



الشركة السعودية للأسماك
SAUDI FISHERIES COMPANY

Shareholders' Circular Saudi Fisheries Company

Saudi Fisheries Company's Capital Reduction from four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares, to sixty-six million nine hundred eighty-six thousand forty (66,986,040) Saudi Riyals, divided into six million six hundred ninety-eight thousand six hundred four (6,698,604) ordinary shares.

Shareholders' Circular presented to the Extraordinary General Assembly (the "Circular")

26/07/1446H (corresponding to 26/01/2025G)

Financial Advisor

anb capital

Signed by:

CA00FA4678644A2...

Signed by:

F58BD7DCCC40493...



الشركة السعودية للأسماك
SAUDI FISHERIES COMPANY



Signed by:

CA00FA4678644A2...


Signed by:

F58BD7DCCC4049

Table of Contents

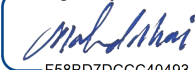
1.	Company's Address	01
2.	Address of the Advisors, Auditor and the Auditor for the Limited Assurance Report relating to the proposed Capital Reduction	02
3.	Terms and Definitions	03
4.	Purpose of this Circular	04
5.	Company Background	05
5.1	Major Developments in the Company's Capital	06
5.2	Board of Directors	07
5.3	Senior Executives	09
5.4	Name and Ownership of the Company's Shareholders	09
5.5	The Company's Organizational Structure	10
6.	Capital Reduction	12
6.1	Capital Reduction Procedures	12
6.2	Structure of the Parties Involved in the Capital Reduction Process	12
6.3	Developments in Accumulated Losses	13
6.4	Company's Expected Plans and Corrective Steps to Stop the Losses	16
6.5	General Structure of the Capital Reduction	16
6.6	Board of Directors' Reasons for the Capital Reduction	17
6.7	Impact of the Capital Reduction on the Company's Liabilities	17
6.8	Impact of the Capital Reduction on the Company's Shareholders' Rights	18
6.9	Share Price Calculation After the Capital Reduction	19
7.	Directors' Declaration	21

Signed by:



CA00FA4678644A2...

Signed by:



F58BD7DCCC40493...

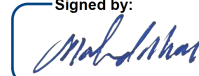
8.	Potential Risks Resulting from the Capital Reduction	22
8.1	Risks Related to Future Prospects	22
8.2	Risks Related to Liquidity and Working Capital Adequacy	22
8.3	Risks Related to the Restatement of the Financial Statements for the Previous Period	22
8.4	Risks Related to Accumulated Losses	22
8.5	Risks Related to Unforeseen Events	23
8.6	Risks Related to Fluctuations in the Market Price of the Shares and its Impact on the Compensation of Fractional Shares	24
8.7	Risks Related to a Shareholder Owning Five Shares or Less	24
8.8	Risks Related to the New Companies Law	24
8.9	Risks Related to the Application of the Accounting Standards accredited by the Saudi Organization for Chartered and Professional Accountants	24
8.10	Risks related to the non-compliance with the existing and new laws and regulations	25
9.	Expected Timetable for the Capital Reduction Process	27
10.	Regulatory Approvals Required for the Capital Reduction	28
11.	Relevant Rules and Regulations	29
12.	Important Information	30
13.	Auditor's Report	33
14.	Documents Available for Inspection	34
15.	Attachments	35
	Appendix (1): Copy of the Auditor's Report	36
	Appendix (2): Proxy to attend the EGM	41

Signed by:



CA00FA4678644A2...

Signed by:



F58BD7DCCC40493



الشركة السعودية للأسماك
SAUDI FISHERIES COMPANY



Signed by:

CA00FA4678644A2...

Signed by:


F58BD7DCCC40493...

1. Company's Address

Saudi Fisheries Company	
Saudi Fisheries Company Riyadh, Malaz District P.O. Box 4210 - Riyadh 11491 Kingdom of Saudi Arabia Tel: +966 (11) 416 7800 Website: www.alasmak.com.sa Email: info@alasmak.com.sa	 الشركة السعودية للأسمك SAUDI FISHERIES COMPANY

Signed by:

CA00FA4678644A2...

Signed by:

F58BD7DCCC40493...

2. Address of the Advisors, Auditor and the Auditor for the Limited Assurance Report relating to the proposed Capital Reduction

Financial Advisor

anb capital

P.O. Box: 220009 - Riyadh 11311

Kingdom of Saudi Arabia

Tel: +966 (11) 406 2500

Fax: +966 (11) 406 2548

Website: www.anbcapital.com.sa

Email: investment.banking@anbcapital.com.sa



Legal Advisor

Baker McKenzie Law Firm

P.O. Box 69103 - Riyadh 11547

Kingdom of Saudi Arabia

Tel: +966 (11) 265 8900

Fax: +966 (11) 265 8999

Website: www.bakermckenzie.com

Email: legaladvisors@bakermckenzie.com



Auditor for the interim condensed financial statements for the nine-month period ended 30 September 2024G and Auditor for the Limited Assurance report related to the proposed Capital Reduction based on the interim condensed financial statements for the nine-month ended 30 September 2024G

PKF Al Bassam Chartered Accountants (Member of PKF International)

P.O. Box 69658 Riyadh 11557

Kingdom of Saudi Arabia

Tel: +966 (11) 206 5333

Fax: +966 (11) 206 5444

Website: www.pkfalbassam.com

Email: info.sa@pkf.com



PKF Al Bassam
Chartered Accountants

The above-mentioned Advisors, Auditor and Auditor for the Limited Assurance Report relating to the proposed Capital Reduction have submitted their written consent to the inclusion of their names, logos and statements (as applicable) in the manner and format set out in this Circular.

