

**SAUDI STEEL PIPES COMPANY (SSPC)**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE THREE-MONTH PERIOD  
ENDED MARCH 31, 2025 WITH  
INDEPENDENT AUDITOR'S REVIEW REPORT**

**SAUDI STEEL PIPES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2025  
WITH INDEPENDENT AUDITOR'S REVIEW REPORT**

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**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE  
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**To the Shareholders of  
Saudi Steel Pipes Company  
(A Saudi Joint Stock Company)**

**Introduction**

We have reviewed the accompanying interim condensed consolidated financial position of Saudi Steel Pipes Company "Saudi Joint Stock Company" ("the Company"), and its Subsidiaries (together "the Group") as of March 31, 2025 and the related interim condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three month period then ended, and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 – ("IAS 34") "Interim Financial Reporting" that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

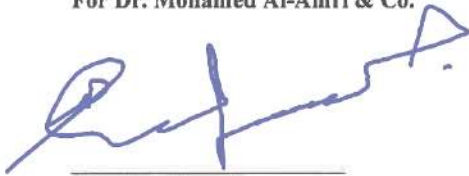
**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", that is endorsed in the Kingdom of Saudi Arabia. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

**For Dr. Mohamed Al-Amri & Co.**




Ahmed Al Jumah  
Certified Public Accountant  
Registration No. 621




Dammam, on 10 Dhu al-Qidah 1446 (H)  
Corresponding to: 08 May, 2025 G

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2025**

	Note	March 31, 2025 (Un-audited) ﷲ	December 31, 2024 (Audited) ﷲ
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment, net	5	1,004,144,125	1,016,972,837
Right-of-use assets, net	6	11,046,905	10,185,592
Intangible assets, net		5,079,812	4,117,680
Trade and other receivables – non-current	7	1,431,055	1,571,938
Deferred tax asset		6,110,240	6,865,587
		<u>1,027,812,137</u>	<u>1,039,713,634</u>
<b>Current assets</b>			
Inventories, net		355,784,223	453,042,574
Trade and other receivables, net	7	192,295,926	347,275,752
Cash and cash equivalents		206,763,569	176,215,474
		<u>754,843,718</u>	<u>976,533,800</u>
<b>TOTAL ASSETS</b>		<u>1,782,655,855</u>	<u>2,016,247,434</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		510,000,000	510,000,000
Share premium		4,512,330	4,512,330
Statutory reserve		75,799,387	75,799,387
Other reserves		(9,066,049)	(9,066,049)
Retained earnings		342,939,421	292,709,392
Treasury shares		(11,502,225)	(11,502,225)
<b>Equity attributable to the shareholders of the Company</b>		<u>912,682,864</u>	<u>862,452,835</u>
Non-controlling interests		258,992,878	240,622,731
<b>Total equity</b>		<u>1,171,675,742</u>	<u>1,103,075,566</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings – non-current	8	27,900,000	42,825,000
Employees’ end of service benefits		40,219,217	39,471,397
Lease liabilities	9	7,404,274	6,394,077
		<u>75,523,491</u>	<u>88,690,474</u>
<b>Current liabilities</b>			
Borrowings - current	8	333,554,238	496,111,777
Lease liabilities	9	3,389,073	3,841,536
Trade and other payables	10	187,408,266	315,448,535
Zakat and income tax		11,105,045	9,079,546
		<u>535,456,622</u>	<u>824,481,394</u>
<b>TOTAL LIABILITIES</b>		<u>610,980,113</u>	<u>913,171,868</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>1,782,655,855</u>	<u>2,016,247,434</u>

  
\_\_\_\_\_  
**Mohammad AbdulAziz Al Shayea**  
Authorized Director

  
\_\_\_\_\_  
**Renwar Berzinji**  
Chief Executive Officer


  
\_\_\_\_\_  
**Mohammed Anwar Alshakhouri**  
Chief Financial Officer


The accompanying notes 1 to 18 form an integral part of these interim condensed consolidated financial statements.


