



# Annual Report

1443 - 1444 | 2022 - 2023

East Pipes Integrated  
Company for Industry

# Continuous Growth

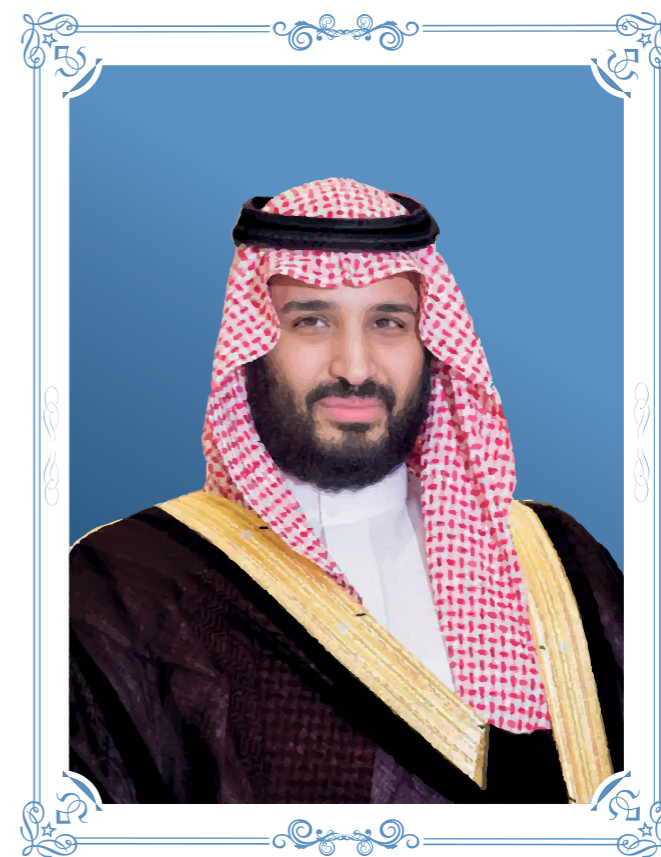






**Custodian of the Two Holy Mosques  
King Salman bin Abdulaziz Al Saud**

God bless him



**His Royal Highness  
Prince Mohammed bin Salman Al Saud**

Crown Prince and Prime Minister  
God bless him



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## Annual Report of the Board of Directors

### Respected / Shareholders of East Pipes Integrated Company for Industry

Peace, mercy, and blessings of Allah be upon you

The Company's Board of Directors is pleased to present to you its annual report for the year **2022 – 2023**, prepared in accordance with the requirements of the Corporate Governance Regulations, the Registration and Listing Rules, and the Company's Articles of Association, on the Company's business and performance for the fiscal year ending on **March 31, 2023**, accompanied by the audited financial statements and their accompanying notes, including the Company's activities and operational performance.



**500+**

Thousand Tons  
Production Capacity

**2.3+**

Million Mt Of Pipes  
Supplied To Clients

**16+**

Million Sqm coated  
pipes supplied to  
clients

**85+**

Projects Executed  
In Oil, Gas And  
Water Sectors





## Chairman's Statement



## Vipul Shiv Sahai Mathur Chairman of the Board of Directors

Dear Valued Shareholders and Partners, on behalf of my fellow Board members of East Pipes Integrated Company for Industry,

I am honored to share with you our annual report and financial statements for the fiscal year 2022-2023, in which we shed light on a set of facts, figures and indicators that characterize our advanced performance in the Company's successful journey since its incorporation in 2010, as a leading national steel pipes company in the Kingdom of Saudi Arabia. The strong performance and the improved productivity during the year, which we have been evolved as a solid foundation towards more successes with confidence and determination.

### East Pipes Integrated Company For Industry" as a public Listed In Saudi Stock Exchange in 2022

The Continuous Growth of "East Pipes Integrated Company for Industry" as a joint stock company, listed in Saudi Tadawul Exchange in 2022, to achieve full alignment with the Kingdom's vision 2030 and contribute to achieve its goals, along with capturing the expected investment opportunities according to acceptable risk levels, and achieving the Company's goals of increasing its market share, developing its revenues and net profits, and increasing its capital base.

This Continuous Growth in the Company's journey coincides with the signs of economic recovery on a local and global level witnessed in the living conditions and labor markets, thanks to the major opportunities provided by Vision 2030 at all levels, which have restored vitality to the development paths in the Kingdom of Saudi Arabia.

The sectors (oil, gas and water) witnessed a gradual recovery at the end of 2021 and the beginning of 2022, which prompted "East Pipes Integrated Company for Industry" to demonstrate great readiness to consolidate its leading position in the steel pipes industry, and to prove that it is the main player in this industry.

### The Company Also Maintains Sustainable Courses of Action

Meanwhile, the Company continued to develop the methodologies adopted by the Board of Directors and the Executive Management in line with the requirements of the Company's strategy in accordance with the provisions and stipulations of the Company's By-Laws and Articles of Association, and in full compliance with all the principles and provisions of the Corporate Governance Regulations issued by the Saudi Capital Market Authority, in a way that enables it to enhance performance and maximize impact and achievement, by developing work mechanisms

and policies in pursuit of the Company's strategic objectives.

The Company also maintains sustainable courses of action, in the interest of our customers, partners, employees, and the local communities in which we operate, by developing a culture of public health, safety and clean environment management in all our businesses and activities and through applying strict rules and measures to effectively implement comprehensive governance for its environmental, social and governance (ESG) relations, in accordance with the legislation and measures applied to manage the wastes of manufacturing and production processes that are harmful to humans and the environment, and to manage and rationalize energy, through which it ensures close cooperation with the community and business leaders, to support and develop social environments.

### Supporting the government's efforts to integrate and empower national female competencies

The company also continues to develop work environments in a way that attracts more distinguished Saudi expertise and competencies, and launches several awareness campaigns on the importance of women's participation in the administrative and productive work channels in the company, in a way that contributes to supporting the Kingdom's efforts to integrate and empower national female competencies and attract them in the manufacturing sector. production in the Kingdom of Saudi Arabia.

### In Conclusion,

I am pleased to extend my sincere thanks and gratitude to all the shareholders and partners for their precious confidence in us, and to the members of the Board of Directors and all employees of the Company, for their great support and absolute loyalty to the Company as well as their dedication toward achieving the Company's strategic goals, in pursuit to consolidate its position and strengthen its pioneering presence in the Saudi market, for more prosperity and development.



## Statement Of The Chief Executive Officer



## Eng. Mohammed Abdulaziz Mohammed Al-Shaheen Chief Executive Officer

Dear Valued Shareholders and Partners,  
Peace, mercy, and blessings of Allah be upon you,

I would like to share with you the Company's significant achievements of a year that witnessed major transformations in our journey of sustainable growth, and hope that it will be a promising step in achieving more success and prosperity that contribute to consolidating the Company's leadership and promoting its distinguished presence as one of the most prominent companies in the advanced pipe manufacturing and coating industry sector.

### Focusing On The Innovation And Quality Of Our Products

As a means of securing greater market share, we have enhanced our marketing initiatives, whilst continuing to focus on the innovation and quality of our products. The favorable prospects for the sector, as a result of significant project announcements under the Vision 2030 umbrella, bode well for our business, as we continue to capitalize on this momentum to reach greater heights.

### Solid And Strategic Partnerships

The solid and strategic partnerships that we have maintained over the years are indeed integral to our growth and development, and are a key component enabling us to deliver a healthy operational and financial performance."

### The Highest Standards Of Quality And Safety Recognized Globally In This Field

East Pipes Integrated Company for Industry was able to overcome such conditions with more resilience and skill, thanks to the prior strategic planning by the Company at the outset of the pandemic, which underlines its readiness to withstand the threats and risks with efficiency and competence.

The Company's listing on the Saudi Tadawul in 2022 is a main driver for growth. It also helps expanding the Company's portfolio of projects and investments, and increasing its customer base. The results will reflect on boosting the Company's financial strength and competitive advantages, which will enable it to take advantage of the Government trends to support the social and economic development in the Kingdom by launching many residential and industrial construction projects throughout the Kingdom, and winning the largest possible number of such projects, in addition to maximizing our ability to meet the demands of the most prominent companies in the Kingdom, and providing them with our products to implement their major projects in in oil & gas and water sectors leveraging our long-term strategic partnerships and relationships in this sector.

The Company will also take advantage from its huge production capacity that enables it to implement and deliver the requirements of these projects with the highest standards of quality and safety recognized globally in this field. The Company's entry into the Saudi stock market will maximize its ability to apply governance of its environmental and social relations with more flexibility and efficiency, in order to achieve the concept of

sustainability that is embedded in all of its activities and events. We aim to intensify the effort to enhance the presence of East Pipes as a leading company that contribute to supporting the efforts of the kingdom in community, environmental and economic development.

### Finally,

I am pleased to extend my sincere thanks and gratitude for the efforts made by our wise leadership represented by the Custodian of the Two Holy Mosques King Salman bin Abdulaziz and the Crown Prince, His Royal Highness Prince Mohammed bin Salman, may God preserve them, and the great support they provide to promote and develop the wheel of social and economic development in general and in the industrial sector, in particular, toward achieving the Kingdom's Vision 2030. I also extend my thanks and appreciation to all shareholders and partners, for their loyalty and confidence that we cherish, and to all members of the Board of Directors, the Executive Management, and all the Company's employees for their great role in developing the Company's performance and supporting it to achieve its strategic goals of expansion, growth, and prosperity. May the Almighty bless you all.

Significant Achievements Of A Year  
In Our Journey Of Sustainable Growth

## Under Vision 2030



## Statement Of The Chief Financial Officer



## Dr. Mohammed Saleh Ali Darweesh Chief Financial Officer

Peace, mercy, and blessings of Allah be upon you,

### A Real Leadership Position And Strong Financial Conditions

East Pipes Integrated Company for Industry enjoys a real leadership position and strong financial conditions coupled with its partnerships and great presence as the most prominent company and the best option in pipes and coating industry, for implementation of infrastructure projects of energy and water networks in the Kingdom, thanks to the Company's strong cash flow and the low leverage ratio, as well as its full commitment to deliver projects within the specified period and allocated budgets, with efficiency and competence.

The Company continues to maintain a fully integrated business model, with an average market share of more than (%70) during the three fiscal years (2019-2022), where it produced and delivered more than one million metric tons. Meanwhile, the Company maintains low levels of debt, with no prospects of significant capital expenditures in the near future. The installation of production line No. (4) in 2019, raised the Company's production capacity to more than (500) thousand tons annually. The Company attaches great importance to working capital, which is often used in inventory and customer accounts, to implement projects that can last more than (12) months. Therefore, the Company's overall performance is assessed on time-basis at an average interval of 2 to 3 Years. Parallel to that, the Company's management continues to develop its professional practices in cost management with high efficiency, which contributes to increasing its market share. The company also benefited from the strength of its financial position while continuing to reduce the level of debt, which contributed to support our ability to achieve significant progress in the effective implementation of our projects.

Our efforts focused mainly on managing active capital, to achieve strong cash flows from operating activities during the fiscal year 2023, which was reflected in our outstanding financial performance.

Rewarding our esteemed shareholders is a key pillar of our strategy. Issuing bonus share, we have also been able to positively improve our capital structure over the last year. Looking to the future, we aim to achieve sustainable and long-term returns for our shareholders, by exploiting on the positive momentum in the local market.

### Strong Financial Results This Year

We hope that the Company's strategic transformation, by entering the Saudi stock market, will be a promising step to significantly enhance its capabilities and performance, thus contributing to achieving our sustainable strategic goal, by maximizing shareholder wealth that balances the goal of growth and the goal of profit distribution. East Pipes Co. reported strong financial results this year, with demand picking up and the company's ongoing projects increasing. Our strong customer base also contributed to this strong financial performance, which resulted in a continuous increase in sales volumes compared to previous periods.

