



# 2024

1444-1445 AH

## Annual Report

| Commitment and sustainability

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ





The Custodian of the Two Holy Mosques King  
**Salman bin Abdulaziz Al Saud**



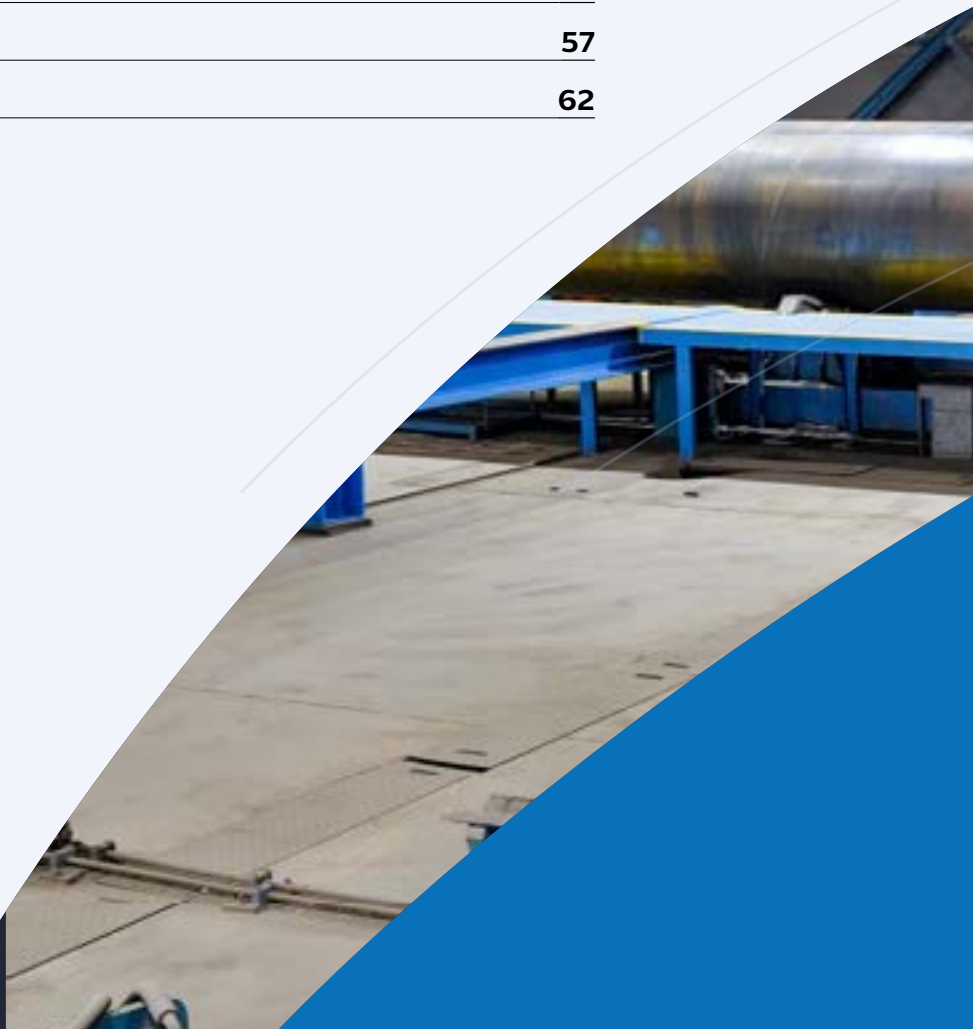
His Royal Highness Prince

**Mohammed bin Salman bin Abdulaziz Al Saud**

Crown Prince of the Kingdom of Saudi Arabia

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# Board of Directors Annual Report

Dear Esteemed Shareholders of East Pipes Integrated Company for Industry,

East Pipes board of directors is pleased to present to you its annual report for 2023-2024, developed in accordance with the requirements of Corporate Governance Regulations, Listing and Registration Rules, and the company's Articles of Association, about the company's business and performance for the fiscal year ended on March 31, 2024, accompanied by audited financial statements and the accompanying notes, including the company's activities and operational performance.



## Board of Directors



**Fully Integrated Operations**

Pipe manufacturing, protective coating, double-jointing



**2.8+**

Million tons pipes manufactured



**21+**

Millions Tons Coating Supplied (SQM)



**93+**

Projects in the oil, gas and water sectors



**My dear stakeholders,**

On my own behalf and all members of the Board of Directors, I am pleased to present to you the 2023-2024 Annual Report, whereas we review our remarkable progress during a year of success and significant achievements that have strengthened our position as a leading manufacturer and service provider in the region.

Your Company, East Pipes Integrated Company for Industry has witnessed remarkable growth during FY 2023-2024, a year of success and significant achievements for us. Our progress in the past year has strengthened our position as a leading manufacturer and service provider in this region.

Our robust order book is a testament to our continued focus on quality and engineering excellence in everything that we do. The volume and scale of projects that have been awarded to us demonstrate our commitment and ability to adapt to new changes and challenges in the operational and executive landscape. Your company has been awarded numerous strategic projects in line with the Kingdom's Vision 2030 and this, in turn, has helped us gain a strong market share in the areas that we operate in.

We take pride in having partnered in a number of Water and Oil & Gas projects, where our products and services have witnessed a strong acceptance from our customers. Our fully integrated manufacturing facilities, impeccable track record of execution of mega orders, quality, and our customer focused approach enables us to remain well-placed to secure further projects both in Water and Oil & Gas sector and continue pioneering in supporting the Kingdom's strategic objectives under the Vision 2030.

Our core sustainability strategy underlines improving our energy and resources efficiency, reducing emissions and enabling circular economy. We have integrated technological solutions to develop products for energy transition associated to Gas, Hydrogen and Carbon Capture & Storage. Our business operations continue to remain sustainable and responsible towards minimizing the impact on environment and increasing contribution to local communities.

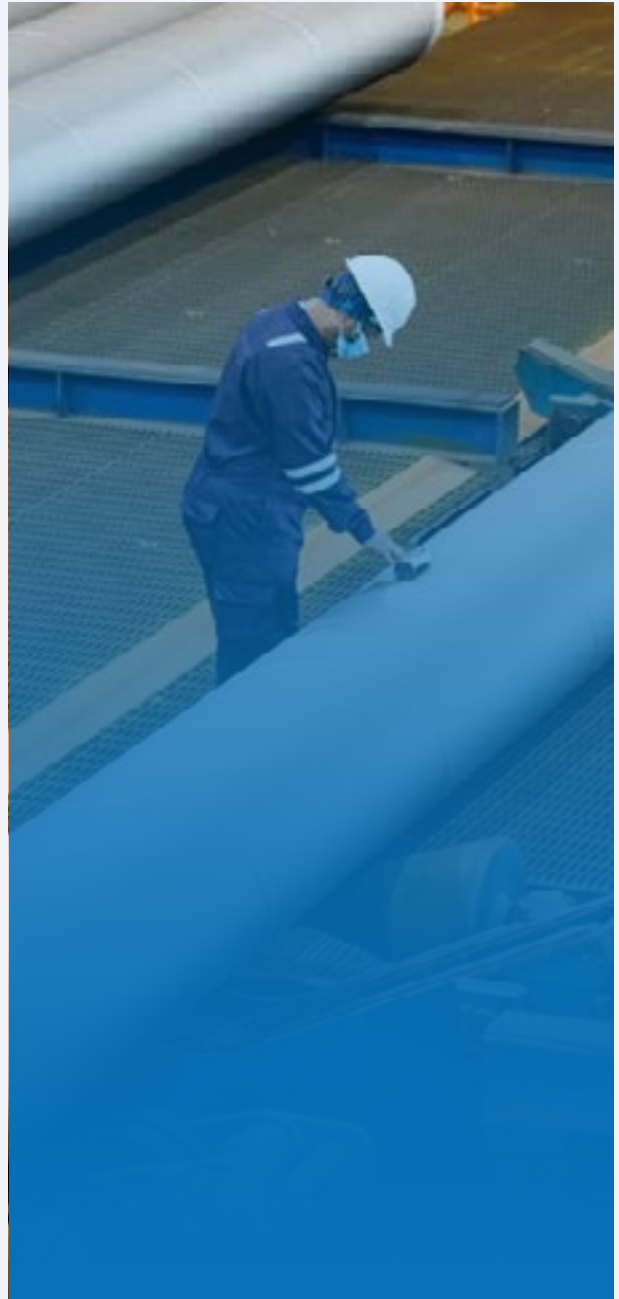
Looking at the future, we are focused on sustainable growth by maximizing and enhancing our production capacities and expanding our access to new markets. Our commitment to continue contributing to infrastructure projects and building on our robust strategies and integrated services will serve us well in future. We are optimistic about our outlook for the coming year, as we anticipate a sustainable increase in our operational and financial performance. This can be attributed to a surge in new contracts and a potential increase in demand of our products and services.

I would like to express my sincere gratitude to our dedicated employees, whose exceptional efforts and perseverance have been the driving force for the organization's success. I would like to extend my appreciation to our valued customers and shareholders for their continued trust and support.

We look forward to a new year full of opportunities and successes, and I am confident that together, we will continue to achieve greater scale by maintaining our focus on excellence.

**Chairman of Board of Directors**

Vipul Sahai Mathur





**Dear Valued Shareholders and Partners,**

I would be pleased to take advantage of this opportunity through the annual report of 2023-2024 to greet the honorable shareholders and to express my deep appreciation to every member in the East Pipes Company for the distinct efforts exerted through the last fiscal year, whereas our successive achievements had contributed to consolidating our position as a leading industrial company in the Kingdom of Saudi Arabia and the Middle East, and at the same time it paves the way for further growth and progress.

The last year was distinguished with our high capabilities in responding to the expectations and aspirations of the clients, thanks to our strategy based on flexibility and integration of production processes and taking full care of the quality of our various products and services. We were able to extend our range of access to clients and taking advantage of our productive capacity effectively for being one of the largest pipe plants in the region, and we are looking forward to seize more opportunities in our business sector, while we confirm pursuing investing in the development to improve the production solutions that are consistent with the changing demands of the clients.

Our operational efficiency appears clearly in our ability to produce and supply pipes according to the highest international standards of quality and safety, as well as the expedite delivery of large projects in water, oil, and gas sectors. Thanks to the company's possession of modern equipment and its following of the most efficient and effective manufacturing procedures, East Pipes Company now has productive features that exceed the industrial standards and add a unique competitive advantage to the company.

Our results for the year 2023-2024 have demonstrated the company's ability to display the operational efficiency and the extent of diversity and high flexibility in executing and supplying many projects in the two sectors with strategic partners and others direct beneficiaries and contractors with whom we had the honor to cooperate in giant, medium and small projects. As a result of efficiency in managing all operations, we announced the best financial results in the history of East Pipes Co. praise be to God.

We look forward with optimism to the next fiscal year, to significantly expand our operations to meet the expected demand for infrastructure projects, provided by the Kingdom's Vision 2030 projects and others in various development sectors.

We are ready to benefit from the promising opportunities arising from the strategic plans of the projects of increasing the production capacity in both sectors, projects privatization, and institutional transformation plans, which comprise wide diversity in the nature and systems of businesses and procurement.

East Pipes Company is committed to its social responsibility and applying the governance procedures while considering the environmental rules and safe work conditions for its employees, the company also continues expanding its efforts through many social initiatives inside and outside the kingdom.

I thank you all for your continued support and together we look forward to achieving more successes and achievements, progressing steadily towards a brighter future for our clients and investors.

We are wishing for a year full of growth, operational excellence and strategic achievements.

**Chief executive officer**

Eng. Mohamed Abdulaziz Shaheen





**Dear Valued Shareholders and Partners,**

This year is considered an exceptional period of achievements for East Pipes Integrated Company for Industry, as we reported a record financial performance, with revenues crossing the SAR 1.5 billion mark (+7%) and net profit surging 168% to reach SAR 268 million. Despite the significant expansion of our backlog and the substantial improvement in both revenues and net profit, we continued to focus on optimizing our SG&A expenses, which increased only marginally by just 4% during the year. We also remained on track to reinforce our long-standing and strategic relationships with our key business partners. This is essentially an intrinsic factor that is driving our growth and development as a company and is helping consolidate our market positioning, both domestically as well as regionally. Our strong operational and financial performance is thus enabling us to establish a solid foundation for our business to further grow and expand in the future.

The Kingdom of Saudi Arabia has continued to make great strides in terms of its core objectives under the Vision 2030 umbrella, which is resulting in a transformation across several crucial sectors of the economy. The oil and gas and water sectors, in particular, are presenting a multitude of opportunities for our business, with a significant pipeline of mega-projects. At East Pipes, one of our key goals is to continue to make an integral contribution and provide unwavering support for the objectives of Vision 2030, which will also materialize into a further improvement in our operational and financial performance going forward.

Marked by a number of significant project awards, this transformative period in our journey witnessed the signing of two of the largest contracts in the history of our company – a substantial SAR 1.8 billion contract for manufacturing and supplying steel pipes to Saudi Aramco and a SAR 1 billion contract for

manufacturing and supplying steel pipes to Saline Water Conversion Corporation (SWCC). This is indeed a testament to the trust and confidence that our clients have continued to place in us, supported by our well-established track record in the market, our fully integrated manufacturing facilities, and our industry-leading yield and execution.

East Pipes continues to demonstrate strong capabilities that are enabling the company to strategically focus on further accelerating its growth plans and strengthening its position as a leading HSAW pipes manufacturer in the Kingdom. The diversity and quality of our product offerings is allowing us to act with agility and effectively cater to the evolving needs of our consumers. Furthermore, our fully integrated and technically advanced manufacturing facilities are paving the way for enhancing the scale of our operations and supporting the development of best-in-class piping solutions for our valued clients.

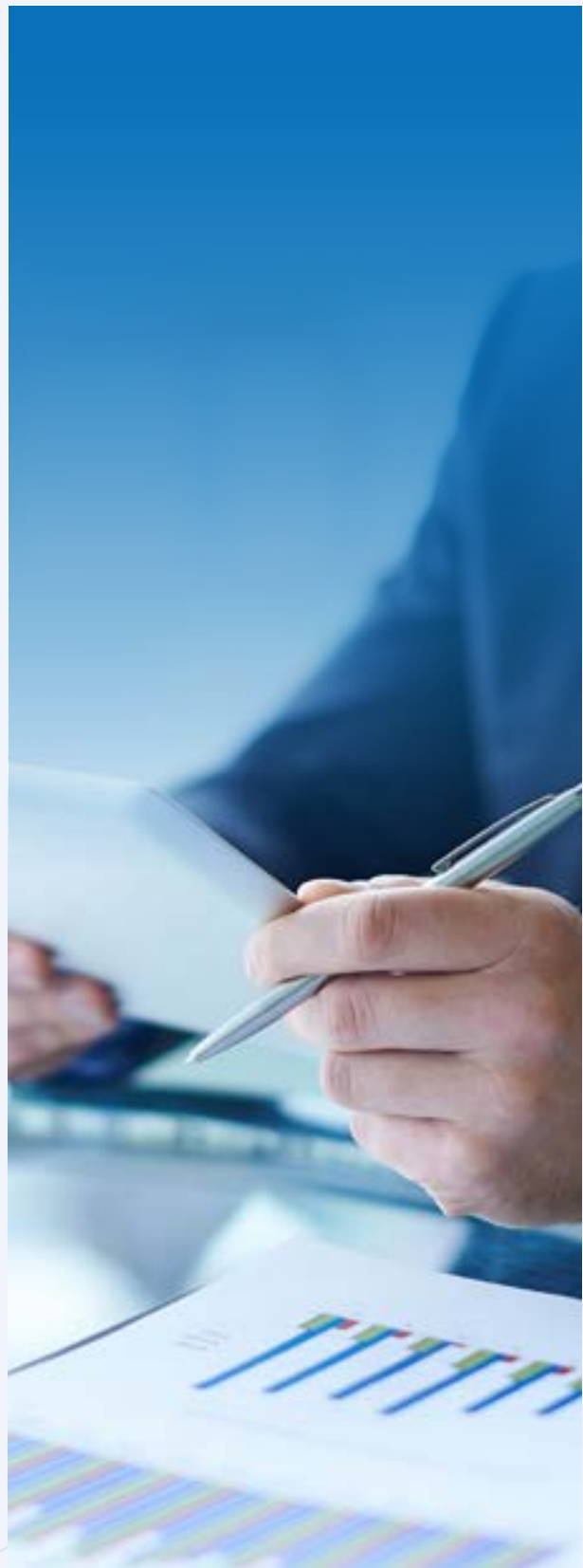
Our robust financial results for the year underscore the fundamental strength and agility of our integrated business model and our solid financial positioning, which are key drivers that are enabling East Pipes to capture emerging opportunities for expansion.

We have continued to maintain a strong trajectory towards sustainable growth during the year, in alignment with our strategic roadmap. With an improvement in both operational and financial performance, we are delighted to report that revenues and net profit have exhibited upward trends during the period. This was largely driven by the effective execution of our expanding pipeline of projects and was additionally backed by the strengthening of our partnerships with key players in the market. This was also complemented with our customer-centric approach in everything we do, which has resulted in further reinforcing our market positioning and elevated our financial performance. Our financial positioning has remained robust during the year, and the effective management of working capital requirements has led to a strong generation of cash flow from operations.

Looking ahead, East Pipes remains focused on enhancing efficiencies, fostering innovation, and pursuing operational excellence, with the primary objective being to deliver sustainable value and long-term returns to our shareholders.

**Chief Financial Officer**

Dr. Mohamed Saleh Ali Darwish





## Our Vision

“More Prosperity aspirations for industrial sector, by supporting innovations and development of technologies to increase business and achieve comprehensive and sustainable growth.”





## Market and Industry Condition and Trends

### Global market overview

The global welded pipes market consists of three (3) products, namely, helical submerged arc-welding (HSAW) pipes, longitudinal submerged arc-welding (LSAW) pipes and electrical resistance welded (ERW) pipes, over the past years demand has increased on the HSAW market, mainly supported by water infrastructure projects, and oil and Gas network in Kingdom. Investments in pipelines in this projects are driven by the KSA's Vision 2030 initiatives in oil, gas and water pipelines, combined with rapidly growing consumption of water and gas.

### Demand in the Kingdom

The GCC HSAW market has been driven mainly by the KSA water market in the last five years, representing upto 60% of the total HSAW demand. The prominence of the KSA water market is mainly due to two factors:

- First, given the vast territory of the Kingdom large size, pipelines are required to transport water.