**SAUDI STEEL PIPES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2025**

	Note	Three-Month Period Ended	
		March 31, 2025	March 31, 2024
		(Un-audited)	(Un-audited)
		ﷲ	ﷲ
Revenue	11	453,923,948	514,938,992
Cost of revenue		(344,959,737)	(408,113,062)
<b>Gross profit</b>		<b>108,964,211</b>	106,825,930
Selling, marketing and distribution expenses		(20,883,394)	(6,276,030)
Administrative expenses		(13,533,086)	(11,743,908)
Reversal / (allowance) for expected credit loss	7.1	351,859	(196,817)
Other income, net		5,521,432	1,278,389
<b>Operating income</b>		<b>80,421,022</b>	89,887,564
Finance charges, net		(10,180,083)	(9,593,766)
Interest income		738,015	358,285
<b>Profit before zakat and income tax</b>		<b>70,978,954</b>	80,652,083
Zakat and income tax expense	13	(2,311,844)	(4,326,538)
<b>Profit for the period from continuing operations</b>		<b>68,667,110</b>	76,325,545
Loss from discontinued operations	14.1	(66,934)	(4,048)
<b>Net profit for the period</b>		<b>68,600,176</b>	76,321,497
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>68,600,176</b>	76,321,497
<b>Total comprehensive income attributable to:</b>			
Shareholders of the Company		50,230,029	56,107,164
Non-controlling interests		18,370,147	20,214,333
		<b>68,600,176</b>	76,321,497
<b>Earnings / (loss) per share attributable to the Shareholders of the Company:</b>			
<u>Continuing operations:</u>			
Basic earnings per share	16	0.995	1.110
Diluted earnings per share	16	0.986	1.100
<u>Discontinued operations:</u>			
Basic loss per share	16	(0.001)	-
Diluted loss per share	16	(0.001)	-

  
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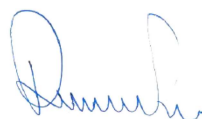
**SAUDI STEEL PIPES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2025**

	Share capital	Share premium	Statutory reserve	Other reserves	Retained earnings	Treasury shares	Total	Non-controlling interests	Total equity
	ﷲ	ﷲ	ﷲ	ﷲ	ﷲ	ﷲ	ﷲ	ﷲ	ﷲ
Balance as at January 1, 2024 (Audited)	510,000,000	4,512,330	75,799,387	(6,516,336)	149,578,747	(11,502,225)	721,871,903	171,995,970	893,867,873
Net profit for the period	-	-	-	-	56,107,164	-	56,107,164	20,214,333	76,321,497
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	56,107,164	-	56,107,164	20,214,333	76,321,497
Balance as at March 31, 2024 (Un-audited)	510,000,000	4,512,330	75,799,387	(6,516,336)	205,685,911	(11,502,225)	777,979,067	192,210,303	970,189,370
<b>Balance as at January 1, 2025 (Audited)</b>	<b>510,000,000</b>	<b>4,512,330</b>	<b>75,799,387</b>	<b>(9,066,049)</b>	<b>292,709,392</b>	<b>(11,502,225)</b>	<b>862,452,835</b>	<b>240,622,731</b>	<b>1,103,075,566</b>
<b>Net profit for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,230,029</b>	<b>-</b>	<b>50,230,029</b>	<b>18,370,147</b>	<b>68,600,176</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,230,029</b>	<b>-</b>	<b>50,230,029</b>	<b>18,370,147</b>	<b>68,600,176</b>
<b>Balance as at March 31, 2025 (Un-audited)</b>	<b>510,000,000</b>	<b>4,512,330</b>	<b>75,799,387</b>	<b>(9,066,049)</b>	<b>342,939,421</b>	<b>(11,502,225)</b>	<b>912,682,864</b>	<b>258,992,878</b>	<b>1,171,675,742</b>



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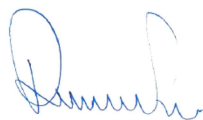
The accompanying notes 1 to 18 form an integral part of these interim condensed consolidated financial statements.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2025**

