

**SAUDI STEEL PIPES COMPANY (SSPC)**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS (UN-AUDITED) FOR THE  
THREE-MONTH PERIOD ENDED MARCH 31, 2026  
WITH INDEPENDENT AUDITOR'S REVIEW REPORT**

**SAUDI STEEL PIPES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026  
WITH INDEPENDENT AUDITOR'S REVIEW REPORT**

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**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE  
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**To the Shareholders of  
Saudi Steel Pipes Company**  
(A Saudi Joint Stock Company)

**Introduction**

We have reviewed the accompanying interim condensed consolidated financial position of Saudi Steel Pipes Company "Saudi Joint Stock Company" ("the Company"), and its Subsidiaries (together "the Group") as of March 31, 2026 and the related interim condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended, and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 – ("IAS 34") "Interim Financial Reporting" that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", that is endorsed in the Kingdom of Saudi Arabia. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

**For Dr. Mohamed Al-Amri & Co.**



Ahmed Al-Jumah  
Certified Public Accountant  
Registration No. 621

Damman, on 27 Dhu al-Qidah 1447 (H)  
Corresponding to: 14 May, 2026 (G)

**SAUDI STEEL PIPES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

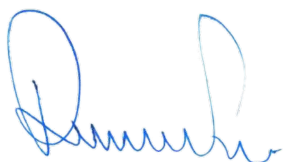
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2026**

	Note	March 31, 2026 (Un-audited) ﷲ	December 31, 2025 (Audited) ﷲ
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment, net	5	812,620,795	812,686,845
Right-of-use assets, net	6	17,634,641	11,825,014
Intangible assets, net		4,734,943	5,238,764
Trade and other receivables – non-current	7	1,336,888	1,409,131
Deferred tax asset		4,498,672	4,675,144
		<u>840,825,939</u>	<u>835,834,898</u>
<b>Current assets</b>			
Inventories, net		390,801,661	408,147,766
Trade and other receivables, net	7	295,482,030	251,148,493
Cash and cash equivalents		113,800,860	234,242,912
		<u>800,084,551</u>	<u>893,539,171</u>
<b>TOTAL ASSETS</b>		<u><b>1,640,910,490</b></u>	<u><b>1,729,374,069</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		510,000,000	510,000,000
Share premium		4,512,330	4,512,330
Other reserves		(10,665,025)	(10,665,025)
Retained earnings		412,745,910	360,400,469
Treasury shares		(11,502,225)	(11,502,225)
<b>Equity attributable to the shareholders of the Company</b>		<u>905,090,990</u>	<u>852,745,549</u>
Non-controlling interests		337,312,594	311,797,096
<b>Total equity</b>		<u><b>1,242,403,584</b></u>	<u><b>1,164,542,645</b></u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Employees' end of service benefits		46,173,453	44,864,024
Lease liabilities	9	11,310,550	7,227,259
		<u>57,484,003</u>	<u>52,091,283</u>
<b>Current liabilities</b>			
Borrowings – current	8	142,629,868	268,197,299
Lease liabilities	9	6,219,117	4,678,757
Trade and other payables	10	175,452,368	227,882,509
Zakat and income tax		16,721,550	11,981,576
		<u>341,022,903</u>	<u>512,740,141</u>
<b>TOTAL LIABILITIES</b>		<u><b>398,506,906</b></u>	<u><b>564,831,424</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>1,640,910,490</b></u>	<u><b>1,729,374,069</b></u>

The accompanying notes 1 to 17 form an integral part of these interim condensed consolidated financial statements.



**Mohammad AbdulAziz Al Shayea**  
Authorized Director



**Renwar Berzinji**  
Chief Executive Officer



**Mohammed Anwar Alshakhouri**  
Chief Financial Officer

**SAUDI STEEL PIPES COMPANY**  
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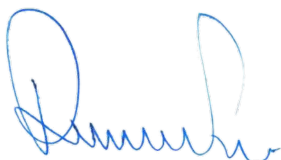
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026**