- Second, there has been an increase in the development of desalination plants and corresponding pipelines. The high growth in water consumption is currently being addressed by developing desalination plants and pipelines to connect them to cities.
- Third: Expanding urban planning and projects connected with the Kingdom's Vision 2030.

### Historically

the GCC countries have witnessed a significant increase in the production capacity of helical submerged arc welded (HSAW) pipes, driven by economic and industrial development, an increase in large infrastructure projects, technological development and the standard quality of local manufacturing, which has distinguished the company in its ability to provide integrated solutions including pipe wrapping and double welding, making it the first in the market with a share exceeding 60% in 2022. In addition to its ability to provide pipes in various diameters and the quality of the additional services provided, as well as the excellent reputation it has gained with customers.

## Board of Directors



**Chairman**  
Mr. Vipul Shiv Sahai Mathur



**Vice Chairman**  
Mr. Ahmed Mubarak Al-Dabasi



**Board Member**  
Mr. Mohammed Saleh Al Hammadi



**Board Member**  
Mr. Khaled Ibrahim Saad Al-Rabiah



**Board Member**  
Mr. Suhail Amin Nathani



**Board Member**  
Mr. Sultan Samir Saeed Joudieh



**Board Member**  
Mr. Viswanathan Hariharan Kollengode



**Board Member**  
Mr. Bassam Abdulsalam Mohammed Bamagous

## Formation of the Board of Directors

The Company is managed by a Board of Directors consisting of eight (8) members appointed by the Ordinary General Assembly, provided that there shall be least three (3) independent members among them. The Company's By-Laws, Corporate Governance Regulations and internal governance regulations define the duties and responsibilities of the Board of Directors. The term of membership of the members of the Board of Directors, including the Chairman, shall be a maximum of three (3) years, and they may be re-elected unless the Company's Articles of Association provide otherwise.

The current term of the Board began on 04/02/1442H (corresponding to 21/09/2020G) for a period of five (5) years end 20/09/2025G, given that it is the first board of the Company after its transformation to joint stock, Board of Directors was formed exceptionally during transformational general assembly, based on the Companies Law and the Company's Articles of Association. Below are the details of the formation of the Company's current Board of Directors:

S	Member's Name	Position	Capacity	Direct Ownership (%)	Appointment Date
1	Vipul Shiv Sahai Mathur	Chairman	Non-executive	-	21/09/2020
2	Ahmed Mubarak Mohammed Al-Debasi	Vice Chairman	Independent	-	21/09/2020
3	Mohammed Saleh Mohammed Hamad Al-Hammadi	Board Member	Non-executive	-	21/09/2020
4	Khalid Ibrahim Saad Al-Rabiah	Board Member	Independent	-	21/09/2021
5	Suhail Amin Nathani	Board Member	Independent	-	21/09/2020
6	Sultan Samir Saeed Joudia	Board Member	Non-executive	-	24/05/2022
7	Viswanathan Hariharan Kollengode	Board Member	Non-executive	-	24/05/2022
8	Bassam Abdulsalam Mohammed Bamagous	Board Member	Non-executive	0.0078063%	20/10/2022

## Board Meetings

The Board of Directors shall meet at least four times in the year at the invitation of its Chairman. The invitation shall be in writing and may be delivered by any mean of contemporary means of communications, at least five (5) working days prior to the date specified for the meeting. The Chairman of the Board must call the Board to convene whenever two members request it. Likewise, Members have the right to discuss and/or resolve at any meeting of the Board, and add it to the agenda items of the meeting if it is not one of the subjects specifically provided in the invitation convening that meeting, and shall take approval of the majority of the members. The Board of Directors held (10) meetings during the fiscal year 2023-2024G, as shown in the following table:

Attendance record for Board meetings for the year 2023-2024											
Member's Name	1st Meeting	2nd Meeting	3rd Meeting	4th Meeting	5th Meeting	6th Meeting	7th Meeting	8th Meeting	9th Meeting	10th Meeting	Attendance Percentage (%)
	18 Apr.2023	25 May 2023	20 July 2023	31 July 2023	30 Oct.2023	02 Nov.2023	27 Nov.2023	30 Nov.2023	20 Dec.2023	31 Jan.2024	
Vipul Shiv Sahai Mathur	Present	Present	Present	Present	Present	Present	Present	Present	Present	Absent	90%
Ahmed Mubarak Mohammed Al-Debasi	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	100%
Mohammed Saleh Mohammed Hamad Al Hammadi	Present	Absent	Present	Present	Present	Present	Present	Present	Present	Present	90%
Khalid Ibrahim Saad Al-Rabiah	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	100%
Suhail Amin Nathani	Present	Absent	Present	Present	Absent	Present	Present	Absent	Absent	Present	60%
Sultan Samir Saeed Joudia *	Present	Present	Present	Present	Present	Present	Present	Absent	Present	Present	100%
Viswanathan Hariharan Kollengode	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	100%
Bassam Abdulsalam Mohammed Bamagous	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	100%

## Responsibilities of the Board of Directors

The Board represents all shareholders, and it shall exercise its duty of care and duty of loyalty in the Company's management and observe its interests, development and maximize its value. The ultimate responsibility for the Company rests with the Board even if it sets up committees or delegates some of its powers to third parties. In all cases, the Board may not issue a general or indefinite delegation of authority.

The responsibilities and powers of the Board include the following:

- Developing the Company plans, policies, strategies, and main objectives, periodically supervising their implementation and revision, and ensuring the availability of human and financial resources necessary to achieve them, including:
  - Developing, reviewing, and directing the Company's comprehensive strategy, main business plans, risk management policies and procedures.
  - Determining the most appropriate capital structure for the Company, its strategies and financial objectives, and approving all types of estimated budgets.
  - Overseeing the Company's main capital expenditures and the acquisition and disposal of assets.
  - Setting performance indicators and monitoring the implementation thereof and the overall performance of the Company.
  - Periodically reviewing and approving the Company's organizational and functional structures.
  - Verifying the availability of the necessary human and financial resources to achieve the Company's key objectives and plans
- Setting rules and procedures for internal control and generally overseeing them, including:
  - Developing a written policy to address actual and potential conflicts of interest scenarios for each of the directors, the executive management, and the shareholders. This includes misuse of the Company's assets and facilities and mismanagement resulting from transactions with related parties.
  - Ensuring the integrity of the financial and accounting rules, including rules relating to the preparation of financial reports.
  - Ensuring the implementation of appropriate control procedures for risk assessment and management by generally forecasting the risks that the Company may encounter and creating an environment which is aware of the culture of risk management at the Company level and disclosing such risks transparently to the Stakeholders and parties related to the Company.
  - Reviewing the effectiveness of the Company's internal control procedures on an annual basis.
- Developing clear and specific policies, standards and procedures for Board membership and implementing them upon approval by the General Assembly.
- Developing a written policy governing the relationship with stakeholders.
- Developing policies and procedures to ensure compliance of the Company and executive management thereof with the laws and regulations and the obligation to disclose material information to shareholders and stakeholders.
- Supervising the Company's financial affairs management, cash flows and financial and credit relations with third parties.
- Making recommendations to the Extraordinary General Assembly with respect to:
  - Increasing or decreasing the Company's share capital.
  - Dissolving the Company before the end of the term set out in its Bylaws or deciding its continuance.
- Making recommendations to the Ordinary General Assembly with respect to:
  - Using the Company's additional reserves if created by the Extraordinary General Assembly and if not designated for a specific purpose.
  - Creating additional financial reserves or provisions for the Company.
  - Method of distributing the Company's net profit.
- Developing the Company's interim and annual financial statements and approving them before publication.
- Preparing the Board's report and approve it before publication.
- Ensuring the data and information needed to be disclosed are accurate. This shall be done in accordance with applied policies and procedures of disclosures and transparency.

- Establishing effective communication channels to continuously and periodically enable shareholders to have access to the Company's different activities and any substantial developments.
- Forming specialized committees of the Board by virtue of resolutions in which the Board determines the term, authorities, and responsibilities of the committees and how to monitor the same. The formation resolution shall include the designation of the members and determination of their duties and rights, along with assessing performance and work of such committees and their members.
- Determining types of compensation to the employees, such as fixed remuneration and compensation related to performance as well as compensation in the form of shares in a manner consistent with the regulatory controls and procedures issued pursuant to the Company's Bylaws pertaining to listed joint-stock companies.
- Developing principles and standards that govern the business of the Company.
- The responsibilities and powers of the Chairman include the following:
  - Ensuring Directors' timely access to full, clear, correct, and non-misleading information.
  - Ensuring that the Board discusses all the main issues in an efficient and timely manner.
  - Representing the Company before third parties, as provided for by the Companies Law, its Implementing Regulations, and the Company's Bylaws.
  - Encouraging the Directors to perform their functions effectively and to achieve the Company's interest.
  - Creating effective communication channels with shareholders and making their opinions heard to the Board.
  - Encouraging constructive relations and active participation between the Board, Executive Management, and between the Executive members, non-Executive members and independent members and to create a culture that encourages constructive criticism.
  - Preparing an agenda for the Board meetings, taking into account any matter raised by a Director or auditor and holding consultations with the Directors and the Chief Executive Officer, upon preparing the agenda of the Board meetings.
- Holding periodic meetings with Non-Executive Directors without the attendance of any Executive Directors.
- Informing the Ordinary General Assembly, once convened, of the transactions and contracts in which a director has a direct or indirect interest. This notice must contain the information presented by the Director to the Board in accordance with Article 28(15) (Tasks and Duties of the Board Members) of the Corporate Governance Regulation, with a special report from the Company's external auditor attached to the notice.

## Biographies of the Board members

S	Name	Current Positions	Previous Positions and Experiences	Academic Qualifications
1	Vipul Shiv Sahai Mathur	<ul style="list-style-type: none"> <li>Chairman of Board of Director at East Pipes Integrated Company for Industry from 2020G to date.</li> <li>Board Member at Welspun Pipes Inc., a United States unlisted public company, operating in the investment industry, from 2019G to date.</li> <li>Board Member at Welspun Tubular LLC, a United States unlisted public company, operating in the steel tubes and pipes industry, from 2019G to date.</li> <li>Board Member at Welspun Global Trade LLC, a United States unlisted public company, operating in marketing of the steel tubes and pipes industry, from 2019G to date.</li> <li>Managing Director and Chief Executive Officer at Welspun Corp Limited, an Indian listed public company, operating in the steel pipes, coating and polymer products industry, from 2017G to date.</li> <li>Board Member at Welspun Specialty Solutions Limited, an Indian listed public company, operating in the stainless-steel pipes billets etc., from 2022G to date.</li> <li>Board Member of Welspun DI Pipes Limited, an Indian unlisted public company, operating in the DI Pipes, from 2021G to date.</li> <li>Board Member of Gladiator Consultancy Private Limited, an Indian unlisted private company, operating in the consultancy for Pipes, from 2022G to date.</li> </ul>	<ul style="list-style-type: none"> <li>Board Member of Welspun Metallics Limited, an Indian unlisted public company, operating in the steel, from 2022G to 2023G.</li> <li>Board Member at Welspun Middle East Pipe Coatings LLC, a Saudi limited liability company, operating in the pipe coating industry, from 2013G to 2020G.</li> <li>Board Member at Welspun Wasco Coatings Private Limited, an Indian unlisted public company, operating in the concrete weight coatings from 2018G to 2021G</li> <li>Member of the East Pipe Company's Executive Committee, from 2013G to 2021G.</li> <li>Vice President of Sales and Marketing at MAN Industries Limited, an Indian listed public company, operating in the steel tubes and pipes industry, from 1999G to 2000G.</li> <li>Sales and Marketing Manager at Triveni Oilfield Services Limited, an Indian listed public company, operating in the steel tubes and pipes industry, from 1995G to 1999G.</li> <li>Sr. Executive (Sales and Marketing) at Maharashtra Seamless Limited, an Indian listed public company, operating in the steel tubes and pipes industry, from 1992G to 1995G.</li> <li>Marketing Officer in the Sales and Marketing Department at Kirloskar Electric Company Limited, an Indian public company, operating in the engineering industry, from 1990G to 1992G.</li> </ul>	<ul style="list-style-type: none"> <li>Master of Business Administration with specialization in Marketing, Calcutta University, India, 1990G.</li> <li>Bachelor of Science, Kanpur University, India, 1988G.</li> </ul>
2	Ahmed Mubarak Mohammed Al-Debasi	<ul style="list-style-type: none"> <li>Vice Chairman Board of Directors at the East Pipes Integrated Company for Industry and Chairman of the Nominations and Remuneration Committee since 2021G to date.</li> <li>Member of the Executive Committee since 2023 to date.</li> </ul>	<ul style="list-style-type: none"> <li>Chief Executive Officer at Saudi Steel Pipe Company, a Saudi listed joint stock company, operating in the production of steel pipes, from 2005G to 2016G.</li> <li>Managing Director at Saudi Steel Pipe Company, a Saudi listed joint stock company, operating in the production of steel pipes industry, from 2016G to 2019G.</li> <li>Chairman at Saudi Steel Pipe Company, a Saudi listed joint stock company, operating in the production of steel pipes industry, from 2019G to 2022.</li> <li>Board Member at Titanium and Steel Manufacturing Company, a Saudi limited liability company, operating in the titanium and steel industry, from 2019G to 2022.</li> <li>Board Member at Middle East Paper Company (MEPCO), a Saudi listed joint stock company, operating in the paper production industry, from 2016G to 2022.</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor's degree in business administration, Temple University, United States of America, 1982G</li> </ul>

S	Name	Current Positions	Previous Positions and Experiences	Academic Qualifications
3	Mohammed Saleh Mohammed Hamad AlHammadi	<ul style="list-style-type: none"> <li>Board Member of East Pipes Integrated Company for Industry since 2020G to date</li> <li>Board Member at Aziz Company for Contracting and Industrial Investment, a Saudi closed joint stock company operating in the general contracting industry, from 2019G to date.</li> <li>General Manager at Support Medical a Saudi limited liability company operating in the hospital and laboratory management and operation industry, from 2018G to date.</li> <li>General Manager at Continues Medical Education Company, a Saudi limited liability company operating in the field of rehabilitation training institutes and centers, from 2018G to date.</li> <li>Board Member at Medical Industrial Company Ltd, a Saudi limited liability company operating in the medicines and medical supplies industry, from 2017G to date.</li> <li>Board Member at Al Baha Company for Investment and Development, a Saudi listed joint stock company, operating in the investment and financing industry, from 2013G to date.</li> <li>General Manager at Construction and Maintenance Company, a Saudi limited liability company operating in the maintenance and contracting industry, from 2013G to date.</li> <li>Chairman at Al Hammadi for Hospital Operations and Management, a Saudi limited liability company operating in the medical services industry, from 2013G to date.</li> <li>General Manager at Al Hammadi Information Technology Company, a Saudi limited liability company operating in the information technology industry, from 2009G to date.</li> <li>General Manager at Al Hammadi Construction Company, a Saudi limited liability company operating in the contracting industry, from 2005G to date.</li> <li>Chief executive officer and Managing Director at Al Hammadi Holding Co, a Saudi listed joint stock company, operating in the health care industry, from 1996G to date.</li> <li>Member of the Board of Directors of Sudair Pharmaceutical Company from 2021G to date</li> </ul>	<ul style="list-style-type: none"> <li>Board Member at Saudi Chemical Company, a Saudi joint stock company, operating in the healthcare industry, from 2007G to 2009G.</li> <li>Chairman at Saudi Automotive Services Company (SASCO), a Saudi joint stock company, operating in the automotive services industry, from 2006G to 2009G.</li> <li>General Manager at Pharma Serve Limited Company, a Saudi limited liability company operating in the medical devices and products and medicines trade, from 2018G to 2022G</li> <li>General Manager at Home Medical Care Company Ltd, a Saudi limited liability company operating in the home medical services industry, from 2016G to 2022G</li> <li>General Manager at Biopharma Industrial Park Company, a Saudi limited liability company operating in the pharmaceutical industry, from 2017G to 2022G.</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Business Administration, Webber State University, United States of America, 1996G.</li> <li>Bachelor of Marketing, Webber State University, United States of America, 1996G.</li> </ul>
4	Khalid Ibrahim Saad Al-Rabiah	<ul style="list-style-type: none"> <li>Board member and Chairman of the Audit Committee of the East Pipes Integrated Company for Industry, from 2021G to date.</li> <li>Chairman of the Audit Committee of the International Company for Water and Power Projects (ACWA Power), a Saudi public joint stock company, operating in the power and desalinated water production industry, from 2018G to date.</li> <li>Chairman of the Audit Committee, Saudi District Cooling Company, a closed Saudi joint stock company operating in district cooling, from 2019G to date.</li> <li>Board member and Chairman of the Audit Committee of the Abdullah Al-Othaim Investment Company, a closed Saudi joint stock company, operating in the development and operation of commercial complexes, from 2021G to date.</li> <li>Board member and member of the Investment Committee, Chairman of the Risk Committee of the Yanbu National Petrochemical Company (Yansab), a Saudi joint stock company, operating in the petrochemical industry, from 2020G to date.</li> <li>Chairman, Arab Company for Drug Industries and Medical Appliances, an Arab joint company representing the share of the Kingdom, operating in pharmaceutical industries and medical supplies, from 2020G to date.</li> <li>Board member and Chairman of the Audit Committee at the Tunisian Saudi Bank, a bank equally owned by the Government of the Republic of Tunisia and the Government of the Kingdom, operating in banking services, from 2020G to date.</li> <li>Board member and Chairman of the Audit Committee Miahona from December 2023 and chairman of the audit committee.</li> <li>Board member at Southern Cement Company a Saudi joint stock company &amp; chairman of the audit committee, member of the NRC committee from 2024 to date.</li> <li>Board member at Tarabout Charitable organization since 2020 to date.</li> <li>Founder and President of KIR Financial Advisory, operating in providing financial and strategic advisory services, from 2016G to date.</li> </ul>	<ul style="list-style-type: none"> <li>Chairman, Saudi Stock Exchange (Tadawul), a Saudi joint stock company, operating as a main stock exchange in the Kingdom, from 2013G to 2017G.</li> <li>Chief executive officer, Methanol Chemicals Company (Chemanol), a Saudi public joint stock company, operating in the production of formaldehyde and its derivatives and concrete improvers, from 2008G to 2016G.</li> <li>Vice President for Finance, the Saudi Arabian Amiantit Company, a Saudi public joint stock company, operating in establishing plants, owning, managing and operating industrial facilities and marketing its products, especially industrial projects for pipe production, from 1993G to 2008G.</li> <li>Consultant at the Saudi Mining Services Company, a closed Saudi joint stock company, operating in mining services, from 2020G to 2022.</li> <li>Director at Al-Dowayan Holding Company, a closed Saudi joint stock company, operating in real estate development, from 2017G to 2023.</li> <li>Chairman of the Audit Committee, Al Jazeera Support Services Company (Mehan), a Saudi joint stock company operating in recruitment and labor services, from 2017G to 2020G.</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Accounting, The University of Toledo, United States of America, 1991.</li> </ul>