We have already laid the foundation for a successful fiscal year. The priority now is for the company to continue to achieve operational excellence and pursue this upward path, by leveraging the key competitive strengths that East Pipes is known for in the market."





# Company Overview

## Company Overview



### Vision

“Satisfy customers by embracing innovation and state-of-the-art-technologies and achieving comprehensive and sustainable growth in order to maintain excellence in all of the Company’s business”



### Mission

Enhancing our expertise and investing in developing a wide range of products, services and solutions.



### Values

Responsibility, excellence, leadership, diversity, integrity, teamwork.



## Highlights of our Journey

The Company’s journey began upon establishment of “Pipe Development Company for Pipe Production” on May 2010, 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, 2010. 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 2020.

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 production and coating industry, manufacturing tubes. The Company is distinguished for manufacturing spiral-welded steel pipes with diameters ranging from 18 to 120 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. 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 region. The HSAW Plant was set up in 2006G with three production lines and was expanded in 2019 when the fourth production line entered into operation, enhancing the nominal production capacity of the HSAW Plant from three hundred thousand metric tons (300,000 MT) per annum to five hundred thousands tons (500,000 MT) per annum. The HSAW Plant is one of two plants in the GCC that have the capability to manufacture pipes with an outer diameter ranging from 20 inches to 100 inches with a high production capacity.

#### The “DJ Plant”:

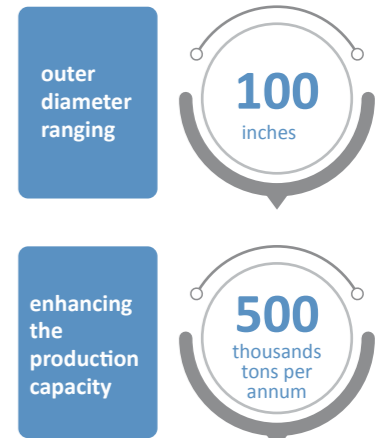
The DJ Plant was set up in 2014 to join single pipes to produce a pipe with a length of up to 26 meters. The DJ Plant has the capacity to handle outer diameters between 20 to 60 inches which are suitable for most typical wall thicknesses that range from 6 mm to 50.8 mm. The annual production capacity 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 2011 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.

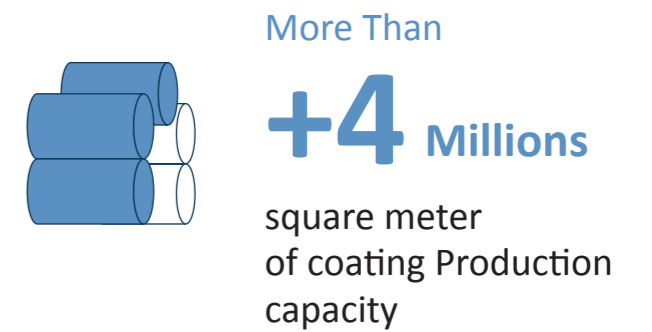
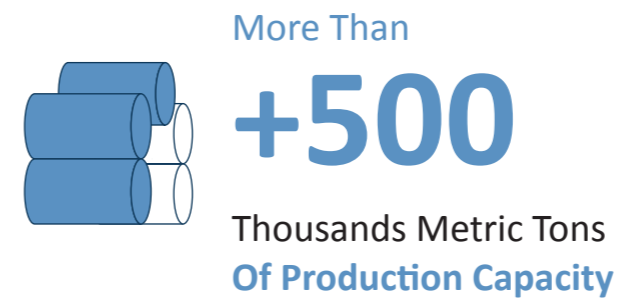
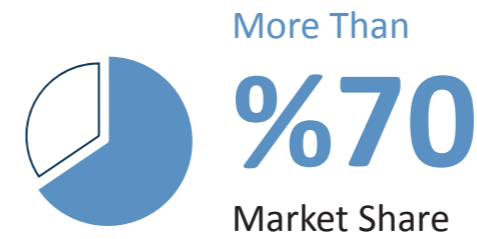
The Company has significantly increased its market share in the last two years by winning large water projects with the “SWCC”, boosting its position as a market leader. Additionally, it is a key supplier to the oil and gas industry, having completed major projects in the past such as the Qatif to Ras Tanura pipeline, the Yanbu to North Jeddah pipeline and the crude transit line from North Kuwait.



## The Company's Most Prominent Clients



## Company Overview







# Board of Directors



## Board of Directors Board Members



**Mr. Vipul Shiv Sahai Mathur**  
Chairman



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



**Mr. Suhail Amin Nathani**  
Board Member



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



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



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



**Mr. Viswanathan Hariharan  
Kollengode**  
Board Member



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







## 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 21/09/2020) 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:

Member's Name	Position	Nationality	Age (years)	Capacity	Direct Ownership (%)	Appointment Date
Vipul Shiv Sahai Mathur*	Chairman	Indian	53	Non-executive / non-Independent	—	21/09/2020
Ahmed Mubarak Mohammed Al-Debasi	Vice Chairman	Saudi	66	Independent	—	21/09/2020
Mohammed Saleh Mohammed Hamad AlHammadi	Board Member	Saudi	52	Non-executive / non-Independent	—	21/09/2020
Khalid Ibrahim Saad Al-Rabiah	Board Member	Saudi	61	Independent	—	21/09/2021
Suhail Amin Nathani	Board Member	American	58	Independent	—	21/09/2020
Sultan Samir Saeed Joudia	Board Member	Lebanon	39	Non-executive / non-Independent	—	24/05/2022
Viswanathan Hariharan Kollengode**	Board Member	Indian	61	Non-executive / non-Independent	—	24/05/2022
Bassam Abdulsalam Mohammed Bamagous	Board Member	Saudi	49	Non-executive / non-Independent	%0,0029810	20/10/2022

\*Mr. Vipul Shiv Sahai Mathur owns 0.1721% of Welspun Corp Ltd., which owns 89.98% of Welspun Mauritius Holdings Ltd., which in turn owns 35.01% of East Pipes Integrated Company for Industry's shares as at March 31, 2023.

\*\*Mr. K. H. Viswanathan owns 0.007% of Welspun Corp Ltd., which owns 89.98% of Welspun Mauritius Holdings Ltd., which in turn owns 35.01% of the Company's shares.



## 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 (5) meetings during the fiscal year 2022-2023, as shown in the following table:

Member's Name	Attendance record for Board meetings for the year 2022-2023					Attendance Percentage (%)
	1st Meeting	2nd Meeting	3rd Meeting	4th Meeting	5th Meeting	
	16 May 2022	26 May 2022	28 July 2022	27 Oct. 2022	29 Jan. 2023	
01 Vipul Shiv Sahai Mathur	Present	Present	Present	Present	Present	100%
02 Ahmed Mubarak Mohammed Al-Debasi	Present	Present	Present	Present	Present	100%
03 Mohammed Saleh Mohammed Hamad Al Hammadi	Present	Present	Present	Present	Absent	80%
04 Khalid Ibrahim Saad Al-Rabiah	Present	Present	Present	Present	Present	100%
05 Suhail Amin Nathani	Present	Absent	Absent	Present	Present	60%
06 Sultan Samir Saeed * Joudia	N/A	Present	Present	Present	Present	100%
07 Viswanathan Hariharan *Kollengode	N/A	Present	Present	Present	Present	100%
08 Bassam Abdulsalam **Mohammed Bamagous	N/A	N/A	N/A	Present	Present	100%
* Mohammed Abdulrahman Abdullah Al-Othman	Present	Absent	N/A	N/A	N/A	50%
* Mr. Omar Mohamed Al-Maidani	Present	N/A	N/A	N/A	N/A	100%
* Balkrishn Gopiram Goenka	Present	N/A	N/A	N/A	N/A	100%

\* Mr. Sultan Joudia and Mr. Viswanathan Kollengode were appointed as Board members on May 24, 2022, to replace Mr. Omar Al-Maidani and Mr. Balkrishn Goenka,

\*\* Mr. Bassam Bamagous was appointed as a member of the Board of Directors on October 20, 2022, to replace Mr. Mohammed Al-Othman.

\*\*\* Attendance rate for new members (100%) because they have not been absent from meetings since their appointment as a member of the Board of Directors.





## 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, except for the Audit Committee, which shall be formed under a resolution by General Assembly. Developing principles and standards that govern the business of the Company.**
- 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

Name	Current Positions	Previous Positions and Experiences	Academic Qualifications
 <p><b>Vipul Shiv Sahai Mathur</b></p>	<p>Chairman of Board of Director at the East Pipes from 2020G to date.</p> <p>Board Member at Welspun Pipes Inc., a United States unlisted public company, operating in the investment industry, from 2019G to date.</p> <p>Board Member at Welspun Tubular LLC, a United States unlisted public company, operating in the steel tubes and pipes industry, from 2019G to date.</p> <p>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.</p> <p>Managing Director and Chief Executive Officer at Welspun Corp Limited, an Indian listed public company, operating in the steel pipes and coating industry, from 2017G to date.</p> <p>Board Member at Welspun Specialty Solutions Limited, an Indian listed public company, operating in the stainless-steel pipes billets etc, from 2022G to date</p> <p>Board Member of Welspun Metallics Limited, an Indian unlisted public company, operating in the steel, from 2022G to date</p> <p>Board Member of Welspun DI Pipes Limited, an Indian unlisted public company, operating in the DI Pipes, from 2022G to date</p> <p>Board Member of Gladiator Consultancy Private Limited, an Indian unlisted private company, operating in the consultancy Pipes, from 2022G to date</p>	<p>Board Member at Welspun Middle East Pipe Coatings LLC, a Saudi limited liability company, operating in the pipe coating industry, from 2013G to 2020G.</p> <p>Board Member at Welspun Wasco Coatings Private Limited, an Indian unlisted public company, operating in the concrete weight coatings from 2018G to 2021G</p> <p>Member of the East Pipe Company's Executive Committee, from 2013G to 2021 G.</p> <p>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.</p> <p>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.</p> <p>Sales and Marketing Executive Director at Maharashtra Seamless Limited, an Indian listed public company, operating in the steel tubes and pipes industry, from 1992G to 1995G.</p> <p>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.</p>	<p>Master of Business Administration with specialization in Marketing, Calcutta University, India, 1990G.</p> <p>Bachelor of Science, Kanpur University, India, 1988G.</p>

Name	Current Positions	Previous Positions and Experiences	Academic Qualifications
 <p><b>Ahmed Mubarak Mohammed Al-Debasi</b></p>	<p>Vice Chairman at East Pipes Company and Chairman of the Nominations and Remuneration Committee since 2021 to date and a member of the executive committee since 2023.</p>	<p>Managing Director at Saudi Steel Pipe Company, a Saudi listed joint stock company, operating in the production of steel pipes industry, from 2016 to 2019.</p> <p>Chief Executive Officer at Saudi Steel Pipe Company, a Saudi listed joint stock company, operating in the production of steel pipes, from 2005G to 2016.</p> <p>Chairman at Saudi Steel Pipe Company, a Saudi listed joint stock company, operating in the production of steel pipes industry, from 2019 - 2022.</p> <p>Board Member at Titanium and Steel Manufacturing Company, a Saudi limited liability company, operating in the titanium and steel industry, from 2019 - 2022.</p> <p>Board Member at Middle East Paper Company (MEPCO), a Saudi listed joint stock company, operating in the paper production industry, from 2016 - 2022.</p>	<p>Bachelor's degree in business administration, Temple University, United States of America, 1982G</p>





