Jamjoom Pharma
جمجوم فارما

Earnings Release

Jamjoom Pharma's 2nd Quarter Revenue Grows 12%, EBITDA Up 7%

Financial Summary

SAR (mn)	1H 2026	1H 2025	YOY Δ%	2Q 2026	2Q 2025	YOY Δ%
Revenue	926.7	853.7	+9%	445.3	396.2	+12%
Gross profit	604.0	543.6	+11%	293.7	250.8	+17%
Operating profit (EBIT)	318.4	293.5	+8%	146.0	135.3	+8%
Net profit for the period	305.8	289.1	+6%	137.6	132.0	+4%
EBITDA	345.5	320.9	+8%	158.8	148.5	+7%
FCF	319.3	280.6	+14%	138.8	124.0	+12%
EPS	4.4	4.1	+6%	2.0	1.9	+4%

JEDDAH, 22 July 2026 – Jamjoom Pharmaceuticals Factory Co. (Ticker: 4015.SR) a leading pharmaceutical manufacturer in the Middle East and Africa (MEA), delivered a resilient first-half 2026 performance, with second-quarter revenue growing 12.4% YoY to SAR 445.3 million and first-half revenue reaching SAR 926.7 million. In terms of profitability, gross profit for 1H26 amounted to SAR 604.0 million with a gross margin expansion to 65.2%, EBITDA reached SAR 345.5 million for 1H26 (37.3% margin), and net profit for the period was SAR 305.8 million (33.0% NPM). Growth was driven by sustained demand for strategic brands, higher volumes, increase in tender sales and a favorable product mix.

Tarek Hosni, CEO of Jamjoom Pharma, commented on the 2Q and 1H 2026 performance:

"After a first quarter shaped by an unexpected market contraction, momentum returned firmly in the second quarter, with revenue growth re-accelerating to 12% year-on-year — more than double the pace of the first quarter. This rebound reflects the resilience and scalability of our business model and our teams' ability to consistently grow ahead of the market, even in a volatile environment.

For the first half as a whole, revenue rose 9% to SAR 927 million, with EBITDA margins sustained above 37% and net profit up 6%. Continued strength in our strategic brands and the ongoing expansion of our cardiometabolic portfolio underpinned this performance, while disciplined cost management and strong cash generation enabled us to raise our interim dividend to SAR 2.2 per share.

With a strong balance sheet, an expanding pipeline and planned additions to capacity through acquisition of a new facility, Jamjoom Pharma is well positioned to carry this momentum into the second half and continue delivering calculated growth and long-term value creation."

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Performance Highlights

Revenue Mix by Geographies

SAR (mn)	1H 2026	1H 2025	YOY Δ%	2Q 2026	2Q 2025	YOY Δ%
KSA	609.9	577.8	+6%	276.7	262.4	+5%
Gulf	129.1	107.7	+20%	70.9	54.5	+30%
Iraq	82.8	83.2	-0%	43.4	43.1	+1%
North Africa & other export countries	65.3	48.4	+35%	32.7	17.9	+82%
Egypt	39.7	36.7	+8%	21.7	18.4	+18%
Revenue	**926.7**	**853.7**	**+9%**	**445.3**	**396.2**	**+12%**

Revenue Mix by Therapeutic Areas

SAR (mn)	1H 2026	1H 2025	YOY Δ%	2Q 2026	2Q 2025	YOY Δ%
Ophthalmology	249.2	215.3	+16%	118.9	96.9	+23%
Dermatology	171.0	152.4	+12%	89.8	65.6	+37%
Primary Care	296.8	290.5	+2%	130.1	137.5	-5%
Cardiometabolic	100.1	80.4	+24%	46.1	40.7	+13%
Consumer Health	109.6	115.2	-5%	60.5	55.5	+9%
Revenue	**926.7**	**853.7**	**+9%**	**445.3**	**396.2**	**+12%**

Revenue Trends

Jamjoom Pharma delivered robust top-line growth in the second quarter of 2026 reaching SAR 445.3 million (+12.4%). Meanwhile, in 1H26, the Company sustained its growth momentum, with revenue reaching SAR 926.7 million (+8.5% YoY), despite operating in a challenging environment amid heightened geopolitical conflict and slowdown in the pharmaceutical market. Growth was underpinned by higher volumes and a favorable product mix across the Company's strategic brands in addition to tender sales across Saudi and Gulf markets.

Regional Performance Highlights

Growth in the period was well distributed across the Company's markets, with performance underpinned by a diversified geographic footprint. Saudi Arabia, contributed SAR 609.9 million in the first half, up 5.5% YoY and outperforming a slowing market, led by strategic brands particularly in the cardiometabolic and ophthalmology while the government and institutional channel remained resilient, supported by ongoing deliveries against awarded tenders.