S	Name	Current Positions	Previous Positions and Experiences	Academic Qualifications
5	<b>Suhail Amin Nathani</b>	<ul style="list-style-type: none"> <li>Board Member at the East Pipes Integrated Company for Industry Company and Member of the Nominations and Remuneration Committee at the Company, from 2020G to date.</li> <li>Board Member at Piramal Enterprises Limited, an Indian listed public company operating in the pharmaceutical industry, from 2020G to date.</li> <li>and Member of Corporate Social Responsibility Committee and Financial Services Approval Committee.</li> <li>Board Member at Piramal Capital &amp; Housing Finance, an Indian unlisted company operating in the mortgage and financial services industry, from 2017G to date.</li> <li>and Member of Audit Committee and Chairman of Nomination and Remuneration Committee; Corporate Social Responsibility Committee; Stakeholder's Relationship Committee and Risk Management Committee.</li> <li>Board Member at UTI Trustee Company Private Limited, an Indian company limited by shares, operating in the financial intermediation industry, from 2015G to date.</li> <li>Board Member at CIE Automotive Ltd., an Indian listed public company operating in the automotive industry, from 2014G to date. and Member of Stakeholder's Relationship Committee; Allotment Committee.</li> <li>Board Member at Progressive Electoral Trust, (Section 8 Company) an Indian non-profit company limited by guarantee, operating in political party financing, from 2018G to date.</li> <li>Board Member at Aga Khan Agency for the Habitat India, (Section 8 Company) an Indian non-profit organization operating in community support, from 2012G to date.</li> <li>Board Member at Salaam Bombay Foundation, (Section 8 Company) an Indian non-profit organization operating in child health, education, and protection, from 2008G to date.</li> <li>Founder and Managing Partner at Economic Laws Practice, an Indian law firm, operating in the advocacy and legal advice industry, from 2001G to date</li> </ul>	<ul style="list-style-type: none"> <li>Director at IGC Pharma, Inc, Dewan Housing Finance Corp. Ltd.,</li> <li>Director at Piramal Glass Pvt Ltd.</li> <li>Independent Non-Executive Director at The Phoenix Mills Ltd. from 2011 to 2016.</li> <li>Independent Non-Executive Director at DCB Bank Ltd. from 2009 to 2017.</li> </ul>	<ul style="list-style-type: none"> <li>Master in Law, Duke University, United States of America, 1991G.</li> <li>MA (Law), Cambridge University, United Kingdom, 1990G.</li> <li>Bachelor of Commerce, Bombay University, India, 1987G.</li> </ul>
6	<b>Sultan Samir Saeed Joudieh</b>	<ul style="list-style-type: none"> <li>Senior Vice President, Portfolio Management, Vision International Investment Company, a Saudi closed joint stock company, Riyadh, KSA (Jan'23 – Present)</li> <li>Board Member at East Pipes Integrated Company for Industry since 2022 to date, and Chairman of Executive Committee since 2020 to date</li> </ul>	<ul style="list-style-type: none"> <li>Vice President for Investment in Vision International Investment Company, a Saudi closed joint stock company, Riyadh, KSA (Jan'20 – Dec'22) – Investment and Project Development</li> <li>Associate Vice President - Asset Management Vision Invest, Riyadh, KSA (Jan'18 – Dec'19) – Investment and Project Development</li> <li>Director of Finance and Investments Beatona Company (May'12 – Dec'17) – Investment and Project Development in the field of Solid Waste Management</li> <li>Senior Associate the National Investor, Riyadh, KSA (Oct'07 – Oct'11) – Financial Advisory, Investment and Asset Management</li> <li>Associate Capital Management House, Kingdom of Bahrain (Nov'06 – Sept'07) – Financial Advisory</li> <li>Associate Financial Transaction House, Jeddah, KSA (Apr'05 – Nov'06) – Financial Advisory</li> </ul>	<ul style="list-style-type: none"> <li>Certified board director, and holder of a Diploma Certificate by GCC Board Directors Institute</li> <li>Master's Degree in Business Administration from the University of Liverpool, United Kingdom – 2016</li> <li>Bachelor of Business Administration with concentration in finance from American University of Beirut, Beirut, Lebanon - 2004 (with distinction)</li> </ul>

S	Name	Current Positions	Previous Positions and Experiences	Academic Qualifications
7	<b>Viswanathan Hariharan Kollengode</b>	<ul style="list-style-type: none"> <li>Board Member at East Pipes Integrated Company for Industry, and member of Audit Committee since 2022 to date.</li> <li>Board member of Welspun Specialty Solutions Limited, a public company Listed on BSE Limited in India.</li> <li>Board member of Welspun Captive Power Generation Limited, an unlisted subsidiary of Welspun Living Limited (Formerly known as Welspun India Limited), a public company which is listed at BSE Limited and the National Stock Exchange of India.</li> <li>Board member of Welspun Anjar SEZ Limited, an unlisted subsidiary of Welspun Living Limited (Formerly known as Welspun India Limited), a public company listed on BSE Limited and the National Stock Exchange of India.</li> <li>Board member of Welspun Flooring Ltd. An unlisted subsidiary of Welspun Living Ltd (formerly known as Welspun India Limited). A public company listed on BSE Limited and the National Stock Exchange of India.</li> <li>Welspun BAPL Private Limited (formerly known as Plastauro Private Limited and prior to that known as Tubular Pipes Private Limited, an unlisted private company.</li> <li>BAPL Rototech Private Limited, an unlisted private company.</li> </ul>	<ul style="list-style-type: none"> <li>Member of the Board of Welspun Corp Limited and the Committees of the Board from 2002G to 2022G</li> <li>Member of the Board Welspun Wasco Coatings Private Limited and the Committees of the Board from 2015G to 2022G</li> <li>Member of the Board Welspun Trading's Limited and the Committees of the Board from 2012G to 2020G</li> <li>Member of the Board of AYM Syntex Limited (Formerly known as Welspun Syntex Limited) and the Committee from 2015G to 2023G</li> <li>Board member of Welspun USA Inc, an American unlisted subsidiary of Welspun Living Ltd. (Formerly known as Welspun India Limited), a public company listed on BSE Limited and the National Stock Exchange of India. Since 2022 To 2024.</li> <li>Board member of Welspun Living Limited (Formerly known as Welspun India Limited), a public listed company at BSE Limited and the National Stock Exchange of India. Since 01.07.2022 To 31.03.2024.</li> <li>Board member of Welspun Global Brands Limited, an unlisted subsidiary of Welspun Living Limited (Formerly known as Welspun India Limited), a public company listed on BSE Limited and the National Stock Exchange of India). Since 30.08.2011 To 31.03.2024</li> <li>Experiences in: <ul style="list-style-type: none"> <li>Accounting, taxation, corporate law, due diligence - mergers and acquisitions, business strategy</li> <li>formulation.</li> <li>Internal Audit, Internal Controls, Information Technology Controls, International Financial</li> <li>Reporting Standards, Digital Strategy,</li> <li>Board governance and practices and board effectiveness.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>B.Com. (Accounts, Corporate Law, Economics), in the year 1982 from the University of Mumbai, India</li> <li>ACMA (Accounting, Cost and Management Information Systems) in the year 1986 from the Institute of Cost Accountants of India</li> </ul>
8	<b>Bassam Abdulsalam Mohammed Bamagous</b>	<ul style="list-style-type: none"> <li>Member of the Board of Directors of the East Pipe Integrated Company for Industry from 2022 AD to date, and a member of the Executive Committee since 2021 AD.</li> <li>CEO of the Saudi International Energy Company from [2016 AD] to date, which is a Saudi limited liability company, working in the field of energy, industry, supplies, maintenance, operation, investments, and member of the Executive Committee.</li> <li>Member of the Executive Committee of Al-Haytam Company for Manufacturing and Economic Development since 2016.</li> <li>Member of the Board of Directors and member of the Executive Committee of Anixter Saudi Company Limited from [2017] to date, which is a mixed ownership company with limited liability, working in the field of electrical goods, cables, communications and security systems.</li> <li>Member of the Board of Directors of the Development Company for Industrial and Commercial Investment from [2017] to date, which is a Saudi closed joint stock company, working in the field of industrial and commercial investment.</li> <li>Member of the Board of Directors of the Saudi Target Construction Company from [2017] to date, which is a mixed ownership company with limited liability, working in the field of construction, oil and gas projects, and marine projects.</li> <li>Manager at Voltic Mehween Engineering Contracting Company since 2019.</li> </ul>	<ul style="list-style-type: none"> <li>CEO of Al-Haytam Manufacturing and Economic Development Company from [2014 AD] until [2016 AD], which is a Saudi limited liability company, working in the field of supply business to the oil, gas, energy, chemicals and water market.</li> <li>Director of the Electricity Department at Al-Abdelkarim Holding Company, a limited liability company working in the field of energy and industrial supplies, from 2006 AD until 2013 AD.</li> <li>Product manager for electrical temperature tracking systems at Al-Abdulkarim Holding Company, a Saudi limited liability company working in the field of energy and industrial supplies, from 2005 AD until 2006 AD.</li> <li>Sales engineer at Al-Abdulkarim Holding Company, a Saudi limited liability company working in the field of energy supplies and industrial equipment, from 2003 AD until 2005 AD.</li> <li>Electrical engineer at Al-Abdulkarim Holding Company, a Saudi limited liability company working in the field of energy supplies and industrial equipment, from 2002 AD until 2003 AD.</li> <li>Electrical design engineer at Dar Al Riyadh Engineering Consulting Company, a Saudi limited liability company working in the field of providing engineering consultations, from 2000 AD until 2002 AD.</li> </ul>	<ul style="list-style-type: none"> <li>MBA, executive business management, King Fahd University of Petroleum and Minerals, Kingdom of Saudi Arabia, 2016.</li> <li>Bachelor's degree in Applied Electrical Engineering, King Fahd University of Petroleum and Minerals, Kingdom of Saudi Arabia, in 2000 AD.</li> </ul>

## Names of companies inside or outside the Kingdom in which the Company's directors are members on their current or previous boards or one of their managers:

Director's Name	Names of companies in which the Director is a member of their current board of directors or one of their managers	Inside or outside the Kingdom	Legal Entity	Names of companies in which the Director WAS a member of their previous boards or one of their managers	Inside or outside the Kingdom	Legal Entity
Vipul Shiv Sahai Mathur	Welspun Pipes Inc.	Outside the Kingdom	American public unlisted corporation	Welspun Wasco Coatings Private Limited	Outside the Kingdom	Indian unlisted public company
	Welspun Tubular LLC	Outside the Kingdom	American public unlisted limited liability company	MAN Industries Limited	Outside the Kingdom	Indian listed public company
	Welspun Global Trade LLC	Outside the Kingdom	American public unlisted limited liability company	Triveni Oilfield Services Limited	Outside the Kingdom	Indian listed public company
	Welspun Specialty Solutions Limited	Outside the Kingdom	Indian listed public company	Maharashtra Seamless Limited	Outside the Kingdom	Indian listed public company
	Welspun Corp Limited	Outside the Kingdom	Indian listed public company	Kirloskar Electric Company Limited	Outside the Kingdom	Indian public company
	Welspun DI Pipes Limited	Outside the Kingdom	Indian unlisted public company	Welspun Metallics Limited	Outside the Kingdom	Indian unlisted public company
	Gladiator Consultancy Private Limited	Outside the Kingdom	Indian unlisted private company	Welspun Middle East Pipe Coatings LLC	Inside the Kingdom	Unlisted limited liability company
	East Pipes Integrated Company for Industry	Inside the Kingdom	Listed joint stock company			
Ahmed Mubarak Mohammed Al-Debasi	East Pipes Integrated Company for Industry	Inside the Kingdom	Listed joint stock company	Saudi Steel Pipe Company	Inside the Kingdom	Saudi listed joint stock
				Titanium and Steel Manufacturing Company	Inside the Kingdom	Saudi limited liability company
				Middle East Paper Company (MEPCO)	Inside the Kingdom	Saudi listed joint stock company
Mohammed Saleh Mohammed Hamad AlHammedi	- Al Hammadi Holding	Inside the Kingdom	Listed joint stock company	at Saudi Chemical Company	Inside the Kingdom	Listed joint stock company
	- Al Baha Company for Investment and Development	Inside the Kingdom	Listed joint stock company	Saudi Automotive Services Company (SASCO),	Inside the Kingdom	Listed joint stock company
	Aziz Company for Contracting and Industrial Investment	Inside the Kingdom	Closed joint stock company			
	Al Hammadi for Operations and Management Hospital	Inside the Kingdom	Limited Liability Company			
	Medical Industrial Company	Inside the Kingdom	Limited Liability Company			
	Sudair Pharmaceutical Company	Inside the Kingdom	limited liability company			
	Al Hammadi Information Technology Company	Inside the Kingdom	Limited Liability Company			
	Al Hammadi Construction and Maintenance Company	Inside the Kingdom	limited liability company			
	Al Hammadi Continues Medical Education Company	Inside the Kingdom	Limited Liability Company			
East Pipes Integrated Company for Industry	Inside the Kingdom	Listed joint stock company				

Director's Name	Names of companies in which the Director is a member of their current board of directors or one of their managers	Inside or outside the Kingdom	Legal Entity	Names of companies in which the Director WAS a member of their previous boards or one of their managers	Inside or outside the Kingdom	Legal Entity
Khalid Ibrahim Saad Al-Rabiah	Abdullah Al-Othaim Investment Company	Inside the Kingdom	Closed joint stock company	Saudi Stock Exchange (Tadawul)	Inside the Kingdom	Joint stock company
	Yanbu National Petrochemical Company (Yansab)	Inside the Kingdom	Joint stock company	, Methanol Chemicals Company (Chemanol)	Inside the Kingdom	Joint stock company
	Arab Company for Drug Industries and Medical Appliances	Outside the Kingdom	Joint Arab company	Saudi Arabian Amiantit Company	Inside the Kingdom	Joint stock company
	Tunisian Saudi Bank	Outside the Kingdom	A bank equally owned by the Government of the Republic of Tunisia and the Government of the Kingdom of Saudi Arabia			
	Al-Dowayan Holding Company	Inside the Kingdom	Closed joint stock company			
	KIR Financial Advisory	Inside the Kingdom	Financial and strategic advisory services office	-	-	-
	Tarabot Charitable Association	Inside the Kingdom	A charity	-	-	-
	Southern Cement Company	Inside the Kingdom	Listed joint stock company	-	-	-
	Miahona Company	Inside the Kingdom	Closed joint stock company			
	East Pipes Integrated Company for Industry	Inside the Kingdom	Listed joint stock company			
Suhail Amin Nathani	Piramal Enterprises Limited	Outside the Kingdom	Indian listed public company			
	Piramal Capital & Housing Finance Ltd.	Outside the Kingdom	Indian unlisted public company			
	UTI Trustee Company Private Limited	Outside the Kingdom	Indian company limited by shares	-	-	-
	Mahindra CIE Automotive Ltd.	Outside the Kingdom	Indian listed public company	-	-	-
	Aga Khan Agency for the Habitat India	Outside the Kingdom	Indian non-profit company	-	-	-
	Siddhesh Capital Market Services Private Limited	Outside the Kingdom	Indian unlisted public company	-	-	-
	Salaam Bombay Foundation	Outside the Kingdom	Indian unlisted public company	-	-	-
	Progressive Electoral Trust	Outside the Kingdom	Indian non-profit company limited by guarantee	-	-	-
	Economic Laws Practice	Outside the Kingdom	Indian law firm			
	East Pipes Integrated Company for Industry	Inside the Kingdom	Listed joint stock company			
Sultan Samir Saeed Joudieh	Miahona Company	Inside the Kingdom	Closed joint stock company	Sahara Aluminum Company	Inside the Kingdom	A limited liability company
	Kirikkale Holding Company Limited Bahrain	Outside the Kingdom	A limited liability company	Toledo Arabia Company	Inside the Kingdom	A limited liability company
	East Pipes Integrated Company for Industry	Inside the Kingdom	Listed joint stock company	Aldar Chemicals Company	Inside the Kingdom	A limited liability company

Director's Name	Names of companies in which the Director is a member of their current board of directors or one of their managers	Inside or outside the Kingdom	Legal Entity	Names of companies in which the Director WAS a member of their previous boards or one of their managers	Inside or outside the Kingdom	Legal Entity
Viswanathan Hariharan Kollengode	WELSPUN SPECIALTY SOLUTIONS LIMITED	Outside the Kingdom	(Listed on BSE Limited)	Welspun Corp Limited	Outside the Kingdom	Listed on BSE Limited and the National Stock Exchange of India
	WELSPUN CAPTIVE POWER GENERATION LIMITED) Unlisted subsidiary of WELSPUN INDIA LIMITED -	Outside the Kingdom	Indian unlisted public company	Welspun Wasco Coatings Private Limited	Outside the Kingdom	Indian unlisted public company
	WELSPUN ANJAR SEZ LIMITED) a wholly owned subsidiary of WELSPUN INDIA LIMITED,	Outside the Kingdom	Indian unlisted public company	Welspun Tradings Limited	Outside the Kingdom	Indian unlisted public company
	Welspun Living Limited (Formerly known as Welspun India Ltd)	Outside the Kingdom	Listed on BSE Limited and the National Stock Exchange of India	AYM SYNTEX LIMITED	Outside the Kingdom	Listed on BSE Limited and the National Stock Exchange of India
	Welspun Global Brands Limited (WGBL) (a subsidiary of Welspun India Ltd)	Outside the Kingdom	Indian unlisted public company	Welspun USA Inc	Outside the Kingdom	American public unlisted corporation
	Welspun Flooring Ltd	Outside the Kingdom	Indian unlisted public company			
	Welspun BAPL Private Limited (formerly known as Plastauro Private Limited and prior to that known as Tubular Pipes Private Limited)	Outside the Kingdom	Indian unlisted private company			
	BAPL Rototech Private Limited	Outside the Kingdom	Indian unlisted private company		-	-
	East Pipes Integrated Company for Industry	Inside the Kingdom	Listed joint stock company		-	-
	Bassam Abdulsalam Mohammed Bamagous	Target Engineering Construction Company	Inside the Kingdom	Joint Venture limited liability company	Tanmiah Industrial and Trading Investment Company	Inside the Kingdom
Saudi Global Energy Company		Inside the Kingdom	A limited liability company			
Al-Deqa Al Faeqa for industrial Services		Inside the Kingdom	A limited liability company			
Anixter Saudi		Inside the Kingdom	Joint Venture limited liability company			
Al-Haitam Company for Industries and Economic Development		Inside the Kingdom	A limited liability company			
East Pipes Integrated Company for Industry		Inside the Kingdom	Listed joint stock company			

## Board Committees

The Board has formed (3) committees based on the Company's needs to enable it to perform its operations effectively in addition to fulfilling the relevant regulatory requirements. These committees are Audit Committee, Nominations and Remuneration Committee, and Executive Committee.

