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GAS Signed a Binding Agreements to Purchase Equity Stakes in EagleBurgmann Saudi Arabia Co. Ltd. (EBKSA) and TCR Arabia Co. Ltd. (TCR)



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Transaction value:

 57.3m

(EBKSA stake,
SAR 48.7m net)*



Transaction value:

 20.1m

(TCR stake,
SAR 17.1m net)*

*after applying a 15% discount.

Independent advice



Yaqeen Capital appointed
as valuation advisor



providing an independent
fairness opinion.

Companies Overview

EBKSA

Established: 2004

Engaged in the manufacturing, assembly, and servicing of mechanical sealing systems, gaskets, and expansion joints, including after-sales services. Serves key sectors such as oil & gas, refining, petrochemicals, power generation, water, mining, steel, and food industries.

TCR

Established: 2008

Provides testing, inspection, and metallurgical engineering services, including failure analysis and material characterization. Operates laboratories and field units supporting clients across energy, petrochemical, manufacturing, infrastructure, and mining industries.

Dammam, Saudi Arabia - November 25, 2025

GAS Arabian Services Co. (GAS), a leading industrial and engineered solutions provider, announces that its Board of Directors has approved entering into binding agreements to purchase equity stakes in EagleBurgmann Saudi Arabia Co. Ltd. (EBKSA) and TCR Arabia Co. Ltd. (TCR) from Future Prospects for Operation & Maintenance Co. (Future Prospects).

The transactions strengthen GAS's strategic control across its industrial services value chain and are expected to deliver operational synergies, deeper integration, and enhanced financial returns over time. In addition, the purpose of purchasing the stakes is to strengthen and expand investment opportunities that complement the services and products the company provides to its clients, further reinforcing GAS' long-term growth strategy. As Future Prospects is a major shareholder in GAS, the transactions are classified as a related-party transaction under applicable regulations.

Transactions Overview

Following independent valuations and a separate fairness opinion, GAS has agreed the following terms:

Company	Business Focus	Stake Purchased	Equity Valuation (GAS stake)	Final Purchase Price (after applying 15% discount)
EBKSA	Mechanical sealing & equipment manufacturing	12.9%	SAR 57.3 million	SAR 48.7 million
TCR Arabia	Testing, inspection & metallurgical services	40.0%	SAR 20.1 million	SAR 17.1 million

Yaqeen Capital acted as independent valuation advisor and conducted full fair-value assessments using DCF and market-multiples methodologies, including a 30% illiquidity discount.

A separate fairness opinion was issued by Value Capital, an independent advisory firm, confirming the fairness of the transactions.

The transactions will be effective upon transfer of ownership in accordance with regulatory requirements including but not limited to the General Authority for Competition and the Ministry of Commerce

Management Comment

EBKSA and TCR are deeply embedded in the Kingdom's industrial ecosystem. By purchasing stakes in these two companies, we are simplifying governance, tightening operational control, and capturing more of the value we help create in these businesses. The purpose of purchasing the stakes is also to strengthen and expand investment opportunities that complement the services the company provides to its clients, further reinforcing our integrated offering. Over the coming years, we expect this to translate into stronger earnings, healthier cash flows, and a more resilient industrial platform for our valued customers.

Faisal K. AlDabal,
Vice Chairman and Chief Executive Officer
Gas Arabian Services



Strategic Rationale & Value Creation

The transactions further unlocks value for GAS through three main levers:

01

Operational Integration

- Deeper integration across manufacturing, sealing solutions, non-destructive testing (NDT), and metallurgical services.
- Ability to harmonize processes, pricing, and service offerings across shared industrial customers and sites.
- Improved coordination of investments in capacity, technology, and digital solutions.

02

Governance and Control

- Purchasing stakes enhances GAS's strategic influence and board representation in EBKSA and TCR.
- Centralized decision-making on growth, risk management, and capital allocation.
- Better visibility on performance, cash flows, and returns, supporting disciplined portfolio management.