The Gulf region grew 19.8% YoY to SAR 129.1 million in 1H26 driven primarily by volumetric growth capitalizing on localized commercial presence and an efficient distribution network. Kuwait, Qatar, Oman and the UAE all contributed positively to this growth. This performance underscores the resilience and defensiveness of the Company's diversified channel mix during periods of external volatility.

North Africa and other export markets delivered the strongest growth of any region, with first half revenue up 34.9% YoY to SAR 65.3 million. Iraq remained broadly stable at SAR 82.8 million in the first half, as the Company continues to navigate an increasingly complex regulatory environment in the country. In Egypt, revenue grew 8.2% YoY to SAR 39.7 million, as the Company demonstrated continued growth in a declining local market through strengthened field force and disciplined commercial execution.

Therapeutic Area (TA) Highlights

Growth across TAs was led by the Company's strategic brands, which gained market share in their respective subsegments. Ophthalmology reached SAR 249.2 million in the first half (+15.8% YoY), continuing to gain share and outperform softer market growth. Primary Care sales were SAR 296.8 million, with first-half revenue broadly in line with the prior year, impacted by the market slowdown which was somewhat offset by the institutional channel.

The Cardiometabolic portfolio was the Company's fastest growing TA, contributing SAR 100.1 million in the first half (+24.5% YoY), well ahead of underlying market growth, driven by continued momentum in anti-diabetic and cardiovascular therapies. This reinforces the portfolio's position as a key engine of the Company's long-term growth strategy.

Dermatology delivered solid growth, contributing SAR 171.0 million in the first half (+12.2% YoY), supported by strategic brands, a refreshed commercial strategy and successful tender market penetration. Consumer Health revenue amounted to SAR 109.6 million, rebounding in the second quarter after a slow Q1, impacted by a cautious consumer environment. Management continues to take measured actions to optimize positioning and focus on value-accretive opportunities across the portfolio.

The overall performance underscores the increasing contribution of the Company's high-value therapeutic areas, supporting gross margin expansion and long-term sustainable growth.

Cost Trends and Margins

In the first half of 2026, cost of revenue increased by 4.0% YoY to SAR 322.7 million, well below the 8.5% growth in revenue, mainly due to a favorable shift toward higher-margin therapeutic areas and favorable variances in raw materials. As a result, gross profit rose 11.1% to SAR 604.0 million and the gross margin expanded by approximately 150 basis points to 65.2%, up from 63.7% a year earlier.

Within cost of revenue, raw materials and consumables were broadly flat year-on-year at SAR 206.2 million despite higher volumes, as a result of initiatives to maintain strategic inventory procured at lower rates during previous periods and production efficiencies. Salaries and employee-related costs rose 11.1% to SAR 69.2 million, while depreciation and amortization increased 14.3% to SAR 18.9 million, reflecting the impact of recent capitalizations of new machinery at the Jeddah Main Facility.

Production activity across the Company's three manufacturing sites totaled 95.9 million units in the first half of 2026, reflecting an 11.7% YoY increase. This growth was led by the ramp up of the Jeddah Sterile Facility, which produced nearly 10 million units (+145.6% YoY) and a 15.7% increase at the Egypt site, whilst production was up 2.9% at the Jeddah Main Facility. This achievement is a result of improving execution, addressing bottlenecks and minimizing rejections.

Operating expenditure reflected continued investment towards future growth. Selling and distribution expenses increased 15.7% YoY to SAR 217.9 million, as the Company expanded its field force across key markets in addition to increased commercial campaigns to drive business growth. General and administrative expenses rose 10.2% to SAR 47.2 million, driven by salary growth and new office leases whilst research and development spend increased 10.8% to SAR 20.3 million in support of the growing product pipeline.

EBITDA grew 7.7% YoY to SAR 345.5 million, at a margin of 37.3%, broadly in line with 1H25, as gross-margin gains were partly offset by higher operating costs and lower share of profit from the Algerian JV.

Net profit rose 5.8% YoY to SAR 305.8 million, at a net margin of 33.0%. Alongside the increased operating expenses, the net margin also reflected an adverse FX impact (in EUR and EGP) compared to a favorable one last year.

Quarterly Performance

Revenue for the second quarter reached SAR 445.3 million, reflecting a 12.4% YoY increase compared to SAR 396.2 million in 2Q 2025, and posting a solid recovery from 1Q 2026 growth of 5.2% YoY. This growth was driven by higher volumes and a favorable product mix, with the Company continuing to outperform underlying market trends despite a challenging external environment.

Cost of revenue stood at SAR 151.7 million, up just 4.3% YoY well below revenue growth reflecting a favorable product mix and continued manufacturing efficiency. As a result, gross profit rose to SAR 293.7 million, compared to SAR 250.8 million in 2Q 2025, with the gross margin expanding by approximately 260 basis points to 65.9%.

