

Arabian Pipes Company resulted total revenues in Q1 2026 SAR 194.57 million, compared to SAR 137.42 million in the previous quarter, showing growth of 41.59% and resulted a net profit of SAR 20.12 million in Q1 2026, compared to SAR 8.10 million in the previous quarter, representing growth of 148.40%, reflecting a tangible improvement in operational efficiency and performance along with improvements in the sales mix and supply schedules. Despite the decline in results compared to the same quarter of the previous year, the growth of the equity base was maintained during the first quarter of 2026 with a growth of 15.12%, as the company continues to implement its strategy to maximize shareholders' equity and support sustainable growth.

### Financial Results of Q1 2026

#### REVENUE



**21.84%** ↓  
(Compared to Q1 2025)

**₪ 194.57**  
(Million)

**41.59%** ↑  
(Compared to previous quarter)

#### GROSS PROFIT



**42.05%** ↓  
(Compared to Q1 2025)

**₪ 36.89**  
(Million)

**39.89%** ↑  
(Compared to previous quarter)

#### EBIT



**51.66%** ↓  
(Compared to Q1 2025)

**₪ 24.91**  
(Million)

**80.00%** ↑  
(Compared to previous quarter)

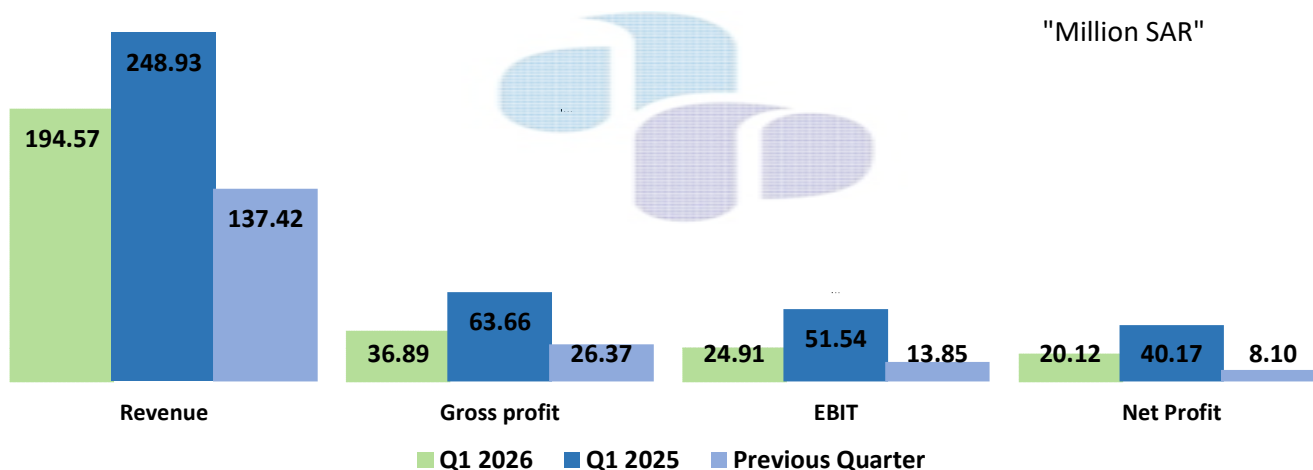
#### NET PROFIT











**49.91%** ↓  
(Compared to Q1 2025)

**₪ 20.12**  
(Million)

**148.40%** ↑  
(Compared to previous quarter)



**Some of the key performance highlights for Q1 2026 are as follows:**

Key	Description
<b>Trade Payables</b> 	Accounts payable decreased to SAR <u>23.37</u> million in the first quarter of 2026 from SAR <u>60</u> million in the first quarter of 2025 a decrease of <u>(61)%</u> . This demonstrates the company's ability to meet its obligations.
<b>Trade Receivables</b> 	Accounts receivable increased to SAR <u>108.73</u> million in the first quarter of 2026 from SAR <u>92.89</u> million in the first quarter of 2025 an increase of <u>17%</u> . The increase in receivables is driven by sales growth.
<b>Loans outstanding</b> 	<b>Reduced short term borrowings through stronger cash flow management</b> short term loan decreased <u>(51)%</u> during the first quarter of 2026 to 151.39 million SAR compared with 311.03 million SAR in the first quarter of 2025.
<b>Cash Conversion Cycle</b> 	<b>Reduced Cash Conversion Cycle</b> reflecting stronger working capital management driven by faster inventory turnover, improved collections, and optimized supplier payment terms, resulting in enhanced liquidity in the first quarter of 2026.
<b>Financing expense</b> 	<b>Financing expenses</b> decreased <u>(69)%</u> during the first quarter of 2026 to <u>3.06</u> million SAR compared with <u>9.87</u> million SAR in the first quarter of 2025. Through increased reliance on internal financing, management effort in reducing the interest rates and management fees, and early loan repayments supported by improved collections.