### First: Audit Committee

The Audit Committee consists of three (3) members appointed by the Ordinary General Assembly resolution dated 06/02/1442H (corresponding to 23/09/2020G) and the Extraordinary General Assembly's resolution dated 14/02/1443H (corresponding to 21/09/2021G), and the General Assembly's resolution dated 03/03/1444H (corresponding to 29/09/2022G).

#### Members of the Audit Committee

S	Member Name	Position	Membership Status
1	Khalid Ibrahim Saad Al-Rabiah	Chairman of the Audit Committee	Board Member - Independent
2	Amro Hussein Omar Shawli	Member of the Audit Committee	Member from outside the Board-Independent -
3	Viswanathan Hariharan Kollengode	Member of the Audit Committee	Board Member - Non-Executive

#### Biographies of the Audit Committee Members

S	Current Positions	Previous Positions and Experiences	Academic Qualifications
Khalid Ibrahim Saad Al-Rabiah	Please review the above biographies of the members of the Board of Directors.		
Viswanathan Hariharan Kollengode	Please review the above biographies of the members of the Board of Directors		
Amro Hussein Omar Shawli	<ul style="list-style-type: none"> <li>Chief Governance, Risk and Control Officer at Bupa Arabia from 2022 to date.</li> <li>Member of the Company's Audit Committee from 2020G to date.</li> </ul>	<ul style="list-style-type: none"> <li>Chief Audit Officer at Vision Invest (vision international Investment Company) from 2021 - 2022</li> <li>Audit Manager in the Audit Support Division at Saudi Aramco, a Saudi listed joint stock company, operating in the power industry, in 2017G.</li> <li>Senior Auditor in the Projects Audit Division at Saudi Aramco, a Saudi listed joint stock company, operating in the power industry, from 2012G to 2016G.</li> </ul>	<ul style="list-style-type: none"> <li>Certified Management Accountant, Institute of Management Accountants, United States of America, 2016.</li> <li>Master of Business Administration with specialization in Accounting &amp; Finance, Southern Methodist University, United States of America, 2012G.</li> </ul>

### Meetings of the Audit Committee

The Audit Committee held (6) meetings during the fiscal year 2023-2024G, to carry out the tasks entrusted to it as shown in the following table:

#	Name	Attendance Record of the Audit and Risk Committee						Attendance (%)
		1st meeting 21 May	2nd meeting 23 May	3rd meeting 30 May	4th meeting 27 July	5th meeting 26 October	6th meeting 28 Jan	
1	Khalid Ibrahim Saad Al-Rabiah	Present	Present	Present	Present	Present	Present	100%
2	Amro Hussein Omar Shawli	Present	Present	Present	Present	Present	Present	100%
3	Viswanathan Hariharan Kollengode	Present	Present	Present	Present	Present	Present	100%

### Responsibilities of the Audit Committee:

The duties and responsibilities of the Audit Committee include the following:

- Financial reporting:
  - Considering the Company's interim and annual financial statements before submitting them to the Board and expressing its opinions and recommendations thereon to ensure they are integral, fair and transparent.
  - Providing the technical opinion, at the request of the Board, on whether the Board's report and financial statements are fair, balanced and understandable and include information that allows shareholders and investors to evaluate the Company's financial position, performance, business model and strategy.
  - Examining any important or unusual issues contained in the financial reports.
  - Carefully investigating any matters raised by the Company's Chief Financial Officer or his deputy, compliance officer or auditor.
  - Checking accounting estimates in material issues stated in the financial reports.
  - Considering the Company's applicable accounting policies and expressing opinions and recommendations to the Board with respect thereto.
- Internal audit:
  - Considering and reviewing internal control systems, financial and risk management in the Company.
  - Considering reports of internal audit and following up on implementing corrective actions for the notes contained therein.
  - Monitoring and supervising the performance and activities of the internal auditor and the internal audit department of the Company, if any, to verify the availability of the necessary resources and their effectiveness in performing their tasks and assignments, if the Company does not have an internal auditor, the Audit Committee should recommend to the Board the need to appoint one.
  - Making recommendations to the Board to appoint a manager of the internal audit unit or department or an independent auditor and proposing his/her remuneration.

- The auditor
  - Recommending the Board to nominate and dismiss auditors, determine their fees and evaluate their performance, after verifying their independence and reviewing the scope of their work and the terms of their contract.
  - Verifying the independence, objectivity and fairness of the auditors, and the effectiveness of audit work, taking into account the relevant rules and standards.
  - Reviewing the auditor's plan and its work, ensuring that it does not perform technical or administrative activities that fall outside the scope of auditing and submitting its opinions thereon.
  - Responding to the inquiries of the Company's auditor.
  - Considering the auditor's report and its notes on the financial statements and following up on the relevant actions.
- Ensuring compliance
  - Reviewing the results of supervisory bodies reports and confirming that the Company took the necessary actions in this regard.
  - Verifying the Company's compliance with relevant laws, regulations, policies and instructions.
  - Reviewing the proposed contracts and transactions to be entered into by the Company with the related parties and expressing its views thereon to the Board.
  - Reporting the Audit Committee's views as to the need for action to be taken by the Board and recommending actions to be taken.
- Other powers of the Audit Committee in performing its responsibilities
  - Have access to the Company's records and documents.
  - Convene and request any clarification from the Board or Executive Management.
  - Request the Board to convene the General Assembly if its business was hindered by the Board or if the Company suffered material losses or damages.

## Second: Nominations and Remuneration Committee

The Nominations and Remuneration Committee consists of four (4) members appointed by the Board resolution dated 06/02/1442H (corresponding to 23/09/2020G) and 13/02/1443H (corresponding to 21/09/2021G).

### Members of the Nominations and Remuneration Committee

S	Member Name	Position	Membership Status
1	Ahmed Mubarak Mohammed Al-Debasi	Chairman of the Nominations and Remuneration Committee	Board Member - Independent
2	Suhail Amin Nathani	Member of the Nominations and Remuneration Committee	Board Member - Independent
3	Percy Birdy	Member of the Nominations and Remuneration Committee	Member from outside the Board- Non Independent
4	Ahmed Abdullah Abu Al-Khair Al-Numan	Member of the Nominations and Remuneration Committee	Member from outside the Board- Independent

### Biographies of the Nominations and Remuneration Committee

Name	Current Positions	Previous Positions and Experiences	Academic Qualifications
Ahmed Mubarak Mohammed Al-Debasi	Please review the above biographies of the members of the Board of Directors.		
Suhail Amin Nathani	Please review the above biographies of the members of the Board of Directors.		
Percy Birdy	<ul style="list-style-type: none"> <li>Member of</li> <li>MAHATVA PLASTIC PRODUCTS AND BUILDING MATERIALS PRIVATE LIMITED</li> <li>PROPEL PLASTIC PRODUCTS PRIVATE LIMITED</li> <li>WELSPUN METALLICS LIMITED</li> <li>WELSPUN DI PIPES LIMITED</li> <li>WELSPUN WASCO COATINGS PRIVATE LIMITED</li> <li>NAUYAAN SHIPYARD PRIVATE LIMITED</li> <li>SINTEX PREFAB AND INFRA LIMITED</li> <li>BIG SHOT INFRA FACILITIES PRIVATE LIMITED;</li> <li>WELSPUN TRADINGS LIMITED;</li> <li>WELSPUN GLOBAL SERVICES LIMITED</li> <li>A member of the Risk Management Committee of Welspun Corp Limited from 2019G to date;</li> <li>Member of Nomination &amp; Remuneration Committee of East Pipes Integrated Company for Industry from 2020G to date.</li> </ul>	<ul style="list-style-type: none"> <li>Board Member at GENAGRO FOODS (INDIA) PRIVATE LIMITED 2016G to 2019G;</li> <li>Board Member at ALLANA HOLDINGS PRIVATE LIMITED 2017G to 2018G;</li> <li>Board Member at East Pipes Integrated Company for Industry from 2019G to 2020G;</li> <li>Board member at Welspun Pipe Coatings LLC from 2019G to 2020G (merged in to East Pipes Integrated Company for Industry)</li> <li>CFO at Allanasons Group from Apr 04, 2016 - Jun 08, 2018</li> <li>EVP Finance at Glenmark Pharmaceuticals Ltd from Dec 03, 2007 – Mar 31, 2015</li> <li>Global Finance Controller at Essel Propack Ltd from Apr 01, 2002 – Mar 31, 2007</li> <li>Associate Director –General Accounts &amp; Treasury Services from Apr 01, 1992 – Mar 31, 2002</li> </ul>	<ul style="list-style-type: none"> <li>Chartered Accountant with specialization in Accounting, Taxation, Finance and Common Law, Institute of Chartered Accountants of India, India, 1992G.</li> </ul>
Ahmed Abdullah Abu Al-Khair Al-Numan	<ul style="list-style-type: none"> <li>Chief Shared Service Officer of Saudi Tourism Investment Company (since April 2023)</li> <li>NRC Member of East Pipes (since Jan 2020)</li> </ul>	<ul style="list-style-type: none"> <li>NRC Chairman of Miahona (KSA Leading Integrated Water Solutions) from Nov 2021 – March 2023</li> <li>NRC Member of Saudi Tabreed (KSA Leading District Cooling Provider) Jan 2020 – March 2023</li> <li>Human Capital Development VP - Vision Invest from Nov 2018 to March 2023</li> <li>HR Director - Misk Foundation - 2018</li> <li>HR Director - BAE Systems Saudi Arabia from 2010 to 2018</li> </ul>	<ul style="list-style-type: none"> <li>MBA - Prince Mohammad Bin Salman College (MBSC) 2021.</li> <li>Bachelor of Business Administration – University of South Africa 2009.</li> </ul>

### Meetings of the Nominations and Remuneration Committee

The Nomination and Remunerations Committee held (4) meetings during the fiscal year 2023-2024G, to carry out the tasks entrusted to it as shown in the following table:

S	Name	Attendance Record of the Nominations and Remuneration Committee				Attendance (%)
		1st meeting 24 May 2023	2nd meeting 25 May 2023	3rd meeting 30 Oct 2023	4th meeting 30 Jan 2024	
1	Ahmed Mubarak Mohammed Al-Debasi	Present	Present	Present	Present	100%
2	Suhail Amin Nathani	Absent	Present	Present	Present	75%
3	Percy Birdy	-	-	Present	Present	75%
4	Ahmed Abdullah Abu Al-Khair Al-Numan	Present	Present	Present	Absent	100%

### Responsibilities of the Nominations and Remuneration Committee

- The duties and responsibilities of the Nominations and Remuneration Committee include the following:
- Developing a clear policy for the remuneration of Directors, Board committees and Executive Management, and submitting them to the Board for consideration to be adopted by the General Assembly, provided that such policy takes into account the adoption of standards related to performance, disclosure and implementation verification thereof.
- Clarifying the relationship between remuneration granted and the remuneration policy in force and explaining any material deviation in applying this policy.
- Regularly reviewing the remuneration policy and assessing the proficiency thereof in respect of achieving its objectives.
- Making recommendations to the Board with respect to the remuneration of the Board and its committees and the senior executives of the Company as per approved policy and proposing clear policies and criteria for membership in the Board and Executive Management.
- Making recommendations to the Board on nomination and re-nomination of Directors in accordance with the approved policies and standards, taking into account exclusion of any person who has already been convicted of a crime prejudicial to trust.
- Preparing a description of the abilities and qualifications required for Board membership and Executive Management functions.
- Determining the time that a director should allocate to perform the functions of the Board.
- Annually reviewing the necessary skills or suitable experience requirements for Board membership and Executive Management positions.
- Reviewing the structure of the Board and Executive Management and making recommendations on possible changes.
- Annually assuring the independence of each Independent Director and absence of any conflict of interest in the event a director serves as a member of the Board of Directors of another company.
- Developing a job description for Executive, Non-Executive and Independent Directors and Senior Executives
- Setting special procedures in case the position of a director and senior executive is vacant.
- Defining the Board's strengths and weaknesses and suggesting solutions that serve the Company's interest

### Third: Executive Committee

The Executive Committee consists of five (5) members appointed by the Board resolution dated 06/07/1442H (corresponding to 21/09/2021G) and 13/02/1443H (corresponding to 21/09/2021G) and is dated 07/07/1444 AH corresponding to January 29, 2023 AD

#### Members of the Executive Committee

S	Member Name	Position	Membership Status
1	Sultan Samir Saeed Joudia	Chairman of the Executive Committee (current)	Board Member – Non Executive
2	Ahmed Mubarak Mohammed Al-Debasi	Member of the Executive Committee	Board Member - Independent
3	Bassam Abdulsalam Mohammed Bamagous	Member of the Executive Committee	Board Member – Non Executive
4	Mohammed Abdulaziz Mohammed Al-Shaheen	Member of the Executive Committee	Member from outside the Board- Executive
5	John Godfrey	Member of the Executive Committee	Member from outside the Board- Non Independent

#### Biographies of the Executive Committee Members

Name	Current Positions	Previous Positions and Experiences	Academic Qualifications
Sultan Samir Saeed Joudia	- Please review the above biographies of the members of the Board of Directors.		
Ahmed Mubarak Mohammed Al-Debasi	- Please review the above biographies of the members of the Board of Directors.		
Bassam Abdulsalam Mohammed Bamagous	- Please review the above biographies of the members of the Board of Directors.		
Mohammed Abdulaziz Mohammed Al-Shaheen	<ul style="list-style-type: none"> <li>Chief Executive Officer, the Company, from 2021G to date.</li> <li>Member of the Company's Executive Committee, since 2021G to date</li> </ul>	<ul style="list-style-type: none"> <li>Chief operating officer, Abunayyan Trading Corporation, a Saudi limited liability company, operating in energy, water, sewage, electric and smart meters and logistics services, KSA and GCC, from 2019 to 2020G.</li> <li>Acting chief executive officer, Saudi Pipe Company, a Saudi joint stock company, operating in the manufacture of welded carbon steel pipes and external coating, KSA and the Middle East.</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Science, Mechanical Engineering, King Fahd University of Petroleum and Minerals, the Kingdom, 2002G.</li> </ul>
John Godfrey	<ul style="list-style-type: none"> <li>Chief Executive Officer, Pipes Vertical business at Welspun Corp Ltd, an Indian public joint stock company since 2021G.</li> <li>Member of the Company's Executive Committee since 2021G to date.</li> </ul>	<ul style="list-style-type: none"> <li>Chief of business at Welspun Corp Ltd, an Indian public joint stock company, operating in pipe manufacturing, from 2017G to 2021G.</li> <li>Chief of the global supply chain at Welspun Corp Ltd, an Indian public joint stock company, operating in pipe manufacturing, from 2014G to 2021G.</li> </ul>	<ul style="list-style-type: none"> <li>MBA, Aligarh Muslim University, India, 1989G.</li> <li>Bachelor of Science, Aligarh Muslim University, India, 1985G</li> </ul>

## Meetings of the Executive Committee

The Executive Committee held (8) meetings during the fiscal year 2023-2024 G, to carry out the tasks entrusted to it as shown in the following table:

Attendance Record of the Executive Committee										
S	Name	1st meeting 11 April 2023G	2nd meeting 23 May 2023 G	3rd meeting 26 July 2023G	4th meeting 25 Oct 2023G	5th meeting 06 Nov 2023G	6th meeting 26 Nov 2023G	7th meeting 23 Jan 2024	8th meeting 25 Jan 2024	Attendance (%)
1	Sultan Samir Saeed Joudia	Present	Present	Present	Present	Present	Present	Present	Present	%100
2	Ahmed Mubarak Mohammed Al-Debasi	Present	Present	Present	Present	Present	Present	Present	Present	%100
3	Bassam Abdulsalam Mohammed Bamagous	Present	Present	Present	Present	Present	Present	Present	Present	%100
4	Mohammed Abdulaziz Mohammed Al-Shaheen	Present	Present	Present	Present	Present	Present	Present	Present	%100
5	John Godfrey	Present	Present	Present	Present	Present	Present	Absent	Absent	%75

## Responsibilities of the Executive Committee

The responsibilities and duties of the Executive Committee include the following:

- Supervising the implementation of the policies and directives of the Board and facilitating decision-making between Board meetings.
- Assisting the Board in the following matters, including, but not limited to:
  - Referring any matters that require Board consideration to the Board to decide upon and making recommendations to the Board in relation to such matters.
  - Annually reviewing and making recommendations to the Board with regard to the Company's strategy, business plan and budget, including assessment of the effectiveness of that strategy.
  - Annually reviewing and making recommendations to the Board with regard to strategic performance measures, objectives, business plan and/or budget, and KPI targets, in light of the Company and market conditions.
  - Reviewing the Company's business development opportunities to monitor growth and maintain operations in line with the Company's strategy and goals.
  - Making recommendations to the Nomination and Remuneration Committee regarding the following:
    - Changes in the organizational structure of the Company.
    - Changes in the overall job-grade structure.
    - The Executive Committee Chairman, or his delegate, must attend General Assembly meetings and answer any questions raised by shareholders.
    - Attend to any other responsibilities or duties that the Board delegates to the Committee



# **Executive Management**

## **Members of the Executive Management**



**Chief Executive Officer (CEO)**  
Eng. Mohammed Abdulaziz Al-Shaheen



**Chief Financial Officer (CFO)**  
Dr. Mohammed Saleh Ali Darweesh



**Vice President of Operations**  
Eng. Sanjay Kant Shrivastava



**Vice President of Quality, Health & Safety**  
Dr. Khalid Ali Babakri



**Vice President of Commercial**  
Eng. Ali Abdul-Ali Al-Makrami



**Senior Manager of Human Resources**  
Mr. Abdullah Mohammed Abu Sharifa



**Senior Manager of Governance Risk and Compliance**  
Mr. Ashraf Fares Al Aydi

The Company's Executive Management consists of a qualified team with the necessary expertise and skills to manage the Company under the supervision of the Board. The Chief Executive Officer shall conduct the day-to-day business of the Company in accordance with the directions and policies set by the Board, to ensure that the Company achieves its stated objectives defined by the Board. Following are members of the Company's Executive Management