	Note	Three-Month Period Ended	
		March 31, 2026	March 31, 2025
		(Un-audited)	(Un-audited)
		ﷲ	ﷲ
Revenue	11	<b>385,309,597</b>	453,923,948
Cost of revenue		<b>(276,555,863)</b>	(344,757,500)
<b>Gross profit</b>		<b>108,753,734</b>	109,166,448
Selling, marketing and distribution expenses		<b>(7,893,535)</b>	(20,883,394)
Administrative expenses		<b>(13,164,867)</b>	(13,218,991)
(Allowance) / reversal for expected credit loss	7.1	<b>(865,800)</b>	351,859
Other income, net		<b>921,807</b>	5,521,432
<b>Operating income</b>		<b>87,751,339</b>	80,937,354
Finance charges, net		<b>(5,466,792)</b>	(10,696,415)
Interest income		<b>492,840</b>	738,015
<b>Profit before zakat and income tax</b>		<b>82,777,387</b>	70,978,954
Zakat and income tax expense	13	<b>(4,916,448)</b>	(2,311,844)
<b>Profit for the period from continuing operations</b>		<b>77,860,939</b>	68,667,110
Loss from discontinued operations		-	(66,934)
<b>Net profit for the period</b>		<b>77,860,939</b>	68,600,176
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>77,860,939</b>	68,600,176
<b>Total comprehensive income attributable to:</b>			
Shareholders of the Company		<b>52,345,441</b>	50,230,029
Non-controlling interests		<b>25,515,498</b>	18,370,147
		<b>77,860,939</b>	68,600,176
<b>Earnings / (loss) per share attributable to the Shareholders of the Company:</b>			
<u>Continuing operations:</u>			
Basic earnings per share	14	<b>1.036</b>	0.995
Diluted earnings per share	14	<b>1.026</b>	0.986
<u>Discontinued operations:</u>			
Basic loss per share	14	-	(0.001)
Diluted loss per share	14	-	(0.001)

The accompanying notes 1 to 17 form an integral part of these interim condensed consolidated financial statements.



**Mohammad AbdulAziz Al Shayea**  
Authorized Director



**Renwar Berzinji**  
Chief Executive Officer



**Mohammed Anwar Alshakhouri**  
Chief Financial Officer

**SAUDI STEEL PIPES COMPANY**  
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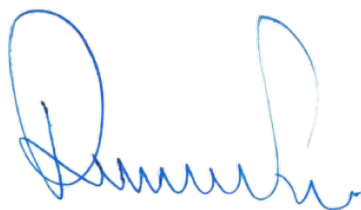
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026**

	Share capital	Share Premium	Statutory reserve	Other reserves	Retained earnings	Treasury shares	Total	Non-controlling interests	Total equity
	ﷲ	ﷲ	ﷲ	ﷲ	ﷲ	ﷲ	ﷲ	ﷲ	ﷲ
Balance as at January 1, 2025 (Audited)	510,000,000	4,512,330	75,799,387	(9,066,049)	292,709,392	(11,502,225)	862,452,835	240,622,731	1,103,075,566
Net profit for the period	-	-	-	-	50,230,029	-	50,230,029	18,370,147	68,600,176
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	50,230,029	-	50,230,029	18,370,147	68,600,176
Balance as at March 31, 2025 (Un-audited)	510,000,000	4,512,330	75,799,387	(9,066,049)	342,939,421	(11,502,225)	912,682,864	258,992,878	1,171,675,742
<b>Balance as at January 1, 2026 (Audited)</b>	<b>510,000,000</b>	<b>4,512,330</b>	<b>-</b>	<b>(10,665,025)</b>	<b>360,400,469</b>	<b>(11,502,225)</b>	<b>852,745,549</b>	<b>311,797,096</b>	<b>1,164,542,645</b>
<b>Net profit for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52,345,441</b>	<b>-</b>	<b>52,345,441</b>	<b>25,515,498</b>	<b>77,860,939</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52,345,441</b>	<b>-</b>	<b>52,345,441</b>	<b>25,515,498</b>	<b>77,860,939</b>
<b>Balance as at March 31, 2026 (Un-audited)</b>	<b>510,000,000</b>	<b>4,512,330</b>	<b>-</b>	<b>(10,665,025)</b>	<b>412,745,910</b>	<b>(11,502,225)</b>	<b>905,090,990</b>	<b>337,312,594</b>	<b>1,242,403,584</b>

The accompanying notes 1 to 17 form an integral part of these interim condensed consolidated financial statements.



