Jamjoom Pharmaceuticals Factory Co.(4015)

Pharma, Biotech & Life Science

Initiating Coverage
12 October 2026

Integrated manufacturing, repeat-use demand, and export exposure support durable growth, valuation now offers some upside; initiate with Buy

Accelerating localization and the recent sell-off create an attractive entry point: We initiate coverage on JP with a target price of SAR150, offering 20% upside and warranting a Buy rating. In our view, JP is one of the two key listed beneficiaries of Saudi pharmaceutical localization, which we expect to accelerate as the import-security trauma created by disruptions to imports through the Strait of Hormuz and Bab el-Mandeb reinforces the importance of domestic and regional supply. JP manufactures all the products it currently sells, capturing both manufacturing and commercial margins. The shares have declined by about 21% over the past 12 months, compared with 10 and 11% declines in TASI and the pharmaceutical index, respectively, bringing valuation to an attractive 16.7x 2026e and 15.4x 2027e earnings, in our view. Fundamentals remain strong, with 1H26 revenue rising 8.5% to SAR927m, a 37.3% EBITDA margin, SAR266m of cash and no bank debt. We forecast revenue growth of 11.1% in 2026 and 10.6% in 2027, producing a 2025–31 CAGR of 10%, driven by ophthalmology, cardiometabolic and primary care, alongside innovative products, including biologics, and partner manufacturing. International markets generated 34.2% of 1H26 revenue, including 20% growth in the Gulf and SAR83m from Iraq, where substitution of Iranian and Asian imports could offer additional medium-term upside after a short-term disruption.

A 250-SKU manufactured portfolio and 65-product pipeline support recurring demand and continued renewal: JP has 250 locally manufactured Saudi SKUs across an estimated 132 active-composition groups, with around two-thirds concentrated in chronic or recurring-use therapies. Among registry-matched factory SKUs, we estimate that around 90 have no identical registered competitor and 123 have no identical Saudi-manufactured competitor. The pipeline comprises 17 products submitted to the SFDA, 20 ready for submission and 28 under development, alongside 21 license-and-supply agreements, including 11 under regulatory review. JP targets six to ten launches annually, while newly launched brands generated 18% of incremental revenue in 1H26.

Two fast-tracked biosimilars provide a 2027 catalyst, while Lifera adds longer-term localization potential: JP targets SFDA approval by end-2026 and launches from early 2027 for Aflibercept in retinal disease and Ustekinumab in immunology. Aflibercept offers a first-mover localization opportunity as no similar Saudi-manufactured product is yet registered domestically, as per our inhouse analysis, while Ustekinumab will compete with existing Saudi-manufactured and packaged alternatives. Near-term revenue is difficult to quantify and will depend on pricing, tenders and market access. JP will own 49% of the Lifera venture, which is intended to establish Saudi vaccine, biologics and biosimilar manufacturing, but will require further investment before contributing materially. About 20% of JP's local demand is institutional and the long-term biologics and specialisation angle will benefit this sector as well, in our view.

Execution and working capital are the main risks as JP expands capacity and enters specialist channels: Saudi Arabia generated 65.8% of 1H26 revenue, leaving JP exposed to a private market that contracted by 0.7% in January to May, although JP grew by 7.5% and increased its market share to 6.5%. Receivable days reached 182 at 1H26 and three customers represented 87% of gross receivables, although approximately 93% were neither past due nor impaired. Execution requirements include ramping the 25m-unit sterile facility, integrating KAEC, converting the 65-product pipeline, scaling Egypt and Algeria, and securing access for the two biosimilars. Registration or product-transfer delays, tender pricing, longer collections, currency movements and higher input costs could defer growth or pressure margins and cash conversion.

Key financial metrics
In SAR mn, unless otherwise stated

	2024a	2025a	2026e	2027e	2028e
Revenue	1,318.5	1,500.6	1,667.6	1,845.0	2,042.8
Revenue growth	19.8%	13.8%	11.1%	10.6%	10.7%
Operating Profit	381.1	474.8	550.3	595.9	680.2
Operating margin	28.9%	31.6%	33.0%	32.3%	33.3%
Net profit	356.5	463.8	525.8	571.5	651.3
Net profit margin	27.0%	30.9%	31.5%	31.0%	31.9%
EPS (SAR)	5.1	6.6	7.5	8.2	9.3
DPS (SAR) / div. yield	3.1/2.5%	3.5/2.8%	4.2/3.3%	4.6/3.6%	5.2/4.2%
P/E	24.6	18.9	16.7	15.4	13.5

Source: Company data, Derayah Financial estimates

Rating	**BUY**
Target price	**SAR 150.00**
Last price*	SAR 125.40
Upside potential	**20%**

* as at 11 October 2026

Stock info

Exchange/ Bloomberg symbol	4015 / JAMJOOMP
MCap (SARmn / USDmn)	8,778 / 2,341
Daily traded value 3M avg. (SARmn / USDmn)	4.7 / 1.2
Free float	41.9%
Foreign ownership* / limit	10% / 49%

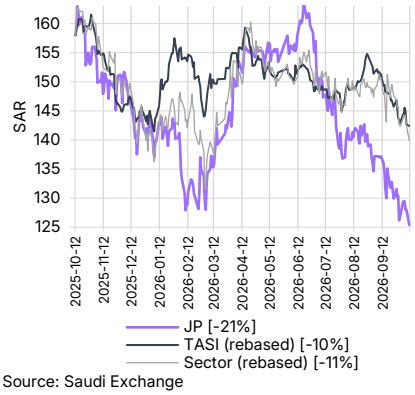
* as at 11 October 2026

Key shareholders

Mahmoud Yousuf Mohammed Salah Jamjoom	14.5%
Mohammed Yousuf Mohammed Salah Jamjoom	10.6%
Waleed Yousuf Mohammed Salah Jamjoom	10.6%
Ahmed Yousuf Mohammed Salah Jamjoom	10.6%
Alaa Yousuf Mohammed Salah Jamjoom	7.6%
Noor Ahmed Sheriff	4.3%

