RAK Ceramics delivers revenue growth and strong profitability in Q3 2026

Strong demand across the UAE, Middle East and India, together with disciplined execution, supported robust performance.

Group financial highlights

- **Group revenue:** increased by 4.4% YoY to AED 861.5 million in Q3 2026 from AED 824.9 million in Q3 2025, demonstrating the Group's resilience and ability to effectively navigate a challenging operating environment.
- **Gross profit margin:** was 40.3% in Q3 2026, compared to 40.5% in Q3 2025, remaining broadly stable despite elevated material and energy costs, supported by higher sales in the UAE, Middle East and India.
- **Net profit after tax**: increased by 15.5% YoY to AED 78.0 million in Q3 2026, from AED 67.5 million in Q3 2025.
- **EBITDA:** increased by 4.7% YoY to AED 175.7 million in Q3 2026 from AED 167.9 million in Q3 2025.
- **Financial health:** Net debt increased by 4.7% QoQ to AED 1.59 billion as at 30 September 2026. Net debt/EBITDA increased to 2.56x from 2.48x as at 30 June 2026.

Ras Al Khaimah, United Arab Emirates, 6 November 2026: RAK Ceramics PJSC (Ticker: RAKCEC: Abu Dhabi), one of the world's leading lifestyle ceramics brands, reported strong financial results for the third quarter ended 30 September 2026.

Performance overview

RAK Ceramics delivered a strong Q3 2026 performance, with revenue growth and double-digit profit growth supported by strong demand across the UAE, Middle East and India. The Group continued to capture market share opportunities in key markets, while disciplined execution and proactive management actions helped maintain operational continuity despite regional and supply chain disruptions.

The Group's strong regional manufacturing and distribution footprint remained a key competitive advantage, enabling consistent product availability and reliable customer service. Continued focus on operational efficiency, market expansion and customer engagement further strengthened the Group's position across its core markets.

Overall, the quarter demonstrated RAK Ceramics' ability to translate market opportunities into profitable growth while effectively navigating a challenging operating environment.

In Q3 2026, **total revenue** was AED 861.5 million, an increase of 4.4% YoY from AED 824.9 million in Q3 2025. For the nine months ended 30 September 2026 (9M 2026), total revenue stood at AED 2,445.1 million, an increase of 0.7% YoY compared with AED 2,428.2 million in 9M 2025.

In Q3 2026, **gross profit margin** was 40.3%, compared to 40.5% in Q3 2025. For 9M 2026, gross profit margin remained stable at 40.3%, in line with 9M 2025.

In Q3 2026, **profit before tax** increased by 13.4% YoY to AED 98.3 million, compared to AED 86.6 million in Q3 2025. For 9M 2026, profit before tax was broadly stable at AED 237.0 million, compared with AED 237.8 million in 9M 2025.

In Q3 2026, **net profit after tax** increased by 15.5% YoY to AED 78.0 million, from AED 67.5 million in Q3 2025. For 9M 2026, net profit after tax increased by 1.0% YoY to AED 184.5 million, compared with AED 182.7 million in 9M 2025.

In Q3 2026, **EBITDA** increased by 4.7% YoY to AED 175.7 million from AED 167.9 million in Q3 2025. For 9M 2026, EBITDA declined by 0.8% YoY to AED 460.5 million, compared to AED 464.3 million in 9M 2025.

Net debt stood at AED 1.59 billion as at 30 September 2026, an increase of 4.7% QoQ. Net debt/EBITDA increased to 2.56x from 2.48x as at 30 June 2026.

Financial summary

AED million	Q3 2025	Q2 2026	Q3 2026	YoY change	QoQ change	9M 2025	9M 2026	YoY change
Revenue	824.9	822.8	**861.5**	4.4%	4.7%	2,428.2	**2,445.1**	0.7%
Gross profit margin	40.5%	41.0%	**40.3%**	−14 bps	−70 bps	40.3%	**40.3%**	0 bps
EBITDA	167.9	157.5	**175.7**	4.7%	11.5%	464.3	**460.5**	−0.8%
Profit before tax	86.6	85.7	**98.3**	13.4%	14.6%	237.8	**237.0**	−0.4%
Net profit after tax	67.5	68.3	**78.0**	15.5%	14.1%	182.7	**184.5**	1.0%
Capital expenditure	59.4	57.3	**62.4**	5.1%	8.9%	215.6	**162.5**	−24.6%
Net debt	1,638.3	1,515.3	**1,587.2**	−3.1%	4.7%	1,638.3	**1,587.2**	−3.1%
Net debt/EBITDA	2.63x	2.48x	**2.56x**	−0.07x	0.08x	2.63x	**2.56x**	−0.07x

Segment performance highlights

- **Tiles:** Revenue increased by 8.4% YoY to AED 519.9 million in Q3 2026, driven by growth in the UAE, Middle East and India. Strong project demand and constrained imports supported sales in the UAE and Middle East. Continued investment in product innovation and manufacturing technology supported portfolio enhancement and operating efficiency.
- **Sanitaryware:** Revenue declined by 7.3% YoY to AED 114.8 million in Q3 2026. Growth in GCC markets partly offset weaker sales in other markets. KLUDI-branded sanitaryware continued to support sales to premium projects.
- **Faucets (KLUDI):** Revenue declined by 3.2% YoY to AED 114.5 million in Q3 2026. Growth in the UAE and Middle East partly offset weaker sales in Europe and other export markets, where operations were impacted by component delivery delays from China. The Group remains committed to improving KLUDI's operational performance and is progressing with its cost-optimisation strategy.
- **Tableware:** Revenue declined by 11.0% YoY to AED 75.5 million in Q3 2026, as weaker regional hospitality demand outweighed growth in aviation and the Americas. Cookplay integration, premium partnerships and aviation accounts remain priorities to support recovery.