Signed by:

CA00FA4678644A2...

Signed by:

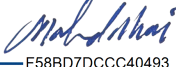
F58BD7DCCC40493...

3. Terms and Definitions

Term	Definition
Company	Saudi Fisheries Company.
Kingdom	The Kingdom of Saudi Arabia.
Extraordinary General Assembly or EGM	The Company's extraordinary general assembly.
Authority or CMA	The Capital Market Authority in the Kingdom of Saudi Arabia.
Saudi Exchange Company	The Saudi Exchange Company, a Saudi joint stock company established pursuant to the Council of Ministers' resolution dated 29/02/1428H (corresponding to 19/03/2007G) in implementation of the capital market regulations and the only authorized entity to act as a securities exchange in the Kingdom of Saudi Arabia.
Saudi Exchange or the Market or Tadawul	The Saudi Stock Exchange (the market where securities are traded in the Kingdom of Saudi Arabia).
Ministry of Commerce or MOC	The Ministry of Commerce in the Kingdom of Saudi Arabia.
Companies Law	The Companies Law issued under Royal Decree No. M/132, dated 01/12/1443H (corresponding to 30/06/2022G), as amended.
Rules on the Offer of Securities and Continuing Obligations	The Rules on the Offer of Securities and Continuing Obligations issued by the Board of the CMA pursuant to its Resolution No. 3-123-2017, dated 09/04/1439H (corresponding to 27/12/2017G), as amended by resolution of the Board of the CMA pursuant to Resolution No. 3-114-2024, dated 04/04/1446H (corresponding to 07/10/2024G), and as may be amended from time to time.
Listing Rules	The Listing Rules approved by the Board of the CMA pursuant to its Resolution No. 3-123-2017, dated 09/04/1439H (corresponding to 27/12/2017G), as amended pursuant to Resolution No. 4-114-2024, dated 04/04/1446H (corresponding to 07/10/2024G), and as may be amended from time to time.
Capital Reduction	The Company's capital reduction from four hundred million (400,000,000) Saudi Riyals to sixty-six million nine hundred eighty-six thousand forty (66,986,040) Saudi Riyals and subsequent reduction in the number of the Company's shares from forty million (40,000,000) ordinary shares to six million six hundred ninety-eight thousand six hundred four (6,698,604) ordinary shares through the cancellation of thirty-three million three hundred one thousand three hundred ninety-six (33,301,396) ordinary shares, representing a reduction of 83.25349% and a cancellation of (1) ordinary share for every (1.20115) ordinary shares.
Electronic Voting	A free electronic service provided to companies listed on the Saudi Exchange which permits the shareholders to exercise their rights to vote on the items of the general assemblies' agenda without their attendance in person but through the Tadawulaty platform of the Securities Depository Company (Edaa).
Auditor's Report or Limited Assurance Report	The limited assurance report on the proposed Capital Reduction prepared based on the interim condensed financial statements for the nine-month ended 30 September 2024G showing the reasons for the Capital Reduction and its impact on the Company.
Circular or Shareholders' Circular	The shareholders' circular prepared by the Company and addressed to its shareholders in relation to the Capital Reduction.
Eligible Shareholders	The Company's shareholders at the end of the trading day of the EGM approving the Capital Reduction, who are registered in the Company's shareholders register at the Depository Center at the end of the second trading day following the EGM approving the Capital Reduction dated 26/07/1446H (corresponding to 26/01/2025G).

Signed by:

CA00FA4678644A2...

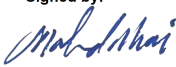
Signed by:

F58BD7DCCC40493...

4. Purpose of this Circular

This Circular has been prepared by the Company to include the necessary information to enable the Company's shareholders to vote with the knowledge and awareness on the Capital Reduction at the EGM.

Signed by:

CA00FA4678644A2...

Signed by:

F58BD7DCCC40493...

5. Company Background

Saudi Fisheries Company (the "**Company**") is a Saudi joint-stock company established by Royal Decree No. M/7, dated 08/05/1400H (corresponding to 24/03/1980G), and registered under Commercial Registration No. 1010042732 issued in Riyadh on 22/03/1402H (corresponding to 14/01/1982G).

Pursuant to its articles of association, the Company's activities are: investing in and raising live aquatic wealth, catching marine life of all kinds, such as fish, shrimp, and others, whether in the waters of the Kingdom of Saudi Arabia or other regional and international waters, cultivating aquatic life, fish, and shrimp in the seas, salt water, or fresh water, and operating, raising, and producing fish and shrimp in ponds. Earthen, floating cages and other aquaculture, hatching of fish larvae, shrimp and aquaculture, and wholesale and retail sale of aquaculture, larvae and fish. Shrimp and their products and activities related to ornamental fish and others, Restaurants with service and provision of fresh, cooked and grilled seafood and carrying out all related work such as selling, buying, marketing, manufacturing, production, packing, canning, storage, preservation by refrigeration or freezing, and all works related to import, export and trading in it wholesale and retail, land transport of goods and logistical tasks, importing, exporting, manufacturing, selling and marketing of feed and its derivatives and warehouses. Food and animal feed, and importing, manufacturing, maintaining, operating and renting ships, boats, canoes and other marine fishing means. Establishing, building, owning, selling, buying, renting, developing, investing and managing real estate and lands of all kinds. The Company's activities, as stated in its Commercial Registration, include fishing in marine waters, fishing for marine life in international waters, fishing for marine life for investors, aquaculture in marine waters, shrimp farming in seas, wholesale trade of fish and other aquaculture, and the retail sale of fish and other seafood and products thereof.