**Mohammad AbdulAziz Al Shayea**  
Authorized Director



**Renwar Berzinji**  
Chief Executive Officer



**Mohammed Anwar Alshakhouri**  
Chief Financial Officer

**SAUDI STEEL PIPES COMPANY**  
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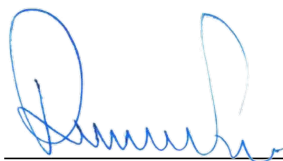
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026**

	March 31, 2026 (Un-audited) ﷲ	March 31, 2025 (Un-audited) ﷲ
<b><u>Cash flows from operating activities:</u></b>		
<b>Profit / (loss) before zakat and income tax:</b>		
– continuing operations	82,777,387	70,978,954
– discontinued operations	-	(66,934)
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	18,291,291	18,605,029
Depreciation of right-of-use assets	1,635,349	1,330,401
Amortization of intangible assets	821,503	444,697
Property, plant and equipment – written off	115,001	8,382
Allowance / (reversal) for expected credit loss	865,800	(351,859)
Allowance of provision for inventories	145,587	919,887
Provision for employees' end of service benefits	1,228,159	1,135,903
Finance charges, net	5,466,792	10,696,415
Interest income	(15,813)	(278,736)
	<u>111,331,056</u>	<u>103,422,139</u>
<b>Movement in working capital</b>		
Inventories	17,200,518	96,338,464
Trade and other receivables	(54,300,052)	165,856,406
Trade and other payables	(42,487,131)	(118,149,701)
Due to / from related parties	(754,241)	(16,770,682)
<b>Cash generated from operations</b>	<u>30,990,150</u>	<u>230,696,626</u>
Zakat and income tax paid	-	(2,755,986)
Employees' end of service benefits paid	(427,362)	(904,415)
Finance charges paid	(10,534,450)	(10,124,945)
<b>Net cash generated from operating activities</b>	<u>20,028,338</u>	<u>216,911,280</u>
<b><u>Cash flows from investing activities:</u></b>		
Additions to property, plant and equipment and intangible assets	(18,657,924)	(7,191,528)
<b>Net cash used in investing activities</b>	<u>(18,657,924)</u>	<u>(7,191,528)</u>
<b><u>Cash flows from financing activities:</u></b>		
Repayment of borrowings, net	(119,855,096)	(177,420,822)
Payment of lease liabilities	(1,957,370)	(1,750,835)
<b>Net cash used in financing activities</b>	<u>(121,812,466)</u>	<u>(179,171,657)</u>
<b>Net change in cash and cash equivalents</b>	<u>(120,442,052)</u>	<u>30,548,095</u>
Cash and cash equivalents at the beginning of the period	<u>234,242,912</u>	<u>176,215,474</u>
<b>Cash and cash equivalents at the end of the period</b>	<u>113,800,860</u>	<u>206,763,569</u>

The accompanying notes 1 to 17 form an integral part of these interim condensed consolidated financial statements.



**Mohammad AbdulAziz Al Shayea**  
Authorized Director



**Renwar Berzinji**  
Chief Executive Officer



**Mohammed Anwar Alshakhouri**  
Chief Financial Officer

**SAUDI STEEL PIPES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026**

**1. ORGANIZATION AND PRINCIPAL ACTIVITIES**

Saudi Steel Pipes Company (the Company or SSPC) was initially incorporated as a limited liability company in the Kingdom of Saudi Arabia under the commercial registration number 2050009144 dated 27 Rajab 1400 (corresponding to June 11, 1980). On 4 Rajab 1430 (corresponding to June 27, 2009), the Company's legal status was transformed from a limited liability company to joint stock company (listed on the stock exchange).

The parent company of Saudi Steel Pipes Company (“SSPC”) is Tenaris Saudi Arabia. The ultimate parent company of SSPC is San Faustn SA.

As described in note 2, the interim condensed consolidated financial statements include the financial statements of the Company and its subsidiary Global Pipe Company (“GPC”) (collectively referred to as “the Group”).

The Group's authorized and issued share capital after the initial public offering is ﷲ 510 million divided into 51 million shares at ﷲ 10 per share.

The Group’s registered office is located at P.O Box 11680, Dammam 31463, Kingdom of Saudi Arabia.

The principal activities of the Group are the manufacturing and wholesale of black and galvanized steel pipes, production of ERW/HFI galvanized and threaded steel pipes and seamless pipes, pipes with three-layer external coating by polyethylene and polypropylene in different diameters, pipes with epoxy coating inside, bended pipes in different diameters, space frame, and submerged arc welded pipes, wholesale of pipes, tubes and hollow shapes from iron and steel, ferrous and non-ferrous metal pipes and accessories, locks, hinges and other hand tools, wholesale of other metal accessories, locks, hinges and hand tools, wholesale of other construction and metal materials.