Source: Saudi Exchange

Share performance



Source: Saudi Exchange

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Investment thesis

We initiate coverage on Jamjoom Pharmaceuticals Factory Co. (JP) with a Buy rating and a DCF-derived target price of SAR150 per share, implying 20% upside. We believe that the stock has been oversold during 2026, disregarding its solid fundamentals and remaining growth potential in both Saudi Arabia and the neighbouring markets. JP combines local manufacturing control, recurring prescription demand and regional growth with high margins and a net-cash balance sheet. A 21% share-price decline over the past 12 months, compared with 10% and 11% declines in both TASI and the pharmaceutical sector index, respectively, has brought valuation to 16.7x 2026e and 15.4x 2027e earnings on our forecasts. We forecast revenue growth of 11.1% in 2026 and 10.6% in 2027, broadly consistent with the 10–12% growth guidance, followed by continued expansion to SAR2.67bn annually by 2031, implying a 2025–31 CAGR of 10.1%. Expected cash dividends provide an additional yield of approximately 3.3% in 2026 and 3.6% in 2027. In our view, JP is one of the two key listed beneficiaries of Saudi pharmaceutical localization drive, which we expect to accelerate as the import-security trauma created by disruptions through the Strait of Hormuz and Bab el-Mandeb reinforces the importance of domestic supply in KSA and a mix of domestic and regional supply in neighbouring markets with significantly lower localisation ratios. JP currently manufactures all the products it sells, capturing both manufacturing and commercial margins, unlike peers with substantial distribution-only exposure to imported products. Its closest listed comparison is Avalon Pharma, which benefits from the same localization trend but is smaller and growing faster from a substantially lower base. JP trades at Bloomberg consensus P/E multiples of 17.4x and 16.0x for 2026 and 2027, compared with Avalon's 19.8x and 17.8x. Some discount is consistent with JP's more mature growth profile, but its profitability, manufacturing scale and international presence support the investment case at the current price point, in our view.

Market-share gains demonstrate the strength of the existing business. JP's Saudi private-market sales grew 7.5% in January–May 2026 while the wider market contracted by 0.7%, taking its share to 6.5% and maintaining its number-two position. On a trailing 12-month basis, growth reached 19.4%, compared with 7.8% for the market. Reported group revenue growth also accelerated from 5.2% in 1Q26 to 12.4% in 2Q26. Ophthalmology, dermatology and cardiometabolic revenue increased by 15.8%, 12.2% and 24.5%, respectively, in 1H26. This performance supports continued growth through brand strength, commercial execution and launches without requiring a rapid recovery in the broader Saudi market.

The 250-SKU locally manufactured portfolio is concentrated in recurring-use categories, including ophthalmology, dermatology and cardiometabolic therapies. We estimate that it spans 132 active-composition groups, of which 18 have no registered competitor. Differentiation is stronger at the individual product level: we estimate that approximately 90 SKUs have no identical registered competitor by form, strength and pack, while 123 have no identical Saudi-manufactured competitor. These distinctions support product positioning and availability, although therapeutic alternatives remain. We estimate that median registered prices are broadly at parity with comparable products and that the average premium to Saudi-manufactured alternatives is some 1% only. Brand recognition, physician coverage and reliable local supply are therefore more important competitive advantages than an exceptional price premium. Portfolio renewal complements growth in existing brands. The development pipeline comprises 65 products, including 17 submitted to the SFDA, 20 ready for submission and 28 under development. JP also has 21 license-and-supply agreements, with 11 under regulatory review, supporting a target of six to ten launches annually over the next four to five years. Newly launched brands generated 18% of incremental revenue in 1H26, while strategic and established brands contributed the remaining 82%. Growth is therefore supported by both portfolio renewal and continued expansion of existing franchises, reducing dependence on the timing of individual launches.

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Biosimilars provide a more specialized source of growth from 2027 onwards. Aflibercept, used in retinal treatments, and ustekinumab, used in immunology, are undergoing fast-track regulatory review, with approvals targeted by end-2026 (potential catalyst) and launches expected to begin in early 2027. Commercial contribution will depend on approval timing, market access and adoption. Our 2027 forecasts include SAR15m from innovative products and SAR15m from partner manufacturing, together representing approximately 1.6% of projected revenue. Faster commercialization could therefore add to growth without being essential to the near-term investment case. The planned 49%-owned Lifera venture offers longer-term value through Saudi localization of vaccines, biologics and biosimilars, but will require further investment before becoming a meaningful manufacturing contributor.

Capacity additions are already translating into higher output. Jeddah Main produced approximately 129 million units in 2025 against annual capacity of 149 million, while Egypt produced 28.6 million against capacity of 52 million. Jeddah Sterile approached 10 million units in 1H26, exceeding its entire 2025 output of 8.5 million. Production across the three consolidated facilities reached 95.9 million units in 1H26, up 11.7%. The acquisition of Pfizer's KAEC facility was completed on 16 August 2026, adding oral-solid manufacturing and packaging capabilities suited to JP's existing therapeutic expertise. A more visible contribution is expected from 1Q27 following integration and product transfers, supporting cardiometabolic expansion and manufacturing for partners.

Profitability provides substantial funding capacity for this expansion. Revenue increased by 8.5% to SAR926.7m in 1H26, with a 65.2% gross margin, EBITDA of SAR345.5m at a 37.3% margin and net profit of SAR305.8m at a 33.0% margin. JP held SAR266m of cash and had no bank debt at June 2026. Manufacturing efficiencies, product mix and favorable raw-material costs supported profitability despite investment in commercial capabilities. Most planned recruitment was completed during the first half, allowing greater attention to revenue conversion and operating leverage. An EBITDA margin around the upper end of the 33–35% guidance range would preserve strong profitability while accommodating seasonality and higher input costs, alongside the targeted 50–60% dividend payout. Revenue is normally front-loaded, with first-half shipments followed by greater emphasis on in-market sales during the second half; 4Q is typically the weakest quarter. Sequential moderation in 2H26 would therefore fit the normal shipment pattern and would not, by itself, establish weaker underlying demand. The transition into 2027 brings a seasonally stronger first quarter alongside the expected KAEC contribution and initial biosimilar launches. Share-price weakness around softer sequential comparisons, especially if amplified by overall market weakness driven by unfavourable geopolitical developments, could offer an additional entry opportunity ahead of these developments, in our view.

International markets provide meaningful diversification and additional growth potential, in our view. Saudi Arabia generated SAR609.9m, or 65.8%, of 1H26 revenue, while other markets contributed SAR316.8m, or 34.2%. Gulf revenue rose 20% to SAR129.1m, North Africa and other exports increased 35% to SAR65.3m, and Egypt grew 8% to SAR39.7m. Egypt's available manufacturing capacity supports further local growth and eventual export expansion, while the 49%-owned Algerian operation provides a separate source of associate earnings. Iraq offers additional medium-term upside through import substitution. Revenue was broadly unchanged at SAR82.8m, or 8.9% of group sales, in 1H26 as shipment approvals and customs-clearance timing constrained deliveries despite healthy underlying demand. Nonetheless, we believe that disruption to Iranian supply and imports routed through the Strait of Hormuz could gradually redirect demand toward Saudi-manufactured products, supported by JP's established presence and overland access. It is noteworthy that JP invoices in USD in Iraq, shielding it from currency risks. Similar opportunities exist across the Gulf as buyers place greater value on regional supply security. The opportunity is incremental to the existing export business rather than an immediate step-change, with sustained import displacement potentially supporting higher sales and market share over a longer time.

