Daily Bulletin

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Jabal Omar Development Co.; Revenue up 14% YoY but 3Q26 bottom-line swings to loss on absent land gains

Last Price: SAR 16.1 | YoY Performance: -7.9%

Jabal Omar Development Co. (JOMAR AB) reported a net loss of SAR 261.6 mn for 3Q26, compared to a net profit of SAR 197.9 mn in 3Q25. The decline in profitability is mainly attributable to the absence of exceptional gains of SAR 510.0 mn land sales recorded in 3Q25, coupled with a 22.9% YoY increase in finance costs to SAR 145.0 mn in 3Q26.

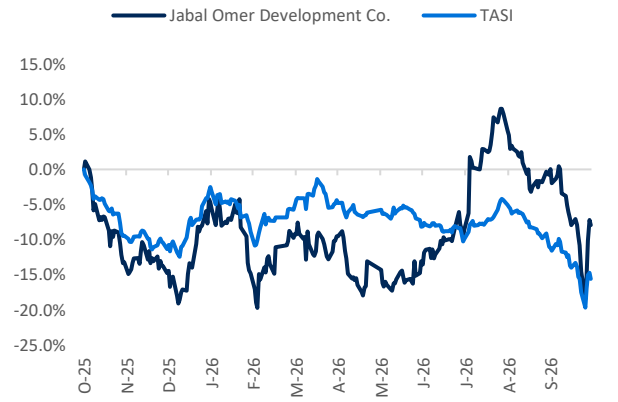
Total revenue for the quarter increased to SAR 370.0 mn, up 14.2% YoY. Hotel Revenue rose 10.8% YoY, from SAR 278.0 mn in 3Q25 to SAR 308.0 mn in 3Q26. Commercial centers segment revenue also increased to SAR 60.0 mn, up 39.5% YoY. For 9M26, total revenue increased 16% YoY to SAR 1,824.3. The increase in revenue is driven by a successful hajj season, high local demand, and higher key count with launch of Rotana hotel which became fully operational in 2026. Average available keys rose 9% YoY to 6,493 keys and average daily rate increased to SAR 1,059, up 6.0% YoY. Revenue per available room for the period increased to SAR 765.0 from SAR 719.0 in 9M25. Commercial center segment revenue for 9M26 came at SAR 170 mn, up 16.0% as occupied GLA sq. meters increased from 30,916 sq. meters in 9M25 to 34,580 sq. meters in 9M26.

For 3Q26, company recorded operating losses of SAR 97.0 mn, compared to the operating profits of SAR 312.7 mn in 3Q25. The loss on operation level is mainly due to the lower other operating income of SAR 2.0 mn compared to the other operating income of SAR 513.0 mn in 3Q25. For 9M26, operating profit declined 73% YoY to SAR 384 mn with other operating income declining to SAR 6 mn compared to the SAR 1,420 mn in 9M25. The decline in other operating income is due to the decrease in exceptional gains on sale of land by SAR 510 mn.

Finance cost for the 3Q26 rose 22.9% YoY to SAR 145.0 mn which was mainly due to the discontinuation of capitalizing borrowing expenses for certain Phase 4 assets that were under construction and became ready to use. However, net loans and borrowing at end of 3Q26 decreased to SAR 9,039 mn compared to the net loans and borrowing of ~SAR 10,427 in 3Q25.

Jabal Omar Development Co.'s stock has declined 7.9% YoY, outperforming TASI, which declined 15.6% during the same period.

Relative price chart



Source: Bloomberg, anbc research

Jabal Omar Development Co. key financials (SAR mn)

	3Q26	3Q25	YoY (%)	2Q26	QoQ (%)
Revenue	370	324	14	715	(48)
COGS	367	321	14	426	(14)
Gross profit	**3**	**3**	3	**289**	na
GM %	*1*	*1*		*40*	
Operating exp.*	100	(310)	na	52	91
Operating profit	**(97)**	**313**	na	**237**	na
OM %	*nm*	*97*		*33*	
Net income	**(262)**	**198**	na	**158**	na
Net margin (%)	*nm*	*61*		*22*	
EPS	**(0.22)**	**0.17**		**0.13**	

Source: Company financials, anbc research

**Includes other operating income; 3Q25 included SAR 510 mn land sale gains.*

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