The Company's head office is located in Riyadh, Malaz District, near the Ministry of Finance, P.O. Box 4210, Riyadh 11491, Kingdom of Saudi Arabia.

The Company's current paid-up capital is four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share.

Contact Details

Contact Office Name: Mohamed Fahad Aldawsari

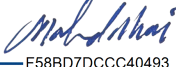
Tel: +966 (11) 416 7800

Email: mohammed.aldawsari@alasmak.com.sa

Website: www.alasmak.com.sa

Signed by:

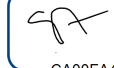
CA00FA4678644A2...

Signed by:

F58BD7DCCC40493...

5.1 Major Developments in the Company's Capital


Date	Event
26/01/1422H (corresponding to 20/04/2001G)	The Company listed and registered one million (1,000,000) ordinary shares with a nominal value of one hundred (100) Saudi Riyals per share on the Saudi Stock Exchange ("Tadawul"). The Company's capital at the time of listing on Tadawul was one hundred million (100,000,000) Saudi Riyals, divided into one million (1,000,000) ordinary shares with a nominal value of one hundred (100) Saudi Riyals per share.
12/11/1426H (corresponding to 14/12/2005G)*	The Company's EGM approved an increase in the Company's capital from one hundred million (100,000,000) Saudi Riyals, divided into two million (2,000,000) ordinary shares with a nominal value of fifty (50) Saudi Riyals per share, to two hundred million (200,000,000) Saudi Riyals, divided into four million (4,000,000) ordinary shares with a nominal value of fifty (50) Saudi Riyals per share, through the issuance of two million (2,000,000) rights issue shares with a nominal value of fifty (50) Saudi Riyals per share and an issuance premium of twenty-five (25) Saudi Riyals per share.
16/10/1432H (corresponding to 14/09/2011G)	The Company's EGM approved an increase in the Company's capital from two hundred million (200,000,000) Saudi Riyals, divided into twenty million (20,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to five hundred and thirty-five million, three hundred and seventy-five thousand (535,375,000) Saudi Riyals, divided into fifty-three million, five hundred and thirty-seven thousand, five hundred (53,537,500) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, through the issuance of thirty-three million, five hundred and thirty-seven thousand, five hundred (33,537,500) rights issue shares with a nominal value of ten (10) Saudi Riyals per share.
22/07/1438H (corresponding to 19/04/2017G)	The Company's EGM approved a reduction in the Company's capital from five hundred and thirty-five million, three hundred and seventy-five thousand (535,375,000) Saudi Riyals, divided into fifty-three million, five hundred and thirty-seven thousand, five hundred (53,537,500) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to two hundred million (200,000,000) Saudi Riyals, divided into twenty million (20,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, representing a decrease of 62.6%, through the cancellation of thirty-three million, five hundred and thirty-seven thousand, five hundred (33,537,500) ordinary shares.
19/04/1440H (corresponding to 26/12/2018G)	The Company's EGM approved a reduction in the Company's capital from two hundred million (200,000,000) Saudi Riyals, divided into twenty million (20,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to one hundred and one million, one hundred thousand (101,100,000) Saudi Riyals, divided into ten million, one hundred and ten thousand (10,110,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, representing a decrease of 49.5%, through the cancellation of nine million, eight hundred and ninety thousand (9,890,000) ordinary shares.
21/09/1441H (corresponding to 14/05/2020G)	The Company's EGM approved an increase in the Company's capital from one hundred and one million, one hundred thousand (101,100,000) Saudi Riyals, divided into ten million, one hundred and ten thousand (10,110,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, through the issuance of twenty-nine million, eight hundred and ninety thousand (29,890,000) rights issue shares.
20/06/1445H (corresponding to 02/01/2024G)	The Company announced through the Tadawul website that its Board of Directors recommended a reduction in the Company's capital from four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to one hundred and eighty-eight million, four hundred and forty thousand (188,440,000) Saudi Riyals, divided into eighteen million, eight hundred and forty-four thousand (18,844,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, representing a decrease of 52.89%, through the cancellation of twenty-one million, one hundred and fifty-six thousand (21,156,000) ordinary shares.
12/11/1445H (corresponding to 20/05/2024G)	The Company announced an amendment to the recommendation of its Board of Directors to reduce the capital from four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to one hundred and thirty-five million, two hundred thousand (135,200,000) Saudi Riyals, divided into thirteen million, five hundred and twenty thousand (13,520,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, representing a decrease of 66.2%, through the cancellation of twenty-six million, four hundred and eighty thousand (26,480,000) ordinary shares.
09/02/1446H (corresponding to 13/08/2024G)	The Company announced an amendment to the recommendation of its Board of Directors to reduce the capital from four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to ninety-five million six hundred eighty-four thousand four hundred (95,684,400) Saudi Riyals, divided into nine million five hundred sixty-eight thousand four hundred forty (9,568,440) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, representing a decrease of 76.0789%, through the cancellation of thirty million four hundred thirty-one thousand five hundred sixty (30,431,560) ordinary shares.

Signed by:



CA00FA467864A2...

Signed by:



F58BD7DCCC40493...