About the company

Jamjoom Pharma is a Saudi pharmaceutical manufacturer founded in Jeddah in 1994 and listed on the Saudi Exchange under ticker 4015. It develops, registers, manufactures, markets and distributes branded generic medicines, prescription products, OTC medicines and consumer-health products. The portfolio is organized around five main therapeutic areas: ophthalmology, dermatology, primary care, cardiometabolic products and consumer health. Ophthalmology and dermatology form the company's historical core, while cardiometabolic products have become a larger growth engine through cardiovascular and anti-diabetic therapies. Saudi Arabia is the core market, supported by a broader regional footprint across the Gulf, Iraq, Egypt, North Africa and other export markets. The business sells through retail pharmacies, pharmacy chains, hospitals, institutional channels, government tenders and local distributors. This gives JP a mixed channel structure where branded retail demand supports its established franchise, and institutional and tender sales provide scale in Saudi Arabia and the Gulf. The company's market position has strengthened in Saudi Arabia, where it ranked second in the retail market and fourth in the total pharmaceutical market in 2025. JP's operating model combines product registration, local manufacturing, medical promotion, brand management and selective business development. Its manufacturing base is anchored in Jeddah and complemented by international platforms in Egypt and Algeria, with KAEC adding another Saudi manufacturing site. The company uses local production to support supply reliability, improve market access and meet localization requirements, while partnerships and licensing agreements are used to enter categories that would take longer to build internally. The current growth agenda is built around defending leadership in ophthalmology and dermatology, scaling cardiometabolic and consumer-health products, expanding regional market access, and adding higher-value products through biosimilars, multinational partnerships and localized manufacturing.

New facilities lift production by 12%, with KAEC supporting the next phase of growth from 2027 onwards

JP's manufacturing capacity has been added in stages. The original base is the Jeddah Main Facility, where construction began in 1997 and production started in 2000. It remains the core multi-format plant, producing tablets, capsules, oral liquids, dry suspensions, dermal products, soft gels and legacy sterile products. Capacity reached 90 million units by 2015 and now stands at 149 million units annually. The site was near full utilization in 2024, eased to 86.3% in 2025 as volumes shifted to newer facilities, and continued to grow production in 1H 2026, rising 2.9% year-on-year. Specialized capacity was then added inside the Saudi platform. Soft-gel manufacturing was introduced in 2013/2014, with a second line added in 2017, supporting JP's consumer-health and supplements portfolio. The next step was the Jeddah Sterile Facility, built to support ophthalmic and sterile demand. Output rose from 3.5 million units in 2024 to 8.5 million in 2025 and nearly 10 million in 1H 2026, against stated annual capacity of 25 million units. Egypt and Algeria added localization capacity outside Saudi Arabia. The Cairo/Obour facility has 52 million units of annual capacity across oral solids, dermal products and sterile ophthalmic products. Production rose from 24.9 million units in 2024 to 28.6 million in 2025, while local manufacturing reached 97% of Egyptian sales. Algeria is held through a 49%-owned JV and adds 15 million units of oral solid dosage capacity, with 12.5 million units produced in 2025. Across the three consolidated manufacturing sites, production reached 95.9 million units in 1H 2026, up 11.7% year-on-year, led by the Jeddah Sterile ramp, Egypt scale-up and efficiency gains at Jeddah Main. KAEC is the next Saudi capacity layer. The acquired Pfizer site adds oral-solid manufacturing, packaging, quality-control laboratories, cold-chain capability and available land.

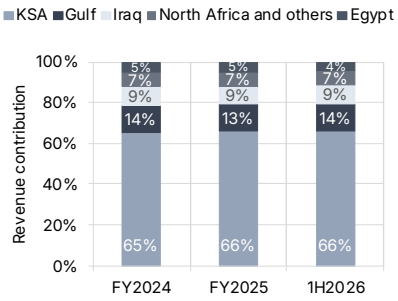
Figure 1: Summary of JP facilities and production capacity

Facility / initiative	Status	Company-stated capacity	Latest company operating update	Forms / capabilities stated	Role in capacity story
Jeddah Main	Operating	149m units p.a.	86.3% utilization in FY25; 93% utilization in 1Q26; production up 2.9% YoY in 1H26	Tablets, capsules, oral liquids, dry suspensions, dermal creams/gels, soft gels and legacy sterile lines	Core Saudi production base and broad product platform
Jeddah Sterile	Operating / ramping	25m units p.a.	8.5m units produced in FY25; nearly 10m units produced in 1H26; 72% utilization in 1Q26	Sterile products, mainly ophthalmic products	Dedicated sterile capacity and relief for ophthalmology demand
Cairo Main	Operating / ramping	52m units p.a.	28.6m units produced in FY25; 56% utilization and over 7m units produced in 1Q26; production up 15.7% YoY in 1H26	Oral solids, dermal products and sterile ophthalmic products	Egypt localization and future North Africa supply platform
Algiers JV	49%-owned JV; operating	15m units p.a. OSD line	12.5m units produced in FY25, equivalent to approximately 83% of annual capacity	Oral solid dosage currently; company has discussed ophthalmic and dermatology additions	Algeria localization platform
KAEC / Pfizer facility	Acquisition / integration	Not disclosed	Company expects insignificant contribution in late 2026 and contribution from 1Q27 after transaction completion/integration	Oral solid manufacturing and packaging; on-site QC labs; cold-chain capabilities mentioned	Additional Saudi oral dosage capacity and partner manufacturing platform

Source: JP, Derayah Financial analysis

Regional manufacturing and import substitution expand JP's growth opportunity beyond Saudi Arabia

Figure 2: International markets contribute 34% to total revenue in FY2025 and 1H2026; Gulf exports represent 40% of non-KSA revenue, followed by 26% for Iraq



Source: Company data

Iraq exposure: potential near-term disruption, longer-term supply-substitution opportunity

Iraq is a meaningful but increasingly volatile market for JP. It accounted for 8.7% of revenue in 2025 and grew by 12.6%, following 11% growth in 2024. In 1H26, Iraq generated SAR82.8m, equivalent to 8.9% of group revenue, but was broadly flat year-on-year after declining by 2% in 1Q26. Management attributed the slowdown primarily to shipment timing, SFDA prioritization of domestic supply before granting export approvals, and clearance delays in Iraq, while noting that underlying demand remained healthy and products were generally sold quickly once received. The deterioration in Iraq's fiscal and trading environment during 3Q26 could prolong this volatility, in our view. Lower oil receipts, tighter importer liquidity and new customs-prepayment requirements raise the prospect of slower orders and collections, making counterparty quality and working capital more important than underlying medicine demand in the near term.