	March 31, 2025 (Un-audited) ﷲ	March 31, 2024 (Un-audited) ﷲ
<b><u>Cash flows from operating activities:</u></b>		
<b>Profit / (loss) before zakat and income tax:</b>		
– continuing operations	70,978,954	80,652,083
– discontinued operations	(66,934)	(4,048)
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	18,605,029	15,392,612
Depreciation of right-of-use assets	1,330,401	748,982
Amortization of intangible assets	444,697	8,030
Property, plant and equipment – written off	8,382	-
(Reversal) / allowance for expected credit loss	(351,859)	196,817
Allowance / (reversal) of provision for inventories	919,887	(4,085,474)
Provision for employees’ end of service benefits	1,652,235	1,551,659
Finance charges	10,180,083	9,593,766
Interest income	(278,736)	(246,648)
	<u>103,422,139</u>	<u>103,807,779</u>
<b>Movement in working capital</b>		
Inventories	96,338,464	141,550,827
Trade and other receivables	165,856,406	(53,242,835)
Trade and other payables	(118,149,701)	(218,308,763)
Due to / from related parties	(16,770,682)	12,367,093
<b>Cash generated from operations</b>	<u>230,696,626</u>	<u>(13,825,899)</u>
Zakat and income tax paid	(2,755,986)	(215,323)
Employees’ end of service benefits paid	(904,415)	(591,121)
Finance charges paid	(10,124,945)	(12,098,963)
<b>Net cash generated from / (used in) operating activities</b>	<u>216,911,280</u>	<u>(26,731,306)</u>
<b><u>Cash flows from investing activities:</u></b>		
Additions to property, plant and equipment and intangible assets	(7,191,528)	(6,149,518)
<b>Net cash used in investing activities</b>	<u>(7,191,528)</u>	<u>(6,149,518)</u>
<b><u>Cash flows from financing activities:</u></b>		
Repayment of borrowings, net	(177,420,822)	(46,167,503)
Payment of lease liabilities	(1,750,835)	(488,370)
<b>Net cash used in financing activities</b>	<u>(179,171,657)</u>	<u>(46,655,873)</u>
<b>Net change in cash and cash equivalents</b>	<u>30,548,095</u>	<u>(79,536,697)</u>
Cash and cash equivalents at the beginning of the period	<u>176,215,474</u>	<u>209,165,190</u>
<b>Cash and cash equivalents at the end of the period</b>	<u>206,763,569</u>	<u>129,628,493</u>



**Mohammad AbdulAziz Al Shayea**  
Authorized Director



**Renwar Berzinji**  
Chief Executive Officer



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Chief Financial Officer

The accompanying notes 1 to 18 form an integral part of these interim condensed consolidated financial statements.

**SAUDI STEEL PIPES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2025**

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**1. ORGANIZATION AND PRINCIPAL ACTIVITIES**

Saudi Steel Pipes Company (the Company or SSPC) was initially incorporated as a limited liability company in the Kingdom of Saudi Arabia under the commercial registration number 2050009144 dated 27 Rajab 1400 (corresponding to June 11, 1980). On 4 Rajab 1430 (corresponding to June 27, 2009), the Company's legal status was transformed from a limited liability company to joint stock company (listed on the stock exchange).

As described in note 2, the interim condensed consolidated financial statements include the financial statements of the Company and its subsidiaries Titanium and Steel Manufacturing Company Limited (“TSM Arabia”) and Global Pipe Company (“GPC”) (collectively referred to as “the Group”).

The Group's authorized and issued share capital after the initial public offering is ﷲ 510 million divided into 51 million shares at ﷲ 10 per share.

The Group's registered office is located at P.O Box 11680, Dammam 31463, Kingdom of Saudi Arabia.

The principal activities of the Group are the manufacturing and wholesale of black and galvanized steel pipes, production of ERW/HFI galvanized and threaded steel pipes and seamless pipes, pipes with three-layer external coating by polyethylene and polypropylene in different diameters, pipes with epoxy coating inside, bended pipes in different diameters, space frame, and submerged arc welded pipes, wholesale of pipes, tubes and hollow shapes from iron and steel, ferrous and non-ferrous metal pipes and accessories, locks, hinges and other hand tools, wholesale of other metal accessories, locks, hinges and hand tools, wholesale of other construction and metal materials.

**2. STRUCTURE OF THE GROUP**

The interim condensed consolidated financial statements as at March 31, 2025 include the financial statements of the Company and its following subsidiaries:

<u>Name of consolidated subsidiary</u>	<u>Principal activity</u>	<u>Effective ownership</u>	
		<u>March 31,</u> <u>2025</u>	<u>March 31,</u> <u>2024</u>
Titanium and Steel Manufacturing Company Limited (“TSM Arabia”)	Manufacture Stationary process equipment	100.00%	100.00%
Global Pipe Company (“GPC”)	Production of welded Pipes	57.27%	57.27%

**TSM Arabia**

TSM Arabia was formed under commercial registration number 2050073985 dated 4 Safar 1432H (corresponding to January 8, 2011 G) in the Kingdom of Saudi Arabia, to produce stationary process equipment such as heat exchangers and pressure vessels. The subsidiary's total share capital is ﷲ 32 million of which the Group owns 100%. As of March 31, 2025, the accumulated losses of TSM Arabia exceeded its share capital by ﷲ 123.5 million (December 31, 2024: ﷲ 123.4 million). Further, in 2021, TSM Arabia sold its main operating assets, which included buildings, machinery and equipment and other assets, for a selling price equivalent to ﷲ 36.4 million.