Date	Event
17/04/1446H (corresponding to 20/10/2024G)	The Company announced an amendment to the recommendation of its Board of Directors to reduce the capital from four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to sixty-six million nine hundred eighty-six thousand forty (66,986,040) Saudi Riyals, divided into six million six hundred ninety-eight thousand six hundred four (6,698,604) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, representing a decrease of 83.25349%, through the cancellation of thirty-three million three hundred one thousand three hundred ninety-six (33,301,396) ordinary shares.
17/06/1446H (corresponding to 18/12/2024G)	The CMA approved the application to decrease the Company's capital from four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to sixty-six million nine hundred eighty-six thousand forty (66,986,040) Saudi Riyals, divided into six million six hundred ninety-eight thousand six hundred four (6,698,604) ordinary shares, through the cancellation of thirty-three million three hundred one thousand three hundred ninety-six (33,301,396) ordinary shares of the Company's issued shares with a nominal value of ten (10) Saudi Riyals per share.
26/07/1446H (corresponding to 26/01/2025G)	The EGM, during its meeting, approved the reduction of the Company's capital from four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to sixty-six million nine hundred eighty-six thousand forty (66,986,040) Saudi Riyals, divided into six million six hundred ninety-eight thousand six hundred four (6,698,604) ordinary shares, through the cancellation of thirty-three million three hundred one thousand three hundred ninety-six (33,301,396) ordinary shares of the Company's issued shares with a nominal value of ten (10) Saudi Riyals per share. The EGM's approval was announced on the website of Tadawul.

* Subsequent to the offering, the nominal value of the Company's shares was amended from fifty (50) Saudi Riyals per share to ten (10) Saudi Riyals per share, in accordance with the Council of Ministers' resolution providing the amendment of Article 49 of the Companies Law.

5.2 Board of Directors

During its meeting held on 19/06/1445H (corresponding to 01/01/2024G), the Board of Directors recommended a reduction in the Company's capital from four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to one hundred and eighty-eight million, four hundred and forty thousand (188,440,000) Saudi Riyals, divided into eighteen million, eight hundred and forty-four thousand (18,844,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, representing a decrease of 52.89%, through the cancellation of twenty-one million, one hundred and fifty-six thousand (21,156,000) ordinary shares from the Company's issued shares.

Subsequently, on 11/11/1445H (corresponding to 19/05/2024G), the Board of Directors amended the aforementioned recommendation to reduce the capital from four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to one hundred and thirty-five million, two hundred thousand (135,200,000) Saudi Riyals, divided into thirteen million, five hundred and twenty thousand (13,520,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, representing a decrease of 66.2%, through the cancellation of twenty-six million, four hundred and eighty thousand (26,480,000) ordinary shares.

Subsequently, on 08/02/1446H (corresponding to 12/08/2024G), the Board of Directors amended the aforementioned recommendation to reduce the capital from four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to ninety-five million six hundred eighty-four thousand four hundred (95,684,400) Saudi Riyals, divided into nine million five hundred sixty-eight thousand four hundred forty (9,568,440) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, representing a decrease of 76.0789%, through the cancellation of thirty million four hundred thirty-one thousand five hundred sixty (30,431,560) ordinary shares.

Subsequently, on 14/04/1446H (corresponding to 17/10/2024G), the Board of Directors amended the aforementioned recommendation to reduce the capital from four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to sixty-six million nine hundred eighty-six thousand forty (66,986,040) Saudi Riyals, divided into six million six hundred ninety-eight thousand six hundred four (6,698,604) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, representing a decrease of 83.25349%, through the cancellation of thirty-three million three hundred one thousand three hundred ninety-six (33,301,396) ordinary shares.

Signed by:

CA00FA467864A2...

Signed by:

F58BD7DCCC40493...

The Board of Directors consists of five (5) members appointed by the EGM on 07/04/1445H (corresponding to 22/10/2023G) for a period of three (3) years starting from 25/10/2023G and ending on 24/10/2026G. The table below sets out the members of the Board of Directors and their ownership in the Company as of the date of this Circular.

Name	Position	Status	Nationality	Age	Shares Owned Before the Capital Reduction				Date of Appointment
					Directly		Indirectly		
					Number	%	Number	%	
Abdulaziz Abdullah Al-Humaid*	Chairman	Non-Executive	Saudi	54	10,000,000	25.00%**	-	-	03/09/2024G
Mansour Abdulaziz Alsaghayer***	Vice Chairman	Independent	Saudi	55	4,000	0.0100000%	-	-	25/10/2023G
Abdulmajed Abdulmohsen Alshaikh	Director	Independent	Saudi	42	-	-	-	-	25/10/2023G
Saeed Abdullah Almoeather****	Managing Director	Executive	Saudi	49	-	-	-	-	25/10/2023G
Abdulelah Mohammed Alwabel	Director	Independent	Saudi	24	15	0.0000375%	-	-	25/10/2023G
Vacant*****	Director	-	-	-	-	-	-	-	-
Vacant*****									

Source: The Company

*On 30/02/1446H (corresponding to 03/09/2024G), Ahmed Rashid Alballa submitted his resignation from his position as director, which the Company's Board of Directors approved on 30/02/1446H (corresponding to 03/09/2024G). Subsequently, by virtue of its resolution dated 30/02/1446H (corresponding to 03/09/2024G), the Company's Board of Directors appointed Abdulaziz Abdullah Al-Humaid as a director (non-executive) to complete the remaining period of the Board of Directors' current term, which ends on 13/05/1448H (corresponding to 24/10/2026G). This appointment will be presented for approval to the coming General Assembly. Additionally, by virtue of its resolution dated 30/02/1446H (corresponding to 03/09/2024G), the Board of Directors appointed Abdulaziz Abdullah Al-Humaid as chairman of the Board of Directors.

