Company

Leejam Sports Company

3Q26 Result Review

Rating

Hold

Bloomberg Ticker

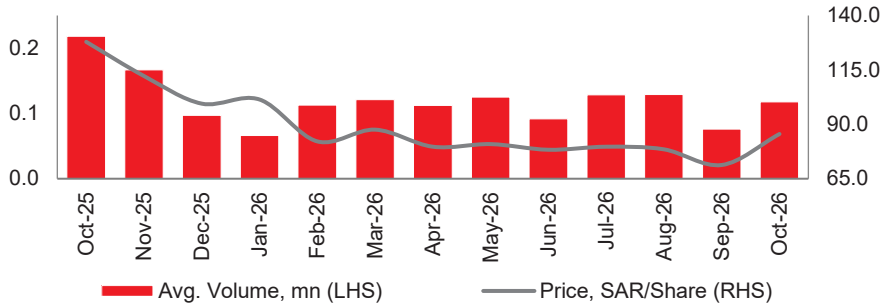
LEEJAM AB

Date

4 November 2026

Results

Target Price SAR	76.65
Total Return	1.4%



Current Market Price (SAR)	77.05
52-week High | Low	126.50 | 69.65
Price Perf. (1m | 3m)	5.3% | -6.9%
Mkt. Cap. (USD/SAR mn)	1,090 | 4,036
Free Float	40.8%
3m ADTO (000 shares)	117.6
6m ADTO (000 shares)	133.5
3m ADTV (SAR 000)	9,634.7
6m ADTV (SAR 000)	10,188.4
P/E 27e	13.7x
P/B 27e	3.2x
DY 27e	5.1%

Revenue increased 3% YoY, in line with our estimates

Leejam Sports reported 3Q26 revenue of SAR 451mn (+3% YoY and +10% QoQ), in line with our estimates. Subscription and membership revenue rose 3% to SAR 381mn, supported by a larger center network and 5% growth in active members. Female center revenue grew 14% YoY, while male center revenue fell 3% as new centers mature. For 9M26, revenue rose 4% YoY to SAR 1,231mn.

Net profit declined 11% YoY as new centers weigh on margins

Leejam Sports reported 3Q26 net profit of SAR 72mn (-11% YoY, +14% QoQ). Gross margin declined YoY as new centers ramped up. Higher G&A, finance costs, and one-off expenses of SAR 16mn also weighed on the profit, partly offset by a land disposal gain of nearly SAR 23mn. 9M26 net profit fell 18% YoY to SAR 184mn.

U-Capital view

Leejam Sports growth is expected to be supported by its expanding center network, particularly in the female segment, where active members grew 19% in 9M26. As newly opened centers mature, improved utilization should support margin recovery. The stock is currently trading at FY27e P/E of 13.7x with a dividend yield of 5.1%. We have a Hold rating on the stock.

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Financial Statements

SAR mn	3Q25	4Q25	1Q26	2Q26	3Q26	3Q26e	YoY	QoQ	Var.	9M25	9M26	YoY
P&L												
Revenue	439	431	369	411	451	462	3%	10%	-2%	1,183	1,231	4%
Gross profit	170	181	118	141	156	180	-8%	11%	-13%	434	415	-4%
Operating profit	118	123	77	93	99	127	-16%	6%	-22%	300	269	-10%
Net profit	81	78	49	63	72	94	-11%	14%	-23%	224	184	-18%
BS												
Shareholders' Equity	1,304	1,200	1,152	1,121	1,095		-16%	-2%		1,304	1,095	-16%
Ratios												
Gross Margin	38.7%	42.1%	31.8%	34.4%	34.6%	38.9%				36.7%	33.7%	
Operating Margin	26.8%	28.5%	20.9%	22.7%	22.0%	27.6%				25.4%	21.9%	
Net Profit Margin	18.5%	18.1%	13.2%	15.3%	16.0%	20.3%				18.9%	14.9%	
TTM RoE (%)					21.8%							
TTM P/E (x)					15.4							
Current P/Bv					3.7							

Source: Financials, Tadawul, Bloomberg, U Capital Research



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BUY	HOLD	SELL
Greater than 10%	Between 0% and +10%	Lower than 0%

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