**GPC**

GPC is a closed joint stock company incorporated in the Kingdom of Saudi Arabia under commercial registration No. 2055011330 dated 20 Muharram 1431H (corresponding to January 6, 2010 G). GPC is located in Jubail industrial city and is engaged in the production of welded pipes with different sizes and diameters, stainless steel pipes, 3-D pipe fittings, Aluminium alloy pipes, high-density welded pipes and diameters.

During 2023, the Company further acquired 22.27% of the shares of GPC for a purchase price of \$6.3 million (equivalent to ﷲ 23.6 million) paid in cash. The Company already owned 35% interest in GPC. Following completion of this transaction, the Company holds 57.27% interest in GPC and thereby it became a subsidiary of the Company. The Company has started to consolidate GPC's balances and results of operations from the date of further acquisition.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2025**

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**3. BASIS OF PREPARATION**

These interim condensed consolidated financial statements of the Group have been prepared in accordance with the requirements of International Accounting Standard 34 - "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncement issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") and should be read in conjunction with the Group's latest annual consolidated financial statements for the year ended December 31, 2024 ("latest annual consolidated financial statements"). These interim condensed consolidated financial statements do not include all of the information required for a complete set of consolidated financial statements.

**4. MATERIAL ACCOUNTING POLICIES**

The Group has applied the same accounting policies and methods of computation in its interim condensed consolidated financial statements as in its latest annual consolidated financial statements, except for the following amendments which apply for the first time in 2025. However, not all are expected to impact the Group as they are either not relevant to the Group's activities or require accounting which is consistent with the Group's current accounting policies.

**4.1 Standards and amendments issued and applied effective in current period**

There are no new standards issued, however, there are amendments to the following standards, which are effective in current period and have no material impact on Group's interim condensed consolidated financial statement;

<b>Amendments to standard</b>	<b>Description</b>	<b>Effective for annual years beginning on or after</b>
IAS 21	Amendments - Lack of Exchangeability	January 1, 2025

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**4.2 Impact of accounting standards to be applied in future periods**

There are a number of standards and interpretations which have been issued by the International Accounting Standards Board that are effective for periods beginning subsequent to December 31, 2025 (the date of the Group's next annual financial statements) that the Group has decided not to adopt early. The Group does not believe these standards and interpretations will have a material impact on the financial statements once adopted.

**SAUDI STEEL PIPES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2025**

**5. PROPERTY, PLANT AND EQUIPMENT, NET**

**Carrying amounts of:**

		<b>March 31, 2025</b>	December 31, 2024
	<b>Note</b>	<b>(Un-audited)</b>	<b>(Audited)</b>
		<b>ﷲ</b>	<b>ﷲ</b>
Operating fixed assets	5.1	<b>1,001,086,297</b>	1,014,758,648
Capital work-in-progress (CWIP)	5.3	<b>3,057,828</b>	2,214,189
		<b><u>1,004,144,125</u></b>	<b><u>1,016,972,837</u></b>

Refer to note 15 for the development on the Company land plots with inactive title deeds included in operating fixed assets with total carrying value of ﷲ 157.9 million.

Operating fixed assets of SSP are pledged as collateral against loans from SIDF.