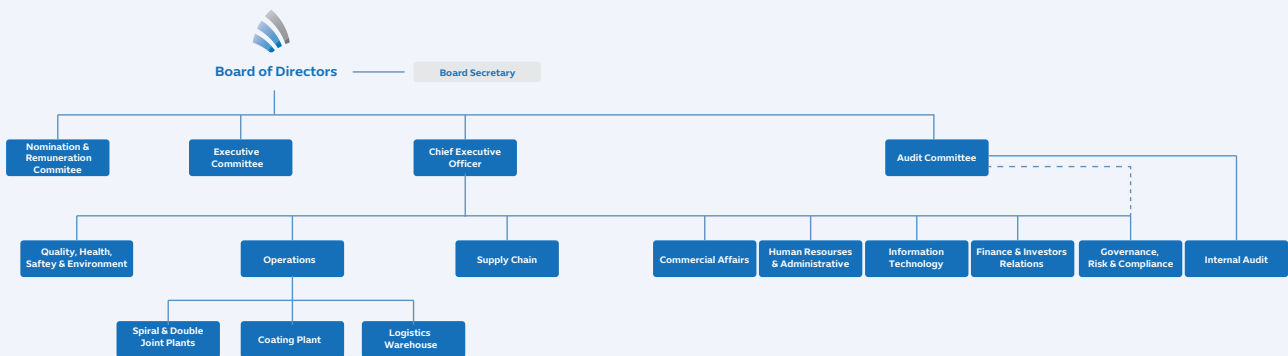
Name	Position	Appointment Date	Direct and Indirect Ownership (%)	
Eng. Mohammed Abdulaziz Mohammed Al-Shaheen	Chief Executive Officer	01/06/2021	-	-
Dr. Mohammed Saleh Ali Darweesh	Chief Financial Officer	18/08/2021	-	-
Eng. Sanjay Kant Shrivastava	Vice President of Operations	01/12/2018	-	-
Dr. Khalid Ali Babakri	Vice President of Quality, Health & Safety	01/11/2021	-	-
Eng. Ali Abdul-Ali Al-Makrami	Vice President of Commercial	01/11/2021	-	-
Mr. Abdullah Mohammed Abu Shareefah	Senior Manager of Human Resources & Administrative	18/08/2021	-	-
Mr. Ashraf Fares Alaydi	Senior Manager of Governance Risk and Compliance	08/05/2022	-	-

### Biographies of the members of the Executive Management

Name	Please review the above biographies of the members of the Board of Directors	Previous Positions and Experiences	Academic Qualifications
Eng. Mohammed Abdulaziz Mohammed Al-Shaheen	Please review the above biographies of the members of the Executive Committee.		
Dr. Mohammed Saleh Ali Darweesh	<ul style="list-style-type: none"> <li>Chief Financial Officer of the Company and Secretary of the Board of Directors from 2021G to date.</li> </ul>	<ul style="list-style-type: none"> <li>Group Chief Financial Officer at Middle East Paper Manufacturing Company, a public joint stock company listed on the Saudi market, from 2016 to 2021.</li> <li>Member of the Board of Directors and the Executive Committee of the Higher Institute of Paper and Technological Industries.</li> <li>Head of Financial Affairs, Qassim Cement Company, a public joint stock company listed on the Saudi market from 2009 to 2016.</li> <li>Group Chief Financial Officer at Eshraqa Real Estate Development Company in Dubai and member of the Executive Committee from 2007 to 2009.</li> </ul>	<ul style="list-style-type: none"> <li>PhD in Finance from the United States of America in 2015, and a CPA from California, USA in 2003</li> <li>Postgraduate Diploma in Cost Accounting, 1995</li> </ul>
Eng. Sanjay Kant Shrivastava	<ul style="list-style-type: none"> <li>Deputy CEO of Operations in the Company from 2018G to date</li> </ul>	<ul style="list-style-type: none"> <li>Senior vice president at Welspun Corp Limited, an Indian public limited listed company, operating in the steel pipes and coating industry, from 2012G to 2018G.</li> <li>Senior vice president at Man Industries Limited, an Indian public limited listed company, operating in the manufacturing industry, from 2010G to 2011G</li> </ul>	<ul style="list-style-type: none"> <li>Master of Tech with specialization in Industrial Metallurgy, I.T.T Madras Chennai University, India, 1989G</li> </ul>
Dr. Khalid Ali Babekri	<ul style="list-style-type: none"> <li>Head of Quality Control Department in the Company from 2021G to date</li> </ul>	<ul style="list-style-type: none"> <li>Metallurgical Engineering Specialist - Consulting Services Department, Saudi Aramco, Dhahran, Kingdom of Saudi Arabia. From 2014 to 2021.</li> <li>Manager of Quality, Environment and Safety, Saudi Steel Pipe Company, Dammam, Saudi Arabia. From 2003 to 2014.</li> <li>Environmental Project Engineer, Environmental Design and Manufacturing Laboratory, Toledo, Ohio, USA. From 1988G to 2002G</li> </ul>	<ul style="list-style-type: none"> <li>Obtained a bachelor's, master's, and doctorate degree in manufacturing and industrial engineering from the University of Toledo, Ohio, USA</li> <li>Hold Chartered Engineer (CEng) certificate from the Institute of Materials, Minerals and Mining (IOM3) in the United Kingdom.</li> <li>Published four (4) registered patents in the field of hydrogen effects on steel materials during his work with Saudi Aramco</li> <li>Hold Six Sigma Black Belt certificate from the American Society of Quality</li> </ul>

Name	Please review the above biographies of the members of the Board of Directors.	Previous Positions and Experiences	Academic Qualifications
Eng. Ali Abdul-Ali Al-Makrami	<ul style="list-style-type: none"> <li>General Manager of Sales and Marketing, Central Planning and Contract Management Department from 2021G to date</li> </ul>	<ul style="list-style-type: none"> <li>Sales and Marketing Manager at the Arab Pipe Company from 2019 to 2020.</li> <li>Sales Manager for the Eastern Region at the Arab Pipe Company from 2016 to 2018.</li> <li>Manager of Sales Teams, Arabian Pipes Company, from 2013 to 2016.</li> <li>Sales Engineer, Arab Pipe Company, from 2011 to 2013.</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Science - Applied Mechanical Engineering, King Fahd University of Petroleum and Minerals, KSA, 2010.</li> <li>Master of Business Administration.</li> </ul>
Mr. Abdullah Mohammed Abu Sharifa	<ul style="list-style-type: none"> <li>Senior Manager of Human Resources &amp; Administrative of the Company, from 2021G to date.</li> </ul>	<ul style="list-style-type: none"> <li>Senior manager of human resources and administration, Saudi Pipes Company, a Saudi joint stock company, operating in the manufacture of welded carbon steel pipes and external coating, KSA and the Middle East, from 2000G to 2020G.</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Public Relations, King Saud University, KSA, 1993G.</li> </ul>
Mr. Ashraf Fares Alaydi	<ul style="list-style-type: none"> <li>Senior Manager of Governance Risk and Compliance since 2022 G to date</li> </ul>	<ul style="list-style-type: none"> <li>More than 22 years of experience in the banking sector and financial companies, and held a variety of positions in investment operations &amp; treasury, compliance, anti-money laundering, Regulatory Supervision and board secretary.</li> </ul>	<ul style="list-style-type: none"> <li>Holds an international certificate specialized in governance, risk and compliance, GRC Expert 2023</li> <li>Certified Risk Management Expert 2023</li> <li>Holds Advanced Certificate in Compliance and Anti-Money Laundering from the Capital Market Authority - Manchester Business Academy 2012.</li> <li>Certified Compliance Officer - 2009. American Academy of Financial Management (AAFM) in cooperation with the Capital Market Authority.</li> </ul>

## Company's Organization Structure

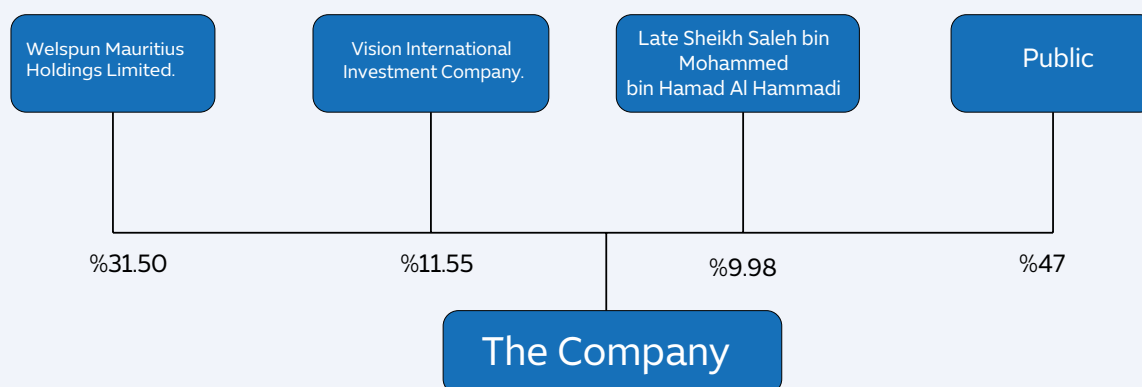


## The Company's Ownership Structure

(owns 5% or more)

The following table sets out the Company's ownership structure as end of FY- 31 March 2024.

Shareholders (owns 5% or more of the shares of the issuer)	As end of FY- 31 March 2024		
	Number of Shares	Nominal Value (SAR)	Percentage
Welspun Holdings Company	9,922,280	99,222,800	31.50 %
Vision Invest Company	3,638,248	36,382,480	11.55 %
Late sheikh Saleh Mohammed Hamad Alhamadi	3,142,125	31,421,250	9.98 %
Public	14,797,347	147,973,470	47 %
<b>Total</b>	<b>31,500,000</b>	<b>315,000,000</b>	<b>%100</b>



### Welspun Holdings

Welspun Holding is a private company limited by shares licensed as a Category 1 Global Business Company in the Republic of Mauritius under License No. C108006159 dated 06/06/1429H (corresponding to 10/06/2008G).

### Vision International Investment Company

Vision Invest is a joint stock company registered in the commercial register of Riyadh under No. 1010178941 dated 07/05/1423H (corresponding to 17/07/2002G).

### Late Sheikh Saleh bin Mohammed bin Hamad Al Hammadi

Founder and Chairman of the Board of Directors of Al Hammadi Development and Investment Company, founder of Al Hammadi Hospital in the Kingdom of Saudi Arabia since 1985 AD.

## Summary of KPIs



Total Revenue

	Vs FY 2023 %	FY 2023	FY 2024
Total Revenue	7.30%	1,438,646,383	1,543,167,801



Operating profit

	Vs FY 2023 %	FY 2023	FY 2024
Operating profit	143.55%	133,036,710	324,014,024



Net Income

	Vs FY 2023 %	FY 2023	FY 2024
Net Income	166.80%	100,450,679	267,972,440

Total value of winning projects during the fiscal year  
2023 -2024

Spiral Pipes

4

Billion SAR



Pipe Coating

+200

Million SAR

## The Company's major achievements of the year 2023-2024G

In line with the Company's strategy and vision to consolidate its leadership position in the local and regional market, the Company's achievements during the past fiscal year are summarized below:

- Winning several projects to manufacture and supply pipes for both, water and gas and oil sectors.
- Winning several pipe coating projects, which are considered the biggest in the history of the company.
- Continuity of the work in the existing agreement with Saudi Aramco for the Four year in a row, in which the company guarantees its competitive share in all existing projects with Saudi Aramco for all sizes produced by the Company as well as signing the extension of the agreement for the fourth year.
- The company's reliance on several, internal and external, companies in an effort by the company to create new markets and opportunities.

## The most significant challenges in the year 2023 -2024G

- Storming supply chains negatively, which led to a significant increase in shipping costs of raw materials, in addition to other factors, including lack of containers.
- Diversity of product demand and keep up with project schedules
- Increase the rate of interest rates

### Geopolitical tensions

The global economy can be affected by geopolitical events directly and indirectly. On the trade side, increasing restrictions due to tensions between countries can disrupt trade flows, cause supply chain issues and higher shipping costs. The restrictions could also affect commodity prices and lead to shortages of key resources such as oil and gas, affecting industrial production around the world. The global economy could face higher inflation, lower growth, and significant losses in light of geopolitical tensions.

## The most prominent goals and aspirations of the company for the year 2023- 2024 G

- Increase the production capacity, and fulfilling the increasing demand on projects.
- Executing awarded projects in pipes and coating.
- Work to complete all the current future orders that cover both water and oil and gas sectors,.
- Follow-up and completion of all requirements to obtain orders of the announced future water projects.
- Follow-up preparation for the execution of the requests received from Saudi Aramco under the Aramco Framework Agreement,
- Work to balance the company's productivity and outputs, to serve the water, gas and oil sectors, taking into account the company's strategic objectives.

## Company Overview

### Highlights of our Journey

The Company's journey began upon establishment of "Pipe Development Company for Pipe Production" on May 03, 2010G, as a shareholding limited liability company, in the city of Dammam in the Kingdom of Saudi Arabia. At a later stage in the same year the partners agreed to increase the Company's capital and change its name to "Welspun Middle East Pipes Company» on November 24, 2010G. The Company went through several developmental stages that culminated in the merger of "Welspun Pipes Coating Company" into the Company on July 21, 2020, and to be named in its current name "East Pipes Integrated Company for Industry", which, in an ambitious strategic step, transformed from a limited liability company to a joint stock company on 22 September 2020G and public offering percentage 30% of the company shares in the Kingdom of Saudi Arabia in the year 2022 G.

Through the stages of its growth and development, East Pipes Integrated Company for Industry has achieved a leading position and a distinguished presence as one of the most prominent companies in the Kingdom and the region engaged in the pipes industry, manufacturing pipes, tubes and hollow shapes of iron and steel, making tubes, pipes, hollow shapes, pipe fittings or pipes, and processing and coating metals by polishing. The Company is distinguished for manufacturing spiral-welded steel pipes with diameters ranging from 18 to 100 inches, in addition to coating pipes and pipe fittings with cement.

The Company manufactures HSAW pipes for use in water, oil and gas sectors. The main advantage of HSAW pipes is their large diameters, which makes them suitable for use in transmission lines for water, oil and gas sectors. After the merger with Welspun Pipes Coating Company, the Company operates three (3) factories, to support its customers with integrated pipe solutions, which are as follows



## The HSAW plant

The HSAW Plant is one of the largest spiral pipe manufacturing facilities in the GCC. The HSAW Plant was set up in 2006G with three production lines and was expanded in 2019G when the fourth mill entered into operation, enhancing the nominal production capacity of the HSAW Plant to three hundred seventy-five metric tons (375,000 MT) per annum. The HSAW Plant is one of the best plants that have the capability to manufacture pipes with an outer diameter ranging from 20 inches to 100 inches with a high production capacity (above 0.3 MT).

## The “DJ Plant”

The DJ Plant was set up in 2014G to join single pipes to produce a pipe with a length of up to 26 meters. The DJ Plant has the capacity to handle outer diameters between 20 to 60 inches which are suitable for most typical wall thicknesses that range from 6 mm to 50.8 mm. The annual production capacity of the DJ Plant is about three hundred fifty thousand metric tons (350,000 MT).

## The “Coating Plant”

The Coating Plant was set up in 2011G as a standalone unit; it was then combined with the HSAW Plant to provide external anti-corrosion coating through a triple layer of polyethylene, polypropylene, or high-performance epoxy primer. The nominal production capacity of the Coating Plant is 4 million sqm per annum. The capability of the Coating Plant ranges from an outer diameter of 2 inches to 120 inches and a length of up to 26 meters pipes.

The Company has a strong presence in the Saudi market, with fully integrated spiral pipe manufacturing facilities combining HSAW Pipe manufacturing with double-jointing and coating. The Company has modern, sophisticated manufacturing equipment with advanced laboratory testing facilities with international standards and accredited by the International Organization for Standardization (“ISO”), and it is equipped with the latest inspection and testing technologies. Accordingly, the Company is capable of providing a complete pipe products solution to its customers. Furthermore, the Company's large production capacity enables it to deliver solutions for long-distance pipelines without subcontracting, giving it an additional competitive advantage over other manufacturers.

The Company has significantly increased its market share in the last two years by winning large projects in oil ,gas and water, boosting its position as a market leader.



**More Prosperity aspirations for industrial sector, by supporting innovations and development of technologies to increase business and achieve comprehensive and sustainable growth**



## Summary of the Company's Material Events

East Pipes Integrated Company for Industry has made qualitative leaps since inception, which has consolidated its position and leading presence in the local and regional markets. Following is a summary of its milestones

2010G	The Company was incorporated
2011G	The HSAW Plant was set up with a nominal production capacity of 300,000 MT per annum
2011G	The Coating Plant was set up with a nominal production capacity of 4 million sqm per annum
2014G	The DJ Plant was set up with a nominal production capacity of about 350,000 MT based on a pipe size of 48-inch (ODX) 14.28 mm
2019G	Completion of fourth line pipe production machine to increase nominal production capacity to 375,000 MT per annum
2020G	The Company's name was changed from "Welspun Middle East Pipes" to "East Pipes Integrated Company for Industry"
2020G	The Company's capital was increased to SAR 210,000,000
2021G	Completing the merger of Welspun Pipe Coating Company with the Company
2022G	Listing the Company in the main market of the Saudi Stock Exchange (Tadawul)
2022G	Increase the Company share capital through bonus shares to SAR 315,000,000



## Future Plans

The Company will continue its efforts to implement its ambitious plans to boost its activities and operations, and the Company intends to increase its market share to ensure that it and its partners apply sustainability standards.

### The Company's Strategy and its Implementation Pillars

The HSAW pipes industry in KSA, one of the largest in the MENA region, is expected to flourish at a steady rate over the next few years, supported by country-wide transformative programs such as Vision 2030, as several mega projects within both the water and oil & gas sectors continue to materialize over time.