Tiles and sanitaryware market highlights

- The **UAE** market remained strong in Q3 2026, with revenue rising 32.5% YoY to AED 313.8 million driven by robust construction activity, project sales and slab demand, while import disruptions supported market share gains.
- In **Saudi Arabia**, revenue decreased by 17.2% YoY in Q3 2026 to AED 43.0 million, mainly due to SABER approval delays affecting deliveries. The Yanbu Greenfield Tiles Project remains on track for Q2 2027 completion, supporting future capacity and cost competitiveness.
- In **Europe**, revenue declined by 19.9% YoY to AED 68.2 million in Q3 2026, impacted by higher logistics costs, market competition and shipment delays, while inventory buffers helped maintain service levels.
- In **India**, revenue increased by 12.0% YoY to AED 92.8 million in Q3 2026, supported by dealer network expansion. Continued investment in retail expansion and showroom upgrades is expected to strengthen market presence and profitability.
- In **Bangladesh**, revenue declined by 11.7% YoY to AED 54.7 million in Q3 2026, due to gas shortages. Targeted value creation initiatives are underway to strengthen market share.
- In the Middle East, excluding the UAE and Saudi Arabia, revenue increased by 38.0% YoY to AED 41.6 million in Q3 2026, supported by market share gains amid constrained imports. The Group continued to strengthen GCC sales channels and expand its customer base.

Commenting on the performance, **Abdallah Massaad, Group Chief Executive Officer of RAK Ceramics**, said:

"We delivered a strong performance in Q3 2026, with revenue growth and double-digit profit growth despite continued geopolitical uncertainty, supply chain disruptions and elevated logistics costs. Strong demand in the UAE, Middle East and India, together with disciplined execution, supported our performance and enabled us to capture further market share opportunities in key markets.

Our regional manufacturing footprint, strong brand and diversified product portfolio continue to be important competitive advantages. During the quarter, we remained close to our customers and responded quickly to changing market conditions, using local sourcing, alternative logistics routes and inventory buffers to maintain supply and service levels.

Looking ahead, we remain focused on building on this momentum. We will stay agile in monitoring the evolving geopolitical and operating environment and respond proactively to changing market conditions. We will continue to strengthen our position in our core markets, improve operational performance across the Group and progress our value creation initiatives in Europe, India and Bangladesh. At the same time, we continue to invest in our future growth, including our new facility in Saudi Arabia, retail expansion and higher-value product categories. We remain confident in RAK Ceramics' long-term growth prospects and our ability to deliver sustainable value for our shareholders."

Strategic highlights

Manufacturing and operations

- The Group is upgrading the UAE sanitaryware facility by adopting energy-efficient technologies, expanding the product portfolio, and implementing initiatives to reduce carbon emissions in line with its sustainability objectives.

Design spotlight

- In September 2026, RAK Ceramics showcased its latest innovations at Cersaie in Bologna under the theme "One Step Ahead," highlighting its focus on design excellence, innovation and premium products.
- During Q3 2026, RAK Ceramics expanded its premium portfolio through its collaboration with Roberto Cavalli, strengthening its position in the premium design and lifestyle segment.

Awards and recognition

- RAK Ceramics' RE-USE Tile Series was recognised at the Red Dot Awards 2026 for sustainable design and Materials & Surfaces, while RAK Porcelain received the Red Dot: Best of the Best distinction and KLUDI's REEF collection received a Red Dot Award.
- RAK Ceramics received the TecnAwards 2026 – Italian Technology Ambassador for the Middle East distinction at Tecna, Italy, recognising its commitment to technological innovation.
- RAK Ceramics received Gold recognition at the QCFI Awards for operational transformation, reliability and workplace excellence, and Bronze at the Gulf Sustainability Awards 2026 for CSR.
- Group CEO Abdallah Massaad was named among Gulf Business' Top 50 Leaders and CEOs of 2026.

About RAK Ceramics

RAK Ceramics is one of the largest ceramics brands in the world. Specialising in ceramic and Gres porcelain wall and floor tiles, tableware, sanitaryware and faucets, the Company has the capacity to produce 118 million square metres of tiles, 5.7 million pieces of sanitaryware, 36 million pieces of porcelain tableware and 2.6 million pieces of faucets per year at its 23 state-of-the-art plants across the United Arab Emirates, India, Bangladesh and Europe. Founded in 1989 and headquartered in the United Arab Emirates, RAK Ceramics serves clients in more than 150 countries through its network of operational hubs in Europe, Middle East and North Africa, Asia, North and South America and Australia. RAK Ceramics is a publicly listed company on the Abu Dhabi Securities Exchange in the United Arab Emirates and as a group has an annual turnover of approximately USD 1 billion. Learn more about RAK Ceramics: https://www.rakceramics.com

Contact us

If you have any questions or require further information, please do not hesitate to contact our investor relations department.

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