Selling and distribution expenses were SAR 116.0 million, up 31.3% YoY, as the Company expanded its field force and increased commercial activity to defend and grow share in a slow market growth environment.

General and administrative expenses totaled SAR 23.6 million, up 14.5% YoY, while research and development spend reached SAR 10.9 million, increasing 21.9% YoY as pipeline activity and regulatory submissions gained traction.

EBITDA for the quarter rose 7.0% YoY to SAR 158.8 million, at a margin of 35.7%, as strong gross-margin gains were partly offset by higher operating expenditure. Net profit increased 4.2% YoY to SAR 137.6 million, due to lower other income, with a net margin of 30.9%, with earnings per share of SAR 1.97 for the quarter.

Balance Sheet Summary

SAR (mn)	Jun 2026	Dec 2025	YTD Δ%
Total Non-Current Assets	803.9	804.6	-0%
Total Current Assets	1,535.5	1,241.0	+24%
Total Assets	2,339.4	2,045.6	+14%
Total Equity	1,878.3	1,716.8	+9%
Total Non-Current Liabilities	115.3	104.2	+11%
Total Current Liabilities	345.8	224.5	+54%
Total Liabilities	461.1	328.8	+40%

As of 30 June 2026, Jamjoom Pharma's total assets increased to SAR 2,339.4 million, up from SAR 2,045.6 million at year-end 2025, reflecting continued growth in core operations during 1H 2026. Non-current assets amounted to SAR 803.9 million, broadly stable compared to December 2025, as CAPEX/Sales remained low at 2.8%, with a sizable portion of expected CAPEX already committed and slated for the latter part of 2026. The increase in current assets to SAR 1,535.5 million was primarily driven by higher trade receivables.

Working capital increased to SAR 948.7 million, up from SAR 835.7 million in 1H 2025, resulting from higher receivables, partly offset by a reduction in inventories. The cash conversion cycle improved to 285 days (1H 2025: 305 days), driven primarily by stronger inventory efficiency, with DIO declining to 149 days from 180 days. This was partly offset by an increase in DSO to 182 days (157 days), reflecting the impact of liquidity pressure in the market causing lengthier collection cycles in recent quarters, while DPO stood at 46 days. The Company continues to focus on balancing growth with disciplined working capital management.

Shareholders' equity increased to SAR 1,878.3 million, supported by net profit and partially offset by dividends distribution. Total liabilities rose to SAR 461.1 million, compared to SAR 328.8 million at year-end, reflecting higher current liabilities associated with increased commercial activity, as well as a modest increase in non-current liabilities driven by employee benefit obligations and lease-related balances. The Company carries no debt and ended the period in a net cash position of SAR 265.8 million.

Overall, the balance sheet development during the period reflects the Company's focus on supporting growth while preserving financial flexibility and maintaining headroom for ongoing operational and strategic requirements.

Business Development (BD) & Investments Update

Jamjoom Pharma continued to advance its BD agenda, signing partnerships across the region under its "License and Supply" model. The Company has now signed 21 agreements, including five new agreements concluded during the first half of 2026, and 11 of these agreements now awaiting SFDA approval.

Outlook and Guidance

Despite a slowdown in the regional pharmaceutical market and ongoing geopolitical disruption across the region, the Company reiterates its guidance, underpinned by the resilience and defensiveness of its business model, ongoing strategic initiatives, and a commitment to sustained, long-term value creation:

	FY 26-27 Guidance	1H 2026 Tracker
Revenue growth (CAGR)	10-12%	9%
EBITDA margin	33-35%	37%
CAPEX/Revenue	6-9%	3%
Dividend (semi-annual)	50-60% payout	50% payout announced

In the longer term the Company retains its strategic focus on the MEA region and targets expansion into selected high-potential markets in the coming years, in line with its vision to become the leading MEA organization by 2030 through consistently providing affordable, high-quality healthcare solutions.

-ENDS-

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Additional Information

The Company will be hosting the Q2 2026 earnings call on Wednesday 22 July 2026 at 3pm KSA time to present and discuss the financial results with investors and analysts. Attendees can register for this call through the link provided in the relevant announcement on the Saudi Exchange or by reaching out to our IR department at the email provided below, who will assist you in registering.

The Q2 2026 financial statements, earnings release, earnings presentation and financial data supplement will be made available on the investors section of our website: www.jamjoompharma.com

Please contact the Company at:

Jamjoom Pharma Head Office,
3rd Floor - La Perle by Oud,
JEBD3158 Sari Road, Al Shatee District,
Jeddah 23415, Saudi Arabia
Phone: +966-12-614-0099
Fax: +966-12-614-0088
Website: www.jamjoompharma.com
E-mail: jpharma@jamjoompharma.com

Investor Relations contact:

Muhammad Bin Khalid | Head of Investor Relations
Phone: +966-12-614-0099 ext. 3313
E-mail: ir@jamjoompharma.com