

East Pipes secures new SAR 490 million contract from SWCC

New award brings total value from SWCC to nearly SAR 1 billion, for the next 12 months

Dammam, Saudi Arabia, 29 May 2022: East Pipes Integrated Company for Industry (“East Pipes” or “the Company”, 1321 on the Saudi Exchange), Saudi Arabia’s leading manufacturer of Helical Submerged Arc Welded (HSAW) pipes, has signed a new key contract with the Saline Water Conversion Corporation (SWCC) valued at SAR 490 million, to supply and deliver steel pipes for a water transmission project. This follows the award of an SAR 497 million contract in March 2022, for a project of a similar nature, also by SWCC.

The project will span a period of 12 months with the financial impact reflecting in East Pipes’ financial statements in 2022/2023.

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

“The domestic economy is emerging from the pandemic stronger than ever, and is on a sustained path of recovery, following temporary project delays. East Pipes has positioned itself to continue to cement its leadership position in the Saudi market, backed by the necessary capacity and skills. The two major new contracts secured with SWCC this year, are testament to that, and we look forward to continue to collaborate, to achieve the Kingdom’s infrastructure goals in line with Vision 2030.”

“The current infrastructure sector and economic environment in the Kingdom is conducive to growth, and East Pipes anticipates an increase in demand resulting from a large pipeline of projects over the next 2 to 3 years, thus translating into a robust performance for the company in the medium term.”

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

“The new project win is a clear indication of the trust and confidence instilled in East Pipes by our partner in success, SWCC. With nearly SAR 1 billion contracted for delivery over the next 12 months, we are ready to build on our track record of effective execution, to deliver on these significant new projects.”

“Our fully integrated manufacturing facilities, expanded capacity, industry-leading efficiencies and technological know-how, enable us to remain competitive and well-placed to secure further projects with SWCC and other strategic partners.”

The Water Transmission Systems are managed by SWCC, which is responsible for developing and operating power desalination plants to supply various regions in the Kingdom with desalinated water. This is in line with the government’s programme to expand the country’s water pipeline infrastructure through investment from the private sector.

About East Pipes:

Established in 2010, East Pipes Integrated Company for Industry (East Pipes) is one of the leading manufacturers of Helical Spiral Arc Welded (HSAW) pipes in Saudi Arabia, which are used in critical infrastructure sectors, predominantly water and oil & gas applications. Thanks to its state-of-the-art manufacturing capabilities and fully integrated business model, which includes a double joining plant and coating mill, the Company is capable of producing more than 500,000 metric tons of spiral pipes per annum, and pipe coating capacity up to 4.5 million sqm making it one of the largest integrated manufacturer of spiral pipes in the region.

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