**2. STRUCTURE OF THE GROUP**

The interim condensed consolidated financial statements as at March 31, 2026 include the financial statements of the Company and its following subsidiary:

<b>Name of consolidated subsidiary</b>	<b>Principal activity</b>	<b>Effective ownership</b>	
		<b>March 31, 2026</b>	<b>March 31, 2025</b>
Global Pipe Company (“GPC”)	Production of welded Pipes	<b>57.27%</b>	57.27%

**GPC**

GPC is a closed joint stock company incorporated in the Kingdom of Saudi Arabia under commercial registration No. 2055011330 dated 20 Muharram 1431H (corresponding to January 6, 2010 G). GPC is located in Jubail industrial city and is engaged in the production of welded pipes with different sizes and diameters, stainless steel pipes, 3-D pipe fittings, Aluminium alloy pipes, high-density welded pipes and diameters.

The following company was excluded from the consolidation of financial statements due to loss of control upon its entry into liquidation:

<b>Name of deconsolidated subsidiary</b>	<b>Principal activity</b>	<b>Effective ownership</b>	
		<b>March 31, 2026</b>	<b>March 31, 2025</b>
Titanium and Steel Manufacturing Company Limited (“TSM Arabia”)	Manufacture Stationary process equipment	<b>100%</b>	100%

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026**

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**2. STRUCTURE OF THE GROUP (CONTINUED)**

TSM Arabia was formed under commercial registration number 2050073985 dated 4 Safar 1432H (corresponding to January 8, 2011 G) in the Kingdom of Saudi Arabia, to produce stationary process equipment such as heat exchangers and pressure vessels. The subsidiary's total share capital is ₪ 32 million of which the Group owns 100%. On April 30<sup>th</sup>, 2025 the board of directors passed a resolution to commence the liquidation of TSM, consequently, control over TSM was lost based on the Group's assessment. As a result, TSM was deconsolidated from the Group's interim condensed consolidated financial statements effective April 30, 2025. No further results of operations, assets, or liabilities of TSM Arabia are included in the Group's interim condensed consolidated financial statements from the date of deconsolidation.

**3. BASIS OF PREPARATION**

These interim condensed consolidated financial statements of the Group have been prepared in accordance with the requirements of International Accounting Standard 34 - "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncement issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") and should be read in conjunction with the Group's latest annual consolidated financial statements for the year ended December 31, 2025 ("latest annual consolidated financial statements"). These interim condensed consolidated financial statements do not include all of the information required for a complete set of consolidated financial statements.

**4. MATERIAL ACCOUNTING POLICIES**

The Group has applied the same accounting policies and methods of computation in its interim condensed consolidated financial statements as in its latest annual consolidated financial statements, except for the following amendments which apply for the first time in 2026. However, not all are expected to impact the Group as they are either not relevant to the Group's activities or require accounting which is consistent with the Group's current accounting policies.

**4.1 Standards and amendments issued and applied effective in current period**

There are no new standards issued, however, there are amendments to the following standards, which are effective in current period and have no material impact on Group's interim condensed consolidated financial statement;

<b>Amendments to standard</b>	<b>Description</b>	<b>Effective for annual years beginning on or after</b>
IFRS 9 & IFRS 7	Amendments - Classification and Measurement of Financial Instruments	January 1, 2026

**4.2 Impact of accounting standards to be applied in future periods**

There are a number of standards and interpretations which have been issued by the International Accounting Standards Board that are effective for periods beginning subsequent to December 31, 2026 (the date of the Group's next annual financial statements) that the Group has decided not to adopt early. The Group does not believe these standards and interpretations will have a material impact on the financial statements once adopted.

