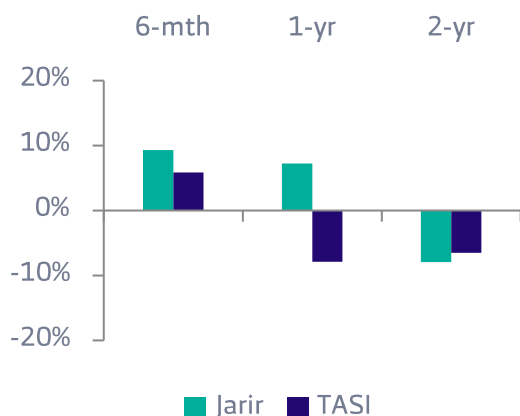


Market Data	
52-week high/low	SAR 14.6 / 12.0
Market Cap	SAR 17,124 mln
Shares Outstanding	1,200 mln
Free-float	72.58%
12-month ADTV	1,517,467
Bloomberg Code	JARIR AB



Annual Growth of Profits and Topline in a Tough Market

February 1, 2026

Upside to Target Price	12.1%	Rating	Buy
Expected Dividend Yield	6.0%	Last Price	SAR 14.27
Expected Total Return	18.1%	12-mth target	SAR 16.00

Jarir Marketing	4Q2025	4Q2024	Y/Y	3Q2025	Q/Q	RC Estimate
Sales	3,195	2,805	14%	2,925	9%	3,005
Gross Profit	403	353	14%	436	(8%)	363
Gross Margins	13%	13%		15%		12%
Operating Profit	327	294	11%	346	(5%)	292
Net Profit	310	275	13%	325	(5%)	272

(All figures are in SAR mln)

- Jarir's top-line increased +14% Y/Y and +9% Q/Q, to SAR 3.2 bln for 4Q25; in-line with our estimate for the quarter. Management commented that increased sales of smart phones, computers, and tablets, as well as after-sales-services, lifted revenue Y/Y. Sequentially, Jarir's total sales increased +9%, which was driven by increased sales in the smart phones section. Gross profit decreased sequentially, coming in at SAR 403 mln in 4Q2025 (-8% Q/Q); with a greater Y/Y increase of +14%. We also note, that the Q/Q decline was driven by the sales mix, which is reflected by the higher margins of the school and office supplies section (versus smart phones).
- Our interpretation of gross and operating margins, were mixed this quarter, which is surprising, as gross margins increased by 4 bps; in spite of retail market headwinds. We believe that the increase in marketing expenditures and price competition, influenced EBIT to grow slower than gross profit Y/Y. EBIT margins in 4Q25 were 10.2%, lower Y/Y and Q/Q, with margins of 10.5% and 11.8%, respectively.
- Net margins came in at 9.7%, down from 9.8% in 4Q24 and from 11.1% in 3Q25; higher than our estimates. Net profit results were driven by higher margins, online sales, and expansion. With annual results showing over +6% Y/Y rise in revenue and net profits, we remain positive; maintaining our target price and rating.

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■ Stock Rating

Buy	Neutral	Sell	Not Rated
Expected Total Return Greater than +15%	Expected Total Return between -15% and +15%	Expected Total Return less than -15%	Under Review/ Restricted

The expected percentage returns are indicative, stock recommendations also incorporate relevant qualitative factors

For any feedback on our reports, please contact research@riyadcapital.com

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