## Biographies of the Board members

Name	Current Positions	Previous Positions and Experiences	Academic Qualifications
 <p><b>Mohammed Saleh Mohammed Hamad AlHammedi</b></p>	Board Member of East Pipes since 2011 to date	Board Member at Saudi Chemical Company, a Saudi joint stock company, operating in the healthcare industry, from 2007G to 2009G.	Bachelor of Business Administration, Webber State University, United States of America, 1996G.
	Board Member at Aziz Company for Contracting and Industrial Investment, a Saudi closed joint stock company operating in the general contracting industry, from 2019 to date.	Chairman at Saudi Automotive Services Company (SASCO), a Saudi joint stock company, operating in the automotive services industry, from 2006G to 2009G.	Bachelor of Marketing, Webber State University, United States of America, 1996G.
	General Manager at Support Medical a Saudi limited liability company operating in the hospital and laboratory management and operation industry, from 2018 to date.	General Manager at Pharma Serve Limited Company, a Saudi limited liability company operating in the medical devices and products and medicines trade, from 2018 to 2022	
	General Manager at Continues Medical Education Company, a Saudi limited liability company operating in the field of rehabilitation training institutes and centers, from 2018 to date.	General Manager at Home Medical Care Company Ltd., a Saudi limited liability company operating in the home medical services industry, from 2016 to 2022	
	Board Member at Al Baha Company for Investment and Development, a Saudi listed joint stock company, operating in the investment and financing industry, from 2013 to date.	General Manager at Biopharma Industrial Park Company, a Saudi limited liability company operating in the pharmaceutical industry, from 2017 to 2022.	
	General Manager at Construction and Maintenance Company, a Saudi limited liability company operating in the maintenance and contracting industry, from 2013 to date.		
	General Manager at Al Hammadi Construction Company, a Saudi limited liability company operating in the contracting industry, from 2005G to date.		
	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.		
	Board Member at Medical Industrial Company Ltd., a Saudi limited liability company operating in the medicines and medical supplies industry, from 2017 to date.		
	Chairman at Al Hammadi for Hospital Operations and Management, a Saudi limited liability company operating in the medical services industry, from 2013 to date.		
Member of the Board of Directors of Sudair Pharmaceutical Company from 2021 to date			




Name	Current Positions	Previous Positions and Experiences	Academic Qualifications
 <p><b>Khalid Ibrahim Saad Al-Rabiah</b></p>	Board member of East Pipes and Chairman of Audit Committee, from 2021 to date.	Chairman, Saudi Stock Exchange (Tadawul), a Saudi joint stock company, operating as a main stock exchange in the Kingdom, from 2013 to 2017. Chairman of the Executive Committee, Chairman of the Nomination Committee,	Bachelor of Accounting, The University of Toledo, United States of America, 1991.
	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 2018 to date.	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 2016.	
	Chairman of the Audit Committee, Saudi District Cooling Company, a closed Saudi joint stock company operating in district cooling, from 2019 to date.	CFO, 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.	
	Director member at the Abdullah Al-Othaim Investment Company, a closed Saudi joint stock company, operating in the development and operation of commercial complexes, from 2021 to date.	Chairman of the Audit Committee, Al Jazeera Support Services Company (Mehan), a Saudi joint stock company operating in recruitment and labor services, from 2017 to 2020.	
	Chairman of the Board Audit Committee		
	Director at the Yanbu National Petrochemical Company (Yansab), a Saudi joint stock company, operating in the petrochemical industry, from 2020 to date.		
	Member of the Investment Committee, Chairman of the Risk Committee.		
	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 2020 to date.		
	Director 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 2020 to date.		
	Consultant at the Saudi Mining Services Company, a closed Saudi joint stock company, operating in mining services, from 2020 to date.		
Director at Al-Dowayan Holding Company, a closed Saudi joint stock company, operating in real estate development, from 2017 to date.			
Founder and President of KIR Financial Advisory, operating in providing financial and strategic advisory services, from 2016 to date.			





## Biographies of the Board members

Name	Current Positions	Previous Positions and Experiences	Academic Qualifications
 <b>Suhail Amin Nathani</b>	Board Member at East Pipes and Member of Nominations and Remuneration Committee, from 2020 to date.	NA	Master in Law, Duke University, United States of America, 1991G.
	Board Member at Piramal Enterprises Limited, an Indian listed public company operating in the pharmaceutical industry, from 2020 to date.		MA (Law), Cambridge University, United Kingdom, 1990G.
	Board Member at Progressive Electoral Trust, (Section 8 Company) an Indian non-profit company limited by guarantee, operating in political party financing, from 2018 to date.		Bachelor of Commerce, Bombay University, India, 1987G.
	Board Member at Piramal Capital & Housing Finance, an Indian unlisted company operating in the mortgage and financial services industry, from 2017 to date.		
	Board Member at UTI Trustee Company Private Limited, an Indian company limited by shares, operating in the financial intermediation industry, from 2015 to date.		
	Board Member at CIE Automotive Ltd., an Indian listed public company operating in the automotive industry, from 2014 to date.		
Board Member at Aga Khan Agency for the Habitat India, (Section 8 Company) an Indian non-profit organization operating in community support, from 2012 to date.			
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.			
Founder and Managing Partner at Economic Laws Practice.			

Name	Current Positions	Previous Positions and Experiences	Academic Qualifications
 <b>Sultan Samir Saeed Joudieh</b>	Board Member at East Pipes, since 2022 until now	Vice President for Investment in Vision International Investment Company, a Saudi closed joint stock company, Investment and Project Development	Certified board director, and holder of a Diploma Certificate by GCC Board Directors Institute
	Chairman of Executive Committee at East Pipes, since 2022.	Associate Vice President - Asset Management Vision Invest, Investment and Project Development	Master's Degree in Business Administration from the University of Liverpool, United Kingdom – 2016
	Senior Vice President, Portfolio Management, Vision International Investment.	Director of Finance and Investments Beatona Company Investment and Project Development in the field of Solid Waste Management	Bachelor of Business Administration with concentration in finance from American University of Beirut, Beirut, Lebanon - 2004 (with distinction)
		Senior Associate the National Investor, Financial Advisory, Investment and Asset Management	
		Associate Capital Management House, Financial Advisory	
		Associate Financial Transaction House, Financial Advisory	



Name	Current Positions	Previous Positions and Experiences	Academic Qualifications
 <b>Viswanathan Hariharan Kollengode</b>	Board member of East Pipe and and Member of Audit Committee since 2022.	Member of the Board of Welspun Corp Limited and the Committees of the Board from 2002G to 2022G	B.COM Accounts, Corporate Law, Economics, 1982 University of Mumbai, India
	Board member of Welspun Specialty Solutions Limited, a public company Listed on BSE Limited in India.	Member of the Board Welspun Wasco Coatings Private Limited and the Committees of the Board from 2015G to 2022G	ACMA Accounting, Cost and Management Information Systems 1986G Institute of Cost Accountants of India
	Board member of Welspun Captive Power Generation Limited, an unlisted subsidiary of Welspun India Limited, a public company which is listed at BSE Limited and the National Stock Exchange of India.	Member of the Board Welspun Tradings Limited and the Committees of the Board from 2012G to 2020G	
	Board member of Welspun Anjar SEZ Limited, an unlisted subsidiary of Welspun India Limited, a public company listed on BSE Limited and the National Stock Exchange of India.	Accounting, taxation, corporate law, due diligence - mergers and acquisitions, business strategy formulation	
	Board member of AYM Syntex Limited (Formerly known as Welspun Syntex Limited), a public company listed on BSE Limited and the National Stock Exchange of India.	Internal Audit, Internal Controls, Information Technology Controls, International Financial Reporting Standards, Digital Strategy,	
	Board member of Welspun USA Inc. an American unlisted subsidiary of Welspun India Ltd., a public company listed on BSE Limited and the National Stock Exchange of India.	Board governance and practices and board effectiveness	
	Board member of Welspun India Ltd, a public listed company at BSE Limited and the National Stock Exchange of India.		
	Board member of Welspun Global Brands Limited, an unlisted subsidiary of Welspun India Ltd., a public company listed on BSE Limited and the National Stock Exchange of India.		
	Board member of Welspun Flooring Ltd. an unlisted subsidiary of Welspun India Ltd. a public company listed on BSE Limited and the National Stock Exchange of India.		
	Welspun BAPL Private Limited (formerly known as Plastauro Private Limited and prior to that known as Tubular Pipes Private Limited, an unlisted private company.		
BAPL Rototech Private Limited, an unlisted private company.			
 <b>Bassam Abdulsalam Mohammed Bamagous</b>	Board Member at East Pipes, since 2022 to date, and Member of Executive Committee since 2021 to date	Senior Vice President of Sales and Marketing at Al-Haitam Manufacturing and Economic Development Company, a Saudi limited liability company, from 2013 until 2014.	Bachelor of Electrical Engineering in 2000G, KFUPM Executive MBA in 2016, KFUPM
	Chief executive officer for Saudi global energy from 2016 to date, a Saudi limited liability, working in the field of energy, industry, supplies, maintenance, operation and investments.	Director of the Electricity Department at Al-Abdul Karim Holding Company, a limited liability company from 2006G until 2013.	
	Chief executive officer of Al-Haitam Company for Industries and Economic Development Company from 2014 to date, a Saudi limited liability, working in the field of supply business for the oil, gas, power, chemicals and water market.	Product manager of electrical heat tracing systems at Al-Abdelkarim Holding Company, from 2005G until 2006G.	
	Board member of Saudi Anixter by Wesco Company Limited From 2017 to date, a Saudi limited liability, working in the field of electrical goods, cables, communication systems and security.	An electrical design engineer at Dar Al Riyadh Engineering Consulting Company, a Saudi limited liability company working in the field of providing engineering consultancy, from 2000G until 2002G.	
	Board member for Tanmiah industrial and trading investment company from 2017 to date, It is a joint stock company, working in the field of industrial and commercial investment.		
	Board member of Saudi Target engineering and Construction Company from 2017 to date, It is a mixed ownership company with limited liability, working in the field of construction and oil and gas projects and marine projects		



## 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 Corp Limited	Outside the Kingdom	Indian listed public company	MAN Industries Limited	Outside the Kingdom	Indian listed public company
	Welspun Pipes Inc.	Outside the Kingdom	American public unlisted corporation	Triveni Oilfield Services Limited	Outside the Kingdom	Indian listed public company
	Welspun Tubular LLC	Outside the Kingdom	American public unlisted limited liability company	Maharashtra Seamless Limited	Outside the Kingdom	Indian listed public company
	Welspun Global Trade LLC	Outside the Kingdom	American public unlisted limited liability company	Kirloskar Electric Company Limited	Outside the Kingdom	Indian public company
	Welspun Metallics Limited	Outside the Kingdom	Indian unlisted public company	Welspun Wasco Coatings Private Limited	Outside the Kingdom	Indian unlisted public company
	Welspun DI Pipes Limited	Outside the Kingdom	Indian unlisted public company	Welspun Middle East DMCC	Outside the Kingdom	UAE unlisted public company
	Welspun Specialty Solutions Limited	Outside the Kingdom	Indian listed public company			
	Gladiator Consultancy Private Limited	Outside the Kingdom	Indian unlisted private 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	Listed joint stock company
	-	-	-	Titanium Industry Corporation and steel ltd	Inside the Kingdom	Closed joint stock company
	-	-	-	Middle East Company for the manufacture and production of paper and steel ltd	Inside the Kingdom	Listed joint stock company
Mohammed Saleh Mohammed 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	Medical Education Center continuous	Inside the Kingdom	Limited Liability 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			