The longer-term opportunity is more favorable. Saudi manufacturers can supply Iraq overland through the Arar crossing, providing shorter lead times and greater reliability than Asian suppliers dependent on disrupted maritime routes. Pressure on Iranian production and input availability could also allow Saudi products to replace part of the Iranian and Asian supply currently serving Iraq. Saudi pharmaceutical exports to Iraq reached approximately USD72m in 2025, making it one of the Kingdom's largest pharmaceutical export markets. Import substitution will not be automatic, as Iraq is also expanding domestic production, but established branded products and differentiated therapies should be better positioned than commodity generics. Iraq should also be considered alongside JP's wider Gulf franchise since the Gulf generated SAR129.1m in 1H26 and grew by 20%, taking combined Gulf and Iraq revenue to SAR211.9m, or approximately 23% of group revenue. The UAE, JP's largest Gulf market, grew by 27.6% year-on-year against market growth of 8.6%. Near-term Iraqi revenue may therefore remain uneven, but the broader regional exposure remains skewed positively through

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market-share gains, established distribution and Saudi Arabia's growing supply advantage.

Egypt - Spare capacity supports domestic growth and expansion into African export markets

Egypt transformed from a JP export destination (supplied from Saudi Arabia starting in 2002) into a local manufacturing hub following the 2014 acquisition of its Egyptian operating company and the 2019 initiation of the Cairo/Obour facility. This plant features a 52-million-unit annual capacity across three lines: 21.6 million oral solid dosage forms, 14.4 million dermal products, and 15.8 million sterile ophthalmic products. This broadly supports JP's core general medicine, dermatology, and ophthalmology portfolios. Production has scaled significantly, with local manufacturing accounting for 66% of Egyptian sales in 2024 and 97% in 2025 as output rose from 24.9 million to 28.6 million units; growth persisted into 2026, reaching over 7 million units in 1Q and a 15.7% year-on-year increase in 1H. Operationally, this model enhances Egyptian resilience by mitigating administrative and import constraints to enable a larger local portfolio, while simultaneously freeing Jeddah's Saudi capacity for higher-demand markets. Economically, cost structure benefits through localized sourcing, packaging, and overheads. On the downside, local currency depreciation and price controls can suppress reported SAR results despite strong local performance. This was evident in 2025, when strong local-currency growth translated modestly into SAR, while 1H 2026 revenue reached SAR 39.7 million (up 8% YoY, with Q2 up 18% YoY). Export expansion to adjacent African markets such as Sudan, Libya, and Ethiopia will be sequential, constrained by market-by-market facility approvals. Ultimately, the 52-million-unit site is not idle overcapacity, as rising local demand, strategic buffers, product transfers, and regional exports will consume capacity, driving a trajectory toward higher utilization, broader local portfolio coverage, selective exports, and eventual expansion.

Algeria - Ophthalmology localization offers the next growth opportunity for the 49%-owned JV

Algeria is JP's most structurally distinct regional platform. It is strategically crucial, yet non-consolidated line-for-line on financial statements unlike Egypt because it operates via a 49%-owned joint venture. Following initial entry via a 2008 scientific support office and a financially struggling 2016 JV with Hupp Pharma, the 2021 creation of Jamjoom Algeria Lil Dawa with Dawa Investment established the current operating platform. This 49/51 structure serves as the practical trade-off for a local industrial footprint, market access, partner expertise, and regulatory alignment in a protected market hard to serve strictly through Jeddah imports. The operational foundation is an oral solid dosage facility acquired from Novartis/Sandoz, where annual capacity expanded from an initial ~10 million units to a stated 15 million units. With 2025 output hitting 12.5 million units, the first phase is highly utilized and absorbed by local demand and legacy products, rather than functioning as an idle greenfield plant, in our view. JP's share of profit declined by 75.6% to SAR1.6m in 1H26, from SAR6.5m in 1H25, reducing its contribution to group earnings. JP nevertheless recognized SAR5.6m in dividends from the JV during the period, compared with SAR5.5m a year earlier. These contributions remain uneven due to utilization, local pricing, working capital, project spending, and ramp timing. JP supports the Algerian JV's working capital and ophthalmic expansion through corporate guarantees proportional to its ownership. These included SAR16.7 million in May 2025 and SAR31.8 million in January 2026. In May 2026, JP provided guarantees of SAR54.2 million, replacing existing guarantees of SAR67.7 million as the JV renewed or replaced banking facilities. This demonstrates active financial support for the JV without representing a direct cash investment. The next growth phase moves beyond legacy oral solids through the planned "Ophta" project to manufacture ophthalmology products locally, leveraging one of JP's strongest therapeutic areas, with dermatology and sterile products as adjacent potential expansion areas. Targeted for a ~2027 launch with subsequent ramping, this project will enhance local market access and institutional positioning. Exports to North African and French-speaking African markets remain a longer-dated option rather than a near-term base case, as the immediate priority is completing local

capability buildout and deepening the domestic footprint before using the site as a regional export hub.

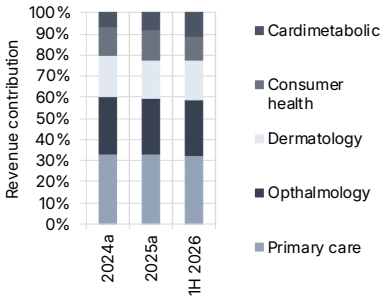
KAEC facility adds much needed local capacity relief in the medium-term

KAEC is JP's new Saudi oral-solid manufacturing platform, acquired through a Facility Sale and Purchase Agreement with Pfizer Saudi Limited announced on 27 April 2026. The facility is located in King Abdullah Economic City and is focused on manufacturing and packaging oral solid dosage products, with on-site quality-control laboratories. It expands JP's Saudi production base beyond Jeddah and adds a ready-made platform for established medicines, chronic-care products, partner portfolios and localization-driven manufacturing. The asset fits JP's strategy of using local manufacturing as a growth engine as manufacturing capacity, operational efficiency, local content, tender access and portfolio expansion are central to the company's growth model. KAEC supports those objectives by adding Saudi oral-solid capacity while JP scales across Jeddah, Egypt and Algeria and deepens partnerships with multinational and strategic local players. The facility was originally developed as a roughly USD 50 million investment, with historical design capacity of around 18 million packs per year, a reported built-up facility size of about 11,100 sqm, and a site/land area of about 32,200 sqm. JP has not disclosed the final acquisition price citing lack of materiality but we understand that the acquisition took place at price substantially lower than the initial investment cost and lower than the facilities depreciated book value. The ramp should be gradual rather than immediate. Pfizer-related portfolio activity at KAEC is expected to begin in 3Q 2026, with a more visible financial contribution likely from 2027 as products are transferred, validated and scaled. The practical sequence is acquisition, integration, product transfer, validation, regulatory and quality alignment, and then commercial scale-up. Strategically, KAEC is mainly an oral solid dosage and localization platform. Near term, it relieves pressure on oral-solid capacity and supports Pfizer/Viatris-related manufacturing. Medium term, it can support chronic-care growth, especially oral anti-diabetics, and provide room for third-party manufacturing. It also adds broader optionality through cold-chain capabilities relevant to projects such as Lifera and through unutilized land that can support future expansion.

