10% to 0%), Sell (orange, -10% to -20%), and Strong Sell (red, &gt;-20%).</p>	<p><b>Strong Buy</b> This recommendation is used for stocks whose current market price offers a deep discount to our 12-Month target price and has an upside potential in excess of 20%</p> <p><b>Buy</b> This recommendation is used for stocks whose current market price offers a discount to our 12-Month target price and has an upside potential between 10% to 20%</p> <p><b>Hold</b> This recommendation is used for stocks whose current market price offers a discount to our 12-Month target price and has an upside potential between 0% to 10%</p> <p><b>Neutral</b> This recommendation is used for stocks whose current market price offers a premium to our 12-Month target price and has a downside side potential between 0% to -10%</p> <p><b>Sell</b> This recommendation is used for stocks whose current market price offers a premium to our 12-Month target price and has a downside side potential between -10% to -20%</p> <p><b>Strong Sell</b> This recommendation is used for stocks whose current market price offers a premium to our 12-Month target price and has a downside side potential in excess of 20%</p> <p><b>Not rated</b> This recommendation used for stocks which does not form part of Coverage Universe</p>

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