## 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
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	-	-	-
	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	-	-	-
	Progressive Electrical Trust Company	Outside the Kingdom	An Indian non-profit company limited by guarantee	-	-	-
	Salaam Bombay Foundation	Outside the Kingdom	Indian unlisted public company	-	-	-
	Economic Laws Practice	Outside the Kingdom	Indian law firm	-	-	-
	East Pipes Integrated Company for Industry	Inside the Kingdom	Listed joint stock company			



## 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
Sultan Samir Saeed Joudieh	Miahona Company	Inside the Kingdom	A limited liability company	Sahara Aluminum Company	Inside the Kingdom	A limited liability company
	Kirikkale Holding Company Limited Bahrain	Inside the Kingdom	A limited liability company	Toledo Arabia Company	Inside the Kingdom	A limited liability company
	Aldar Chemicals Company	Inside the Kingdom	A limited liability company	-	-	-
	East Pipes Integrated Company for Industry	Inside the Kingdom	Listed joint stock company	-	-	-
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,	Outside the Kingdom	Indian unlisted public company	Welspun Wasco Coatings Private Limited	Outside the Kingdom	Indian unlisted public company
	Welspun Anjar SEZ Limited	Outside the Kingdom	Indian unlisted public company Listed on BSE	Welspun Tradings Limited	Outside the Kingdom	Indian unlisted public company
	AYM Syntex Limited (Formerly known as Welspun Syntex Limited)	Outside the Kingdom	Limited and the National Stock Exchange of India	-	-	-
	Welspun USA Inc	Outside the Kingdom	American public unlisted corporation	-	-	-
	Welspun India Limited	Outside the Kingdom	Listed on BSE Limited and the National Stock Exchange of India	-	-	-
	Welspun Global Brands Limited	Outside the Kingdom	Indian unlisted public company	-	-	-
	Welspun Flooring Ltd.	Outside the Kingdom	Indian unlisted public company	-	-	-
	Welspun BAPL Private Limited (formerly known as Plastauto 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	-	-	-



## 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
Bassam Abdulsalam Mohammed Bamagous	Target Engineering Construction Company	Inside the Kingdom	Joint Venture limited liability company	Al Tanmiah Company for Industrial and Commercial Investment	Inside the Kingdom	Closed joint stock company
	Saudi Global Energy Company	Inside the Kingdom	A limited liability company	-	-	-
	Ultra Accuracy Industrial Services Co. Ltd	Inside the Kingdom	A limited liability company	-	-	-
	Saudi Annexter Company Limited	Inside the Kingdom	A mixed limited liability company	-	-	-
	Al-Haitam Company for Manufacturing and Economic Development	Inside the Kingdom	A mixed limited liability company	-	-	-
	East Pipes Integrated Company for Industry	Inside the Kingdom	Listed joint stock company	-	-	-











# Board Committees

## 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.

### Board Committees



Audit Committee



Nominations and Remuneration Committee



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 23/09/2020) and the Extraordinary General Assembly's resolution dated 14/02/1443H (corresponding to 21/09/2021).

### Members of the Audit Committee

Member Name	Position	Membership Status
Khalid Ibrahim Saad Al-Rabiah	Chairman of the Audit Committee	Independent from inside the Board
Amro Hussein Omar Shawli	Member of the Audit Committee	Member from outside the Board
Viswanathan Hariharan Kollengode	Member of the Audit Committee	Member from inside the Board

### Biographies of the Audit Committee Members

Member Name	Nationality	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	Saudi	Chief Governance , Risk and Control Officer at Bupa Arabia from 2022 to date.  - Member of the Company's Audit Committee from 2020G to date.	Chief Audit Officer at Vision International Investment Company from 2021 – 2022 - Audit Manager in the Audit Support Division at Saudi Aramco, a Saudi listed joint stock company, operating in the power industry, in 2017G. - 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.	"Certified Management Accountant, Institute of Management Accountants, United States of America, 2016. Master of Business Administration with specialization in Accounting & Finance, Southern Methodist University, United States of America, 2012."

### Meetings of the Audit Committee

The Audit Committee held (4) meetings during the fiscal year 2022-2023, to carry out the tasks entrusted to it as shown in the following table:

Name	Attendance Record of the Audit Committee				Attendance (%)
	1st meeting	2nd meeting	3rd meeting	4th meeting	
	23 May 2022	25 July 2022	25 October 2022	26 Jan 2023	
01 Khalid Ibrahim Saad Al-Rabiah	Present	Present	Present	Present	100%
02 Amro Hussein Omar Shawli	Present	Present	Present	Present	100%
03 Viswanathan Hariharan Kollengode	-	-	Present	Present	100%
04 Rupak Ranjan Ghosh	Present	Present	-	-	100%

\* Mr. Viswanathan has been appointed as a Committee Member on 28th July 2022 to replace Mr. Rupak, the attendance rate of the members (%100) because they did not miss the meetings.





## Board Committees

### Responsibilities of the Audit Committee

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

#### 01- 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.

#### 02- 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.

#### 03- External Financial 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.

#### 04- 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.

#### 05- 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 23/09/2020) and 13/02/1443H (corresponding to 21/09/2021).

### Members of the Nominations and Remuneration Committee

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

### Biographies of the Nominations and Remuneration Committee

Name	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	Indian	<ul style="list-style-type: none"> <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; 9) WELSPUN TRADINGS LIMITED; 10) WELSPUN GLOBAL SERVICES LIMITED</li> <li>- WELSPUN TRADINGS LIMITED;</li> <li>- WELSPUN GLOBAL SERVICES LIMITED A member of the Risk Management Committee of Welspun Corp Limited from 2019G to date; Nomination &amp; Remuneration Committee of East Pipes Integrated Company for Industry from 2020G to date.</li> <li>- Member of Nomination &amp; Remuneration Committee of East Pipes from 2020 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 Allansons 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>	Chartered Accountant with specialization in Accounting, Taxation, Finance and Common Law, Institute of Chartered Accountants of India, India, 1992G.
Ahmed Abdullah Abu Al-Khair Al-Numan	Saudi	<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>- Member of Nomination &amp; Remuneration Committee of East Pipes from 2020 to date.</li> </ul>	<ul style="list-style-type: none"> <li>- Human Capital Development VP - Vision International Investment Company</li> <li>- HR Director - Misk Foundation</li> <li>- HR Director - BAE Systems Saudi Arabia</li> </ul>	<ul style="list-style-type: none"> <li>- MBA - Prince Mohammad Bin Salman College (MBSC)</li> <li>- Bachelor of Business Administration - University of South Africa</li> </ul>



## Board Committees

### Meetings of the Nominations and Remuneration Committee

The Nomination and Remunerations Committee held (3) meetings during the fiscal year 2022-2023, to carry out the tasks entrusted to it as shown in the following table:

	Name	Attendance Record of the Nominations and Remuneration Committee			Attendance (%)
		1st meeting	2nd meeting	3rd meeting	
		26 June 2022	29 Oct. 2022	23 Jan 2023	
01	Ahmed Mubarak Mohammed Al-Debasi	Present	Present	Present	100%
02	Suhail Amin Nathani	Present	Present	Present	100%
03	Percy Birdy	Absent	Absent	Present	34%
04	Ahmed Abdullah Abu Al-Khair Al-Numan	Present	Present	Present	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 21/09/2021) and 13/02/1443H (corresponding to 21/09/2021).

### Members of the Executive Committee

Member Name	Position	Membership Status
Sultan Samir Saeed Joudia	Chairman of the Executive Committee	Member from inside the Board
Ahmed Mubarak Mohammed Al-Debasi	Member of the Executive Committee	Member from inside the Board
Bassam Abdulsalam Mohammed Bamagous	Member of the Executive Committee	Member from inside the Board
Mohammed Abdulaziz Mohammed Al-Shaheen	Member of the Executive Committee	Member from outside the Board
John Godfrey	Member of the Executive Committee	Member from outside the Board

\* Mr. Ahmed Al-Debasi was appointed as the member of the Committee on 29/01/2023.

### Biographies of the Executive Committee Members

Name	Nationality	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	Saudi	- Chief Executive Officer, the Company, from 2021 to date. - Member of the Company's Executive Committee, from 2022 to date.	- Chief operating officer, Abunayyan Trading Corporation, a Saudi limited liability company, operating in energy, water, water treatment, smart solutions and logistics services, KSA and GCC, from 2019 to 2020. - 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.	- Bachelor of Science, Mechanical Engineering, King Fahd University of Petroleum and Minerals, the Kingdom, 2002G.
John Godfrey	Indian	Member of the Company's Executive Committee from 2021G to date.	Chief of business at Welspun Corp Ltd., an Indian public joint stock company, operating in pipe manufacturing, from 2017G to 2021G. Chief of the global supply chain at Welspun Corp Ltd., an Indian public joint stock company, operating in pipe manufacturing, from 2014G to 2021G.	- MBA, Aligarh Muslim University, India, 1989G. - Bachelor of Science, Aligarh Muslim University, India, 1985G.





## Board Committees

### Meetings of the Executive Committee

The Executive Committee held (5) meetings during the fiscal year 2022 - 2023, to carry out the tasks entrusted to it as shown in the following table:

	Name	Attendance Record of the Executive Committee					Attendance (%)
		1st meeting	2nd meeting	3rd meeting	4th meeting	5th meeting	
		06 Apr 2022	25 Jun 2022	23 Oct 2022	21 Dec 2022	06 Feb 2023	
01	Sultan Samir Saeed Joudia	Present	Present	Present	Present	Present	100%
02	Ahmed Mubarak Mohammed Al-Debasi	-	-	-	-	Present	100%
03	Bassam Abdulsalam Mohammed Bamagous	Present	Present	Present	Present	Present	100%
04	Mohammed Abdulaziz Mohammed Al-Shaheen	Present	Present	Present	Present	Present	100%
05	John Godfrey	Present	Present	Present	Present	Present	100%
06	Ibrahim Abdullah Ali Al-Nassar	Present	Present	Present	Present	-	100%

\* Mr. Ahmed Al-Debasi was appointed as the member of the Committee on 29/01/2023, replacing Mr. Ibrahim Al-Nassar. Mr. Ahmed Al-Debasi's attendance is (100%), as he did not miss the meetings.