Manufactured, repeat-use portfolio with disciplined pricing and selective SKU-level protection

We estimate that JP's registered Saudi portfolio comprises 250 locally manufactured SKUs across 132 active-composition groups. This excludes 67 foreign-manufactured SKUs registered through other JP-related distribution entities, which may broaden the group's commercial reach but should not be treated as direct revenue-generating portfolio exposure for the listed factory company. The manufacturing portfolio is anchored in primary care and recurring-demand categories: cardiometabolic therapies are the largest area with 68 SKUs, comprising 53 cardiovascular and 15 diabetes products, followed by ophthalmology with 39 SKUs, gastrointestinal care with 29, dermatology with 28 and CNS products with 27. The remaining range covers pain, anti-infectives, respiratory, genitourinary and anticoagulation therapies. The therapy mix therefore reflects JP's evolution from historical eye-care and dermatology roots into a broader locally manufactured primary-care portfolio, led by tablets, modified-release products and fixed-dose combinations. The portfolio is competitive rather than highly exclusive at molecule level, in our view. We estimate that only 18 of the 132 manufactured composition groups have no registered competitor. Protection is stronger at the exact SKU level: among the strength and pack configurations included in the comparability screen, we estimate that 90 have no identical registered competitor and 123 have no identical Saudi-manufactured competitor. Pricing is also broadly disciplined, with JP-manufactured SKUs at virtually no median gap versus both the full market and Saudi-manufactured peers, and only occasional low single digit average premium versus some Saudi peers.

Figure 3: Revenue breakdown by therapy



Source: Company data, Derayah Financial

A 65-product pipeline supports six to ten targeted annual launches and expansion into higher-value therapies

JP's pipeline provides a visible runway for 6 to 10 annual launches, supported by a 65-product internal pipeline and 21 external license-and-supply agreements. This robust mix is anchored in core therapeutic areas, primarily ophthalmology, consumer health, cardiometabolic, and GI. Crucially, product complexity is rising. By expanding beyond conventional tablets into two fast-tracked biosimilars targeting early 2027, pre-filled pens, and specialist injections, JP is entering markets requiring advanced capabilities like cold-chain handling and reimbursement access. The pipeline's strongest potential lies in reinforcing established strongholds, in our view. New cardiovascular and diabetes products deepen repeat-use categories where JP already holds manufacturing and channel dominance. A planned retinal injectable offers a first-mover localization advantage without any registered Saudi-manufactured competitor. Conversely, while a GLP-1 injectable provides exposure to a booming market, many additions will enter crowded categories like immunology and anti-epileptics. Success will therefore rely heavily on JP's execution edge, using local production, physician coverage, and tender access to navigate fierce competition.

Financially, we believe the pipeline is more likely to be a sustainer rather than a transformer. Pushing the portfolio toward larger institutional categories secures continued high-single to low-double-digit growth and extends the revenue runway well beyond 2027. Earnings impact will build gradually as new launches clear standard regulatory and adoption phases, though faster-than-expected market access for higher-value injectables could provide upside.

Biologics and biosimilar exposure – potentially the next big thing

We estimate that out of some 9k pharmaceutical SKUs available in the Kingdom, about less than 900 are biologics – this is in line with world-wide national portfolios. However, only 18 or a mere 2% of these SKUs are currently manufactured in Saudi Arabia. JP's entry into biologics has been deliberate and gradual. The earliest exposure was Biothera Holding Corporation (unrelated to China-based Bio-Thera Solutions), where JP held a small investment and secured GCC distribution rights contingent on product approval. The exposure did not become commercial, and the investment was later impaired after Biothera's product remained in research phase and had not launched. Affiliates outside JP's consolidated group act as agents for registered Biocon biological products across oncology infusions, supportive oncology injections and insulin injections but we understand that these agency relationships belong to the affiliates and do not establish product rights or revenue for listed JP. Nonetheless, biologics and biosimilars did became a defined expansion area for the Group. New business-development agreements covered biosimilars, ophthalmology, cardiometabolic products, consumer health and immunology. Biosimilars moved from an area of interest into products under regulatory progression, with first contribution expected around 2027. Two biosimilars have now been submitted to SFDA and received fast-track status. Approvals are targeted before the end of 2026, with launch readiness from the beginning of 2027. These launches require a more specialized commercial setup than ordinary retail generics, including medical affairs, market access, tender work, physician engagement and dedicated field-force support. Further, the Lifera partnership moves the strategy from product access toward industrial localization. JP signed a non-binding term sheet with Lifera in October 2025 to create a Saudi platform for vaccines, biologics and biosimilars. In July 2026, this advanced into binding share subscription and shareholders' agreements. Lifera will own 51% and JP will own 49% once completed. The new company is intended to build, own and operate a Saudi facility for vaccines, biologics and biosimilars. KAEC further supports this direction by adding cold-chain capability, additional manufacturing capacity and land for future expansion. JP's biologics strategy has thus progressed from a small non-operating biotech investment to two fast-tracked biosimilars targeted for launch from 2027 and a planned 49%-owned Saudi localization venture with Lifera in a relatively short time. Near-term contribution should come

from biosimilar commercialization, while the larger manufacturing opportunity sits in the buildout of the Lifera platform, in our view.

Aflibercept and ustekinumab give JP its first scalable biologics launch test – a strong catalyst for 2027

Aflibercept offers a first-mover localization opportunity, with no Saudi-manufactured SKU currently registered.

The two submitted biosimilars are Retinova and Tresta. Retinova is an aflibercept retinal product, with two 40 mg/ml applications covering a solution for injection and a pre-filled syringe. It is the more natural extension of JP's existing ophthalmology position, but in a higher-value specialist segment linked to retina clinics, reimbursement access and institutional channels rather than retail eye drops. We estimate that Saudi Arabia has six marketed aflibercept SKUs, comprising three originator SKUs and three biosimilar SKUs. Very importantly, none of the marketed aflibercept SKUs appear to have Saudi manufacturing.

The biosimilar opportunity is an execution story, not a scarcity story.