Through leveraging its pioneering position in the Saudi Arabian HSAW pipes market, East Pipes is targeting to maximize its sales outreach and increase market share, by achieving operational efficiencies, diversifying its product offerings, and enhancing its marketing activities. The company is intending to increasingly pursue opportunities in the water and oil & gas sectors, where management foresees promising potential. East Pipes is committed to further advancing its R&D and manufacturing capabilities in order to enhance product innovation, in line with the changing demands of customers. Furthermore, the company is in the process of revamping its sustainability framework, to align with best practices in the industry.

Balance sheet optimization will continue to be at the forefront, with leverage, operational costs and working capital being closely monitored, to dilute the impact of increasing finance charges, as a result of higher prevailing interest rates.

East Pipes is strongly positioned to take full advantage of massive mega projects coming onstream to substantially

expand its backlog, with the ultimate goal being to deliver sustainable long-term value to shareholders and other stakeholders.

### Strategy and Action Plan

The company implements an ambitious strategy, through which it relies on maintaining its competitive advantage by taking advantage of its manufacturing capacity, business development efforts and price competitiveness, to be the preferred supplier in a rapidly developing market in the Kingdom.

### Strategy Implementation Pillars

#### 1. The Company to maintain its manufacturing advantage through invests in plants, processes and employees

The company seeks to promote a culture of engineering excellence, investing its manufacturing and operational capabilities to a large extent, in all of the following areas:

##### • Plants

The Company regularly invests in its manufacturing capability and currently has a large integrated capacity (including pipe manufacturing, double-jointing and coating), which can provide complete pipe solutions to customers. It undertook an expansion in 2019G by increasing its nominal production capacity from three hundred thousand metric tons (300,000 MT) to three hundred seventy-five thousand metric tons (375,000 MT) per annum. The Company deals with leading original

equipment manufacturers (OEMs) and has installed state-of-the-art equipment in its facility, such as digital radiography and a welding system with auto stick-out control. The Company's manufacturing plants have obtained quality certificates such as ( ISO 9001), (API 5L, API Spec Q1), (ISO 9001) , (ISO 45001, (ISO 14001) and (ISO/IEC 17025) certifications which require a very high degree of manufacturing capability and process.

• **Processes**

In addition to plants and machinery, the Company has comprehensive production processes which are regularly reviewed and vetted to improve safety, productivity and efficiency. Each of the processes is well defined, documented and interlinked with the enterprise resource planning system (SAP ERP), which has been designed and implemented over years of experience, benefiting from the knowledge gained. As a part of production planning, key performance indicators are well defined for every project and are monitored continuously, which results in steel yield, coating material consumption, plant uptime and safety index of the highest standard in the pipe industry.

• **Employees**

The Company has a workforce highly qualified in their respective fields. The Company attaches great importance to its employees and conducts regular training to enhance their skill levels and enrich their knowledge on the latest engineering developments. Each employee is expected to complete training courses every year as part of their development. Training programs are conducted in-house and in certain cases by external providers such as suppliers of equipment. Employee training is monitored by the Company's human resources department and reported regularly to the Company's Board.

**2. Develop Best-in-Class Pipes Solutions for Customers**

The Company works continuously with its customers to understand their requirements and to provide them with the most suitable high-quality pipe solutions. The Company is certified to produce pipes of grades up to API 5L X-80, which are suitable for midstream water and oil and gas transmission with the most suitable high-quality pipe solutions. Cost Management to Lead in Competitive Pricing

**3. Cost Management to Lead in Competitive Pricing**

The Company carefully manages its costs and overheads in order to remain highly competitive in bidding for new orders, particularly from government and government-owned entities such as Water Conversion Corporation (SWCC) and Saudi Arabian Oil Company ("Saudi Aramco"). Areas of cost management include:

• **Manufacturing efficiency:**

The Company aims to maintain a high raw material yield by procuring quality raw materials, plant maintenance, plant upgrades and process controls. By virtue of its advanced equipment, robust processes and continuous review and monitoring systems, the Company operates at a raw material yield that is higher than the industry standards, which in turn gives the Company an edge over its competitors.

• **Procurement:**

The Company benefits from its scale by receiving more competitive raw material prices than some of its competitors by obtaining bulk discounts based on order quantity.

**4. Administrative expenses:**

The Company closely monitors and manages its operating and administrative expenses to ensure

efficiencies that result in higher margins, affording it the flexibility and ability to be competitive in pricing bids for new orders. The Company has successfully managed manufacturing costs as follows:

- Investing in its efficiency and high production capabilities as a Saudi national company, to benefit from the national procurement initiatives within the Kingdom to support the local market.
- leveraging the Company's presence and its leading position in the manufacture, production and coating of pipes with its advanced technologies, to take advantage of the opportunities available from the Government's implementation of comprehensive economic reforms and the development of the non-oil sector, in addition to Government privatization programs and increasing the private sector's participation with the Government, relying on and strengthening the national industry and raising its financing capacity to support and enable it to implement infrastructure projects such as new cities, housing, power generation, water desalination and gas pipelines, and to strengthen the local industry and increase its financing capacity.
- Striving to explore new promising markets, to expand its client base and portfolio of projects in a sustainable manner.

## The Company's Competitive Advantages

In line with the Company's sustainable endeavor to maintain its strong presence and leadership position in the Saudi Arabia, GCC and Middle East markets, the Company continues to develop its manufacturing and operational capabilities to ensure its distinction in many real competitive advantages that we summarize below:

- The Company has fully integrated advanced manufacturing facilities managed by a group of the best specialized technical, engineering, and financial expertise, according to the latest operational practices applicable globally in this field.
- Its highest production capabilities among its competitors in the Saudi and regional markets,

in addition to the diversity of its unique product specifications, quality and high efficiency, which suit all diverse customer requirements. In addition to its skill in managing manufacturing and production costs, which gives a real competitive price advantage.

- Its long-term, well-established and developed strategic relations with the most prominent major companies in the Kingdom, such as Saudi Aramco and the Saline Water Conversion Corporation (SWCC), which rely on the Company's pipe products and services to implement their mega projects such as power and water transmission networks in the Kingdom of Saudi Arabia.
- The unique strategic location of its manufacturing and production facilities, in the Second Industrial City in Dammam, which ensures quick access to its most prominent clients such as Saudi Aramco, and its proximity to the Saudi Iron and Steel Company (Hadeed), one of the most important sources of raw materials for the company.
- The high price competitiveness of its products, adding to it another additional advantage over the rest of the competitors in the market
  - Leveraging strong positioning in the market to allow for capturing a large share of project awards.
  - Increasing focus on selling and marketing activities to reinforce brand name in the market.
  - Diversity and quality of product offerings enable the Company to cater to consumer demands.
  - Integrated and advanced manufacturing facilities, as well as large-scale operations remain the key competitive advantages of East Pipes.
  - Continuing to maintain industry-leading yield on raw materials.
  - ESG remains at the forefront and is considered a core pillar to attaining operational excellence.
  - Continued rising trend in both the top and bottom line supported by restoration of market activity and demand
  - Significant and highly visible pipeline of projects, as part of the Kingdom's 2030 transformative plan, is conducive to sustainable growth



## Human Resources

The management of «East Pipes Integrated Company for Industry» believes that its human capital is one of its most important assets, The management is working to develop and continue to attract the best talent, expertise and distinguished competencies and support them with a wide range of services and training and development programs, to enable them achieve the Company's strategic goals, in addition to its keenness to secure attractive work environment to ensure stability of the job cycle in a sustainable manner. Meanwhile it intends to apply the principle of Saudization of jobs in accordance with the plans set by the Board of Directors, in addition to many related programs, the most important of which are summarized as follows:

### First - Saudization

The Company attaches great importance to attracting a group of young Saudi cadres of newly graduated males and females from local universities and technical and technical institutes, to work in various job positions, qualifying them through specialized training courses in their field of work, and developing them to continue while they are on the job.

### Second - Training and Development

The Company is committed to developing a sustainable strategy, through which it is keen to train its employees, to enhance their skills and enrich their knowledge, in order to raise their performance and enable them to improve their production levels, according to the following steps:

1. Create a customized program for Saudi talented employees focusing on technical and soft skills development. Fostering leadership qualities, and preparing future leaders for their roles.
2. Develop internal and external training programs covering various fields such as technical training on means of production, in addition to theoretical training on skills in computer, management, marketing, finance, etc.
3. Develop career path plans, especially for key employees, in an effort to provide them with attractive opportunities within the Company, which contributes to finding suitable opportunities for promising new employees to take over their duties in key departments and new expansion projects.
4. Job rotation and on-the-job training program, in order to develop the skills and knowledge of the Company's employees, and thus explore the potential of talented employees.
5. Implementing the annual «performance development program», with the aim of assessing the performance

of employees and identifying their strengths and weaknesses, and then finding ways to develop their performance. This program is constantly updated and developed, according to the needs of human resources, to be more comprehensive and have a broader impact.

- In the interest of the Company to raise the level of performance of its employees through internal and external training, the Company paid great attention to this aspect during the fiscal year ending on March 31, 2024.. Technical and technological training courses for Saudi operators and technicians have also been intensified, in addition to implementing specialized courses for quality controllers. The Company is also keen to activate the relationship with local community institutions, as it conducts cooperative training for educational institutions and related companies.

### Third - Performance-linked Rewards Program

To motivate employees to increase productivity, reduce costs and preserve Company's property, the Company has been distributing bonuses, based on financial results and employee's performance.

### Evolving number of employees

The number of employees in the company is (492), while the percentage of Nationalization is (34%). The following table shows the evolution of the number of employees (by department) during the past three years:

#	Department	Year ending on March 31, 2022G			Year ending on March 31, 2023G			Year ending on March 31, 2024G		
		Saudi	Non-Saudi	Total	Saudi	Non-Saudi	Total	Saudi	Non-Saudi	Total
1	Production	64	225	289	49	140	189	55	137	192
2	Quality Control	20	69	89	26	69	95	26	66	92
3	Human Resources and administrative Affairs	43	22	65	44	14	58	42	12	54
4	Other Departments	10	22	32	43	105	148	43	111	154
	<b>Total</b>	<b>137</b>	<b>338</b>	<b>475</b>	<b>162</b>	<b>328</b>	<b>490</b>	<b>166</b>	<b>326</b>	<b>492</b>

## Social Responsibility Initiatives

East Pipes Integrated Company for Industry is committed to launching effective initiatives as part of its continuous efforts to engage its community, customers and work environments in many occasions that contribute to their support in line with its ethical values towards them. It presented many initiatives, including the following:

- Contribute by financial support to Moafa Health Association for Kidney Disease Patients.
- Contribute to Saudi Relief Campaign to help Palestinian People in Gaza, through Sahem platform.
- Partner with KFUPM to provide training on Industrial Engineering to students, including theoretical sessions and site visits.
- Preparing a Campaign to distribute Ramadan Baskets for needy people by the company's employees in cooperation with the Al-Ber Association in the eastern province.
- Organizing a blood donation campaign by the company's employees in cooperation with the Ministry of Health.





## Company Activities and Scope of Business

The Company applies a sustainable development strategy in all its administrative, operational and manufacturing channels, by adopting the best professional practices applicable in this field, and according to the highest international standards of quality, efficiency and safety in its activity, which is divided into three main activities:

### Manufacturing of HSAW Pipes

The Company's plant for production of HSAW pipes includes two main production lines, the first separate production line, which consists of a two-step mill that includes a forming line and three (3) separate welding lines integrated with a finishing line, in addition to the second production line, which consists of three (3) forming and welding lines connected with a common termination line. The pipe plant also includes four (4) mills, which effectively contribute to raising the Company's annual nominal production capacity.

HSAW pipes are the favored pipes for their quality and price competitiveness compared to other types of pipes. HSAW pipes are manufactured with a special technology, which is submerged arc welding, which is a process that produces coalescence of metals by heating them with an arc or arcs between a coated metal consumable electrode or electrodes and the pipe. The arc and molten metal are shielded by a blanket of granular fusible material (flux) on the pipe. Pressure is not used, and part or all of the filler metal

is obtained from the electrode. The nominal production capacity of the Company's pipe Plant is three hundred and seventy-five metric tons (375,000MT) per annum, and it can increase according to demand and pipes size to reach five hundred thousand metric tons (500,000MT) annually. The pipe plant can produce pipes with a length of up to 18.2 meters, wall thicknesses ranging from 6.0 mm to 25.4 mm, and external diameters ranging from 20 to 100 inches, and it can also produce pipes with grades up to (API X80).

### Double-Jointing of Pipes

The Company's manufacturing facilities provide state-of-the-art Double-Jointing services, where single pipe joints are joined and welded into pipes up to 26m in length, with diameters ranging from 20 to 60 inches for most walls with typical thicknesses of 6.35 mm to 50.80 mm.

### Pipe Coating services and solutions

East Pipes Integrated Company for Industry is distinguished for providing highly advanced and integrated solutions for pipe coating, which is a practical and effective solution to maintain the integrity of pipelines, which is one of the most reliable methods used today all over the world as a low-cost option and requires less maintenance to control corrosion. It also provides for facilitating and ensuring clean delivery of the product (water or gas). Pipe Coating adds a permanent protective layer that helps protect pipelines from harmful effects of corrosion .

## Marketing and Sales Activity

### During the year 2023/ 2024G

In line with its strategy aimed at consolidating its leadership position in the local and regional market, the management of «East Pipes Integrated Company for Industry» continues to conduct in-depth studies of the local, regional and global markets, and to review the latest developments in the pipe industry, and to know the growing requirements of its current and future customers in order to provide them with the finest services in the pipe industry; to support them with complete and integrated marketing programs as well as solutions and pre-sale and after-sales services; this can increase the portfolio of projects and the expand of customers in order to ensure the benefit for both the shareholders and partners. The following summarizes the most important activities carried out by the company in the field of pipes:

1. The company follows up on all major projects related to the company's main activity in the Saudi market in the following areas:

- Manufacture of HSAW Pipes
- Pipe Coating
- Double-Jointing

2. Providing direct offers and orders:

Most orders are received from clients through the bidding process. The company is a reliable supplier for major firms and companies in water, gas and oil sectors, especially the Saline Water Conversion Corporation (SWCC) and Saudi Aramco. It also receives requests for quotations directly from the projects' owners, or from engineering, procurement and construction contractors. Submitted Offers by the company are primarily based on technical and financial criteria. The technical parameters include capacity, delivery time, quality, complete solutions, subcontracting requirements and after-sales services. Due to the large production capacity of the company, orders are received in certain cases directly from the customers; the raw materials for these orders are usually purchased from suppliers who have the ability to meet customer requirements in terms of specifications and quantity within a relatively short period of time.

3. Paying attention to the Management staff so that it can carry out the tasks assigned to it:

The Company is keen to appoint qualified employees in all departments and production lines and to provide the necessary environment for the success of the employees, as the Sales and Marketing Department was keen to appoint high competencies to deal with customer requirements and provided them with the necessary training to achieve the Company's goals in terms of dealing with customers and also in order to achieve the Company's future goals.

4. Attention to relationships with clients:

The Company works closely with clients to understand their future requirements, upcoming projects, and technical and financial standards for each project. The focus on customer requirements is one of the reasons for the Company's significant increase in the market share of HSAW Pipes. The Company's sales and marketing department is also responsible for developing relationships with all customers in the water, gas and petroleum sectors in order to meet their requirements, whether directly or indirectly, by providing the Company's services to contractors working on infrastructure projects for the Saline Water Conversion Corporation (SWCC), Saudi Aramco, and others.

5. The Company endeavors to find the necessary solutions for its customers and to enable raising the level of local content in line with the Kingdom's Vision 2030, and also with the specialized programs in this aspect, where the Company's research and development department works with major customers in the water, gas and oil sectors when needed to overcome all obstacles in an effort to become a strategic choice in all areas of welded pipes.

6. The Company has also been recently approved by several internal and external companies in an effort to create new opportunities and markets:

- Winning several projects to manufacture and supply pipes for a water transmission system for the Saline Water Conversion Corporation (SWCC) Winning several projects to manufacture, coating and supply pipes for Saudi Aramco.
- Winning several projects to manufacture and supply pipes for a NEOM.
- Winning several projects for manufacturing and supplying pipes for the approved contractors in Royal Commission for Riyadh City (RCRC)
- Winning several projects for the manufacturing and supplying pipes for the approved contractors in the water sector.
- Winning several pipe coatings projects.

## Sustainability and Risk Management

### Sustainability

The concept of sustainability represents an important pillar of the strategy and business of «East Pipes Integrated Company for Industry», as it is adopted in the smallest details of its various activities. It undertakes to design and build its work environments to be an ideal place for giving and working socially and commercially, environmentally responsible, sustainable, fair, and safe. Its responsibilities go beyond contractual performance and legislative compliance, as the Company maintains a sustainable business in the interest of its customers, partners, employees, and the local communities in which we operate, by underlining the culture of health, safety and clean environment management, in all its businesses, supply chains and partners.

The approach to integrating the value of sustainability into all our business and activity identifies all imperatives, objectives, priority areas and objectives very clearly in a way that contributes to meeting the legislative requirements of the business, and managing the catastrophic risks associated with our business. It takes into account social, environmental and economic impacts, which include ethical values, occupational health and safety, sound work practices, employee and community rights, and environmental protection.

### Quality and Safety Management

The Company is committed to quality and has developed detailed written policies that aim to maintain its leadership position by embedding the highest standards of quality-management system in each segment of HSAW pipes with or without jointers, including the application of anti-corrosion coating on its pipes by using a process and risk-based approach.

It should be noted that, in addition to the Company's quality assurance processes, the Company's manufacturing is also monitored by third-party inspectors appointed by customers. Such inspectors are present on-site for the duration that the Company manufactures the customer's order.

### Quality

#### 1. Control of Raw Materials Quality:

The Company deals with the leading manufacturers in the field of steel and producing hot rolled steel coils. The Company ensures that the raw materials conform to the specifications required for customers through the following control strategy:

- Qualification and approval of adding new suppliers through a strict qualification system that includes a comprehensive review of manufacturing capabilities and the ability to carry out the required tests and examinations. The qualification system includes a

rigorous system for continuous monitoring of the supplier's performance, ensuring the quality of raw materials, and full compliance with delivery dates

- Comprehensive quality audit before approving the supplier and testing the raw materials on a limited basis to ensure the technical capabilities of the supplier.
- Provide suppliers of raw materials with the Company specifications that guarantees the quality of the product according to the known requirements and also guarantees the reduction of waste after the production of welded pipes.
- Performing quality tests for raw materials upon receipt and making sure that the raw materials are suitable for use in the production of welded pipes.