**5.1 Operating fixed assets**

		<b>March 31, 2025</b>	December 31, 2024
	<b>Note</b>	<b>(Un-audited)</b>	<b>(Audited)</b>
		<b>ﷲ</b>	<b>ﷲ</b>
Net book value at beginning of period / year		<b>1,014,758,648</b>	819,957,944
Transferred from CWIP during the period / year	5.3	<b>4,941,060</b>	269,340,800
Write off during the period / year		<b>(8,382)</b>	-
Depreciation charged during the period / year - continuing operations		<b>(18,605,029)</b>	(74,540,096)
Net book value at the end of the period / year		<b><u>1,001,086,297</u></b>	<b><u>1,014,758,648</u></b>

**5.2 Transfers from capital work-in-progress to operating fixed assets during the period / year are as follows:**

		<b>March 31, 2025</b>	December 31, 2024
		<b>(Un-audited)</b>	<b>(Audited)</b>
		<b>ﷲ</b>	<b>ﷲ</b>
Machinery and equipment		<b>3,650,300</b>	247,109,057
Building on leasehold land		<b>1,290,760</b>	21,600,777
Office equipment		-	349,426
Vehicles		-	281,540
		<b><u>4,941,060</u></b>	<b><u>269,340,800</u></b>

**5.3 Capital work-in-progress**

		<b>March 31, 2025</b>	December 31, 2024
		<b>(Un-audited)</b>	<b>(Audited)</b>
		<b>ﷲ</b>	<b>ﷲ</b>
At beginning of period / year		<b>2,214,189</b>	235,054,155
Additions during the period / year		<b>5,784,699</b>	36,500,834
Transferred to operating fixed assets during the period / year		<b>(4,941,060)</b>	(269,340,800)
At the end of the period / year		<b><u>3,057,828</u></b>	<b><u>2,214,189</u></b>

**SAUDI STEEL PIPES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2025**

**6. RIGHT-OF-USE ASSETS, NET**

Movement in right-of-use assets is as follows:

	<b>March 31, 2025</b>	December 31, 2024
	<b>(Un-audited)</b>	(Audited)
	<b>ﷲ</b>	<b>ﷲ</b>
Net book value at beginning of period / year	<b>10,185,592</b>	11,015,120
Additions during the period / year	<b>2,191,714</b>	2,916,409
Depreciation charged during the period / year - continuing operations	<b>(1,330,401)</b>	(3,745,937)
Net book value at the end of the period / year	<b>11,046,905</b>	10,185,592

**7. TRADE AND OTHER RECEIVABLES, NET**

		<b>March 31, 2025</b>	December 31, 2024
	<b>Note</b>	<b>(Un-audited)</b>	(Audited)
		<b>ﷲ</b>	<b>ﷲ</b>
Trade receivables		<b>143,071,728</b>	306,996,995
Allowance for expected credit loss (ECL)	7.1	<b>(5,776,084)</b>	(6,127,943)
Trade receivables, net		<b>137,295,644</b>	300,869,052
Due from related parties	12 A	<b>30,261,722</b>	20,156,620
Employee loans		<b>2,144,779</b>	2,196,476
Prepayments and advances to suppliers		<b>17,067,019</b>	17,781,119
Other receivables		<b>1,903,951</b>	2,586,174
Value added tax (VAT)		<b>5,053,866</b>	5,258,249
		<b>193,726,981</b>	348,847,690
Less: non-current portion of employee loans and other receivables		<b>(1,431,055)</b>	(1,571,938)
Total current portion, net		<b>192,295,926</b>	347,275,752

**7.1 Movement in the allowance for ECL of trade receivables is as follows:**

	<b>March 31, 2025</b>	December 31, 2024
	<b>(Un-audited)</b>	(Audited)
	<b>ﷲ</b>	<b>ﷲ</b>
Opening balance for the period / year	<b>6,127,943</b>	7,235,477
Reversal for the period / year – Continuing operations	<b>(351,859)</b>	(1,075,343)
Utilized against receivables written off – Continuing operations	<b>-</b>	(32,191)
Closing balance for the period / year	<b>5,776,084</b>	6,127,943

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**8. BORROWINGS**

	<b>March 31, 2025 (Un-audited)</b>	<b>December 31, 2024 (Audited)</b>
	ﷲ	ﷲ
Non-current borrowings	<b>27,900,000</b>	42,825,000
Current borrowings	<b>333,554,238</b>	496,111,777
<b>Total borrowings</b>	<b>361,454,238</b>	<b>538,936,777</b>
<b><u>Term loans</u></b>		
The Saudi Investment Bank (SAIB)	-	16,942,004
SIDF – II	-	18,750,000
Saudi Awwal Bank (SAB)	<b>97,964,888</b>	96,417,387
SIDF – III	<b>15,253,500</b>	29,213,501
	<b>113,218,388</b>	161,322,892
Current portion – term loans	<b>(85,318,388)</b>	(118,497,892)
	<b>27,900,000</b>	42,825,000
<b><u>Short term financing</u></b>		
Murabaha financing	<b>248,235,850</b>	377,613,885
Current portion – term loans	<b>85,318,388</b>	118,497,892
	<b>333,554,238</b>	496,111,777