<b>Retained Earnings</b> 	<b>The growth in retained earnings reflects continued profitability and strong financial performance.</b>  Retained earnings increased by <u>30%</u> during the first quarter of 2026 to SAR <u>296.97</u> million, compared to SAR <u>229.05</u> million in the first quarter of 2025. It is worth noting that the Board of Directors recommended increasing the capital from SAR <u>200</u> million to SAR <u>252</u> million by transferring SAR <u>52</u> million from retained earnings. Additionally, the Board recommended a cash dividend distribution of SAR <u>34</u> million to shareholders for the year 2025, based on the meeting held on 19 Feb 2026. This recommendation is subject to the approval of the Extraordinary General Assembly.
<b>Inventory</b> 	<b>Improved inventory management</b> Management worked on improving performance indicators related to inventory turnover and product delivery to customers in order to enhance working capital and the cash conversion cycle.
<b>Investment deposits and financial facilities</b> 	The company confirms that all investment deposits and financial facilities from banks and government funds are banking facilities and investment deposits compliant with Islamic Sharia law.

## Financial Summary

### ✓ Income Statement Summary

(SAR Million)	Q1 2026	Q1 2025	% Of change	Previous Quarter	% of change
Revenues	194.57	248.93	(21.84)%	137.42	41.59%
Gross Profit	36.89	63.66	(42.05)%	26.37	39.89%
Operating Profit	25.26	50.80	(50.26)%	15.11	67.17%
EBIT	24.91	51.54	(51.66)%	13.85	79.95%
Net Profit	20.12	40.17	(49.91)%	8.10	148.40%
EPS (SAR)	0.10	0.20	(50.00)%	0.04	150.00%
Gross Profit Margin	18.96%	25.57%		19.19%	
Operating Profit Margin	12.98%	20.41%		10.99%	
EBIT Margin	12.80%	20.71%		10.07%	
Net Profit Margin	10.34%	16.14%		5.89%	

### ✓ Balance Sheet Summary

(SAR Million)	Q1 2026	Q1 2025	% Of change
Non-current assets	274.88	293.74	(6.42)%
Current assets	520.31	672.52	(22.63)%
Total assets	795.19	966.26	(17.70)%
Shareholders equity	508.24	441.49	15.12%
Non-current liabilities	53.89	92.03	(41.44)%
Current liabilities	233.06	432.75	(46.14)%
Total Shareholders equity & liabilities	795.19	966.26	(17.70)%

### ✓ Cash Flows Summary

(SAR Million)	Q1 2026	Q1 2025	Movement
Operating activities	8.23	96.80	(88.57)
Investing activities	(2.26)	(89.42)	87.15
Financing activities	44.75	(43.99)	88.74
Net change in cash and cash equivalents	50.71	(36.61)	87.32
Cash and cash equivalent at the beginning of the Year	15.42	99.40	(83.99)
Cash and cash equivalents at the end of the year	66.13	62.80	3.33

End

The financial statements for the first quarter of 2026 will be published on the company's website and on the Tadawul (Saudi Stock Exchange) website.