### 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.



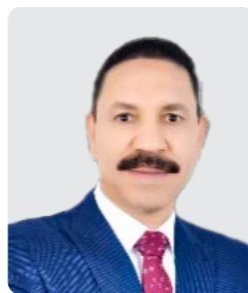




## Executive Management (Members of the Executive Management)



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



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



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



**Abdullah Mohammed Abu Sharifa**  
Senior Manager of Human Resources & Administrative



**Sanjay Kant Shrivastava**  
Vice President of Operations



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



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



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	Nationality	Age (Years)	Appointment Date	Direct and Indirect Ownership (%)
					Before and after offering
Eng. Mohammed Abdulaziz Mohammed Al-Shaheen	Chief Executive Officer	Saudi	46	01/06/2021	—
Dr. Mohammed Saleh Ali Darweesh	Chief Financial Officer	Egyptian	54	18/08/2021	—
Abdullah Mohammed Abu Shareefah	Senior Manager of Human Resources & Administrative	Saudi	53	18/08/2021	—
Eng. Ali Abdul-Ali Al-Makrami	Vice President of Commercial	Saudi	36	01/11/2019	—
Sanjay Kant Shrivastava	Vice President of Operations	Indian	57	01/12/2019	—
Dr. Khalid Ali Babakri	Vice President of Quality, Health & Safety	Yemeni	49	01/11/2021	—
Ashraf Fares Alaydi	Senior Manager of Governance Risk and Compliance	Palestine	44	01/05/2022	—

### Biographies of the members of the Executive Management

Name	Current Positions	Previous Positions and Experiences	Academic Qualifications
Eng. Mohammed Abdulaziz Mohammed Al-Shaheen	Please review the above biographies of the members of Executive committee members.		
Dr. Mohammed Saleh Ali Darweesh	- Chief Financial Officer of the Company and Secretary of the Board of Directors from 2021 to date.	- Group Chief Financial Officer at Middle East Paper Manufacturing Company, a public joint stock company listed on the Saudi market, from 2016 to 2021. - Member of the Board of Directors and the Executive Committee of the Higher Institute of Paper and Technological Industries. - Head of Financial Affairs, Qassim Cement Company, a public joint stock company listed on the Saudi market from 2009 to 2016. - Group Chief Financial Officer at Eshraqa Real Estate Development Company in Dubai and member of the Executive Committee from 2007 to 2009.	PhD in Finance from the United States of America in 2015, and a CPA from California, USA in 2003.  Postgraduate Diploma in Cost Accounting, 1995



## Executive Management (Members of the Executive Management)

### Biographies of the members of the Executive Management

Name	Current Positions	Previous Positions and Experiences	Academic Qualifications
Abdullah Mohammed Abu Sharifa	- Senior Manager of Human Resources & Administrative, the Company, from 2021 to date.	- Senior Manager of Human Resources & Administrative, Saudi Steel Pipe 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 2020.	- Bachelor of Public Relations, King Saud University, KSA, 1993G.
Eng. Ali Abdul-Ali Al-Makrami	- Commercial Vice President from 2021 to date	- Sales and Marketing Manager at the Arab Pipe Company from 2019 to 2020. - Sales Manager for the Eastern Region at the Arab Pipe Company from 2016 to 2018. - Manager of Sales Teams, Arabian Pipes Company, from 2013 to 2016. - Sales Engineer, Arab Pipe Company, from 2011 to 2013.	- Bachelor of Science - Applied Mechanical Engineering, King Fahd University of Petroleum and Minerals, KSA, 2010.
Sanjay Kant Shrivastava	- Operations Vice President - from 2019 G to date	- Senior vice president at Welspun Corp Limited, an Indian public limited listed company, operating in the steel pipes and coating industry, from 2012 to 2018. - Senior vice president at Man Industries Limited, an Indian public limited listed company, operating in the manufacturing industry, from 2010 to 2011.	- Master of Tech with specialization in Industrial Metallurgy, I.T.T Madras Chennai University, India, 1989G
Dr. Khalid Ali Babekri	- Quality, Health and Safety Vice President from 2021 to date	- Metallurgical Engineering Specialist Consulting Services Department, Saudi Aramco, Dhahran, Kingdom of Saudi Arabia. From 2014 to 2021. - Manager of Quality, Environment and Safety, Saudi Steel Pipe Company, Dammam, Saudi Arabia. From 2003 to 2014. - Environmental Project Engineer, Environmental Design and Manufacturing Laboratory, Toledo, Ohio, USA. From 1988G to 2002G.	- He holds a Certificate of Certified Engineer (CEng) from the Institute of Materials, Minerals and Mining (IOM3) in the United Kingdom. - Holds a certificate of a major auditor (ISO 2008 :9001). - Internal auditor certificates ISO 14001 and OHSAS 18001.



## Executive Management (Members of the Executive Management)

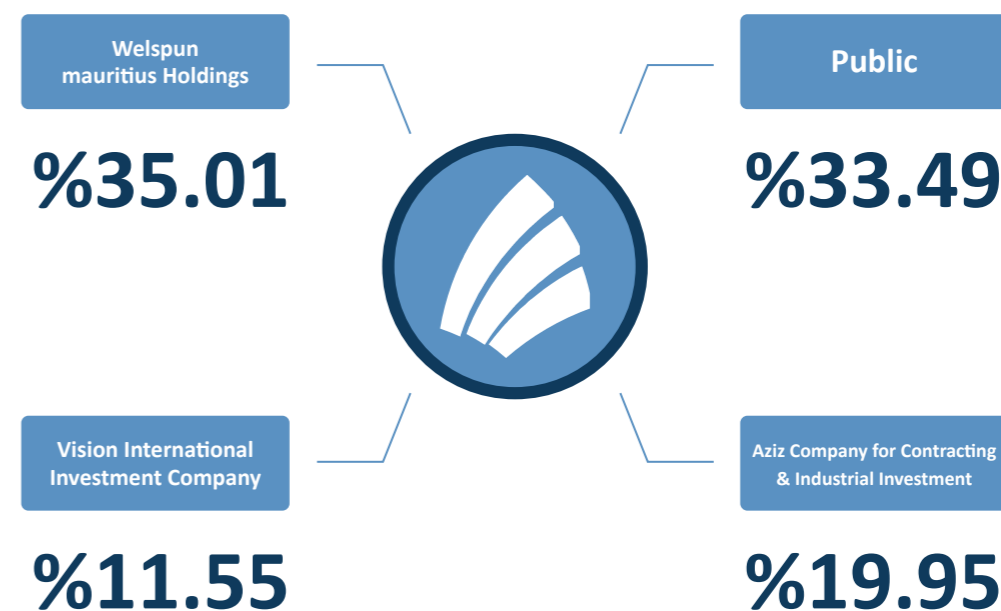
### Biographies of the members of the Executive Management

Name	Current Positions	Previous Positions and Experiences	Academic Qualifications
Ashraf Fares Alaydi	- Senior Manager of Governance Risk and Compliance from 2022 to date	- More than 22 years of experience in the banking sector and financial companies, and held a variety of positions in investment operations & treasury, compliance, anti-money laundering, and board secretary.	- He holds an international certificate specialized in governance, risk management and regulatory compliance, Certified GRC Expert - He holds Advanced Certificate in Compliance and Anti-Money Laundering from the Capital Market Authority - Manchester Business Academy 2012. - Certified Compliance Officer - 2009. American Academy of Financial Management (AAFM) in cooperation with the Capital Market Authority.

## Executive Summary

### Major Shareholders Of The Company

The Company's Ownership Structure ( own more than %05)





## The Company's Ownership Structure (owns 5% or more)

### Welspun Holdings

Welspun mauritius Holding is a public 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). In addition, its shareholders include the Indian company "Welspun Corp. Limited" (89.98%) and the Saudi Company Al-Haitam for Industries and Economic Development.

### Aziz Company for Contracting & Industrial Investment

Aziz Company is a joint stock company registered in the commercial register of Riyadh under No. 1010004249, dated 23/09/1387H (corresponding to 25/12/1967G). This company includes a number of Saudi individual shareholders.

### 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). its shareholding includes Abdulkadir AlMuhaidib and Sons Company and Abdullah Abunayyan Trading Company.

The following table sets out the Company's ownership structure as end of FY- 31 March 2023:

Shareholders (owns (5%) or more of the shares of the issuer)	As end of FY- 31 March 2023		
	Number of Shares	Nominal Value (SAR)	Percentage
Welspun Mauritius Holdings	11,027,206.00	110,272,060	%35.01
Aziz Company for Contracting & Industrial Investment	6,284,250.00	62,842,500	%19.95
Vision International Investment Company	3,638,248.00	36,382,480	%11.55
Public	10,550,873.00	105,502,960.00	%33.49
<b>Total</b>	<b>31,500,000.00</b>	<b>315,000,000.00</b>	<b>100%</b>

## Evolving number of employees

The number of employees in the company is (490), while the percentage of Nationalization is (33%). The following table shows the evolution of the number of employees (by department) during the past three years:

Department	Year ending on March 31, 2021			Year ending on March 31, 2022			Year ending on March 31, 2023		
	Saudi	Non-Saudi	Total	Saudi	Non-Saudi	Total	Saudi	Non-Saudi	Total
Production	33	153	186	64	225	289	49	140	189
Quality Control	16	75	91	20	69	89	26	69	95
Human Capital and General Administration	48	24	72	43	22	65	44	14	58
Other Departments	17	121	138	10	22	32	43	105	148
<b>Total</b>	<b>114</b>	<b>373</b>	<b>487</b>	<b>137</b>	<b>338</b>	<b>475</b>	<b>162</b>	<b>328</b>	<b>490</b>



## 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. The table below shows the percentage of Saudization in the Company according to its main divisions. At the end of the fiscal year 2022-2023, it amounted to 33% of the Company's total workforce, and thus the Company continues in the medium green range according to the criteria of the "Nitaqat" program

Year ending on 21 March 2023				
Department	Saudis	Non-Saudis	Total	Nationalization (%)
Executive Management	4	17	21	19%
Administrative Affairs	49	22	71	69%
Sales	3	1	4	75%
Finance	5	5	10	50%
Quality Assurance	26	66	92	28%
Production	75	217	292	26%
<b>Total</b>	<b>162</b>	<b>328</b>	<b>490</b>	<b>33%</b>

### Second - Training and Development

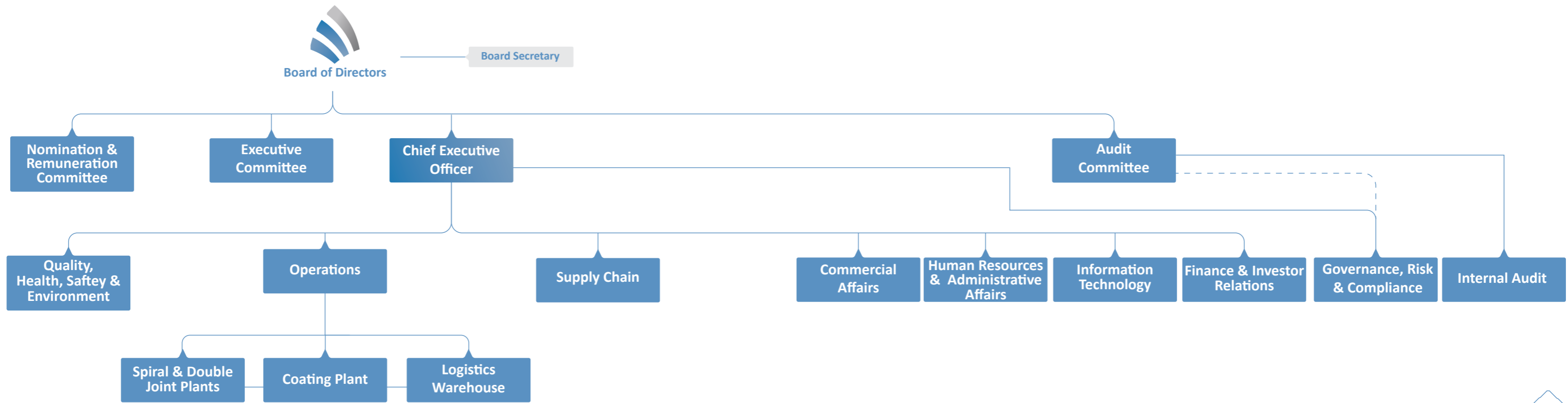
The Company is committed to developing a sustainable strategy, through which it is keen to train its employees, to enhance their skills and enrich their knowledge, in order to raise their performance and enable them to improve their production levels, according to the following steps:

1. 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.
2. 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.
3. 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.
4. 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.
5. 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, 2023. 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.







## Company Activities & 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:

- 01 Manufacturing of HSAW Pipes
- 02 Double-Jointing of Pipes
- 03 Pipe Coating services and solutions

### 1- 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 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).

Production Capacity up to **500,000** MT Annually

Pipes length up to **18.2** Meters

Pipes wall thicknesses up to **25.4** mm

### 2- 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.

Pipes length up to **26** Meters

### 3- 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 mechanical abrasion and corrosion that can disrupt their function, reduce capacity and increase costs.