**SAUDI STEEL PIPES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026**

**5. PROPERTY, PLANT AND EQUIPMENT, NET**

**Carrying amounts of:**

	<b>March 31, 2026</b>	<b>December 31, 2025</b>
<b>Note</b>	<b>(Un-audited)</b>	<b>(Audited)</b>
	<b>ﷲ</b>	<b>ﷲ</b>
Operating fixed assets	5.1 <b>801,453,827</b>	808,733,369
Capital work-in-progress (CWIP)	5.3 <b>11,166,968</b>	3,953,476
	<b>812,620,795</b>	<b>812,686,845</b>

**5.1 Operating fixed assets**

	<b>March 31, 2026</b>	<b>December 31, 2025</b>
<b>Note</b>	<b>(Un-audited)</b>	<b>(Audited)</b>
	<b>ﷲ</b>	<b>ﷲ</b>
Net book value at beginning of period / year	<b>808,733,369</b>	1,014,758,648
Transferred from CWIP during the period / year	5.3 <b>11,126,750</b>	26,208,383
Write off /disposals during the period / year	<b>(115,001)</b>	(10,887)
Lands settlement during the period / year	15 -	(157,850,000)
Depreciation charged during the period / year – continuing operations	<b>(18,291,291)</b>	(74,372,775)
Net book value at the end of the period / year	<b>801,453,827</b>	808,733,369

**5.2 Transfers from capital work-in-progress to operating fixed assets during the period / year are as follows:**

	<b>March 31, 2026</b>	<b>December 31, 2025</b>
	<b>(Un-audited)</b>	<b>(Audited)</b>
	<b>ﷲ</b>	<b>ﷲ</b>
Machinery and equipment	<b>9,771,223</b>	17,733,280
Buildings on leasehold lands	<b>1,256,853</b>	8,475,103
Furniture & fixture	<b>98,674</b>	-
	<b>11,126,750</b>	26,208,383

**5.3 Capital work-in-progress**

	<b>March 31, 2026</b>	<b>December 31, 2025</b>
	<b>(Un-audited)</b>	<b>(Audited)</b>
	<b>ﷲ</b>	<b>ﷲ</b>
At beginning of period / year	<b>3,953,476</b>	2,214,189
Additions during the period / year	<b>18,340,242</b>	31,210,232
Transferred to operating fixed assets during the period / year	<b>(11,126,750)</b>	(26,208,383)
Transferred to intangible assets during the period / year	-	(3,262,562)
At the end of the period / year	<b>11,166,968</b>	3,953,476

**SAUDI STEEL PIPES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026**

**6. RIGHT-OF-USE ASSETS, NET**

Movement in right-of-use assets is as follows:

	<b>March 31, 2026</b>	December 31, 2025
	<b>(Un-audited)</b>	(Audited)
	ﷲ	ﷲ
Net book value at beginning of period / year	<b>11,825,014</b>	10,185,592
Additions during the period / year	<b>7,327,881</b>	3,526,395
Depreciation charged during the period / year - continuing operations	<b>(1,635,349)</b>	(5,952,064)
Lease modification during the period / year	<b>117,095</b>	4,065,091
Net book value at the end of the period / year	<b><u>17,634,641</u></b>	<u>11,825,014</u>

**7. TRADE AND OTHER RECEIVABLES, NET**

		<b>March 31, 2026</b>	December 31, 2025
	<b>Note</b>	<b>(Un-audited)</b>	(Audited)
		ﷲ	ﷲ
Trade receivables		<b>277,224,707</b>	227,528,197
Allowance for expected credit loss (ECL)	7.1	<b>(5,823,532)</b>	(5,069,601)
Trade receivables, net		<b>271,401,175</b>	222,458,596
Receivable from TSM		<b>1,009,592</b>	1,009,592
Due from related parties	12 A	<b>2,522,349</b>	11,711,120
Employee loans		<b>2,387,026</b>	1,894,262
Prepayments and advances to suppliers		<b>17,534,724</b>	13,824,120
Other receivables		<b>1,964,052</b>	1,659,934
		<b>296,818,918</b>	252,557,624
Less: non-current portion of employee loans and other receivables		<b>(1,336,888)</b>	(1,409,131)
Total current portion, net		<b><u>295,482,030</u></b>	<u>251,148,493</u>

**7.1 Movement in the allowance for ECL of trade receivables is as follows:**

	<b>March 31, 2026</b>	December 31, 2025
	<b>(Un-audited)</b>	(Audited)
	ﷲ	ﷲ
Opening balance for the period / year	<b>5,069,601</b>	6,127,943
Allowance / (reversal) for the period / year – Continuing operations	<b>865,800</b>	(819,665)
Utilized against receivables written off – Continuing operations	<b>(111,869)</b>	(238,677)
Closing balance for the period / year	<b><u>5,823,532</u></b>	<u>5,069,601</u>

