



**East Pipes Integrated Company for Industry
Earnings Release for the Fiscal Year Ending
31 March 2024**

East Pipes concludes FY24 with a remarkable financial performance, witnessing a notable improvement in profitability and margins

Dammam, Saudi Arabia, 23 May 2024: East Pipes Integrated Company for Industry (“East Pipes” or “the Company”, 1321 on the Saudi Exchange), Saudi Arabia’s leading manufacturer of Helical Submerged Arc Welded pipes, today announced its financial results for the fiscal year ending 31 March 2024 (“FY24”), recording the highest ever profitability in the Company’s history.

Financial highlights for FY24

- **Revenues** amounted to SAR 1,543 million in FY24, thus increasing 7% YoY, as a result of an increase in average sales prices. (FY23: SAR 1,439 million).
- **EBITDA** amounted to SAR 353 million in FY24 (FY23: SAR 161 million), supported by the improvement in the top line performance. **EBITDA margin** witnessed a marked increase to 23% in FY24, compared to 11% in FY23.
- **Net profit after zakat and income tax** jumped to SAR 268 million in FY24, increasing nearly 3-fold from SAR 100 million in FY23, as a result of a sustained rise in average sales prices as well as enhanced margins.
- **Cash and cash equivalents** increased to SAR 66 million at the end of March 2024 (31 March 2023: SAR 53 million), while **total borrowings** marginally increased from SAR 245 million to SAR 288 million, to finance the Company’s expanding backlog.

Mohammed Al Shaheen, Chief Executive Officer at **East Pipes** said:

“We are delighted to be concluding yet another successful period in East Pipes’ journey of accomplishments and are indeed proud of our achievements on several fronts, not only financially, but also strategically and operationally. Our strong performance during the year, complemented with our tactical focus on advancing product quality, innovation, and sustainability, sets the stage for East Pipes to achieve continued success.

Looking ahead, we are determined to further elevate our market positioning and deliver diversified and sustainable returns to our shareholders by leveraging our core competitive advantages such as our human resources, our fully integrated manufacturing facilities, our well-established relationships with key business partners and the diversity and quality of our product offering.”

Mohamed Darweesh, Chief Financial Officer at **East Pipes** commented:

“FY24 marks an important period for us at East Pipes, as we ended the year on a strong note, with a robust set of financial results, and revenues and margins. This achievement is testament to the dedication of the team, with a continued focus on operational excellence, in

addition to the current operating environment that is conducive to our growth, as well as the trust and confidence that our customers have continued to place in us.

Supported by the strength of our balance sheet, we continued to allocate investments that are targeted towards enhancing our marketing activities as well as production facilities, which is expected to pave the way for further driving our growth ambitions in the future.”

Ali Al Makrami, Vice President – Commercial at **East Pipes** said:

“During this fiscal year, we continued to strategically navigate the business environment, by capitalizing on our solid market positioning and a number of substantial opportunities, that are enabling us to establish a robust foundation for East Pipes to reach even greater heights. The key highlights of this remarkable year include the award of a number of significant projects, such as the SAR 1.8 billion contract with Aramco, the SAR 1 billion contract with SWCC and many other diversified infrastructures and pipeline projects in Saudi Arabia.

By reinforcing our capabilities and our strategic relationships with key business partners, we remain on track to achieving our expansion plans, while continuing to benefit from the strong momentum in the market, as a result of substantial mega-projects under the Kingdom’s Vision 2030 umbrella.”

Summary of Financial Statements

Balance sheet (SAR million)		
	As of 31 March 2024	As of 31 March 2023
Total assets	1,487	987
Total equity	852	615
Total liabilities	635	372

Income statement (SAR million)			
	FY24	FY23	% Change
Revenue	1,543	1,439	7%
EBITDA	353	161	119%
Net profit	268	100	168%

Cash flow statement (SAR million)			
	FY24	FY23	% Change
Net cash flow from operating activities	11	18	(40%)
Net cash flow from investing activities	(5)	(4)	48%
Net cash flow from financing activities	7	(35)	(120%)
Net change in cash and cash equivalents	13	(20)	(162%)

- Ends -

About East Pipes:

Established in 2010, East Pipes Integrated Company for Industry (East Pipes) is one of the leading manufacturers of Helical Spiral Arc Welded pipes in Saudi Arabia, which are used in critical infrastructure sectors, predominantly water and oil & gas applications. Thanks to its state-of-the-art manufacturing capabilities and fully integrated business model, which includes a double joining plant and coating mill, the Company is capable of producing more than 500,000 metric tons of spiral pipes per annum, making it one of the largest integrated manufacturers of spiral pipes in the region.

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