Pipe Coating Low cost option



## 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:

2010	The Company was incorporated
2011	The HSAW Plant was set up with a nominal production capacity of 300,000 MT per annum
2011	The Coating Plant was set up with a nominal production capacity of 4 million sqm per annum
2014	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
2019	Completion of fourth pipe production machine to increase nominal production capacity to 500,000 MT per annum
2020	Signed Aramco framework agreement for supply of HSAW Pipes to Saudi Aramco
2020	initiated collaboration with one of the Company's customers to manufacture HSAW Pipes for sour gas and oil applications
2021	The Company's capital was increased to SAR 210,000,000
2021	Completing the merger of Welspun Pipe Coating Company with the Company
2022	Listing the Company in the main market of the Saudi Stock Exchange (Tadawul)
2022	The Company's capital was increased by distributing free shares (Bonus Shares) to SAR 315,000,000

## The most prominent achievements of the year 2022-2023

In line with the company's strategy and vision by working to consolidate its leading position in the local and regional market, the company achieved a number of achievements during the past fiscal year, some of which we summarize as follows:

- Increasing the company's capital.
- Accreditation of the company from several internal and external companies in pursuit of the company to create new opportunities and markets.
- Continuing work on the existing agreement with Saudi Aramco for the third year in a row, in which the company guarantees its competitive share in all existing projects with Saudi Aramco, under which all sizes produced by the company fall, as well as signing the extension of the agreement for the fourth year.
- Winning several projects to manufacture and supply pipes for a water transmission system for the General Corporation for Water Desalination.
- Winning several projects to manufacture and supply pipes for approved contractors in the water sector.
- Winning several tube packaging projects, which is the largest in the company's history.



## The Company's Strategy & 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

#### 01- 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 2019 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 9001:2015), (API 5L), (API Spec Q1), (ISO 9001:2015), (ISO 45001: 2018), (ISO 14001:2015) and (ISO/IEC 17025:2017) 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.

#### 02- 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. The Company has submitted a proposal to one of its customers whereby it is establishing the technical feasibility of using HSAW pipes for sour gas applications, a new service to be provided by the Company. If successful, this initiative will create a new market for HSAW pipes and open up the sour gas market to the Company, which is currently supplied by LSAW pipe manufacturers. Notably, the LSAW pipe demand in the Kingdom is approximately 0.56 million tons (i.e., approximately 70% of the GCC's LSAW market of 0.7 million tons).



#### 03- 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 Saline 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.

##### • 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:

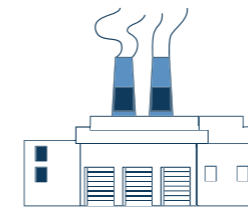
#### 04- Investing in its efficiency and high production capabilities as a Saudi national company, to benefit from the national procurement initiatives within the Kingdom to support the local market.

05- 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.

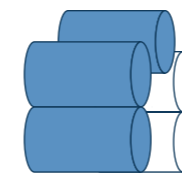
#### 06- Seeking to stimulate new markets, to expand its client base and projects in a sustainable manner.

### The Company's Competitive Advantages

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



**01- 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.



**02- 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.



**03- 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.



**04- Its long-term, well-established and developed strategic relations** with the most prominent major companies in the Kingdom, such as Saudi Aramco and the Water Desalination Corporation, 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.



**05- 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



# Marketing and Sales Activity

During the year 2022 - 2023








## Marketing and Sales Activity During the year 2022/2023

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, review the latest developments in the pipe industry, and know the growing requirements of its current and future customers, to provide them with the finest services of this industry, and support them with integrated marketing programs, solutions, and pre- and after-sales services, which increase the portfolio of projects and expand the customer base, ensuring value and benefit for all shareholders and partners, alike. The following summarizes the most important activities carried out by the Company in this field:

**01- 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

**02- Submitting direct offers and orders:** Most orders are received from clients through the bidding process. The Company is an approved supplier to major institutions and companies in water, gas and petroleum sectors, especially the Saline Water Conversion Corporation and Saudi Aramco. It also receives requests for quotations from relevant project owners, who may include the Water Desalination Corporation, Saudi Aramco directly, or engineering, procurement and construction contractors, specified by them. Offers submitted by the Company are considered primarily on the basis of technical and financial criteria. Technical parameters include capacity, delivery time, quality, complete solutions, subcontracting requirements and after-sales service. Due to the large production capacity of the Company, It also receives in certain cases direct orders from customers and 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.

**03- 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.

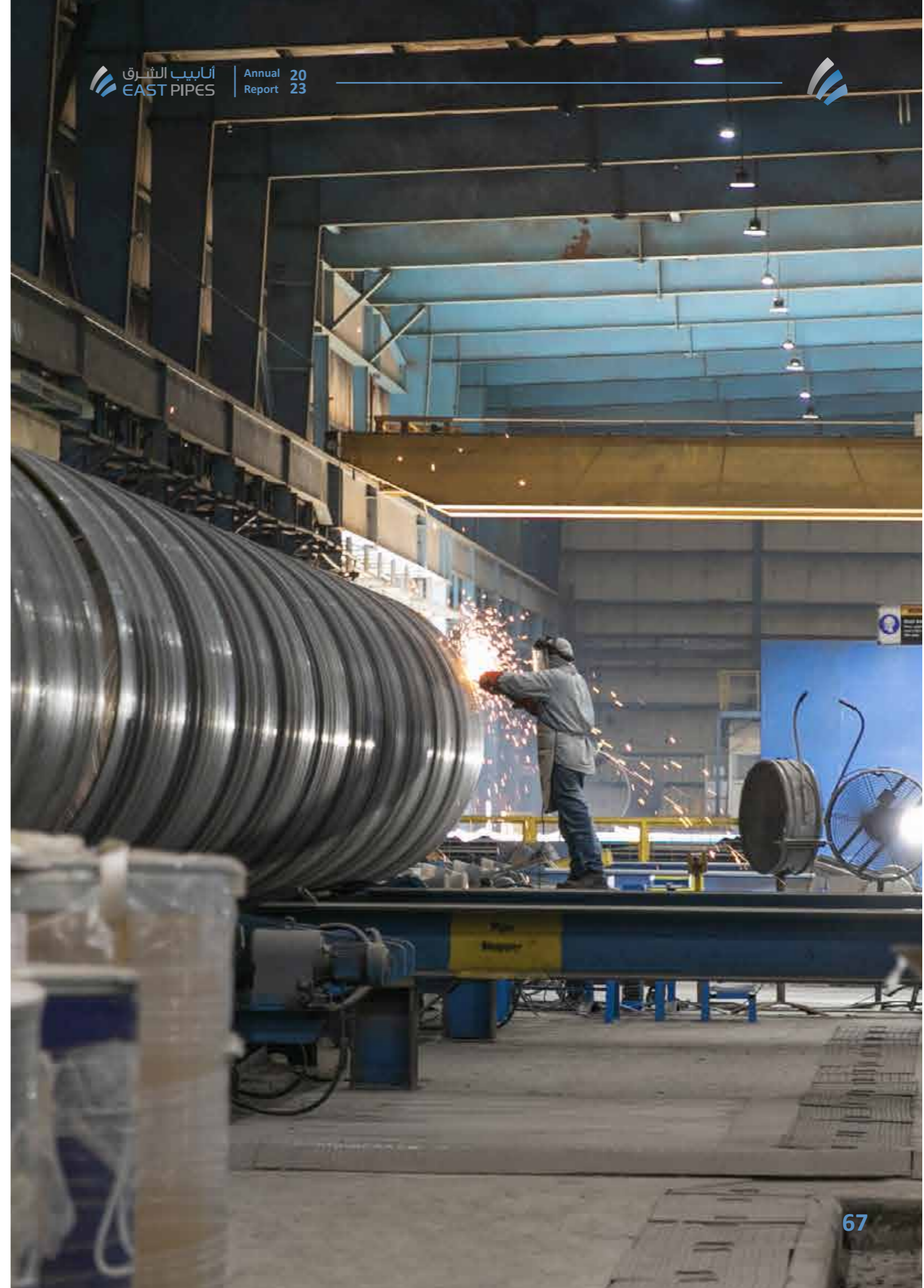
**04- Attention to relationships with clients:** The Company works closely with clients to understand their future requirements, upcoming projects, and technical and financial standards for each project. The focus on customer requirements is one of the reasons for the Company's significant increase in 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, Saudi Aramco, and others.

**05- 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 petroleum sectors when needed to overcome all obstacles in an effort to become a strategic choice in all areas of welded pipes.

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

The above activities resulted in the following:

<b>01</b>	<b>02</b>	<b>03</b>	<b>04</b>
Winning several projects to manufacture and supply pipes for a water transmission system for the Saline Water Conversion Corporation.	Winning Several projects for manufacturing and supplying pipes for NEOM	Winning several projects for the manufacturing and supplying pipes for the approved contractors in the water sector	Winning several pipe coating projects







# Sustainability and Risk Management





## 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 manufacturing and coating 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.



## Sustainability and Risk Management

### 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 Certificates

The Company has obtained several quality certificates such as: ISO 9001:2005, 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.



## Sustainability and Risk Management

### 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.

## Environmental, Social, And Corporate Governance

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.



## Sustainability and Risk Management

### 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.

### 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 to support Abdullatif Al-Fowzan Center for Autism.
- Contribute to the popular campaign to help those affected by the earthquake in Syria and Turkey.
- Preparing campaign to distribute school bags for orphaned and needy children in cooperation with the Al-Ber Association in Umm Al-Sahek in the eastern province.
- Organizing an awareness campaign, with the participation of the company's employees, to clean Half Moon Beach in Dammam.
- Organizing a blood donation campaign by the company's employees in cooperation with the Ministry of Health.
- Organizing a campaign within the company to vaccinate against influenza for the company's employees, in cooperation with the Ministry of Health.

## 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, in an effort to spare the various work units with their various activities in the Company any kind of risk.

## Risk Factors

### Operational Risk and Business Continuity Management

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.



## Sustainability and Risk Management

### The Most Significant Challenges

#### In The Year 2022 -2023

#### 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.

#### Increase Interest Rates

- Its negative effects affected the production sector of the pipe industry Hsaw through the high prices of raw materials and other production requirements
- In addition to high shipping costs, delays in shipments of raw materials, and other factors, including a shortage of containers.
- The negative effects and uncertainty witnessed by the markets in 2022 affected on the global markets during the year, so the industry sectors became subject to fluctuation.
- Central banks have also raised interest rates to keep up with inflation. Economic conditions and inflation in developed economies affect the countries of the Middle East and North Africa. The inflation rate in the countries of this region is still high, at 14.2% on average, and it is expected to remain high during 2023.

#### The War Between Russia And Ukraine

The Russian invasion of Ukraine, which began in February, affects many areas and sectors in the world, the most noticeable of which is the economy. The exacerbated prices of raw materials and increased supply chain difficulties that emerged as a result of the Corona pandemic and the consequent blatant rise in shipping costs and the high cost of borrowing and financing, will generally reflect negatively on the profitability of projects.

#### 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 the Kingdom and the Global Economy
- Risks Related to Global Pipe Production Capacity
- Risks Related to Changes in the Regulatory Environment
- Risks Related to Fluctuation in the Market Price of the Shares

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

- Fulfilling orders for HSAW pipes and fulfilling pipe coating orders for the project announced in the fiscal year 2022-2023
- Work to complete all the required procedures necessary to obtain the current future orders that cover both water, oil and gas sectors. These potential orders are subject to final pricing and approval by the respective customers as contracts or final purchase orders.
- Follow-up and completion of all required procedures to obtain orders for the implementation of the announced future water projects.
- Qualifying new company's clients locally and internationally.