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**8. BORROWINGS**

	<b>March 31, 2026 (Un-audited)</b>	<b>December 31, 2025 (Audited)</b>
	<b>ﷲ</b>	<b>ﷲ</b>
Current borrowings	<b>142,629,868</b>	268,197,299
<b>Total borrowings</b>	<b>142,629,868</b>	268,197,299
	<b>March 31, 2026 (Un-audited)</b>	<b>December 31, 2025 (Audited)</b>
	<b>ﷲ</b>	<b>ﷲ</b>
<b><u>Term loans</u></b>		
Saudi Awwal Bank (SAB)	<b>25,660,000</b>	34,960,000
	<b>25,660,000</b>	34,960,000
Current portion – term loans	<b>(25,660,000)</b>	(34,960,000)
	<b>-</b>	<b>-</b>
<b><u>Short term financing</u></b>		
Murabaha financing	<b>116,969,868</b>	233,237,299
Current portion – term loans	<b>25,660,000</b>	34,960,000
	<b>142,629,868</b>	268,197,299

**9. LEASE LIABILITIES**

The contractual maturity of leases liabilities is as follows:

	<b>March 31, 2026 (Un-audited)</b>	<b>December 31, 2025 (Audited)</b>
	<b>ﷲ</b>	<b>ﷲ</b>
Within one year	<b>6,909,702</b>	5,094,962
Years two to five	<b>10,097,485</b>	5,902,120
Years five and above	<b>2,160,023</b>	2,160,023
Minimum lease payments	<b>19,167,210</b>	13,157,105
Less: finance charges	<b>(1,637,543)</b>	(1,251,089)
Net minimum lease payments	<b>17,529,667</b>	11,906,016
Non-current portion	<b>11,310,550</b>	7,227,259
Current portion	<b>6,219,117</b>	4,678,757

**10. TRADE AND OTHER PAYABLES**

		<b>March 31, 2026 (Un-audited)</b>	<b>December 31, 2025 (Audited)</b>
	<b>Note</b>	<b>ﷲ</b>	<b>ﷲ</b>
Trade payables		<b>96,301,521</b>	105,530,120
Accrued expenses		<b>23,382,932</b>	17,589,423
Due to related parties	12B	<b>14,895,325</b>	24,838,337
BOD remuneration payable		<b>3,568,744</b>	2,909,000
Advances from customers		<b>7,074,233</b>	26,886,463
Retention payable		<b>760,046</b>	760,046
Value added Tax (VAT) payable		<b>23,175,072</b>	16,377,000
Other payables		<b>6,294,495</b>	32,992,120
		<b>175,452,368</b>	227,882,509

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**11. SEGMENTAL REPORTING**

During 2025, the board of directors passed a resolution to commence the liquidation of its wholly owned subsidiary TSM Arabia which resulted in the loss of control based on the Group's assessment and its deconsolidation from the Group's interim condensed consolidated financial statements, accordingly, the Company and GPC constitute 100% of the revenue and operations of the Group.

**Geographical segment**

A geographical segment is a Group of assets, operations or entities engaged in revenue producing activities within a particular economic environment that are subject to risks and returns different from those operating in other economic environments. The Group's operations are conducted mainly in the Kingdom of Saudi Arabia.

The selected financial information covering the revenue of the three-month period ended March 31, categorized by these geographic segments is as follows:

	<b>Three-month period ended March 31, 2026 (Un-audited)</b>	<b>Three-month period ended March 31, 2025 (Un-audited)</b>
	<b>ﷲ</b>	<b>ﷲ</b>
Saudi Arabia	<b>383,179,145</b>	436,161,486
Other countries	<b>2,130,452</b>	17,762,462
	<b>385,309,597</b>	<b>453,923,948</b>

**11.1 Transactions with major customers**

Revenue from three major customers accounted for 92% of the total revenue for the period (95% for Three-month period ended March 31, 2025 for two major customers and one related party).

**12. RELATED PARTY TRANSACTIONS AND BALANCES**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties consist of the shareholders, directors and businesses in which shareholders and directors, individually or combined, have significant influence. The Group's transactions with related parties are entered in a normal course of business and are authorized by the management.