Tresta is an ustekinumab product, with two 90 mg/ml pre-filled syringe applications and one 5 mg/ml infusion concentrate application. It gives JP exposure to immunology and inflammatory diseases, a much more specialised field than its traditional branded-generics base. We estimate that Saudi Arabia has 21 marketed ustekinumab SKUs, comprising four originator SKUs and 17 biosimilar SKUs across six biosimilar brands. Local manufacturing remains limited, with two registered ustekinumab biosimilar SKUs (the Steqeyma and Untilyra infusion concentrates) listing Saudi manufacturing involvement. The value for JP is therefore not scarcity alone, but the chance to enter a high-value biologics category where Saudi manufacturing remains underdeveloped and where medical affairs, tender access, physician confidence and partner quality will determine uptake from 2027 onward.

Institutional demand of ~20% is a value added - NUPCO offers further growth through selective tender participation and specialist launches

NUPCO provides scope for JP to expand beyond its established retail franchise. Saudi institutional sales grew 56.5% in 2025, while deliveries against awarded tenders supported demand in 1H26 despite softer private-market conditions. Cardiometabolic products and biosimilars targeted for launch from 2027 broaden the opportunity to supply public-sector healthcare providers. We see local manufacturing control and additional capacity supporting reliable supply and larger tender volumes. Participation remains selective, prioritizing products that preserve profitability rather than volume alone. Growth should moderate from the exceptional 2025 pace, with revenue dependent on purchase orders and delivery schedules; on the downside, longer institutional payment terms also increase working-capital requirements.

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Financial analysis and projections

Revenue increased by 19.8% to SAR1.32bn in 2024 and by a further 13.8% to SAR1.50bn in 2025. Gross margin remained resilient at 62.6% in 2025, compared with 62.2% in 2024, while operating margin expanded to 31.6% from 28.9% as operating expenses grew more slowly than revenue and impairment charges declined. Net profit increased by 30.1% to SAR463.8m, lifting net margin to 30.9% from 27.0% in 2025.

Growth moderated in 1H26 but remained healthy. Revenue rose 8.5% to SAR926.7m, supported by growth of 15.8% in ophthalmology, 12.2% in dermatology and 24.5% in cardiometabolic products. Primary Care grew by 2.2%, while Consumer Health declined by 4.9%. A stronger product mix, manufacturing efficiencies and favorable raw-material variances lifted gross margin by 150bp to 65.2%. EBITDA increased by 7.7% to SAR345.5m at a 37.3% margin. Net profit rose by 5.8% to SAR305.8m, with higher commercial investment and a lower contribution from the Algerian associate limiting earnings growth relative to gross profit.

We forecast revenue growth of 11.1% to SAR1.67bn in 2026, followed by 10.6% to SAR1.84bn in 2027 and 10.7% to SAR2.04bn in 2028. Growth subsequently moderates to 9-10% in 2029-2031, taking revenue to SAR2.67bn and producing a 2025-31 CAGR of 10.1%. Ophthalmology and cardiometabolic products provide the strongest core-category growth, supported by continued expansion in dermatology, Primary Care and Consumer Health. New products within the existing therapeutic portfolio contribute progressively from 2027, while innovative products, including biologics, are forecast to generate SAR15m in 2027, SAR30m in 2028 and SAR90m by 2031. Partner manufacturing contributes SAR10m in 2026 and rises to SAR65m by 2031. JP is targeting six to ten launches annually and had 65 products in its pipeline at 1H26, including 17 submitted for approval, 20 ready for submission and 28 under development.

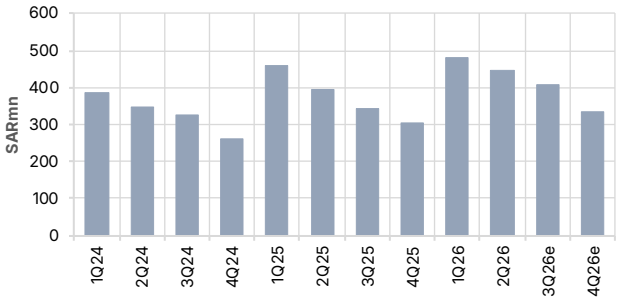
Gross margin is forecast at 64.9% in 2026 before normalizing to 63.0% in 2027-28 and 62.0% thereafter. Operating profit reaches SAR550m in 2026, SAR596m in 2027 and SAR680m in 2028, corresponding to margins of 33.0%, 32.3% and 33.3%, respectively. Net profit is forecast to increase by 13.4% to SAR525.8m in 2026, by 8.7% to SAR571.5m in 2027 and by 14.0% to SAR651.3m in 2028. Net margin remains within 31-32% through 2028 before rising gradually by 2031, as revenue growth and a more favorable product mix translate into operating leverage.

Revenue is so far highly seasonal, implying a weaker 2H

Quarterly revenue is structurally weighted toward the first half. Management explains that the first half is driven more by shipments into the market, while the second half depends more on underlying in-market sales, and describes the fourth quarter as normally the lowest sales quarter. It also noted that 4Q remained the smallest quarter in 2025 despite efforts to improve the quarterly spread. This supports sequential moderation from SAR481m in 1Q26 and SAR445m in 2Q26 without implying weaker underlying demand. We forecast revenue of SAR408m in 3Q26 and SAR333m in 4Q26, representing year-on-year growth of 19% and 9%, respectively. The stronger 3Q comparison reflects continued in-market growth and the expected return from commercial investment made early in the year, while the lower 4Q level captures the normal shipment pattern and leaves full-year growth of 11.1%, around the midpoint of the 10-12% guidance range.

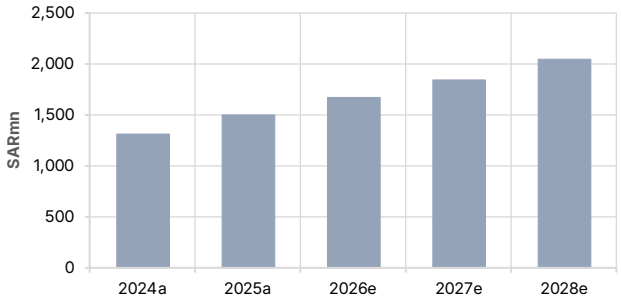
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Figure 4: First-half shipment weighting drives normal 2H revenue moderation, with 4Q typically the lowest quarter



Source: JP, Derayah Financial estimates

Figure 5: Core therapies, new launches and exports support a 10% revenue CAGR through 2031



Source: JP, Derayah Financial estimates

Second-half of collections of 2026 should support cash conversion

Working capital reached SAR948.7m at 1H26, compared with SAR835.7m a year earlier, mainly due to higher receivables. DSO increased to 182 days from 157 days as market liquidity pressure lengthened collections. Better inventory management reduced DIO to 149 days from 180 days and shortened the cash-conversion cycle to 285 days from 305 days. Operating cash flow remained modest at SAR78.1m in 1H26. We forecast working capital to decline to approximately SAR724m by year-end, implying a release of around SAR225m during 2H26. Receivables are forecast to fall from SAR979m at June to SAR733m at year-end, while inventories decline from SAR219m to SAR174m, partly offset by a reduction in payables from SAR320m to SAR253m. This lifts forecast operating cash flow to SAR550m for 2026, implying SAR472m in the second half. The release largely reflects JP's front-loaded revenue profile rather than an immediate structural improvement in collection days and is consistent with 2025, when operating cash flow increased from SAR64.5m in the first half to SAR406.3m for the full year. We forecast operating cash flow of SAR531m in 2027 and SAR655m in 2028 as collections gradually improve while the working-capital base expands with revenue.