# Financial Performance



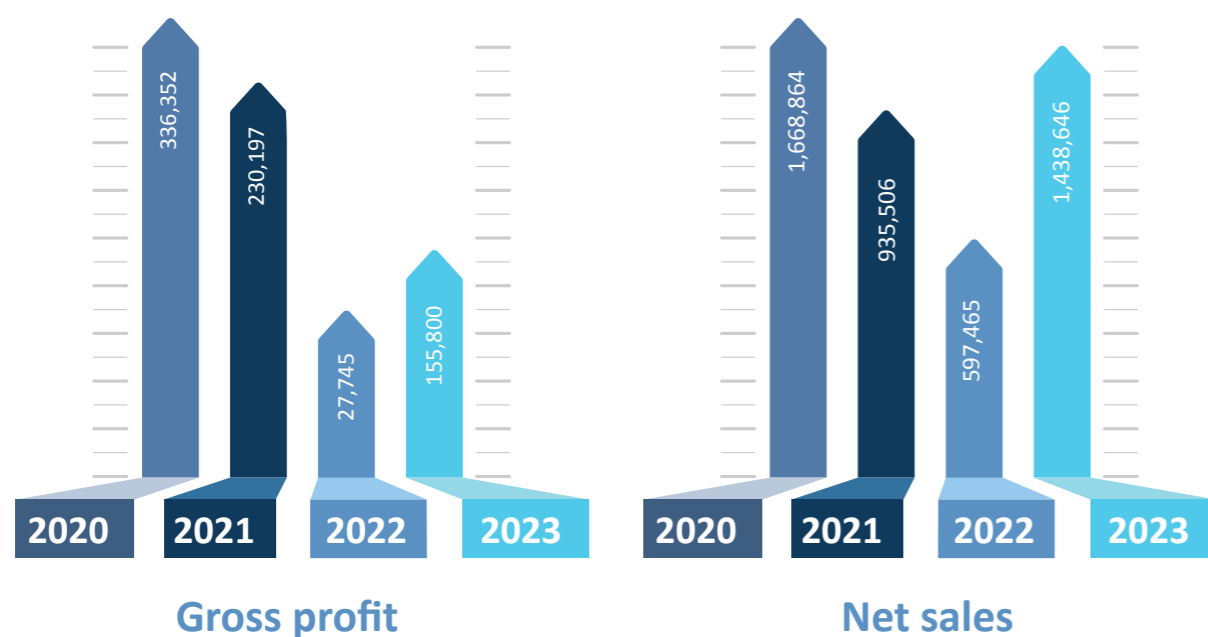
## Financial Performance

### Summary of the Company's Financial Statements

Following is a summary of the most important financial performance data of the Company in 2022-2023 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).

#### 01- Company's Profitability

SAR'000	31 March 2020	31 March 2021	31 March 2022	31 March 2023
Net sales	1,668,864	935,506	597,465	1,438,646
Gross profit	336,352	230,197	27,745	155,800
Operating loss/profit	312,061	209,295	15,000	133,037
Loss/profit from continuing operations	236,934	148,266	(3,245)	99,921
Loss/Profit from discontinued operations	-	-	-	-
Net profit/loss	236,934	148,266	(3,245)	99,921
Earnings before interest, taxes, depreciation and amortization	348,470	246,312	39,143	158,465



## Financial Performance

### 02- Key Performance Indicators

	31 March 2020	31 March 2021	31 March 2022	31 March 2023
Gross profit margin (%)	20.2%	24.6%	4.64%	10.83%
Net profit margin (%)	14.2%	15.8%	0.54%	6.95%
Return on assets (%)	20.6%	18.1%	0.36%	10.12%
Return on equity (%)	85.7%	28.6%	0.63%	16.24%
Trading rate	1.2%	2.0%	1.8%	2.1%
Total assets to total liabilities	131.7%	271.8%	235.19%	265.50%

### 03- Statement of Profit or Loss and Other Comprehensive Income

SAR'000	31 March 2020	31 March 2021	31 March 2022	31 March 2023
<b>Statement of profit or loss and other comprehensive profit</b>				
Revenues	1,668,864	935,506	597,465	1,438,646
Cost of revenue cost	(1,332,512)	(705,309)	(569,720)	(1,282,847)
<b>Total profit and loss</b>	<b>336,352</b>	<b>230,197</b>	<b>27,745</b>	<b>155,800</b>
General and administrative expenses	(12,706)	(12,857)	(15,284)	(21,114)
Selling and marketing expenses	(7,657)	(5,547)	(1,837)	(3,378)
Provision for credit loss	(3,928)	(2,498)	4,376	1,729
<b>Operating profit/loss</b>	<b>312,061</b>	<b>209,295</b>	<b>15,000</b>	<b>133,037</b>
Other operating income (expense) - net	2,599	(1,616)	42	2,334
Financial charges	(48,110)	(32,011)	(16,885)	(23,630)
<b>Profit (loss) before Zakat and income tax</b>	<b>266,550</b>	<b>175,668</b>	<b>(1,843)</b>	<b>111,741</b>
Zakat expense	(4,577)	(5,596)	(1,061)	(6,762)
Income tax expense	(25,039)	(21,806)	(341)	(5,058)
<b>Profit (loss) for the year</b>	<b>236,934</b>	<b>148,266</b>	<b>(3,245)</b>	<b>99,921</b>
<b>Other comprehensive loss</b>				
Remeasurement of employee benefit obligations	(1,273)	(509)	618	530
<b>Profit/Loss for the year</b>	<b>235,660</b>	<b>147,757</b>	<b>(2,627)</b>	<b>100,451</b>



## Financial Performance

### 04- Statement of Financial Position

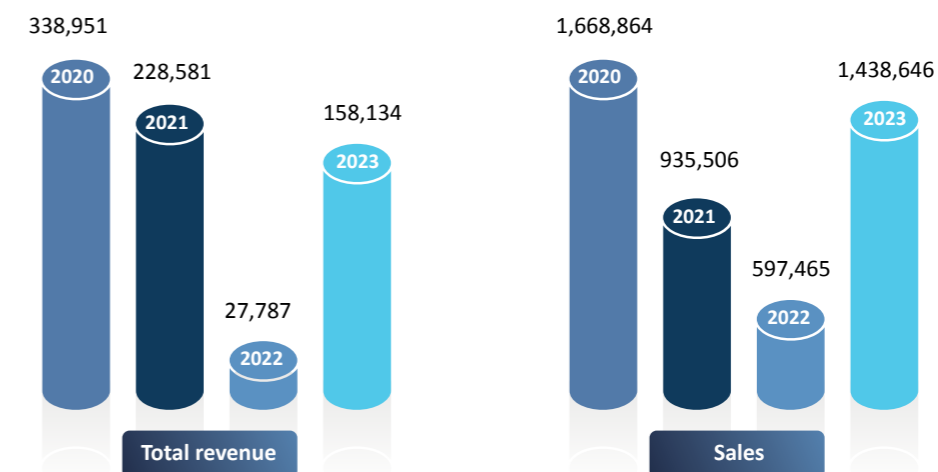
SAR'000	31 March 2020	31 March 2021	31 March 2022	31 March 2023
<b>Statement of financial position</b>				
Current assets	711,623	400,127	575,724	663,180
Inventory	175,784	114,495	39,749	64,831
Investments	-	-	-	-
Fixed assets	229,733	277,381	262,335	245,747
Other assets	31,410	26,846	18,111	13,559
Total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



## Financial Performance

### 05- Statement of Income

SAR'000	31 March 2020	31 March 2021	31 March 2022	31 March 2023
<b>Statement of Income</b>				
Sales	1,668,864	935,506	597,465	1,438,646
Cost of Sales	(1,332,512)	(705,309)	(569,720)	(1,282,847)
Total revenue	336,352	230,197	27,745	155,800
Other revenue ( expense)	2,599	(1,616)	42	2,334
Total revenue	338,951	228,581	27,787	158,134
Administrative and marketing expenses	(20,058)	(18,057)	(16,757)	(24,077)
Depreciation	(305)	(347)	(365)	(416)
Other expenses	(52,038)	(34,509)	(12,508)	(21,900)
Total expenses	(72,401)	(52,913)	(29,630)	(46,393)
Net income before Zakat	266,550	175,668	(1,843)	111,741
Zakat	29,616	27,402	(1,402)	(11,820)
Net income	236,934	148,266	(3,245)	99,921
Retained earnings balance at the beginning of the period	(35,145)	180,337	272,612	269,985
Converted to reserves	(20,179)	(14,827)	-	(9,992)
Proposed cash dividends	-	-	-	-
Other distributions	-	-	-	-







## Financial Performance

### 06- Statement of Cash Flows

SAR'000	31 March 2020	31 March 2021	31 March 2022	31 March 2023
<b>Statement of Cash Flows</b>				
Net income	266,550	175,668	(1,843)	111,741
Depreciations	33,810	38,634	24,143	25,428
Accounts receivable	(284,948)	224,833	(53,534)	(181,910)
Inventory	16,666	74,570	74,387	(25,116)
Prepayments	55,661	(337)	(78,426)	69,754
Accounts Payable	(184,827)	(204,450)	(45,889)	10,022
Other changes in operations activity	(51,236)	48,468	(17,404)	(42,385)
Fixed asset purchases	(2,919)	(1,453)	(3,170)	(2,944)
Other changes in investment activity	26	(6)	(113)	(558)
Increase in debt	204,104	(382,762)	140,147	(28,073)
Other changes in financing activity	-	27	(6,720)	(6,679)

### 07- Analysis of Operating Revenue per Segment

Type of Revenue	Value	Percentage (%)
Manufacturing HSAW	1,284,504,848	89%
Pipe wrapping	-	11%
<b>Total</b>	<b>1,438,646,383</b>	<b>100%</b>

### 08- Quantity of Sold Production

SAR'000	31 March 2021	31 March 2022	31 March 2023
<b>Sold Quantity</b>			
Quantity Sold (Thousand Metric Tons)	-	257,08	190,25
Revenue per metric ton sold (SAR)	-	3792	2,866
Material cost per metric ton sold (SAR)	-	2872	2,995



## Financial Performance

### 09- Company's Loan Movement

Lender	Available Amount (SAR Million)	Balance as at 31 March 2022	Agreement Date	Financing Cause
Saudi Industrial Development Fund	125.20	-	March 12, 2014, amended on April 8, 2020	To finance the construction of factory facilities
Commercial loan from a commercial bank (currently the Saudi British Bank)	285.00	-	Facility Agreement date is 23-Jan-23	Capital business loans
Alinma Bank (Medium Term Loan)	1120.10	-	May 30, 2018, amended on April 19, 2020	Working capital financing
Saudi National Bank (SNB) (Medium Term Loan)	290.53	74.02	October 7, 2018, amended on Jan 19, 2023	Working capital financing
Arab National Bank (Medium Term Loan)	500.00	168.22	Facility Agreement date is 16-Feb-2022, amended on 01-March-23	Working capital financing
Gulf Internation Bank (GIB)	320.00	-	Facility Agreement date is 25-Oct-2022	Working capital financing
Al JAZEERA Bank	250.00	-	Facility Agreement date is 14-Nov-2022	Working capital financing
Al Bilad Bank	500.00	-	Facility Agreement date is 21-Dec-2022	Working capital financing
National Bank of Kuwait	275.00	-	Facility Agreement date is 20th -July -2022	Working capital financing
<b>Total facilities</b>	<b>3665.83</b>	<b>242.2</b>		

### 10- Treasury Shares

There are no shares held by "East Pipes Integrated Company for Industry" at end of FY 2022 – 2023.