**9. LEASE LIABILITIES**

The contractual maturity of leases liabilities is as follows:

	<b>March 31, 2025 (Un-audited)</b>	<b>December 31, 2024 (Audited)</b>
	ﷲ	ﷲ
Within one year	<b>3,784,890</b>	4,174,883
Years two to five	<b>5,680,054</b>	4,692,660
Years five and above	<b>2,700,030</b>	2,700,030
Minimum lease payments	<b>12,164,974</b>	11,567,573
Less: finance charges	<b>(1,371,627)</b>	(1,331,960)
Net minimum lease payments	<b>10,793,347</b>	10,235,613
Non-current portion	<b>7,404,274</b>	6,394,077
Current portion	<b>3,389,073</b>	3,841,536

**10. TRADE AND OTHER PAYABLES**

	<b>March 31, 2025 (Un-audited)</b>	<b>December 31, 2024 (Audited)</b>
	ﷲ	ﷲ
<b><u>Current</u></b>		
Trade payables	<b>69,876,691</b>	156,784,558
Accrued expenses	<b>21,534,303</b>	21,776,467
Due to related parties	<b>19,513,527</b>	26,179,107
BOD remuneration payable	<b>6,404,255</b>	5,737,938
Advances from customers	<b>46,225,210</b>	79,946,259
Retention payable	<b>760,046</b>	760,046
Value added Tax (VAT) payable	<b>587,034</b>	7,824,867
Other payables	<b>22,507,200</b>	16,439,293
	<b>187,408,266</b>	<b>315,448,535</b>

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**11. SEGMENTAL REPORTING**

During 2021, the Group sold the main operating fixed assets of its wholly owned subsidiary TSM Arabia. With TSM Arabia being classified as discontinued operations, the Process equipment segment has been ceased to be presented as a separate operating segment and accordingly, SSPC and GPC constitute 100% of the revenue and operations of the Group.

**Geographical segment**

A geographical segment is a Group of assets, operations or entities engaged in revenue producing activities within a particular economic environment that are subject to risks and returns different from those operating in other economic environments. The Group's operations are conducted mainly in the Kingdom of Saudi Arabia.

The selected financial information covering the revenue the three-month period ended March 31, categorized by these geographic segments is as follows:

	<b>Three-month period ended March 31, 2025 (Un-audited)</b>	<b>Three-month period ended March 31, 2024 (Un-audited)</b>
	<b>ﷲ</b>	<b>ﷲ</b>
Saudi Arabia	<b>436,161,486</b>	442,058,925
Other countries	<b>17,762,462</b>	72,880,067
	<b><u>453,923,948</u></b>	<b><u>514,938,992</u></b>

**11.1 Transactions with major customers**

Revenue from two major customers and one major related party accounted for 95% of the total revenue for the period (84% for Three-month period ended March 31, 2024).

**12. RELATED PARTY TRANSACTIONS AND BALANCES**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties consist of the shareholders, directors and businesses in which shareholders and directors, individually or combined, have significant influence. The Group's transactions with related parties are entered in a normal course of business and are authorized by the management.

<b><u>Company</u></b>	<b><u>Relationship</u></b>
Tenaris Saudi Arabia Limited	Shareholder
Husteel Company Ltd.	Shareholder
Chemical Development Company	Investee
Dalmine S.P.A.	Affiliate
Tenaris Global Services Far East Pte Ltd.	Affiliate
Tenaris Global Services Uruguay	Affiliate
Exiros Saudi Arabia Limited	Affiliate
Siderca S.A.I.C.	Affiliate
Tenaris Connections B.V.	Affiliate
Testing and Technical Solutions	Affiliate
Tenaris Bay City	Affiliate
Tenaris Global Services and Investments S.A.R.L.	Affiliate
S.C. SilcoTub S.A.	Affiliate
Tenaris Solutions East SRL	Affiliate
Bredero Shaw Mexico, S.A. DE C.V.	Affiliate

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**12. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)**

The significant transactions with related parties during the period are as follows:

<b>Related party</b>	<b>Nature of transaction</b>	<b>Three-month Period ended March 31, 2025 (Un-au- dited) S</b>	<b>Three-month period ended March 31, 2024 (Un-audited) S</b>
<b>Sales and services provided by the Group:</b>			
Tenaris Global Services Uruguay	Sales, net	-	51,175,682
Tenaris Saudi Arabia Limited	Services agreements	<b>1,392,635</b>	1,432,332
Tenaris Global Services and Investments S.A.R.L.	Sales	<b>17,738,495</b>	-
Tenaris Saudi Arabia Limited	Sales	<b>4,892,403</b>	-
<b>Purchases and Services received by the Group:</b>			
Dalmine S.P.A.	Services received	<b>789,789</b>	59,282
Exiros Saudi Arabia Limited	Services received	<b>916,519</b>	768,215
Tenaris Saudi Arabia Limited	Services received	<b>688,840</b>	-
Tenaris Connections B.V.	Services received	-	39,284
Siderca S.A.I.C.	Services received	<b>101,740</b>	-
Tenaris Connections B.V.	Royalties	<b>198,099</b>	-
S.C. SilcoTub S.A.	Services received	<b>358,463</b>	-
Tenaris Solutions East SRL	Services received	<b>41,157</b>	-

A) Amounts receivable from related parties are as follows:

	<b>March 31, 2025 (Un-audited) S</b>	<b>December 31, 2024 (Audited) S</b>
Tenaris Saudi Arabia Limited	<b>12,606,771</b>	5,596,786
Tenaris Global Services Far East Pte Ltd.	<b>63,046</b>	63,141
Tenaris Global Services and Investments S.A.R.L.	<b>17,591,905</b>	14,496,693
	<b>30,261,722</b>	20,156,620

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**12. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)**

B) Amounts payable to related parties are as follows:

	<b>March 31, 2025 (Un-audited)</b>	<b>December 31, 2024 (Audited)</b>
	ﷲ	ﷲ
Tenaris Global Services Uruguay	-	4,862,441
Tenaris Saudi Arabia Limited	<b>11,368,323</b>	10,576,593
Exiros Saudi Arabia Limited	<b>1,968,922</b>	2,243,054
Siderca S.A.I.C.	<b>2,816,283</b>	2,714,789
Dalmine S.P.A.	<b>1,054,823</b>	257,893
Husteel Company Ltd.	-	39,835
Tenaris Connections B.V.	<b>357,601</b>	159,735
SC silcotub SA	<b>371,918</b>	13,475
Tenaris Bay City	<b>363,740</b>	363,741
Testing and Technical Solutions	<b>139,290</b>	139,498
Tenaris Global Services and Investments S.A.R.L.	-	3,776,583
Bredero Shaw Mexico, S.A. DE C.V.	<b>1,031,470</b>	1,031,470
Tenaris Solutions East SRL	<b>41,157</b>	-
	<b><u>19,513,527</u></b>	<b><u>26,179,107</u></b>

C) Remuneration of directors and key management personnel:

	<b>Three-month period ended March 31, 2025 (Un-audited)</b>		<b>Three-month period ended March 31, 2024 (Un-audited)</b>	
	<b>Directors</b>	<b>Key management personnel</b>	<b>Directors</b>	<b>Key management personnel</b>
	ﷲ	ﷲ	ﷲ	ﷲ
Board remuneration	<b>600,000</b>	-	587,500	-
Salaries and wages	-	<b>834,705</b>	-	780,463
Allowances	-	<b>468,396</b>	-	348,838
End of service	-	<b>66,140</b>	-	52,461
	<b><u>600,000</u></b>	<b><u>1,369,241</u></b>	<b><u>587,500</u></b>	<b><u>1,181,762</u></b>

**13. ZAKAT AND INCOME TAX EXPENSE**

	<b>Three-Month Period Ended March 31, 2025 (Un-audited)</b>	<b>Three-Month Period Ended March 31, 2024 (Un-audited)</b>
	ﷲ	ﷲ
Current zakat and income tax	<b>4,781,485</b>	3,335,966
Deferred tax expense	<b>755,347</b>	990,572
Provision reversal – Prior year	<b>(3,224,988)</b>	-
	<b><u>2,311,844</u></b>	<b><u>4,326,538</u></b>

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**14. DISCONTINUED OPERATIONS**

In 2021, the Group sold the main operating fixed assets of its wholly owned subsidiary TSM and ceased its operations. Accordingly, TSM has been presented as discontinued operations in the interim condensed consolidated financial statements.

