



Agreed-Upon Procedures Report on accumulated losses less than 50% of the share capital

To the Shareholders of Saudi Vitrified Clay Pipes Company

Purpose of this Agreed-Upon Procedures Report and Restriction on Use and Distribution

In accordance with our Alzoman, Alfahad & Alhajjaj Professional Services Engagement Letter dated December 12, 2024, our report is solely for the purpose of assisting in completing the regulatory procedures and instructions issued by the Capital Market Authority (CMA), related to listed companies when there is a reduction in accumulated losses from 50% of the share capital and may not be suitable for another purpose. This report is intended solely for the Shareholders and the intended users and should not be used by, or distributed to, any other parties.

Responsibilities of the Management

Management has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

Management is responsible for the subject matter on which the agreed-upon procedures are performed.

Practitioners' Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), Agreed-Upon Procedures Engagements as endorsed in the Kingdom of Saudi Arabia. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with management of the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Management

We have complied with the ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia. For the purpose of this engagement, there are no independence requirements with which we are required to comply.

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with the management in the terms of engagement dated December 12, 2024, on purpose of assisting in completing the regulatory procedures and instructions issued by the Capital Market Authority (CMA), related to listed companies when there is a reduction in accumulated losses from 50% of the share capital.



	Procedures	Findings
1	Obtained from the management of the Company the statement of consolidated balances as of November 30, 2024, as appearing in Appendix 1 (the "statement").	No exceptions noted.
2	Obtained from the management of the Company the Trial Balance and Unaudited consolidated Statement of Financial Position as of November 30, 2024, (the "financial information").	No exceptions noted.
3	Compared amounts of each balance as shown in the statement (obtained in step 1 above) with the amount of the respective balance as shown in the financial information (obtained in step 2 above).	No exceptions noted.
4	Checked the mathematical accuracy of each total and subtotal appearing in the statement (obtained in step 1 above).	No exceptions noted.
5	Recalculated the percentage of the Company's accumulated losses to its share capital based on amount of balance as shown in the statement (obtained in step 1 above).	The accumulated losses represent 10.35% of the share capital.

Alzoman, Alfahad & Alhajjaj Professional Services

Zaher Abdullah Alhajjaj
Certified Public Accountant
License no: (562)



Riyadh, Kingdom of Saudi Arabia

Date: 18 Jumada AlAkhr 1446H
Corresponding to: 19 December 2024

SAUDI VITRIFIED CLAY PIPE COMPANY
(A SAUDI JOINT STOCK COMPANY)
The Consolidated Statement (Appendix 1)
AS OF November 30, 2024
(Saudi Riyal)

	November 30, 2024 (Unaudited)
Assets	
Non-current assets	
Property, plant and equipment	93,849,225
Intangible assets and goodwill	10,259,798
Right of use assets	8,689,529
Total non-current assets	112,798,552
Current assets	
Inventories	42,429,388
Prepaid expenses and other assets	3,818,178
Trade accounts receivable	21,685,469
Cash and cash equivalent	5,814,284
Total current assets	73,747,319
Total assets	186,545,871
Equity and liabilities	
Equity	
Share capital	150,000,000
Statutory reserve	--
Accumulated losses	(15,531,431)
Net equity	134,468,569
Liabilities	
Non-current liabilities	
Lease liabilities -non-current portion	7,812,783
Defined employees' benefit plan obligations	11,865,752
Long-term loans - non-current portion	7,498,234
Total non-current liabilities	27,176,769
Current liabilities	
Lease liabilities (current portion)	3,314,311
Accrued expenses and other liabilities	8,068,539
Long-term loan (current portion)	3,400,000
Short-term Murabaha	5,000,000
Tare accounts payable	2,477,152
Contracts liabilities with customers	477,722
Zakat provision	2,162,809
Total current liabilities	24,900,533
Total liabilities	52,077,302
Total equity and liabilities	186,545,871

Abdulkhaliq Abdullah Babakr
Chief Financial Officer



Dr. Saad Saud Al Sayari
Managing Director