03

Market Positioning and National Agenda

- Reinforces GAS's position as an integrated industrial services and manufacturing platform in Saudi Arabia.
- Participate in national priorities including Vision 2030, local content, and supply chain localization in critical industrial segments.

Market Context

Independent industry studies conducted by Yaqeen Capital indicate that Saudi Arabia's industrial services and testing markets continue to expand in line with industrial growth, regulatory developments, and localization initiatives:

- The sealing technology and mechanical equipment segment served by EBKSA is estimated at around SAR 7.5 billion in 2023, with projections of approximately SAR 10.1 billion by 2030 (around 4.3% CAGR), supported by ongoing investment in oil & GAS, petrochemicals, power, and manufacturing, as well as growing aftermarket and digital maintenance needs.
- The testing, inspection, and certification (TIC) market addressed by TCR is estimated at roughly USD 3.63 billion in 2025 and is expected to reach USD 4.62 billion by 2030 (around 4.9% CAGR), driven by industrial diversification, more stringent standards, increased FDI, and giga-project activity, with attractive potential in advanced testing and digital inspection solutions.

These trends provide a supportive backdrop for sustained growth in both EBKSA and TCR's core markets.

Financial and Shareholder Impact

The transactions are designed to be value-accretive for shareholders, with the potential to:

- Drive sustainable earnings growth through ownership in two high-quality businesses.
- Strengthen free cash flow generation as integration benefits and synergies are realized.
- Support long-term capital appreciation by deepening exposure to structurally growing industrial segments.

The payment for the transactions will be settled within 90 working days from the date of transferring the stakes and recorded in the companies' updated Articles of Association. This is a positive element as it is expected to reflect a favorable impact on the company's cash flows and it is not expected to have any major impact on GAS's liquidity, and existing capital allocation priorities.

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2024 Financial Snapshot

Revenue:
SAR 164.5 million

Revenue Growth: 11-17% annually

Strong Profitability:

- 61% gross margin
- 40% operating margin
- 32% net margin

Zero debt

~63% return on equity

2024 Financial Snapshot

Revenue:
SAR 34 million

Strong Profitability:

- 45% gross margin
- 21% operating margin
- 18% net margin

Zero debt

72% return on equity

Governance and Related-Party Safeguards

Given the related-party nature of the transactions, GAS implemented additional governance measures, including:

- Appointment of Yaqeen Capital as independent valuation advisor to determine fair value ranges.
- Obtaining a separate fairness opinion from Value Capital on the transactions including but not limited to reviewing Yaqeen's valuation report.
- Review of the proposed transactions by the Board of Directors, which confirmed that the terms are on an arm's-length, fair-value basis.
- Approval by the Board of Directors in accordance with regulatory requirements, noting that the Board members who have indirect interest in the transactions did not participate in voting on the Board resolution.
- Value Capital concluded that the transactions to purchase the stakes in EBKSA and TCR is fair and reasonable to (GAS) from a financial point of view based on:
 1. The valuation prepared by Yaqeen Capital
 2. The 15-percent discount relative to fair value
 3. The settlement of the payment within 90 working days
 4. Strong financial performance of both entities and debt-free structure
 5. The review of regulatory compliance

Any material developments regarding completion, timing, or regulatory clearances will be disclosed to the market in due course.

About GAS Arabian Services Co.

GAS Arabian Services Company is a leading provider of technical services, trading products and solutions, and manufacturing capabilities to the oil and gas, energy, petrochemicals and mining industries in Saudi Arabia. The company successfully transferred its listing from the Parallel Market (Nomu) to the Main Market (TASI) on 9 October 2025, marking an important milestone in its growth and capital markets journey.

For Media and Investor Inquiries

GAS Investor Relations

GAS Arabian Services Co.

Email: ir@GASarabian.com

Tel: +966 13 8351500

Website: www.gasarabian.com