#### 2. Control of Pipes Production Quality

The Company has comprehensive production procedures that are regularly reviewed and audited to improve productivity and efficiency and reduce waste or returns. All Company production lines are equipped with a comprehensive tracking system. Each production procedure or destructive or non-destructive test is identified, documented, and well linked to the enterprise resource planning system.

All the Company's production lines are equipped with the latest non-destructive testing equipment to ensure the quality of the product before delivery to the customer. The non-destructive tests include the coil test before forming and ultrasonic welding with coverage of 100% of the roll width. The entire weld is also checked after production using advanced ultrasonic machines. The reliability and accuracy of the non-destructive testing machines are verified by a qualified technical team with a International certificates in pipe inspection and welding quality.

The Company owns a modern laboratory to carry out all the requirements of non-invasive tests to ensure the quality of the product and to test the strength and stiffness of the weld before shipment to the customer's site. Studies are underway to provide the Company with a special laboratory to carry out accurate chemical tests to ensure that the manufactured pipes can be used in the field of sour gas transportation

#### 3. Reducing Waste and Improving Productivity

The Company's quality policy depends on reducing waste and correct production from the first time by focusing on technical specifications when ordering raw materials and reviewing the technical performance of each supplier to improve productivity and reduce waste

in all stages of production. The Company also focuses on reducing repair welding problems and saving time and effort by ensuring proper production from the first time

The Company sets clear monthly and annual quality goals for each production line to ensure that waste is reduced, production is improved, and the quality of manufactured pipes is guaranteed.

#### 4. Quality Certificate

The Company has obtained several quality certificates such as: ISO 9001; API Spec Q1 and ISO 17025, which require a very high degree of manufacturing ability and monitoring procedures.

## Health, Safety and Environment

The Company has a strong focus on environmental protection, and health and safety. It has internal processes for monitoring, measuring and reporting a number of key indicators in this regard.

### 1. Health and Safety

The Company regularly monitors and reports its safety indicators measured through the number of actual incidents, near-miss incidents, fire incidents, lost time due to injury, medical treatment required, and damages caused. All incidents and near-miss incidents are investigated thoroughly to determine their cause, and processes are enhanced to prevent future occurrence.

### 2. Improving environmental performance

East Pipes Integrated Company for Industry is committed to the concept of environmental sustainability, continuous improvement of environmental performance and rationalization of energy consumption. The most important measures for improving the Company's environmental performance are as follows:

- Ensure compliance with applicable occupational health and safety legislation and other requirements.
- Prevent/reduce/eliminate risks involved in occupational safety and health through continuous improvement in operations and occupational health and safety practices at all levels and functions.
- Ensure that environmental sustainability is incorporated into all management decisions,

including the selection of raw materials procurement.

- Launching an initiative to rationalize energy consumption to an optimal extent and reduce carbon emissions.
- Reducing the consumption of water and non-renewable resources and applying an effective system for reuse and recycling in accordance with international standards.
- Full commitment with the proper disposal of waste and through licensed companies to reduce the environmental impact.
- The Company obtained the ISO 14001 (Environmental Management System) certificate to improve environmental sustainability.
- The Company conducts a periodic review of the environmental impact of all its activities and the evaluation of the methods used to improve environmental performance on a regular basis.
- Promote awareness of occupational health, safety and the environment among all persons working under the Company's control through effective communication and training.

### 3. Rationalizing the consumption of energy and natural resources

The Company has attached utmost importance to rationalizing energy consumption and reducing water wastage in all production lines. The Company has established an energy management program in order to achieve its objectives in reducing energy consumption and carbon emissions.

The Company focuses on reducing carbon emissions from steel products of the raw materials used in the manufacture of pipes, where the carbon emission standard will be set among the requirements for approval of steel suppliers to the Company, the environmental performance criterion will become an essential factor along with the quality and price criterion in the selection of suppliers.

### 4. Research and Development

The Company undertakes research in several areas such as usage of local material in production, use of HSAW pipes for new applications and developing pipe features to suit the specific requirements of customers.

## Environmental and Societal Relations Governance (ESG)

The Board of Directors of «East Pipes Integrated Company for Industry» is committed to having the Company conduct all its activities and business in accordance with the principles and fundamentals that are consistent with the Company's applicable values, taking into account the interests of society in general. The Company applies a set of measures towards the environment in accordance with the relevant legislation, in addition to its serious interest in the principle of reducing energy consumption and carbon emissions harmful to the environment.

### Environmental Governance

The Company relies on strict professional standards to sustainably control its environmental practices, and its commitment to comply with applicable environmental laws and regulations in all manufacturing and operational work environments.

The Company's environmental management system is also based on internationally established principles and practices such as environmental impact assessment, biodiversity conservation, management of manufacturing and production wastes harmful to humans and the environment, and energy management and rationalization.

### Governance of community relations

The Company is keen to adopt responsible professional practices, through which it ensures close cooperation with the community and business leaders, to support and develop community environments.

### Governance of health and safety controls and procedures

The Company applies the highest standards of health and safety, to provide a safe working environment for employees, suppliers and partners, and a commitment to integrating the concepts of health and safety as core values of the Company.

## Risk Management

The Board of Directors is committed to adopting deliberate procedures to address the various risks that may stand in the way of the Company's operational performance, and to promote a culture of awareness of the responsibilities of all stakeholders of the Company, in order to be fully aware

of its responsibilities towards these risks. The Company intends to enhance the effectiveness of internal control and apply corporate governance controls in accordance with the highest standards of transparency, And monitor all risks that the company may face periodically , in an effort to spare the various work units with their various activities in the Company any kind of risk.

### Risk Factors

Operational risks arise in the event of a direct or indirect loss, as a result of failure of the mechanism of conduct and implementation of works to be in line with the Company's operational systems, which may indicate a weakness in the Company's adopted governance framework, represented in the absence or weakness of internal supervision or control over employees or internal control systems, or efficiency of implementation of operations, lack of follow up of work progress, in addition to occurrence of any other events outside the control of the Company that can lead to disruption of work in the management of the operational risk. The Company is managing the operational risks by reviewing all policies and procedures for all departments of the Company periodically in order to reduce the errors associated with operations, in addition to applying business continuity plans and protection during disasters and reviewing them periodically, and in the event of any accidents resulting in operational losses, a self-assessment study is carried out to find out the main and root causes of the occurrence of these risks and compare them with the mechanism of business process and make recommendations and corrective steps to avoid their recurrence.

### Financial Risks

The company's activities are exposed to a variety of financial risks: such as market risk, credit risk, liquidity risk and currency risk.

Market price risk is concentrated in the risk of fluctuation of the value of the financial instrument as a result of changes in market prices, such as foreign exchange rates and fluctuations in prevailing interest rates, and the liquidity risk that the company may encounter difficulty in raising funds to fulfill the obligations associated with the financial instruments that may affect the company's financial position and flow. Cash, which will affect the company's income or the value of its financial instruments.

Market risk management aims to manage and control

exposure to market risk within acceptable standards, while optimizing return (including currency risk, fair value risk, cash flow interest rate risk and price risk). Possible negative impact on the company's financial performance.

Below is a list of the most significant risk factors that the Company may be exposed to:

- Risk of the company's sales concentrating in a limited number of clients
- Risks Related to Volatility in the Prices of Raw Materials
- Risks Related to Availability of Raw Materials and Raw Material Suppliers
- Risks Related to Financing and Increase interest rates
- Risks Related to Zakat and Tax
- Risks Related to Reliance on Information Systems
- Risks Related to Increased Energy Prices in the Kingdom
- Risks Related to Global Pipe Production Capacity
- Risks Related to Changes in the Regulatory Environment
- Risks Related to Foreign Exchange Rates
- Risks Related to Compliance with Saudization Requirements
- Risks Related to Fluctuation in the Market Price of the Shares
- Risks Related to the Company's Ability to Distribute Dividends
- Risks relating to the geopolitical tensions



# Financial Performance

## Summary of the Company Financial Statements

Following is a summary of the most important financial performance data of the Company in 2023-2024G compared to previous years, to be taken into account along with the general financial results of the Company mentioned at the end of the report (or attached to it).

### 1. Statement of Profit or Loss and Other Comprehensive Income

SAR'000	31 March 2020G	31 March 2021G	31 March 2022G	31 March 2023G	31 March 2024G
Revenues	1,668,864	935,506	597,465	1,438,646	1,543,168
Cost of revenue cost	(1,332,512)	(705,309)	(569,720)	(1,282,847)	(1,192,609)
Gross profit	336,352	230,197	27,745	155,800	350,559
General and administrative expenses	(12,706)	(12,857)	(15,284)	(21,114)	(21,853)
Selling and marketing expenses	(7,657)	(5,547)	(1,837)	(3,378)	(3,564)
(Allowance for) / reversal of expected credit losses	(3,928)	(2,498)	4,376	1,729	(1,128)
Operating profit	312,061	209,295	15,000	133,037	324,014
Other operating income) expense) - net	2,599	(1,616)	42	2,334	2,112
Financial charges	(48,110)	(32,011)	(16,885)	(23,630)	(29,265)
Profit (loss) before Zakat and income tax	266,550	175,668	(1,843)	111,741	296,861
Zakat expense	(4,577)	(5,596)	(1,061)	(6,762)	(11,791)
Income tax expense	(25,039)	(21,806)	(341)	(5,058)	(17,562)
Profit (loss) for the year	236,934	148,266	(3,245)	99,921	267,508
Other Comprehensive Income					
Remeasurement of employee benefit obligations	(1,273)	(509)	618	530	465
Profit / (loss) for the year	235,660	147,757	(2,627)	100,451	267,972

## 2. Statement of Financial Position

SAR'000	31 March 2020G	31 March 2021G	31 March 2022G	31 March 2023G	31 March 2024G
Current assets	711,623	400,127	575,724	663,180	989,494
Inventory	175,784	114,495	39,749	64,831	255,905
Investments	-	-	-	-	-
Fixed assets	229,733	277,381	262,335	245,747	233,003
Other assets	31,410	26,846	18,111	13,559	8,406
<b>Total assets</b>	<b>1,148,550</b>	<b>818,849</b>	<b>895,919</b>	<b>987,317</b>	<b>1,486,808</b>
Current liabilities	728,226	254,892	346,092	340,054	500,749
Non-current liabilities	143,762	46,340	34,837	31,822	134,146
Other Liabilities	-	-	-	-	-
Shareholders' equity	276,562	517,617	514,990	615,441	851,913
<b>Total Liabilities and Shareholders' Equity</b>	<b>1,148,550</b>	<b>818,849</b>	<b>895,919</b>	<b>987,317</b>	<b>1,486,808</b>
Minority interests	-	-	-	-	-

## 3. Statement of Cash Flows

SAR'000	31 March 2020G	31 March 2021G	31 March 2022G	31 March 2023G	31 March 2024G
Net income	266,550	175,668	(1,843)	111,741	296,861
Depreciations	33,810	38,634	24,143	25,428	26,581
Accounts receivable	(284,948)	224,833	(53,534)	(181,910)	(148,782)
Inventory	16,666	74,570	74,387	(25,116)	(193,861)
Prepayments	55,661	(337)	(78,436)	69,754	(57,692)
Accounts Payable	(184,827)	(204,450)	(45,889)	10,400	(10,851)
Other changes in operations activity	(51,236)	48,468	(17,404)	7,469	77,019
Fixed asset purchases	(2,919)	(1,453)	(3,170)	(2,944)	(4,141)
Other changes in investment activity	26	(6)	(113)	(558)	(1,034)
Increase in debt	204,104	(382,762)	140,147	(28,073)	44,623
Other changes in financing activity	-	27	(6,720)	(6,679)	(37,565)

#### 4. Company's Loan Movement

Lender	Available Amount (SAR Million)	Balance as at 31 March 2024	Agreement Date	Financing Cause
Saudi Industrial Development Fund	135.00	135	Facility Agreement Date is 15- Nov-2022 Amendment 29-12-1445 (8th April 2024).	Working capital financing
Saudi British Bank	150.00	-	Facility Agreement date is 3rd-Dec-23	Working capital financing
Alinma Bank	93.97	-	May 30, 2018, amended on April 19, 2020	Working capital financing
Saudi National Bank (SNB)	980.01	-	October 7, 2018, amended on Jan 19, 2023, Amended 28.02.2024	Working capital financing
Arab National Bank	500.00	-	Facility Agreement date is 16-Feb-2022, amended on 01-March-23	Working capital financing
Gulf International Bank (GIB)	320.00	-	Facility Agreement date is 25-Oct-2022 Amendment Date.	Working capital financing
Al Bilad Bank	24.86	-	Facility Agreement date is 21-Dec-2022, Amendment date 20. Feb.2024.	Working capital financing
National Bank of Kuwait	381.50	-	Facility Agreement date is 10th -Oct -2023	Working capital financing
BSF (Banque Saudi Fransi)	1208.46	156.59	Facility Agreement date is 31st-May-2023	Working capital financing
AL Rajhi Bank	200.00	-	Facility Agreement date is 6th-Nov-2023	Working capital financing
AL Riyadh Bank	672.50	-	Facility Agreement date is 7th-Aug-2023	Working capital financing
<b>Total facilities</b>	<b>4666.30</b>	<b>291.59</b>		

#### 5. Regulatory Payments due from the Company as on March 31, 2024G

Item	Paid	Due until the end of the annual financial period and has not been paid	Reasons
Zakat and Tax	17,692,495	27,065,589	Due for the year ended March 31,2024 will pay next year
General Organization for Social Insurance (GOSI)	3,556,687	306,332	Paid on April 2024.

#### 6. Differences in the operational results compared to the previous year

Differences in the operational results compared to the previous year		
SAR'000	31 March 2023G	31 March 2024G
REVENUE	1,438,646	1,543,168
COST OF REVENUE	-1,282,847	-1,192,609
GROSS PROFIT	155,800	350,559
OPERATIONAL EXPENSES	-22,763	-26,545
OPERATING PROFIT	133,037	324,014

## 7. Treasury Shares

There are no shares held by «East Pipes Integrated Company for Industry» at end of FY 2023G – 2024G.

## 8. Fines and Penalties

As of March 31, 2024G, East Pipes Integrated Company for Industry has not been subjected to any kind of sanctions or penalties.

## 9. Geographical analysis of the company's and its subsidiaries' revenues

The company's main headquarters is in the Eastern Region and it has no subsidiaries, and all of the company's revenues are from within the Kingdom of Saudi Arabia

## 10. A Description of the Dividends Distribution Policy

Pursuant to Article 110 of the Companies Law, each Shareholder is entitled to the rights attached to the Shares, including the right to receive a portion of the dividends declared. The Board of Directors shall make a recommendation on the declaration of any dividends prior to the approval of the Shareholders in a meeting of the General Assembly. The Company is under no obligation to declare dividends and any decision to do so will depend, amongst other things, on the Company's historic and anticipated earnings and cash flow, financing and capital requirements, market and general economic conditions, and the Company's Zakat position, in addition to legal and regulatory considerations. Dividend distributions are subject to the restrictions set out in the financing agreements concluded with the financiers. Dividend distributions are also subject to the restrictions set out in the Bylaws. Dividends shall be distributed in Saudi Riyals. Under the Company's Bylaws, after all general expenses and other costs are deducted, the annual net profit will be distributed as follows:

- A. Ten percent (10%) of the net profit shall be set aside to form a statutory reserve. Such allocations to the statutory reserve may be discontinued by the Ordinary General Assembly when the statutory reserve amounts to thirty percent (30%) of the Company's paid up share capital.
- B. Based on the Board's suggestion, the Ordinary General Assembly may set aside ten percent (10%) of profits to build up a contractual reserve allocated to one or more specific purposes.
- C. The Ordinary General Assembly may resolve to form other reserves to the extent they serve the Company's interests, or to ensure the distribution of fixed dividends – so far as possible – to the Shareholders. The Ordinary General Assembly may also deduct amounts from the net profit to create social institutions for the Company's employees, or to support existing institutions of such kind.
- D. The Board of Directors may distribute a certain percentage of the remaining balance to the Shareholders, and the Company may distribute semi-annual and quarterly dividends after complying with the requirements determined by the competent authorities.

Subject to the provisions set forth in Article 19 of the Company's Bylaws and Article 76 of the Companies Law, up to ten percent (10%) of the balance shall be set aside to remunerate the Board of Directors, provided that such remuneration is proportionate to the number of meetings attended by each Director.

Shareholders are entitled to their share of dividends under a resolution of the General Assembly issued in this regard. The resolution shall specify the date of maturity and the date of distribution. Owners of shares recorded in the Shareholder Register at the end of the maturity day shall be entitled to dividends.

The company announced distribution of dividends to the company's shareholders of 1 Saudi riyal per share for the fiscal year 2022-2023G.

Note: During the preparation of the report, the company announced on 26May2024 the Board's recommendation to the General Assembly for distributing dividends to shareholders of 1.5 Saudi riyals per share for the fiscal year 2023-2024 G.



## Corporate Governance

### Compliance with Corporate Governance Regulations issued by the Capital Market Authority

The East Pipes Integrated Company for Industry complies with the stipulations of the Corporate Governance Regulations issued by the Capital Market Authority, which set out the rules and standards regulating the management of joint stock companies. The Company's internal governance regulation, which includes the terms of reference of the Audit Committee and the terms of reference of the Nomination and Remuneration Committee in accordance with the resolution of the Ordinary General Assembly on 06/02/1442H (corresponding to 23/09/2020G) and 03/03/1444H (corresponding to 29/09/2022G) based on the recommendation of the Board of Directors in accordance with Corporate Governance Regulations.