### 11- 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:

- 1- 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.
- 2- 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.
- 3- 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.
- 4- 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.
- 5- 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 did not announce or distribute any profits during the financial years ended March 31, 2019, 2020, 2021, and 2022 is due to the use of profits to increase the production capacity of the Company up to about 500 thousand tons annually to meet the growing increase in infrastructure projects

Board of Directors has made its recommendations to distribute cash dividends for the fiscal year 2022 -2023 to the shareholders as follows



## Financial Performance

Board of Directors has made its recommendations to distribute cash dividends for the fiscal year 2022 - 2023 to the shareholders as follows:

Eligibility Date	Distribution Date	Percentage of Dividend to the Share Par Value (%)	Dividend per share	Number of Shares Eligible for Dividends	The Total amount distributed
16-07-2023	30-07-2023	10%	SAR 1 per share	31,500,000 million shares	31,500,000 million

\* Date of the board's decision 25-05-2023

### 12- Regulatory Payments due from the Company as on March 31, 2023

Item	As on 31 March 2022		Reasons
	Paid	Due until the end of the annual financial period and has not been paid	
Zakat and Tax	3,666,861	6,451,873	Due for the year ended March 31,2023 will pay next year
General Organization for Social Insurance (GOSI)	3,282,506	298,610	Due for the month of March 31,2023 will pay April 2023.

### 13- Fines and Penalties

As of March 31, 2023, East Pipes Integrated Company for Industry has not been subjected to any kind of sanctions or penalties.







# Corporate Governance





## 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 23/09/2020) and 23/02/1444H (corresponding to 19/10/2022) based on the recommendation of the Board of Directors in accordance with Articles 83, 57 and 61 of the 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 Training - (2)	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.	A number of executive management members undergo training courses from time to time, but the Article is still Guiding, and the Company will apply it as soon as it becomes mandatory.
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 and a solution shall be proposed for the same in the best interests of the Company.</li> </ul>	The assessments is carried out without setting performance indicators, yet the Article is still guiding, and the Company will apply it as soon as it becomes mandatory.



## Corporate Governance

Article (Clause) Number	Article (Clause) Text	Causes of Non-Compliance
Article 67: Composition of the Risk Management Committee	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.	Risk control falls within the competencies of the Audit Committee. However, the Article is still guiding, and the Company will apply it as soon as it becomes mandatory.
Article 68: Competencies of the Risk Management Committee	<ul style="list-style-type: none"> <li>The competences 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>	The company has worked on a risk register matrix reviewed periodically, but The Article is still guiding, and the Company will apply it as soon as it becomes mandatory.
Article 69: Meetings of the Risk Management Committee	The risk management committee shall convene periodically at least once every six months, and as may be necessary	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. But The Article is still guiding, and the Company will apply it as soon as it becomes mandatory.
Article 82: Employee Incentives	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: <ul style="list-style-type: none"> <li>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>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</li> <li>establishing social organizations for the benefit of the Company's employees</li> </ul>	The company sets programs to develop and motivate employees and holds periodic meetings . The Article is still guiding, and the Company will apply it as soon as it becomes mandatory. But The Article is still guiding, and the Company will apply it as soon as it becomes mandatory.



## Corporate Governance

Article (Clause) Number	Article (Clause) Text	Causes of Non-Compliance
Article 92: Formation of a Corporate Governance Committee	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.	Governance control and updating its requirements fall within the jurisdiction of the Audit Committee, and the Company does not have a governance committee. However, The Article is still guiding, and the Company will apply it as soon as it becomes mandatory.

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

1. 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.
2. The members of the Board of Directors filled out and signed the declarations, and disclosure forms required by the Capital Market Authority.
3. Commitment to implement the amendments approved by the Capital Market Authority on the Corporate Governance Regulations.
4. 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.

### Internal Control

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.

The Audit Committee, in accordance with its powers and responsibilities, has reviewed the reports submitted by the external and internal auditors for the year 2022-2023 and the progress made by the management in implementing corrective actions related to the results of the audit, noting that it did not see any fundamental weakness in the Company's internal control system.

### 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, provided that the entitlement to this remuneration is proportional with the number of sessions attended by the member. The following shows the remuneration of the Board of Directors and five members of the Executive Management who received the highest remuneration and compensation from the Company (including the CEO and the CFO) for the fiscal year 2022-2023



## Corporate Governance

### Remuneration and compensation of Board members and Senior Executives

#### Remuneration and compensation of Board members

Description	Fixed Remuneration						Variable Remuneration						Grand Total	Expense Allowance
	Specific Amount	Attendance Allowance of board meetings	Total Attendance Allowance of Committee Session	In-Kind Benefits	Remuneration of Chairman, Managing Directors, or Board Secretary if he is as member	Remuneration for Technical, Administrative and Consulting Works	Total	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	210,000	12,000	6,000	-	-	-	228,000	-	-	-	-	-	-	228,000
Suhail Amin Nathani	187,500	6,000	4,000	-	-	-	197,500	-	-	-	-	-	-	197,500
Ahmed Mubarak														
Mohammed Al-Debasi	210,000	12,000	4,000	-	-	-	226,000	-	-	-	-	-	-	226,000
<b>Total</b>	<b>607,500</b>	<b>30,000</b>	<b>14,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>651,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>651,500</b>
<b>Second: Non-Executive Members</b>														
Vipul Shiv Sahai Mathur	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mohammed Saleh Mohammed AlHammedi	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sultan Samir Saeed Joudia	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Viswanathan Hariharan Kollengode	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bassam Abdulsalam Mohammed Bamagous	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Third: Executive Members</b>														
Mohammed Abdulaziz - Mohammed Al-Shaheen	32,833	-	4,000	-	-	-	36,833	-	-	-	-	-	-	36,833
Mohammed Saleh Ali - Darweesh	47,833	9,000	4,000	-	-	-	60,833	-	-	-	-	-	-	60,833
<b>Total</b>	<b>80,666</b>	<b>9,000</b>	<b>8,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>97,666</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>97,666</b>
<b>Gross</b>	<b>688,167</b>	<b>39,000</b>	<b>22,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>749,167</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>749,167</b>



## Corporate Governance

### Remuneration and compensation of Board members and Senior Executives

#### Remuneration and compensation of senior executives

Statement	Fixed Remuneration				Variable Remuneration						End of Service Indemnity	Total Remuneration of Executives for Board membership, if any	Grand Total
	Salaries	Allowances	In-Kind Remuneration	Total	Periodic Remuneration	Profits	Short-term Incentive Plan	Long-term Incentive Plan	Granted Shares (Enter Value)	Total			
CEO	1,020,000	411.00	-	1,431,000	-	-	-	-	-	-	-	-	1,431,000
CFO	1,155,600	427,260	-	1,582,860	-	-	-	-	-	-	-	-	1,582,860
VP Operations	764,868	289,908	-	1,054,776	-	-	-	-	-	-	-	-	1,054,776
VP Commercial	666,660	287,331	-	153,991	-	-	-	-	-	-	-	-	953,991
VP Quality Control	505,187	199,615	-	704,802	-	-	-	-	-	-	-	-	704,802
<b>Total</b>	<b>4,112,315</b>	<b>1,615,114</b>	<b>-</b>	<b>5,727,429</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,727,429</b>

#### Transactions with related parties

The following table summarizes the amounts due from related parties during the years 2020, 2021, 2022 and 2023:

Related Parties	31 March 2020	31 March 2021	31 March 2022	31 March 2023
Welspun Holdings Company	-	2,965,609	(363,339)	-
Aziz Company for Contracting and Industrial Investment	-	1,791,178	-	-
Vision Invest Company	-	840,652	(849,194)	-
Mohawarean Industrial Services Company	-	64,029	-	-
Welspun Corp. Ltd.	3370	110,779	-	-
Aziz European Pipe Factory	-	53,474	(199,117)	-
Arab Pipes Project Company	-	(31,817)	-	-
Welspun Pipe Coating Company	89,828,620	-	-	-
<b>Total amounts due from related parties</b>	<b>89,831,990</b>	<b>5,793,904</b>	<b>(1,411,650)</b>	<b>-</b>







## Corporate Governance

### A statement of the dates of the general assemblies of shareholders held during the fiscal year 2022-2023, and the names of the members of the Board of Directors attending these assemblies

Dates of the general assemblies and attendance:

Attendance Record			
Name	General Assembly Meeting 29-09-2022	Extraordinary General Assembly Meeting 19-10-2022	Total meeting
Vipul Shiv Sahai Mathur	✓	✓	2
Ahmed Mubarak Mohammed Al-Debasi	✓	✓	2
Mohammed Saleh Mohammed AlHamadi	✓	✓	2
Mohammed Abdulrahman Abdullah Al-Othman	✓	✓	2
Khalid Ibrahim Saad Al-Rabiah	✓	✓	2
Suhail Amin Nathani	✓	✓	2
Sultan Samir Saeed Joudia	✓	✓	2
Viswanathan Hariharan Kollengode	✓	✓	2

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

The Company analyzes and studies the Shareholders' Register on a monthly basis with the aim of communicating with the shareholders for the purposes of the general assembly meetings. During the fiscal year 2022-2023, one request was submitted to the Capital Market Authority "Tadawul" to obtain shareholders' records on different dates and for various reasons, including:

Date of Request	Type of request	Reasons
29-09-2022	Quantity Report – At Identity Level (B)	General Assembly Meeting
19-10-2022	Quantity Report – At Identity Level (B)	Extraordinary General Assembly Meeting
22-01-2023	Quantity Report – At Identity Level (B)	Company procedures
02-03-2023	Quantity Report – At Identity Level (B)	Company procedures

### Recommendations of the Audit Committee that conflict with the decisions of the Board of Directors

There are no recommendations made by the Audit Committee until March 31, 2023

### Results of effectiveness of the Company's internal control procedures

During the year 2022-2023, the Audit Committee reviewed the company's business and verified the integrity of the reports, financial statements, internal control systems, and verified accounting estimates in the material issues mentioned in the financial reports. The committee also reviewed the reports of internal auditing department and oversaw that the necessary and corrective measures were followed up for the observation. The Audit Committee reviewed and supervised the performance and activities of the internal auditor, the internal audit department in the company, and assured the availability of the necessary resources and their effectiveness in performing the work and assigned tasks. In addition, the Audit Committee oversaw Company's compliance with the relevant laws, regulations, policies and instructions and reviewed the Related Party transactions, and provided its recommendations to the Board in connection therewith.

The Committee was also informed of the continuous effort of the management to further improve the system of internal and financial controls and risk management.

The Audit Committee also sought confirmation from the external auditor

- of their independence, their complete compliance with the applicable professional ethics;
- their commitment to apply the generally accepted accounting standards, and the effectiveness of the audit work carried out;
- that they did not provide technical or administrative work outside the scope of the audit.



## Corporate Governance

The Audit Committee studied the auditor's plan and reports, and their observations on the financial statements, and followed up the actions taken regarding them. Moreover, The Audit Committee have assessed and provided their recommendations to the Board to nominate external auditors and determine their remunerations, in addition to reviewing the scope of their work and the terms of their contracts. The Audit Committee in accordance with its scope of work, and based on the confirmation by the company's management, outcomes of IA reports and Audit Committee meetings with the external auditor confirms that nothing has come to the attention of the Audit Committee that would indicate significant weakness in the system internal & financial control and risk management for the company and the board's Annual Report and Financial Statements were prepared according to the regulatory requirements.

### 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, 2023.

### 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 are no convertible debt instruments, any contractual securities, memoranda of subscription rights or similar rights issued or granted by the Company during financial year.
9. 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.
10. 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.
11. No agreement has been entered into under which a member of the company's Board of Directors or a senior executive has waived any salary or compensation during financial year.
12. There is no agreement under which one of the Company's shareholders has waived any rights to profits.
13. The Auditor's report did not include any qualification on the financial statements.
14. 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.
15. 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.
16. There are no treasury shares held by the Company.
17. There are no investments or reserves established for the benefit of the Company's employees during financial year.
18. There are no penalties imposed on the company during financial year.
19. There were no transactions with related parties during the fiscal year.



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