



FOR: **WEBCO INDUSTRIES, INC.**
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For Immediate Release

WEBCO INDUSTRIES, INC. REPORTS FISCAL 2026 THIRD QUARTER RESULTS

SAND SPRINGS, Oklahoma, May 26, 2026 – Webco Industries, Inc. (OTC: WEBC) today reported results for our third quarter of fiscal year 2026, which ended April 30, 2026.

For our third quarter of fiscal year 2026, we had net income of \$8.0 million, or \$11.61 per diluted share, while in our third quarter of fiscal year 2025, we had net income of \$5.0 million, or \$7.05 per diluted share. Net sales for the third quarter of fiscal 2026 were \$179.6 million, a 15.6 percent increase from the \$155.4 million in sales in the third quarter of fiscal year 2025.

For the first nine months of fiscal year 2026, we generated net income of \$13.3 million, or \$19.16 per diluted share, compared to a net income of \$2.9 million, or \$3.68 per diluted share, for the same period in fiscal year 2025. Net sales for the first nine months of the current year amounted to \$481.2 million, a 12.8 percent increase from the \$426.5 million in sales for the same nine-month period of last year.

In the third quarter of fiscal year 2026, we had income from operations of \$10.8 million after depreciation of \$5.1 million. The third fiscal quarter of the prior year generated income from operations of \$8.3 million after depreciation of \$4.9 million. Gross profit for the third quarter of fiscal 2026 was \$29.0 million, or 16.1 percent of net sales, compared to \$21.3 million, or 13.7 percent of net sales, for the third quarter of fiscal year 2025.

Our income from operations for the first nine months of fiscal year 2026 was \$20.3 million, after depreciation expense of \$15.0 million. Income from operations in the first nine-month period of fiscal year 2025 was \$7.6 million, after depreciation expense of \$14.2 million. Gross profit for the first nine months of fiscal 2026 was \$66.3 million, or 13.8 percent of net sales, compared to \$44.8 million, or 10.5 percent of net sales for the same period in fiscal year 2025.

Selling, general and administrative expenses were \$18.2 million in the third quarter of fiscal 2026 and \$13.0 million in the third quarter of fiscal 2025. SG&A expenses were \$46.0 million in the first nine months of fiscal year 2026 and \$37.3 million for the first nine-month period of fiscal year 2025. SG&A expenses reflect increases in costs related to higher profitability, such



as company-wide incentive compensation and variable pay programs, plus inflation we have experienced in wages and other expenses.

Interest expense was \$1.6 million in the third quarter of fiscal year 2026 and \$1.5 million in the same quarter of fiscal year 2025. Interest expense was \$4.4 million and \$3.9 million in the first nine-month periods of the current and prior fiscal years, respectively. Interest expense increased due to higher average debt balances than in the prior fiscal periods.

Capital expenditures incurred amounted to \$6.1 million in the third quarter of fiscal year 2026 and \$13.6 million for the first nine months of fiscal year 2026. Capital spending thus far in fiscal year 2026 has been focused on plant equipment updates and improvements.

At April 30, 2026, we had \$9.9 million in cash and short-term investments, in addition to \$95.4 million of available borrowing under our \$220 million senior revolving credit facility. Availability on the revolver, which had \$97.3 million drawn at April 30, 2026, is subject to advance rates on eligible accounts receivable and inventories. In February 2026, we extended the maturity on our debt agreement to February 2031. Accounting rules require asset-based debt agreements like our revolver to be classified as a current liability, despite its fiscal year 2031 maturity.

Webco's stock repurchase program authorizes the purchase of our outstanding common stock in private or open market transactions. In March 2026, the Company's Board of Directors refreshed the repurchase program with a new limit of up to \$6.0 million and extended the program's expiration until July 31, 2029. We purchased 3,600 shares of our stock during the third quarter of fiscal year 2026 and 21,900 shares in the first nine months of fiscal year 2026. At April 30, 2026, there was approximately \$5.3 million of purchase authority left in the current stock repurchase program. The repurchase plan may be extended, suspended or discontinued at any time, without notice, at the Board's discretion.

Webco's mission is to continuously build on our strengths as we create a vibrant company for the ages. We leverage our core values of trust and teamwork, continuously building strength, agility and innovation. We focus on practices that support our brand such that we are 100% engaged every day to build a forever kind of company for our Trusted Teammates, customers, business partners, investors and community. We provide high-quality carbon steel, stainless steel and other metal specialty tubing products designed to industry and customer specifications. We have five tube production facilities in Oklahoma and Pennsylvania and eight value-added facilities in Oklahoma, Illinois, Michigan, Pennsylvania and Texas, serving customers globally. Our F. William Weber Leadership Campus is in Sand Springs, Oklahoma and houses our corporate



offices and our Webco TechCenter™, providing a state-of-the-art laboratory and R & D facility to lead and develop technical solutions for the metal tubing industry.