Although the corporate governance rules of the Company are mandatory for all of its directors and employees and may not be amended except by a decision issued by the Board of Directors, they are also considered a legislative framework and are not rigid fixed rules, as they cannot be relied upon as a substitute for sound governance and transparent dealings within the company. The Corporate Governance Regulation is a regulation for managing the Company to preserve the rights of shareholders. As mentioned above, the Company applies all provisions stipulated in the Corporate Governance Regulations, except for the guiding provisions mentioned below:

Article (Clause) Number	Article (Clause) Text	Causes of Non-Compliance
Article 37 (2): Training	developing the necessary mechanisms for Board members and the Executive Management to continuously enroll in training programs and courses in order to develop their skills and knowledge in the fields related to the activities of the Company.	Guiding Article, noting that the board members have experience and skills. Also, board of directors, committee's members and executive management undergo training courses from time to time.
Article 39: The Assessment	<ul style="list-style-type: none"> <li>The Board shall develop, based on the proposal of the nomination committee, the necessary mechanisms to annually assess the performance of the Board, its members and committees and the Executive Management using key performance indicators linked to the extent to which the strategic objectives of the Company have been achieved, the quality of the risk management and the efficiency of the internal control systems, among others, provided that weaknesses and strengths shall be identified and a solution shall be proposed for the same in the best interests of the Company.</li> <li>The procedures of performance assessment shall be in writing and clearly stated and disclosed to the Board members and parties concerned with the assessment.</li> <li>The performance assessment shall entail an assessment of the skills and experiences of the Board, identification of the weaknesses and strengths of the Board and shall attempt to resolve such weaknesses using the available methods, such as nominating competent professional staff able to improve the performance of the Board. The performance assessment shall also entail the assessment of the mechanisms of the Board's activities in general.</li> <li>The individual assessment of the Board members shall take into account the extent of effective participation of the member and his/her commitment to performing his/her duties and responsibilities, including attending the Board and its committees' meetings and dedicating adequate time thereof.</li> <li>The Board shall carry out the necessary arrangements to obtain an assessment of its performance from a competent third party every three years.</li> <li>Non-Executive Directors shall carry out a periodic assessment of the performance of the chairman of the Board after getting the opinions of the Executive Directors, without the presence of the chairman of the Board in the discussion on this matter, provided that 7 Guiding Article 30 weaknesses and strengths shall be identified, and a solution shall be proposed for the same in the best interests of the Company.</li> </ul>	Guiding Article, however, the Nominations Committee conducts an annual evaluation of the Board of Directors and the independence of the independent members.
Article 67: Composition of the Risk Management Committee	<ul style="list-style-type: none"> <li>The Company's Board shall, by resolution therefrom, form a committee to be named the "risk management committee". Chairman and majority of its members shall be Non-Executive Directors. The members of that committee shall possess an adequate level of knowledge in risk management and finance.</li> </ul>	Guiding Article, noting that monitoring risk control falls within the competencies of the Audit Committee, which is reviewed periodically.

Article (Clause) Number	Article (Clause) Text	Causes of Non-Compliance
<b>Article 68: Competencies of the Risk Management Committee</b>	<ul style="list-style-type: none"> <li>· The competencies of the risk management committee shall include the following:</li> <li>· developing a strategy and comprehensive policies for risk management that are consistent with the nature and volume of the Company's activities, monitoring their implementation, and reviewing and updating them based on the Company's internal and external changing factors;</li> <li>· determining and maintaining an acceptable level of risk that may be faced by the Company and ensuring that the Company does not go beyond such level; 9 Guiding paragraph 10 Guiding Article 11 Guiding Article 40</li> <li>· Ensuring the feasibility of the Company continuation, the successful continuity of its activities and determining the risks that threaten its existence during the following twelve (12) months;</li> <li>· overseeing the Company's risk management system and assessing the effectiveness of the systems and mechanisms for determining and monitoring the risks that threaten the Company in order to determine areas of inadequacy therein;</li> <li>· Regularly reassessing the Company's ability to take risks and be exposed to such risks (through stress tests as an example);</li> <li>· preparing detailed reports on the exposure to risks and the recommended measures to manage such risks, and presenting them to the Board;</li> <li>· providing recommendations to the Board on matters related to risk management;</li> <li>· ensuring the availability of adequate resources and systems for risk management;</li> <li>· reviewing the organizational structure for risk management and providing recommendations regarding the same before approval by the Board;</li> <li>· verifying the independence of the risk management employees from activities that may expose the Company to risk;</li> <li>· ensuring that the risk management employees understand the risks threatening the Company and seeking to raise awareness of the culture of risk; and</li> <li>· reviewing any issues raised by the audit committee that may affect the Company's risk management.</li> </ul>	Guiding Article and the Company will apply it as soon as it becomes mandatory.
<b>Article 69: Meetings of the Risk Management Committee</b>	<ul style="list-style-type: none"> <li>· The risk management committee shall convene periodically at least once every six months, and as may be necessary.</li> </ul>	Guiding Article, noting that the risk register is presented to the Audit Committee and the Board of Directors periodically, as risk control falls within the competences of the Audit Committee.
<b>Article 82: Employee Incentives<sup>1</sup></b>	<ol style="list-style-type: none"> <li>1. The Company shall establish programs for developing and encouraging the participation and performance of the Company's employees. The programs shall particularly include the following:</li> <li>2. forming committees or holding specialized workshops to hear the opinions of the Company's employees and discuss the issues and topics that are subject to important decisions;</li> <li>3. establishing a scheme for granting Company shares or a percentage of the Company profits and pension programs for employees, and setting up an independent fund for such program; and</li> <li>4. establishing social organizations for the benefit of the Company's employees</li> </ol>	Guiding Article, noting that the company sets programs to develop and motivate employees and holds periodic meetings.
<b>Article 84: Social Responsibility</b>	<ul style="list-style-type: none"> <li>· The Ordinary General Assembly, based on the Board recommendation, shall establish a policy that guarantees a balance between its objectives and those of the community for purposes of developing the social and economic conditions of the community.</li> </ul>	Guiding Article, noting that the company pays attention to social responsibility and undertakes varied initiatives.
<b>Article 85: Social Initiatives<sup>1</sup></b>	<ul style="list-style-type: none"> <li>- The Board shall establish programs and determine the necessary methods for proposing social initiatives by the Company, which include:</li> <li>- establishing indicators that link the Company's performance with its social initiatives and comparing it with other companies that engage in similar activities;</li> <li>- establishing awareness programs to the community to familiarize them with the Company's social responsibility.</li> </ul>	Guiding Article, noting that the company is making some social initiatives was mentioned.
<b>Article 92: Formation of a Corporate Governance Committee<sup>2</sup></b>	<ul style="list-style-type: none"> <li>· If the Board forms a corporate governance committee, it shall assign to it the competences stipulated in Article (94) of these Regulations. Such committee shall oversee any matters relating to the implementation of governance and shall provide the Board with its reports and recommendations at least annually</li> </ul>	Guiding Article, noting that monitoring governance control and updating its requirements fall within competences of the Audit Committee.

### Accordingly, the Company has complied with the basic requirements, including:

- Preparing the Board of Directors' report in accordance with the Rules on the Offer of Securities and the Continuing Obligations issued by the Capital Market Authority, the Corporate Governance Regulations, the Companies Law and its amendments, as well as the controls and regulatory procedures issued in implementation of the Companies Law with regard to listed companies issued by the Capital Markets Authority.
- The members of the Board of Directors filled out and signed the declarations, and disclosure forms required by the Capital Market Authority.
- Commitment to implement the amendments approved by the Capital Market Authority on the Corporate Governance Regulations.
- Preparing corporate governance regulations for the Company that in accordance with the rules of the Corporate Governance Regulations and other laws and regulations issued by the Authority

## Remuneration and compensation of Board members and Senior Executives

The Articles of Association of the East Pipes Integrated Company for Industry provide that the annual remuneration for the members of the Board of Directors, including the Chairman, which may consist of financial or in-kind remuneration and benefits within the limits of what is stipulated in the Companies Law and its implementing regulations, which consists of attendance allowance for sessions, expenses allowance, in-kind benefits, and other entitlements, and it is permissible to combine two or more of these benefits.

The Nominations and Remuneration Committee also recommends to the Board the remuneration of Board members, Committee members and Senior Executives of the company, in accordance with the Evaluation and Remuneration Policy for Board Members, Committees and Senior Management approved by the General Assembly, explaining that there is no material deviation from the established policy and the rewards granted to members of the Board of Directors and committees and five senior executives who received the highest reward (including the CEO and CFO) for the fiscal year 2023-2024G according to the following table:

	Specific Amount	Variable Remuneration					Total	Fixed Remuneration					End of Service Indemnity	Grand Total	Expense Allowance
		Attendance Allowance of board meetings	Total Attendance Allowance of Committee Session	In-Kind Benefits	Remuneration for Technical, Administrative and Consulting Works	Remuneration of Chairman, Managing Directors, or Board Secretary if he is as member		Percentage from profits	Periodic Remuneration	Short-term Incentive Plan	Long-term Incentive Plan	Granted Shares (Enter Value)			
<b>First: Independent Members</b>															
Khalid Ibrahim Saad Al-Rabiah	280,000	12,000	30,000	-	-	-	322,000	-	-	-	-	-	-	322,000	-
Suhail Amin Nathani	250,000	6,000	21,000	-	-	-	277,000	-	-	-	-	-	-	277,000	-
Ahmed Mubarak Mohammed Al-Debasi	325,856	22,000	30,000	-	-	-	377,856	-	-	-	-	-	-	377,856	-
<b>Total</b>	<b>855,856</b>	<b>40,000</b>	<b>81,000</b>	-	-	-	<b>976,856</b>	-	-	-	-	-	-	<b>976,856</b>	-
<b>Second : Non-Executive Members</b>															
Vipul Shiv Sahai Mathur	200,000	15,000	-	-	-	-	215,000	-	-	-	-	-	-	215,000	-
Mohammed Saleh Mohammed Hamad AlHamadi	200,000	12,000	-	-	-	-	212,000	-	-	-	-	-	-	212,000	-
Sultan Samir Saeed Joudia	246,667	24,000	-	-	-	-	270,667	-	-	-	-	-	-	270,667	-
Viswanathan Hariharan Kollengode	200,000	16,000	-	-	-	-	216,000	-	-	-	-	-	-	216,000	-
Bassam Abdulsalam Mohammed Bamagous	133,333	6,000	12,000	-	-	-	151,333	-	-	-	-	-	-	151,333	-
Mohamed Al Othman	116,667	3,000	-	-	-	-	119,667	-	-	-	-	-	-	119,667	-
<b>Total</b>	<b>1,096,667</b>	<b>76,000</b>	<b>12,000</b>	-	-	-	<b>1,184,667</b>	-	-	-	-	-	-	<b>1,184,667</b>	-
<b>Third : Executive Members</b>															
CEO	29,167	-	8000	-	-	-	37,167	-	-	-	-	-	-	37,167	-
CFO	29,167	6,000	8,000	-	-	-	43,167	-	-	-	-	-	-	43,167	-
<b>Total</b>	<b>58,333</b>	<b>6,000</b>	<b>16,000</b>	-	-	-	<b>80,333</b>	-	-	-	-	-	-	<b>80,333</b>	-
<b>Grand Total</b>	<b>2,010,856</b>	<b>163,000</b>	<b>68,000</b>	-	-	-	<b>2,241,856</b>	-	-	-	-	-	-	<b>2,241,856</b>	-

## Remuneration and compensation of Senior Executives

below are the entitlements and rewards of five (5) senior executives at Orient Pipes, including the CEO and CFO of the company, who received the highest rewards for the financial year 2023-2024 AD as follows (amount in riyals)

Description	Details of the remuneration of five (5) senior executives at East Pipes, including the CEO and CFO
Fixed Remuneration	
Salaries	4,159,128
Allowances	1,622,211
In-Kind Remuneration	-
<b>Total</b>	<b>5,781,339</b>
Variable Remuneration	
Periodic Remuneration	
Profits	
Short-term Incentive Plan	1,863,341
Long-term Incentive Plan	
Granted Shares (Enter Value)	
<b>Total</b>	<b>1,863,341</b>
End of Service Indemnity	
Total Remuneration of Executives for Board membership, if any	80,333
<b>Grand Total</b>	<b>7,725,013</b>

**Explanation:** The company has disclosed of the senior executives' remuneration on aggregate in line with the requirements of subparagraph (a) of paragraph (4) of (Article 90) of the Corporate Governance Regulations issued by CMA, but to protect the interests of the Company, its shareholders and employees, and to avoid any damage that may occur as a result of disclosing the detailed senior executives' remuneration by position, the Company did not disclose the details as per Appendix (1) of the CG Regulations.

## Transactions with related parties

The following table summarizes the amounts due from related parties during the years, 2021, 2022 and 2023G, 2024G.

Related Parties	31 Marc 2020G	31 March 2021G	31 March 2022G	31 March 2023G	31 March 2024G
Welspun Holdings Company	-	-	(363,339)	-	-
Aziz Company for Contracting and Industrial Investment	-	-	-	-	-
Vision Invest Company	-	-	(849,194)	-	-
Mohawarean Industrial Services Company	-	-	-	-	-
Welspun Corp. Ltd.	3370	-	-	-	-
Aziz European Pipe Factory	-	-	(199,117)	-	-
Arab Pipes Project Company	-	-	-	-	-
Welspun Pipe Coating Company	89,828,620	-	-	-	-
<b>Total amounts due from related parties</b>	<b>89,831,990</b>	-	<b>(1,411,650)</b>	-	-

A statement of the dates of the general assemblies of shareholders held during the fiscal year 2023-2024 AD and the names of the members of the Board of Directors attending these assemblies:

Attendance Record			
S	Name	General Assembly Meeting 25-09-2023	Total meeting
1	Vipul Shiv Sahai Mathur	✓	1
2	Ahmed Mubarak Mohammed Al-Debasi	✓	1
3	Mohammed Saleh Mohammed Hamad Al-Hammadi	✓	1
4	Khalid Ibrahim Saad Al-Rabiah	✓	1
5	Suhail Amin Nathani	✓	1
6	Sultan Samir Saeed Joudia	✓	1
7	Viswanathan Hariharan Kollengode	✓	1
8	Bassam Abdulsalam Mohammed Bamagous	✓	1

## A statement of the Company's request to the Shareholders' Register

The Company analyzes and studies the Shareholders' Register with the aim of communicating with the shareholders, as requests was submitted to obtain shareholders' records during the fiscal year 2023-2024G:

S	Date of Request	Type of request	Reasons
1	11/07/2023	Detailed - at portfolio level (B)	Dividend Entitlement
2	04/09/2023	Detailed - at portfolio level (B)	Corporate Action
3	25/09/2023	Quantity - at NIN level (B)	AGM
4	10/01/2024	Detailed - at portfolio level (B)	Corporate Action
5	30/01/2024	Detailed - at portfolio level (B)	Corporate Action
6	10/03/2024	Detailed - at portfolio level (B)	Corporate Action

## Board Audit Committee Report to the Board 2023-2024

The internal control system and its effective procedures play a pivotal role in achieving the Company's strategic objectives and ensuring the confidence of all stakeholders. The executive management is responsible for establishing and maintaining an integrated system of internal control that is effective, comprehensive, and at a reasonable cost, that contributes to achieving its objectives and ensures the accuracy and integrity of financial reports and compliance with applicable laws and regulations.

### Summary of Audit Committee duties and responsibilities executed in 2023-2024

The Committee during the FY 2023-2024 carried out various activities within its scope of responsibilities; of which the main activities are the following:

#### 1. Internal Audit:

- Review and approve the internal audit department charter, plan and outputs and ensure whether the function has the necessary authority and resources to carry out its work while maintaining its independence.
- Review and assess internal audit reports and monitor the tracking and follow-up of implementation process determining whether or not appropriate actions are taken in respect of the internal audit recommendations therein.

#### 2. External audit:

- Review the External Auditors plan, scope of work, the results of the financial audits, the relevant audit reports and management letter.
- Seek confirmation of the independence of the external auditor, its objectivity, fairness, and effectiveness of the audit activities.
- Confirm that appropriate assistance was given by the Executive Management team to the External Auditors and that no difficulties were encountered during the course of the audit.

#### 3. Financial reporting:

Review and recommend to the Board of Directors the approval of the quarterly results and year-end consolidated financial statements.

#### 4. Compliance :

- Review report from the Compliance Department Company's on compliance with the relevant laws, regulations, policies and instructions.
- Review and endorse the related party transaction to the Board for approval.
- Oversee the existence of a whistleblowing reporting facility which captures and records matters raised by any stakeholders, including the Executive Management and employees.

#### 5. Risks:

Reviewing the risk register periodically and recommend to increasing the effectiveness of monitoring the risks exposed to the company and mechanisms for mitigating those risks.

## Audit Committee Assessment of the Effectiveness of Internal Controls

Based on the reports issued by the External Auditor and reports issued by the controls functions, which include the finance department, Internal Audit, Compliance and Risk, as well as management's attestations, nothing material has come to the attention of the Board Audit Committee that would indicate significant weakness in the system of internal and financial controls.

## Recommendations of the Board of Directors to the General Assembly

There are no recommendations made by the Company's Board of Directors to the general assembly until March 31, 2024.

## Board declarations according to the requirements of the governance regulations:

1. The books of account have been maintained properly.
2. The system of internal control is sound in design and has been effectively implemented.
3. There are no significant doubts concerning the Company's ability to continue as a going concern.
4. There is no conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors regarding the appointment of the auditor.
5. No recommendation was made by the Audit Committee regarding the need to appoint an internal auditor for the Company.
6. The consolidated financial statements have been prepared in accordance with the accounting standards and regulations issued by the Saudi Organization for Certified Public Accountants and in accordance with the relevant requirements of the Companies Law and the Company's Articles of Association regarding the preparation and publication of financial statements.
7. There is no interest in the category of voting shares belonging to persons (other than members of the Board of Directors, senior executives and their relatives) who have informed the Company of these rights and any change in those rights during financial year.
8. There is no interest, contractual securities or subscription rights belonging to members of the company's board of directors, senior executives and their relatives in the shares or debt instruments of the company or any of its subsidiaries, and there was no change in that interest or those rights during the last financial year.
9. There are no convertible debt instruments, any contractual securities, memoranda of subscription rights or similar rights issued or granted by the Company during financial year.
10. There are no transfer or subscription rights under convertible debt instruments, contractual securities, subscription right memoranda, or similar rights issued or granted by the Company during financial year.
11. No redeemable debt instruments have been redeemed, purchased, or revoked by the Company or any of its subsidiaries, and no listed securities have been purchased either from the company or its subsidiary.
12. No agreement has been entered into under which a member of the company's Board of Directors or a senior executive has waived any remuneration or compensation during financial year.
13. There is no agreement under which one of the Company's shareholders has waived any rights to profits.
14. The Auditor's report did not include any qualification on the financial statements.
15. There was no recommendation by the Board of Directors to replace the company's auditor before the end of the period for which it was appointed.
16. The Company did not provide any loan to any of the members of the Board of Directors and did not guarantee any loan entered into by any directors with third parties.
17. There are no treasury shares held by the Company.
18. There are no investments or reserves established for the benefit of the Company's employees during financial year.
19. There are no penalties imposed on the company during financial year.
20. There are no transactions with related parties during the financial year.
21. There are no business competing with the company or any of the branches of activity that it practices and which is practiced or was practiced by any member of the Board of Directors.