<b>Company</b>	<b>Relationship</b>
San Faustn SA.	Ultimate Parent
Tenaris Saudi Arabia Limited	Shareholder
Husteel Company Ltd.	Shareholder
Chemical Development Company	Investee
Dalmine S.P.A.	Affiliate
Tenaris Global Services S.A	Affiliate
Exiros Saudi Arabia Limited	Affiliate
Siderca S.A.I.C.	Affiliate
Tenaris Connections B.V.	Affiliate
Testing and Technical Solutions AR S.A	Affiliate
Tenaris Bay, City Inc.	Affiliate
Tenaris Global Services and Investments S.A.R.L.	Affiliate
Silcotub S.A.	Affiliate
Tenaris Solutions East SRL	Affiliate
Bredero Shaw Mexico, S.A. DE C.V.	Affiliate
Confab Industrial S.A.	Affiliate
Tubos De Acero De Mexico S.A. DE C.V.	Affiliate

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**12. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)**

The significant transactions with related parties during the period are as follows:

<u>Related party</u>	<u>Nature of transaction</u>	<b>Three-month period ended March 31, 2026 (Un-audited)</b>	<b>Three-month period ended March 31, 2025 (Un-audited)</b>
		ﷲ	ﷲ
<b>Sales and services provided by the Group:</b>			
Tenaris Global Services S.A	Sales	<b>362,210</b>	-
Tenaris Saudi Arabia Limited	Services	<b>1,829,044</b>	1,392,635
Tenaris Saudi Arabia Limited	Sales	<b>451,173</b>	4,892,403
Tenaris Global Services and Investments S.A.R.L.	Sales	<b>8,889</b>	17,738,495
<b>Purchases and Services received by the Group:</b>			
Dalmine S.P.A.	Technical services	<b>9,390</b>	789,789
Exiros Saudi Arabia Limited	Services	<b>1,077,840</b>	916,519
Tenaris Saudi Arabia Limited	Services	<b>614,022</b>	688,840
Tenaris Connections B.V.	Technical services	<b>34,683</b>	-
Siderca S.A.I.C.	Technical services	<b>392,454</b>	101,740
Tenaris Connections B.V.	Royalties	-	198,099
Silcotub S.A.	Services	-	358,463
Tenaris Solutions East SRL	Services	-	41,157
Tenaris Bay City, Inc.	Technical services	<b>426,280</b>	-
Tenaris Global Services and Investments S.A.R.L.	Purchases	<b>1,765,928</b>	-
Confab industrial S.A	Technical services	<b>286,652</b>	-
Tenaris Global Services S.A.	Services	<b>230,072</b>	-

A) Amounts receivable from related parties are as follows:

	<b>March 31, 2026 (Un-audited)</b>	<b>December 31, 2025 (Audited)</b>
	ﷲ	ﷲ
Tenaris Saudi Arabia Limited	<b>2,327,652</b>	3,841,383
Tenaris Global Services and Investments S.A.R.L.	<b>194,697</b>	7,869,737
	<b>2,522,349</b>	11,711,120

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**12. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)**

B) Amounts payable to related parties are as follows:

	<b>March 31, 2026 (Un-audited)</b>	<b>December 31, 2025 (Audited)</b>
	<b>ﷲ</b>	<b>ﷲ</b>
Tenaris Global Services S.A.	<b>230,205</b>	460,036
Tenaris Saudi Arabia Limited	<b>3,800,184</b>	6,041,929
Exiros Saudi Arabia Limited	<b>1,480,338</b>	1,611,590
Siderca S.A.I.C.	<b>3,493,934</b>	3,101,109
Dalmine S.P.A.	<b>1,793,667</b>	2,594,607
Husteel Company Ltd.	-	79,669
Tenaris Connections B.V.	<b>5,965</b>	263,471
Silcotub S.A.	<b>58,979</b>	458,539
Tenaris Bay, City Inc.	<b>1,537,149</b>	1,480,718
Testing and Technical Solutions AR S.A.	<b>133,064</b>	132,927
Tenaris Global Services and Investments S.A.R.L.	<b>447,904</b>	4,576,818
Bredero Shaw Mexico, S.A. DE C.V.	-	1,031,470
Tubos De Acero De Mexico Sa De C.V.	<b>1,626,703</b>	1,626,703
Confab Industrial S.A.	<b>287,233</b>	1,378,751
	<b><u>14,895,325</u></b>	<b><u>24,838,337</u></b>

C) Remuneration of Board and Committees Members and key management personnel:

	<b>Three-month period ended March 31, 2026 (Un-audited)</b>		<b>Three-month period ended March 31, 2025 (Un-audited)</b>	
	<b>Directors</b>	<b>Key management personnel</b>	<b>Directors</b>	<b>Key management personnel</b>
	<b>ﷲ</b>	<b>ﷲ</b>	<b>ﷲ</b>	<b>ﷲ</b>
Remuneration	<b>736,716</b>		600,000	-
Salaries and wages	-	<b>911,410</b>	-	834,705
Allowances	-	<b>438,806</b>	-	468,396
End of service	-	<b>88,314</b>	-	66,140
	<b><u>736,716</u></b>	<b><u>1,438,530</u></b>	<b><u>600,000</u></b>	<b><u>1,369,241</u></b>

**13. ZAKAT AND INCOME TAX EXPENSE**

	<b>Three-Month Period Ended March 31, 2026 (Un-audited)</b>	<b>Three-Month Period Ended March 31, 2025 (Un-audited)</b>
	<b>ﷲ</b>	<b>ﷲ</b>
Current zakat and income tax	<b>4,739,976</b>	4,781,485
Deferred tax expense	<b>176,472</b>	755,347
Reversal of additional tax paid in prior years	-	(3,224,988)
	<b><u>4,916,448</u></b>	<b><u>2,311,844</u></b>

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**14. EARNINGS / (LOSS) PER SHARE**

Basic earnings / (loss) per share is calculated by dividing the earnings / (loss) attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. With regard to diluted earnings / (loss) per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares, which includes conversion of treasury shares into ordinary shares.

Earnings / (loss) per share are represented as follows:

	<b>Three-Month Period Ended</b>	
	<b>March 31, 2026</b> <b>(Un-audited)</b>	<b>March 31, 2025</b> <b>(Un-audited)</b>
<b>Profit / (loss) for the period attributable to the shareholders of the company:</b>		
From continuing operations	<b>52,345,441</b>	50,296,963
From discontinued operations	-	(66,934)
	<b>52,345,441</b>	50,230,029
<b>Basic earnings / (loss) per share:</b>		
From continuing operations	<b>1.036</b>	0.995
From discontinued operations	-	(0.001)
Weighted average number of outstanding shares	<b>50,542,311</b>	50,542,311
<b>Diluted earnings / (loss) per share:</b>		
From continuing operations	<b>1.026</b>	0.986
From discontinued operation	-	(0.001)
Adjusted weighted average number of outstanding shares	<b>51,000,000</b>	51,000,000
<b>Reconciliation of weighted average number of outstanding shares</b>		
Weighted average number of outstanding shares	<b>50,542,311</b>	50,542,311
<u>Add:</u> Treasury shares	<b>457,689</b>	457,689
Adjusted weighted average number of outstanding shares	<b>51,000,000</b>	51,000,000

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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**15. DEVELOPMENT ON THE COMPANY LAND PLOTS WITH INACTIVE TITLE DEEDS**

In early 2021, the Company learned through the Saudi Ministry of Justice's online portal that the electronic title deeds of plots of land owned by the Company with total cost of ﷲ 157.9 million had become inactive due to cancellation by a court order.

The affected plots of land, with a total surface area of 811,284 square meters, are located in Dammam, and were purchased in February 2010 pursuant to a written purchase agreement duly executed by the Company in full compliance with the laws of the Kingdom of Saudi Arabia ("the Land Purchase Transaction").

On April 28, 2025, the Company concluded a settlement with the sellers of the plots of land, pursuant to which the Land Purchase Transaction was unwound, and the sellers paid to the Company an aggregate amount of ﷲ 211.5 million in cash which resulted in recording a net settlement compensation of ﷲ 53.6 million. Additionally, the sellers released the Company from any claim on the plots of land or its title deeds and assumed all rights and obligations related to its pending petition with the Ministry of Justice.

**16. RECLASSIFICATION**

The comparative period amounts, as set out below, have been reclassified to enhance consistency and conform with the current period presentation. This reclassification resulted in a change in the presentation of gross profit and operating income; however, it had no impact on net profit or the reported results for the period.

**Interim consolidated statement of profit or loss and other comprehensive income**

<b>Reclassification from</b>	<b>Reclassification to</b>	<b>March 31, 2025</b>
Cost of revenue	Finance charges, net	202,237
Administrative expenses	Finance charges, net	314,095

This reclassification does not affect previously reported profit for the period ended March 31, 2025 in the interim consolidated statement of profit or loss and other comprehensive income and the previously reported cash flows from operating activities in the statement of cash flows for the period then ended.

**17. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

The interim condensed consolidated financial statements were approved by the Board of Directors and authorized for issue on May 06, 2026 G.