Risk Factors and Forward-looking statements: Certain statements in this release, including, but not limited to, those preceded by or predicated upon the words "anticipates," "appears," "believes," "estimates," "expects," "forever," "hopes," "intends," "plans," "projects," "pursue," "should," "will," "wishes," or similar words may constitute "forward-looking statements." Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company, or industry results, to differ materially from any future results, performance or achievements expressed or implied herein. Such risks, uncertainties and factors include the factors discussed above and, among others: general economic and business conditions, including any global economic downturn; government policy or low hydrocarbon prices that stifle domestic investment in energy; competition from foreign imports, including any impacts associated with dumping or the strength of the U.S. dollar; political or social environments that are unfriendly to industrial or energy-related businesses; changes in manufacturing technology; the banking environment, including availability of adequate financing; worldwide and domestic monetary policy; changes in tax rates and regulation; regulatory and permitting requirements, including, but not limited to, environmental, workforce, healthcare, safety and national security; availability and cost of adequate qualified and competent personnel; changes in import / export tariff or restrictions; volatility in raw material cost and availability for the Company, its customers and vendors; the cost and availability, including time for delivery, of parts and services necessary to maintain equipment essential to the Company's manufacturing activities; the cost and availability of manufacturing supplies, including process gases; volatility in oil, natural gas and power cost and availability; world-wide or national transition from hydrocarbon sources of energy that adversely impact demand for our products; problems associated with product development efforts; significant shifts in product demand away from internal combustion engine automobiles; appraised values of inventories that can impact available borrowing under the Company's credit facility; declaration of material adverse change by a lender; industry capacity; domestic competition; loss of, or reductions in, purchases by significant customers and customer work stoppages; work stoppages by critical suppliers; labor unrest; conditions, including acts of God, that require more costly transportation of raw materials; accidents, equipment failures and insured or uninsured casualties; third-party product liability claims; flood, tornado, winter storms and other natural disasters; customer or supplier bankruptcy; customer or supplier declarations



of force majeure; customer or supplier breach of contract; insurance cost and availability; lack of insurance coverage for floods; the cost associated with providing healthcare benefits to employees; customer claims; supplier quality or delivery problems; technical and data processing capabilities; cyberattack on our information technology infrastructure; world, domestic or regional health crises; vaccine mandates or related governmental policy that would cause significant portions of our workforce, or that of our customers or vendors, to leave their current employment; global or regional wars and conflicts; our inability or unwillingness to comply with rules required to maintain the quotation of our shares on any market place; and our inability to repurchase the Company's stock. The Company assumes no obligation to publicly update any such forward-looking statements. No assurance is provided that current results are indicative of those that will be realized in the future.

TABLES FOLLOW



WEBCO INDUSTRIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF OPERATIONS
(Dollars in thousands, except per share data – Unaudited)

	Three Months Ended		Nine Months Ended	
	April 30,		April 30,	
	2026	2025	2026	2025
Net sales	\$ 179,602	\$ 155,371	\$ 481,208	\$ 426,467
Cost of sales	150,645	134,100	414,901	381,641
Gross profit	28,957	21,271	66,307	44,827
Selling, general & administrative expenses	18,184	12,992	45,985	37,259
Income (loss) from operations	10,773	8,279	20,322	7,568
Interest expense	1,563	1,501	4,411	3,898
Pretax income (loss)	9,210	6,778	15,911	3,669
Provision for (benefit from) income taxes	1,214	1,778	2,598	816
Net income (loss)	\$ 7,997	\$ 5,000	\$ 13,313	\$ 2,853
Net income (loss) per share:				
Basic	\$ 12.29	\$ 7.54	\$ 20.37	\$ 3.96
Diluted	\$ 11.61	\$ 7.05	\$ 19.16	\$ 3.68
Weighted average common shares outstanding:				
Basic	651,000	663,000	654,000	720,000
Diluted	689,000	709,000	695,000	776,000

CONSOLIDATED CASH FLOW DATA
(Dollars in thousands – Unaudited)

	Three Months Ended		Nine Months Ended	
	April 30,		April 30,	
	2026	2025	2026	2025
Net cash provided by (used in) operating activities	\$ (6,833)	\$ 2,625	\$ (17,007)	\$ 16,548
Depreciation and amortization	\$ 5,229	\$ 4,843	\$ 15,129	\$ 14,211
Cash paid for capital expenditures	\$ 5,809	\$ 4,325	\$ 13,644	\$ 15,961

Notes: Amounts may not sum due to rounding.



WEBCO INDUSTRIES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Dollars in thousands - Unaudited)

	April 30, 2026	July 31, 2025
Current assets:		
Cash	\$ 230	\$ 1,894
U.S. Treasury Bonds	9,673	13,235
Accounts receivable	82,039	73,004
Inventories, net	213,757	188,943
Prepaid expenses	4,847	4,502
Total current assets	<u>310,546</u>	<u>281,579</u>
Property, plant and equipment, net	166,435	167,275
Right of use, finance leases, net	1,123	1,000
Right of use, operating leases, net	18,940	20,793
Other long-term assets	17,897	18,605
Total assets	<u>\$ 514,940</u>	<u>\$ 489,251</u>
Current liabilities:		
Accounts payable	\$ 32,878	\$ 51,742
Accrued liabilities	33,002	31,380
Current portion of long-term debt, net	96,768	65,636
Current portion of finance lease liabilities	464	459
Current portion of operating lease liabilities	5,387	5,367
Total current liabilities	<u>168,499</u>	<u>154,585</u>
Long-term debt, net of current portion	20,000	20,000
Finance lease liabilities, net of current portion	713	592
Operating lease liabilities, net of current portion	13,552	15,545
Deferred tax liability	2,335	-
Stockholders' equity:		
Common stock	7	7
Additional paid-in capital	48,453	47,007
Retained earnings	261,381	251,515
Total stockholders' equity	<u>309,841</u>	<u>298,529</u>
Total liabilities and stockholders' equity	<u>\$ 514,940</u>	<u>\$ 489,251</u>

Notes: Amounts may not sum due to rounding.