**On 15/09/2024G, Abdulaziz Abdullah Al-Humaid submitted a letter to the Company, in which he undertook to retain his shares, representing 25% of the Company's share capital, and not dispose them in any way, whether through sale or transfer, for a period of one year from the date thereof.

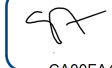
***The Board of Directors reappointed Mansour Abdulaziz Alsaghayer as vice chairman in its resolution dated 30/02/1446H (corresponding to 03/09/2024G).

****By virtue of a resolution dated 11/03/1446H (corresponding to 14/09/2024G), the Board appointed Saeed Abdullah Almoeather as managing director effective as of 15/09/2024G.

*****On 10/06/2024G, the Board of Directors approved the resignation of Khaled Abdulkader Alkaff from the position of Director (independent) to be effective as of 10/06/2024G.

*****On 29/09/2024G, the Board of Directors approved the resignation of Abdulrahman Saud Alowais from the position of Director (independent) to be effective as of 29/09/2024G.

Signed by:



CA00FA4678644A2...

Signed by:



F58BD7DCCC40493...

5.3 Senior Executives

The table below sets out the members of the Company's senior management and their respective shareholdings in the Company as of the date of this Circular:

Name	Position	Nationality	Date of Appointment	Shares Owned Before the Capital Reduction			
				Directly		Indirectly	
				Number	%	Number	%
Mahmoud Abdel Hay Abu Aqeel	Acting CEO and Director of Finance & Accounting	Egyptian	15/04/2024G: As acting CEO 15/02/2023G: As Director of Finance & Accounting	-	-	-	-
Vacant	Director of Aquaculture	-	-	-	-	-	-
Vacant	Director of Supply Chain	-	-	-	-	-	-
Vacant	Director of Sales & Marketing	-	-	-	-	-	-
Vacant	Director of Support Services	-	-	-	-	-	-
Helmy Abdelmoez Al-Sayed	Director of Processing Plant & Quality	Egyptian	17/08/1993G	-	-	-	-
Mohammed Fahad Bander AlDossary	Director of Compliance & Shareholders' Relations	Saudi	10/06/2024G	-	-	-	-

Source: The Company

5.4 Name and Ownership of the Company's Shareholders

Name	Before Capital Reduction				After Capital Reduction				Ownership Before Capital Reduction		Ownership After Capital Reduction	
	Number of Shares	Value (Saudi Riyals)	Number of Shares	Value (Saudi Riyals)	Number of Shares	Value (Saudi Riyals)	Number of Shares	Value (Saudi Riyals)	Direct	Indirect	Direct	Indirect
	Direct		Indirect		Direct		Indirect		Direct	Indirect	Direct	Indirect
Mr. Abdulaziz Abdullah Al-Humaid *	10,000,000	100,000,000	-	-	1,674,651	16,746,510	-	-	25.00%	-	25.00%	-
Directors**	4,015	40,150	-	-	672	6,720	-	-	0.01%	-	0.01%	-
Public	29,995,985	299,959,850	-	-	55,023,281	50,232,810	-	-	74.99%	-	74.99%	-
Total	40,000,000	400,000,000	-	-	6,698,604	66,986,040	-	-	100.00%	-	100.00%	-

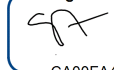
Source: The Company

*On 15/09/2024G, Abdulaziz Abdullah Al-Humaid submitted a letter to the Company, in which he undertook to retain his shares, representing 25% of the Company's share capital, and not dispose them in any way, whether through sale or transfer, for a period of one year from the date thereof.

** This represents the ownership of the Board of Directors excluding the ownership of its chairman Abdulaziz Abdullah Al-Humaid.

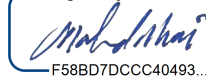
Fractional shares (if any) resulting from the Capital Reduction will be aggregated into a single portfolio to be sold on the Exchange at the prevailing market price at the time. The sale proceeds will then be distributed to the Eligible Shareholders in proportion to their ownership within thirty (30) days from the date the EGM approves the Capital Reduction.

Signed by:



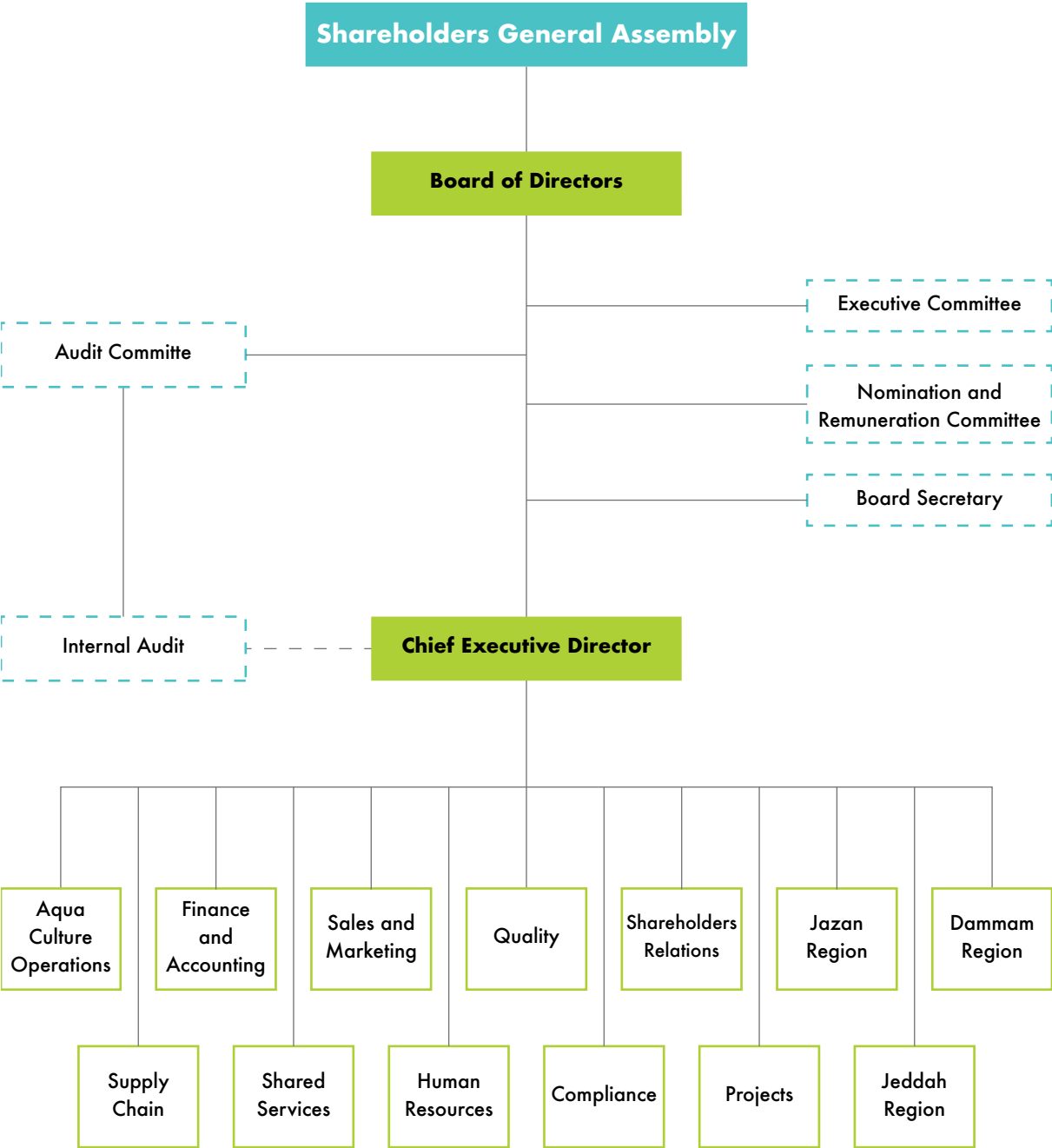
CA00FA4678644A2...

Signed by:



F58BD7DCCC40493...

5.5 The Company's Organizational Structure



Source: The Company

Signed by:

CA00FA4678644A2...

Signed by:

F58BD7DCCC40493...



الشركة السعودية للأسماك
SAUDI FISHERIES COMPANY



Signed by:

CA00FA4678644A2...

Signed by:

F58BD7DCCC40493...

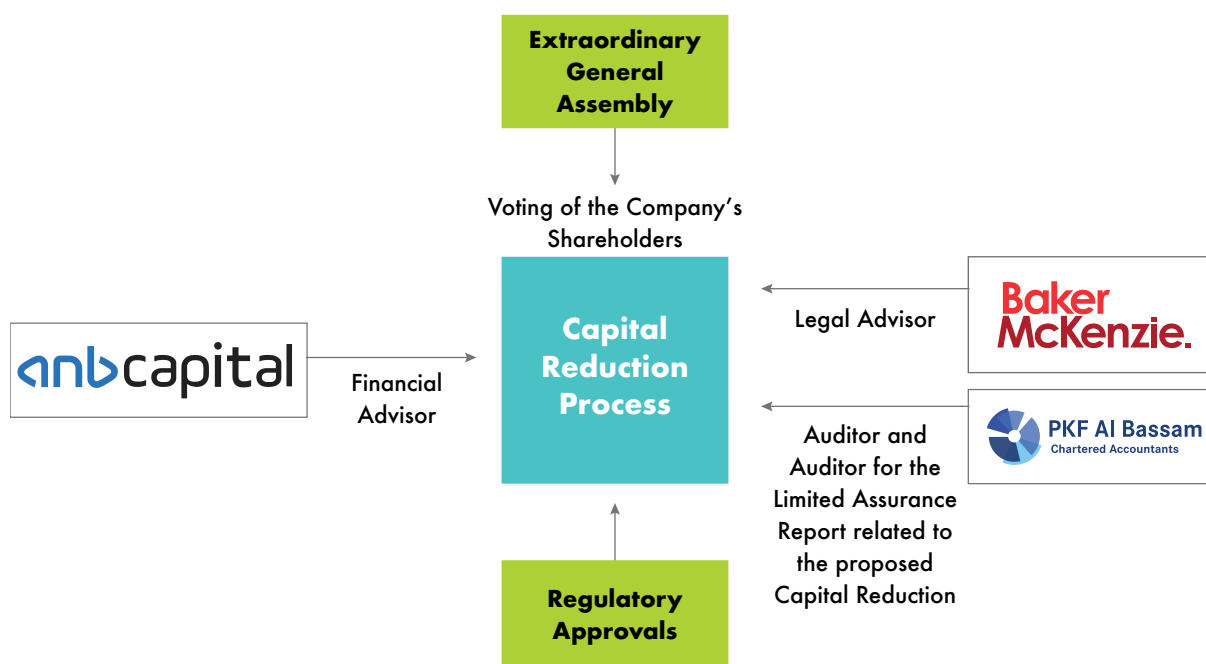
6. Capital Reduction

6.1 Capital Reduction Procedures

The Capital Reduction process is subject to the following procedures:

- The Board of Directors recommending the Capital Reduction.
- A financial advisor being appointed for the Capital Reduction process.
- An auditor being appointed to prepare the accounting report for the Capital Reduction process.
- A Capital Reduction application being prepared and submitted to the CMA in accordance with Article 61 of the Rules on the Offer of Securities and Continuing Obligations, with respect to the terms of the Capital Reduction.
- The CMA approving the Company's Capital Reduction application.
- A notice being submitted to Tadawul in the form contained in Annex 5 of the Listing Rules.
- The EGM approving the reduction of the Company's capital.
- The Saudi Exchange (Tadawul) suspending the trading of the Company's shares for two consecutive trading sessions from the day following the EGM's approval of the Capital Reduction. Trading will then resume at the adjusted price.
- The Company's Capital Reduction shall become effective by adjusting the number of shares owned by shareholders on the day of the EGM, who appear in the Company's records at Tadawul at the end of trading on the second day following the EGM on the Capital Reduction.
- The deposit of the proceeds from the sale of fractional shares (if any) within thirty (30) days from the date the EGM approves the Capital Reduction.
- Completion of the procedures with the Ministry of Commerce to obtain the updated commercial registration and bylaws.

6.2 Structure of the Parties Involved in the Capital Reduction Process



Signed by:

CA00FA4678644A2...

Signed by:

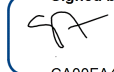
F58BD7DCCC40493...

6.3 Developments in Accumulated Losses

The table below sets out a chronological summary of the developments in accumulated losses since 2005G:

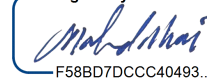
Financial Year	Capital (Million Saudi Riyals)	Net Loss (Million Saudi Riyals)	Accumulated Losses (Million Saudi Riyals)	Accumulated Losses as a % of Capital	Key Reasons for the Accumulated Losses
2003G	100.0	23.0	-	-	-
2004G	100.0	29.1	-	-	-
2005G	100.0	38.4	38.4	38.4%	Reasons for the increase in accumulated losses: (1) Higher cost of sales at a rate exceeding the increase in sales; (2) an increase in selling and distribution expenses of 4.2 million Saudi Riyals; and (3) a decrease in other income of 4.0 million Saudi Riyals.
2006G*	200.0	28.9	28.9	14.5%	Reasons for the decrease in accumulated losses: An increase in sales of 17.9 million Saudi Riyals; (2) an increase in other income of 4.2 million Saudi Riyals; and (3) a decrease in shrimp farm maintenance costs of 2.8 million Saudi Riyals.
2007G	200.0	30.7	59.6	29.8%	Reasons for the increase in accumulated losses: (1) An increase in the cost of sales due to a suspension in farm production, and since most costs are semi-fixed, the proportion of costs to sales increased; and (2) the creation of a Zakat provision of 1.3 million Saudi Riyals and an inventory provision of 1.5 million Saudi Riyals.
2008G**	200.0	25.3	35.7	17.8%	Reasons for the decrease in accumulated losses: Amortization of part of the Company's losses through the use of the statutory reserve.
2009G	200.0	28.7	64.3	32.2%	Reasons for the increase in accumulated losses: (1) A decrease in sales of 4.67 million Saudi Riyals due to a sharp decline in export sales; (2) the calculation of a provision for vessels through a reduction in the book value of vessels by 3.7 million Saudi Riyals; and (3) a decrease in profits realized from investments in investment funds, due to the use of the available liquidity within the Company's operations.
2010G	200.0	26.9	91.2	45.6%	Reasons for the increase in accumulated losses: (1) A decrease in sales of 20 million Saudi Riyals due to the suspension of fishing operations; and (2) the creation of a provision for vessels of 3.7 million Saudi Riyals.
2011G***	535.4	46.1	144.9	27.1%	Reasons for the increase in accumulated losses: An outbreak of white spot syndrome in the shrimp farm, which led to a suspension in production and a consequent decrease in the quantities available for sale.
2012G	535.4	39.9	184.8	34.5%	Reasons for the increase in accumulated losses: (1) A decrease in sales along with the incurrence of fixed operating costs for factories; and (2) rehabilitation and disinfection of the shrimp farm ponds in Al Haridhah.

Signed by:



CA00FA4678644A2...

Signed by:

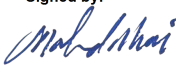


F58BD7DCCC40493...

