



Earnings Release

Fiscal Year Ending 31 Mar 2025

Dammam, Saudi Arabia

May 21, 2025

East Pipes Landmark FY25 - Record-Breaking Year!

Surge in Revenue, Near-minimal Debt, and Scales Up with Major Expansion

- **Revenues** hits a record-high of **SAR 1.8 billion**, a 19% YoY increase.
- **EBITDA** reached to **SAR 466 million**, a 32% increase YoY.
- **Net Profit** rose to **SAR 382 million**, a 43% increase YoY.
- **Free cash flow** from strong operational activities reported **SAR 229 million** in FY25.
- Operating with Ultra-Low Leverage, resulting in a **near-minimal debt-to-equity ratio**.
- **Equity** grew from SAR 852 million to **SAR 1.1 billion**.

Key Figures (SAR Mill)	FY25 (As of 31 Mar'25)	FY24 (As of 31 Mar'24)	YoY (% change)
Revenue	1,833	1,543	19%
EBITDA	466	353	32%
Margin (%)	25.4%	22.9%	+250 bps
Net Profit	382	268	43%
Margin (%)	20.8%	17.3%	+350 bps
Total Assets	1,632	1,487	10%
Cash & Cash Equiv.	8	66	-88%
Total Equity	1,134	852	33%
Debt to Equity	0.09x	0.34x	

FY25 was transformative, delivering record profitability, market leadership, and a strengthened balance sheet, positioning us for sustained growth and maximizing stakeholder value.

Eng. Mohammed Abdulaziz Al Shaheen, CEO



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- **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, today announced its financial results for the twelve-month period ending 31 March 2025 ("FY25"), a transformative fiscal year during which the Company **delivered record top-line growth and profitability enhancement**
- **Revenues reached a record-high of SAR 1.83 billion**, a 19% Year-on-Year ("YoY") increase, supported by strong project execution and favourable pricing in both the water and oil & gas segments. Through disciplined cost management and favourable pricing, **EBITDA increased by 32.2% YoY to SAR 466 million**, expanding margins by 250bps from 22.9% to 25.4%. **Net Profit after zakat and income tax ("Net Profit") was reported at SAR 382 million**, a 43% increase YoY, resulting in an industry-leading Net Profit margin of 20.8%, compared to 17.3% in the prior year
- FY25 also marked a milestone year in capital efficiency for East Pipes. **Net cashflow from operating activities increased significantly reaching SAR 238 million** on the back of optimized working capital management. Net cashflow from investing activities declined by 64% YoY, signalling a prudent capital expenditure program. Lastly, net cashflow from financing activities reported a negative outlay of SAR 287 million (vs. positive SAR 7 million in FY24), due to the **repayment of most bank borrowings**, resulting in a **0.09x debt-to-equity ratio**, a testament to the Company's rigorous capital allocation and financial discipline
- As a result, Cash and cash equivalents decreased to SAR 8 million at the end of March 2025, down from SAR 66 million at 31 March 2024. East Pipe's balance sheet was further strengthened as **total equity grew from SAR 852 million to SAR 1.1 billion**.
- **Free cash flow** increased improved being **reported at SAR 229 million** in FY25, compared with SAR 5 million only in FY24.



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Executive Commentary

FY25 was a transformative year for East Pipes, we have delivered record results and peer-leading performance, highlighted by **industry-leading margins of 25% EBITDA and 21% Net Profit**, concurrently, we achieved complete deleveraging, significantly strengthening our balance sheet. This performance, coupled with our substantial market share, is built on customer trust and the unwavering commitment of our team, their **safety and well-being remain fundamental priorities**

Looking ahead, we are strategically positioned to pursue future growth opportunities, enabled by our enhanced production capacity, commitment to operational excellence, and targeted investments in technology and innovation, all underpinning our goal of sustainable value creation

Eng. Mohammed Al Shaheen
Chief Executive Officer

FY25 showcased remarkable financial and operational strength, delivering **robust revenue growth** and a **substantial increase in net profit**, We actively drove margin expansion through disciplined cost management, enhanced operational efficiencies, and optimized supply chains. Our enhanced financial resilience is evident in the **strong free cash flow turnaround** and **equity growth**. Capital discipline remains paramount; we prioritize debt reduction, strategic reinvestment, and sustainable dividend growth, while pursuing further efficiencies to bolster returns into FY26 and beyond

Looking ahead, we will sustain this momentum by strategically investing in manufacturing capabilities, expanding market reach, and sharpening our competitive edge

Dr. Mohammed Darweesh
Chief Financial Officer

Commercially, FY25 was exceptionally strong. We successfully **captured the highest market share** and built a substantial order backlog. We remain committed to diligently fulfilling our backlog commitments across both pipe manufacturing and coating services. Simultaneously, East Pipes is proactively engaging the market, to secure the next wave of major projects in both the water and oil & gas sectors. We maintain a resilient, diversified position across these key markets and are strategically expanding production capacity, for HSAW pipes, to meet the growing demand

Looking ahead, the significant upcoming Saudi Aramco gas infrastructure programs and the massive water sector projects provide a clear path to further strengthen East Pipes market leadership

Eng. Ali Al Makrami
Commercial Vice President



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Awards & recognition

Quality Excellence



Saudi Aramco Quality Award

The Largest Manufacturing Iktva Category

Sustainability Award



Ideal Factory Award for Environmental Sustainability

National Centre for Control of Environmental Compliance

Social Responsibility



Corporate Social Responsibility Award

International CSR Forum

FY25 Highlights

New production line for HSAW pipes

SAR 48M

Investment



400 KMT



100 KMT



Capacity/Year

500 KMT

About East Pipes



Fully Integrated

Operations



100+ projects

+3 Mill MT of pipes



Largest Capacity

in the Region



460+

Employees



>65%

Market Share



223,000 sqm

Facilities



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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 400,000 metric tons of spiral pipes per annum, making it one of the largest integrated manufacturers of spiral pipes in the region.

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Disclaimer

This communication has been prepared by East Pipes Integrated Company for Industry ("East Pipes") and reflects the management's current expectations or strategy concerning future events that are subject to known and unknown risks and uncertainties. Some of the statements in this communication constitute "forward-looking statements" that do not directly or exclusively relate to historical facts. These forward-looking statements reflect East Pipes' current intentions, plan, expectations, assumptions, and beliefs about future events and are subject to risks, uncertainties, and other factors, many of which are outside East Pipes' control.

Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks. East Pipes undertakes no obligation to revise any such forward-looking statements to reflect any changes to its expectations or any change in circumstances, events, strategy, or plans. Because actual results could differ materially from East Pipes' current intentions, plans, expectations, assumptions, and beliefs about the future, you are urged to view all forward-looking statements contained in this presentation with due care and caution and seek independent advice when evaluating investment decisions concerning East Pipes.