**14.1** Components of income and expenses, related to discontinued operation are set out below;

	<b>Three-Month Period Ended</b>	
	<b>March 31, 2025</b>	March 31, 2024
	<b>(Un-audited)</b>	(Un-audited)
	ﷲ	ﷲ
Revenue	-	-
Cost of revenue	-	-
<b>Gross profit</b>	-	-
Administrative expenses	<b>(2,084)</b>	(8,750)
Other (expense) / income, net	<b>(64,850)</b>	4,702
<b>Net loss for the period</b>	<b>(66,934)</b>	(4,048)
Other comprehensive loss	-	-
<b>Total comprehensive loss</b>	<b>(66,934)</b>	(4,048)
Basic loss per share	<b>(0.001)</b>	-
Diluted loss loss per share	<b>(0.001)</b>	-

**15. DEVELOPMENT ON THE COMPANY LAND PLOTS WITH INACTIVE TITLE DEEDS**

In early 2021, the Company learned through the Saudi Ministry of Justice’s online portal that the electronic title deeds of plots of land owned by the Company had become inactive due to cancellation by a court order.

The affected plots of land, with a total surface area of 811,284 square meters, are located in Dammam, and were purchased in February 2010 pursuant to a written purchase agreement duly executed by the Company in full compliance with the laws of the Kingdom of Saudi Arabia (“the Land Transaction”). The affected plots of land are not part of the production facilities of the Company and have a carrying value in the Group’s interim condensed consolidated financial statements of ﷲ 157.9 million.

As of the date hereof, neither the cancellation nor the court order have been notified to the Company or otherwise been made public by the authorities, and the legal basis for the court order is unknown. On May 4, 2021, the Company filed a petition with the Ministry of Justice, seeking to have the title deeds reinstated, with no resolution to date.

On April 28, 2025, the Company concluded a settlement with the sellers of the plots of land, pursuant to which the Land Transaction was unwound, and the sellers paid to the Company an aggregate amount of ﷲ 211 million in cash. Additionally, the sellers released the Company from any claim on the plots of land or its title deeds and assumed all rights and obligations related to its pending petition with the Ministry of Justice.

The financial effect of this settlement will be reflected in the financial statements for the second quarter of 2025.

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**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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**16. EARNINGS / (LOSS) PER SHARE**

Basic earnings / (loss) per share is calculated by dividing the earnings / (loss) attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. With regard to diluted earnings / (loss) per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares, which includes conversion of treasury shares into ordinary shares.

Earnings / (loss) per share are represented as follows:

	<b>Three-Month Period Ended</b>	
	<b>March 31, 2025</b>	<b>March 31, 2024</b>
	<b>(Un-audited)</b>	<b>(Un-audited)</b>
<b>Profit / (loss) for the period attributable to the shareholders of the company:</b>		
From continuing operations	<b>50,296,963</b>	56,111,212
From discontinued operations	<b>(66,934)</b>	(4,048)
	<b>50,230,029</b>	56,107,164
<b>Basic earnings / (loss) per share:</b>		
From continuing operations	<b>0.995</b>	1.110
From discontinued operations	<b>(0.001)</b>	-
Weighted average number of outstanding shares	<b>50,542,311</b>	50,542,311
<b>Diluted earnings / (loss) per share:</b>		
From continuing operations	<b>0.986</b>	1.100
From discontinued operation	<b>(0.001)</b>	-
Adjusted weighted average number of outstanding shares	<b>51,000,000</b>	51,000,000
<b>Reconciliation of weighted average number of outstanding shares</b>		
Weighted average number of outstanding shares	<b>50,542,311</b>	50,542,311
<u>Add: Treasury shares</u>	<b>457,689</b>	457,689
Adjusted weighted average number of outstanding shares	<b>51,000,000</b>	51,000,000

**18. SUBSEQUENT EVENTS**

On May 07, 2025, the Board of Directors recommended the distribution of regular cash dividends amounting of ₪ 50.5 million for financial year 2024, and extraordinary cash dividends amounting of ₪ 149.1 million.

**19. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

The interim condensed consolidated financial statements were approved by the Board of Directors and authorized for issue on April 30, 2025.