

Daily Bulletin

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Jamjoom Pharma's 3Q26 net profit up 3.3% YoY, exceeding consensus

Last Price: SAR 121.8 | Consensus Target Price: SAR 151.5 | YoY Performance: -23.1%

Jamjoom Pharmaceuticals Factory Co. (JAMJOOMP) reported a net profit of SAR 110.2 mn in 3Q26, up 3.3% YoY. The result exceeded the consensus net profit of SAR 103.8 mn, up 6.2%. Growth was driven by higher revenue and an expanded gross margin, underpinned by production efficiencies and a favorable product and geographic mix. However, higher operating expenses incurred to support future growth initiatives partly offset the performance.

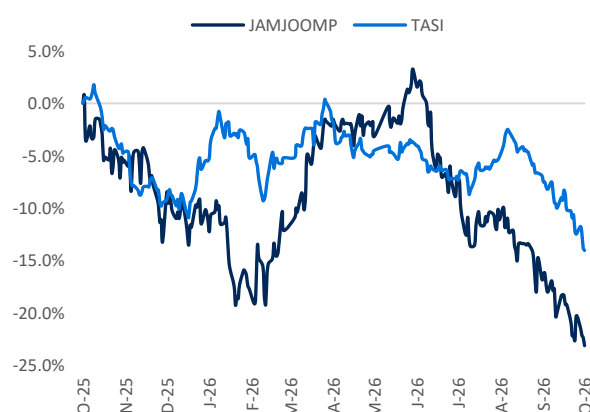
Revenue reached SAR 354.7 mn in 3Q26, up 3.6% YoY, in line with the consensus estimate of SAR 356.8 mn, down 0.6%. Growth was primarily volume-led and supported by a favorable product mix. Gross profit rose 6.9% YoY to SAR 222.9 mn, with gross margin expanding 192 bps YoY to 62.8%. Operating profit increased 4.9% YoY to SAR 115.3 mn, ahead of the consensus estimate of SAR 108 mn, taking the operating margin to 32.5% from 32.1% in 3Q25. On a sequential basis, revenue fell 20.4% QoQ, mainly due to summer seasonality, the regional conflict situation impacting business activity in key markets, softer private-market demand and pharmacy destocking. Net profit declined 19.9% QoQ from SAR 137.6 mn in 2Q26 on lower revenue, partly offset by a reduction in operating expenses.

By therapeutic area, Dermatology grew 19.5% YoY, while Consumer Health declined 21.0% YoY amid softer consumer spending, private-label competition and pharmacy destocking.

The company lowered its FY26 revenue growth guidance to 7-9%, from the previously communicated 10-12% CAGR for 2026-27, citing the slowdown in the Saudi pharmaceutical market, channel destocking, the timing of new product launches and budget constraints. It maintained its EBITDA margin guidance of 33-35%, along with its CAPEX and dividend payout guidance, but expects rising input costs and slower arrival of supplies to weigh on production costs in the coming quarters.

Jamjoom Pharma's stock has declined 23.1% YoY, underperforming TASI, which fell 14.0% over the same period. The stock is currently trading at a 2027e P/E of 15.5x, with a consensus target price of SAR 151.5/share, implying a potential upside of 24.3% from its last close of SAR 121.8/share.

Relative price chart



Source: Tadawul, anbc research

Jamjoom Pharma key financials (SAR mn)

	3Q26	3Q25	YoY (%)	2Q26	QoQ (%)	Consensus	Var (%)
Revenue	355	342	4	445	(20)	357	(1)
COGS	132	134	(1)	152	(13)	123	7
Gross profit	223	209	7	294	(24)	234	(5)
GM %	63	61		66		66	
Operating exp.	108	99	9	148	(27)	126	(15)
Operating profit	115	110	5	146	(21)	108	7
OM %	33	32		33		30	
Net income	110	107	3	138	(20)	104	6
Net margin (%)	31	31		31		29	
EPS	1.57	1.52		1.97		1.48	

Source: Company financials, Bloomberg, anbc research

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