Valuation

We value JP using a DCF methodology, yielding an enterprise value of SAR 10.2bn. Adding a net cash adjustment of SAR 245.8m produces an equity value of SAR10.5bn. Across 70m shares, this equates to SAR 150 per share. Based on JP's SAR 125.4 closing price on 11 October 2026, our target price implies 20% upside and supports a Buy rating.

We apply an 11% WACC and assume an entirely equity-funded capital structure consistent with JP's net-cash position. The cost of equity combines a 5.3% US 10-year Treasury yield, a 70bp country-risk adjustment and a 6% equity risk premium multiplied by a five-year weekly beta of 0.85. Our 3.5% terminal growth rate assumes that growth normalizes as the business matures beyond the explicit forecast period, settling below the pharmaceutical market's expected medium-term expansion. However, population growth, recurring prescription demand, pharmaceutical localization and JP's regional export and manufacturing footprint support sustained long-term growth beyond long-term inflation projections. Expansion in Iraq, Egypt and Algeria provides additional growth potential, without assuming that these markets maintain elevated growth rates indefinitely.

Further valuation upside could arise from faster conversion of JP's 65-product pipeline, higher utilization of the sterile facility, earlier contributions from KAEC and the two biosimilars, and stronger export growth across Iraq and the Gulf. The valuation does not assign separate value to the longer-term Lifera localization platform, leaving additional optionality from vaccines, biologics and biosimilar manufacturing as the project progresses.

Figure 6: Valuation summary
In SARmn, unless otherwise stated

		2026e (6M)	2027e	2028e	2029e	2030e	2031e
Net cash from operations + Algeria dividends		472.3	530.6	660.3	791.1	901.7	948.8
CAPEX		(74.0)	(60.9)	(57.2)	(49.4)	(53.9)	(58.7)
FCF		398.3	469.7	603.1	741.6	847.8	890.1
Terminal value							12,284.0
FCF + Terminal Value		398.3	469.7	603.1	741.6	847.8	13,174.1
Time factor		0.25	1.0	2.0	3.0	4.0	5.0
WACC		11%	11%	11%	11%	11%	11%
DCF		388.0	423.1	489.5	542.3	558.5	7,818.2
EV	**10,220**						
Less: Last net debt (cash)	(246)						
Equity value	**10,465**						
TP / share (SAR)	**150.00***						
Upside	20%						

Source: Derayah Financial estimates
Note (*): rounded

Comparative valuation

JP deserves a valuation premium to local peers, in our view, yet trades broadly in line with them on our forecasts. Derayah estimates imply P/E multiples of 16.7x for 2026e and 15.4x for 2027e, versus local peer averages excluding JP of 16.8x and 15.3x. Bloomberg consensus multiples of 17.4x and 16.0x imply premiums of only 3% and 5%, respectively. Avalon, the closest comparison given its predominantly manufacturing model, trades at 19.8x and 17.8x. JP's valuation therefore offers an attractive entry point into a differentiated business, in our view.

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The case for a premium extends beyond JP's superior profitability. JP manufactures everything it sells, while peers other than Avalon depend more heavily on lower-margin distribution of imported products. Full manufacturing control positions JP to benefit as Saudi localization progressively replaces imports over the coming years, while its focused pharmaceutical business avoids the unrelated exposures found in some other peers. Its net margin of 30.9% and ROE of 27.0% exceed ex-JP peer averages of 14.3% and 19.7%. International markets add another source of potential upside, contributing 34.2% of 1H26 revenue, with Gulf sales growing 20%, North Africa and other exports 35%, and Egypt 8%. This combination of manufacturing control, strong profitability and meaningful exposure to growing export markets warrants a clearer valuation premium, in our view.

Figure 7: Comparative valuation (consensus)

Company	Market cap (SARbn)	2026e P/E (x)	2027e P/E (x)	P/B (x)	FCF yield (TTM)	Sales growth (TTM)	Net margin (LFY)	ROE (LFY)	Debt/equity
JP	**8.8**	**17.4**	**16.0**	**4.7**	**4.2%**	**9.2%**	**30.9%**	**27.0%**	**1.0%**
Avalon Pharma	2.2	19.8	17.8	5.0	2.0%	18.5%	21.1%	26.1%	15.3%
SPIMACO	3.6	16.1	14.5	2.1	3.2%	1.1%	9.7%	13.4%	81.4%
Saudi Chemical	6.0	NA	NA	2.5	11.5%	7.9%	4.9%	15.1%	49.4%
Astra Industrial	9.8	14.6	13.6	3.2	5.7%	4.4%	21.7%	24.0%	7.9%
Local peer average	**6.1**	**17.0**	**15.5**	**3.5**	**5.3%**	**8.2%**	**17.6%**	**21.1%**	**31.0%**
Local peer average (ex-JP)	**5.4**	**16.8**	**15.3**	**3.2**	**5.6%**	**8.0%**	**14.3%**	**19.7%**	**38.5%**

Source: Bloomberg

Risks

Saudi market risk: Saudi Arabia remains JP's largest market and the main source of scale. A slower private pharmaceutical market, weaker consumer spending, distributor liquidity pressure or softer tender activity could limit growth, especially as the company is now operating from a larger revenue base after several years of strong expansion.

Execution and capacity risk: Growth depends on the ramp-up and integration of several manufacturing platforms, including the Jeddah sterile facility, Egypt, Algeria and KAEC. Delays in product transfers, validation, staffing, SFDA approvals or facility ramp-up could postpone revenue contribution, while capacity added ahead of demand could create temporary underutilization.

Regulatory and launch risk: JP's pipeline is large, but registrations do not immediately translate into sales. New products require approval, pricing, commercial launch, market access, physician adoption and channel execution. This is particularly relevant for biosimilars and hospital-oriented products, where the selling model is more specialized than ordinary branded generics.

Partnership risk: License-and-supply agreements, Viatris/Pfizer-related manufacturing, biosimilars and the Lifera venture expand JP into higher-value areas, but they also increase dependence on external partners, technology transfer, dossier readiness, supply commitments and regulatory sequencing. Any slippage could delay the expected contribution from these initiatives.

Public procurement and pricing risk: Institutional and tender channels provide scale and support localization, but they can pressure pricing, extend collection periods and create stricter delivery obligations. A higher mix of public-sector sales could therefore weigh on margins and working capital even if reported revenue continues to grow.

Geographic and FX risk: Egypt, Iraq, Algeria, the Gulf and other export markets are important growth outlets, but each carries separate regulatory, payment, currency and logistics risks. Egypt in particular can show strong local execution while translating into weaker SAR revenue during periods of currency depreciation or pricing constraints.

Margin and supply-chain risk: JP benefits from a largely manufactured portfolio and strong gross margins, but APIs, raw materials, freight and packaging remain exposed to global supply conditions. Margin pressure could also emerge from a less favorable mix, higher launch spending, biosimilar market-access costs, KAEC integration expenses or temporary inefficiencies during facility ramp-up.

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Summarized financial statements projections and key financial ratios

Table 1: Income statement
In SAR million, unless otherwise stated

	2024a	2025a	2026e	2027e	2028e
Revenue	1,318.5	1,500.6	1,667.6	1,845.0	2,042.8
Costs of revenue	(498.0)	(561.8)	(585.3)	(682.6)	(755.8)
Gross profit	**820.5**	**938.8**	**1,082.3**	**1,162.3**	**1,286.9**
% gross margin	62%	63%	65%	63%	63%
Other operating income	6.4	18.7	9.7	18.4	20.4
Selling and distribution expenses	(316.6)	(357.2)	(395.7)	(442.8)	(469.8)
General and administrative expenses	(71.1)	(78.6)	(84.2)	(92.2)	(102.1)
Research, development and regulatory expenses	(34.0)	(38.7)	(42.6)	(46.1)	(51.1)
Impairment loss on financial assets	(18.1)	(2.8)	(15.9)	0.0	0.0
Other operating expenses	(6.0)	(5.5)	(3.4)	(3.7)	(4.1)
Operating profit	**381.1**	**474.8**	**550.3**	**595.9**	**680.2**
Finance costs	(23.9)	(1.1)	(4.4)	(4.5)	(4.6)
Finance income	6.9	5.6	6.4	6.5	6.7
Associate income	18.6	13.8	2.9	10.0	10.5
Profit before Zakat and income tax	**382.7**	**493.1**	**555.2**	**608.0**	**692.8**
Zakat and income-tax	(26.1)	(29.3)	(29.4)	(36.5)	(41.6)
Net profit for the year	**356.5**	**463.8**	**525.8**	**571.5**	**651.3**

Source: Company data, Derayah Financial

Table 2: Balance sheet
In SAR million, unless otherwise stated

	2024a	2025a	2026e	2027e	2028e
Property, plant and equipment	672.1	689.4	736.7	740.6	738.1
Right-of-use assets	1.8	29.1	29.9	24.1	18.3
Intangible assets	11.5	17.3	19.7	22.1	24.7
Equity-accounted investee	57.5	68.8	63.9	73.9	79.4
Total non-current assets	**743.0**	**804.6**	**850.3**	**860.8**	**860.6**
Inventories	270.9	248.2	173.6	237.0	262.4
Trade receivables	443.5	586.3	733.0	871.2	936.3
Other current assets	52.0	48.4	70.8	70.8	70.8
Investments	0.6	0.5	0.6	0.6	0.6
Cash and cash equivalents	261.7	357.6	510.1	659.8	898.0
Total current assets	**1,028.7**	**1,241.0**	**1,488.1**	**1,839.5**	**2,168.1**
Total assets	**1,771.6**	**2,045.6**	**2,338.3**	**2,700.3**	**3,028.7**
Total equity	**1,490.6**	**1,716.8**	**1,944.2**	**2,195.7**	**2,482.0**
Lease liabilities	1.8	13.2	16.5	16.5	16.5
Employees' benefits	77.4	91.1	98.8	106.2	114.3
Total non-current liabilities	**79.3**	**104.2**	**115.3**	**122.7**	**130.8**
Lease liabilities - current portion	0.3	3.2	3.5	3.5	3.5
Trade payables and other current liabilities	172.7	186.3	253.4	356.5	390.5
Zakat and income-tax payable	28.8	35.1	21.9	21.9	21.9
Total current liabilities	**201.8**	**224.5**	**278.8**	**381.9**	**415.9**
Total liabilities	**281.0**	**328.8**	**394.1**	**504.6**	**546.7**
Total equity and liabilities	**1,771.6**	**2,045.6**	**2,338.3**	**2,700.3**	**3,028.7**

Source: Company data, Derayah Financial

Table 3: Abridged cash flow statement

In SAR million, unless otherwise stated

	2024a	2025a	2026e	2027e	2028e
Net cash from operating activities	263.3	406.3	550.4	530.6	655.3
Net cash from investing activities	(62.3)	(68.8)	(100.2)	(60.9)	(52.2)
Net cash from financing activities	(217.3)	(243.1)	(297.0)	(320.0)	(365.0)
Change in cash	**(16.3)**	**94.3**	**153.3**	**149.7**	**238.1**

Source: Company data, Derayah Financial

Table 4: Key financial indicators

	2024a	2025a	2026e	2027e	2028e
Profitability ratios					
RoA	20.1%	22.7%	22.5%	21.2%	21.5%
RoE	23.9%	27.0%	27.0%	26.0%	26.2%
EBITDA margin	33.2%	35.5%	36.4%	36.1%	36.9%
Net margin	27.0%	30.9%	31.5%	31.0%	31.9%
Liquidity and debt ratios					
Current Assets / Current Liabilities	5.1	5.5	5.3	4.8	5.2
Debt to Total Equity	0.1%	1.0%	1.0%	0.9%	0.8%
Debt ratios					
Net Debt (Cash) / EBITDA	-59.4%	-64.0%	-80.7%	-96.0%	-116.5%
Debt/Assets	0.1%	0.8%	0.9%	0.7%	0.7%
Net Debt (Cash) / Equity	-17.4%	-19.9%	-25.2%	-29.1%	-35.4%
Valuation ratios					
P/E	24.6	18.9	16.7	15.4	13.5
P/B	5.9	5.1	4.5	4.0	3.5
P/S	6.7	5.8	5.3	4.8	4.3
EV/EBITDA	19.5	16.0	14.0	12.8	11.3
FCF Yield	2.4%	3.9%	5.1%	5.4%	6.8%

Source: Derayah Financial

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