Financial Year	Capital (Million Saudi Riyals)	Net Loss (Million Saudi Riyals)	Accumulated Losses (Million Saudi Riyals)	Accumulated Losses as a % of Capital	Key Reasons for the Accumulated Losses
2013G	535.4	49.0	233.8	43.7%	Reasons for the increase in accumulated losses: (1) Adjustment of employee salaries and allowances, as well as end-of-service benefits provisions, due to the implementation of the Company's restructuring system and an adjustment in the minimum salaries of Saudis amounting to approximately 2.7 million Saudi Riyals; (2) an increase in the depreciation of fixed assets amounting to approximately 2 million Saudi Riyals due to the purchase of new assets; (3) an increase in spending on maintenance of sales stores and equipment in the Kingdom of approximately 1.3 million Saudi Riyals; and (4) payments for the restructuring project and the development of computer software amounting to approximately 1 million Saudi Riyals.
2014G	535.4	46.4	280.2	52.3%	Reasons for the increase in accumulated losses: Failure to produce at the full production capacity of shrimp farms alongside fixed operating costs, and the incompleteness of the new store development and opening project.
2015G	535.4	51.2	331.4	61.9%	Reasons for the increase in accumulated losses: (1) An increase in shrimp farm costs due to the virus infection; and (2) a decrease in other income.
2016G	535.4	39.6	372.3	69.5%	Reasons for the increase in accumulated losses: (1) A decrease in sales due to lack of liquidity to purchase inventory, the closure of 11 stores due to their low profit margin, and a suspension in farm production that led to an increase in the cost of sales; (2) an increase in selling and distribution expenses; (3) an increase in financing costs; and (4) a decrease in other income.
2017G****	200.0	40.8	77.5	38.8%	Reasons for the decrease in accumulated losses: Amortization of accumulated losses through a capital reduction.
2018G*****	101.1	37.3	15.4	15.2%	Reasons for the decrease in accumulated losses: Amortization of accumulated losses through a capital reduction.
2019G	101.1	33.0	49.6	49.1%	Reasons for the increase in accumulated losses: (1) Higher general and administrative expenses due to the hiring of new employees and consultancy expenses; and (2) higher financing expenses due to obtaining a loan at the end of 2018G.
2020G*****	400.0	40.6	94.4	23.6%	Reasons for the increase in accumulated losses: (1) Expenses related to a capital increase (offering expenses) amounting to 4.2 million Saudi Riyals, (2) increased farm expenses as a result of the recommencement of the aquaculture segment in Al Haridhah, which was suspended in previous years; (3) higher fishing fleet expenses related to the reactivation of the segment after its suspension until the end of 2019G; (4) an increase in the Zakat expense as a precautionary measure against the recent Zakat assessments received from ZATCA; and (5) an increase in selling and marketing expenses and administrative expenses, as certain provisions were reduced in 2019G after their revaluation, as well as an increase in marketing campaign expenses and the doubtful debt provision expense.

Signed by:

CA00FA4678644A2...

Signed by:

F58BD7DCCC40493...

Financial Year	Capital (Million Saudi Riyals)	Net Loss (Million Saudi Riyals)	Accumulated Losses (Million Saudi Riyals)	Accumulated Losses as a % of Capital	Key Reasons for the Accumulated Losses
2021G	400.0	34.2	128.6	32.2%	Reasons for the increase in accumulated losses: (1) Higher selling and distribution expenses due to the hiring of new employees to support sales in conjunction with the operation of the farms; (2) the impairment of capital work in progress due to a decrease in the fair value measurement of the feed mill; and (3) the impairment of the value of financial assets due to the amortization of old fishermen's receivables.
2022G	400.0	63.4	164.6	41.1%	Reasons for the increase in accumulated losses: (1) An increase in the cost of sales of 25 million Saudi Riyals, primarily due to an increase in fixed and variable operating and production costs at the farms due to the reopening of the farms and the long production and harvesting cycle; and (2) a loss of 3.6 million Saudi Riyals due to the valuation of biological assets compared to a positive valuation effect in 2021G of 12 million Saudi Riyals.
2023G	400.0	120.0	284.5	71.1%	Reasons for the increase in accumulated losses: (1) Higher production costs of the shrimp and fish farm; (2) higher losses due to the fair value measurement of biological assets amounting to 33.7 million Saudi Riyals; and (3) the recognition of a provision of 22.3 million Saudi Riyals for inventory and Zakat and the impairment of assets under construction. (4) A provision for the impairment of non-financial assets amounting to SAR 28.5 million was recorded
Q3 2024G	400.0	48.5	333.01	83.3%	Reasons for the increase in accumulated losses: (1) Decreased sales due to lower wholesale and retail segments revenues as a result of the closure of a number of stores and supply challenges; and (2) higher total losses due to increased farm production costs during the period.

Source: The Company

* On 12/11/1426H (corresponding to 14/12/2005G), the Company's EGM approved an increase in the Company's capital from one hundred million (100,000,000) Saudi Riyals, divided into two million (2,000,000) ordinary shares with a nominal value of fifty (50) Saudi Riyals per share, to two hundred million (200,000,000) Saudi Riyals, divided into four million (4,000,000) ordinary shares with a nominal value of fifty (50) Saudi Riyals per share, through the issuance of two million (2,000,000) rights issue shares with a nominal value of fifty (50) Saudi Riyals per share and an issuance premium of twenty-five (25) Saudi Riyals per share.

** On 23/10/1429H (corresponding to 23/10/2008G), based on the EGM's approval, the Board of Directors decided to amortize a portion of the accumulated losses by utilizing the statutory reserve amounting to 49,769,753 Saudi Riyals.

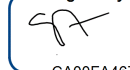
*** On 16/10/1432H (corresponding to 14/09/2011G), the Company's EGM approved an increase in the Company's capital from two hundred million (200,000,000) Saudi Riyals, divided into twenty million (20,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to five hundred and thirty-five million, three hundred and seventy-five thousand (535,375,000) Saudi Riyals, divided into fifty-three million, five hundred and thirty-seven thousand, five hundred (53,537,500) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, through the issuance of thirty-three million, five hundred and thirty-seven thousand, five hundred (33,537,500) rights issue shares with a nominal value of ten (10) Saudi Riyals per share.

**** On 22/07/1438H (corresponding to 19/04/2017G), the Company's EGM approved a reduction in the Company's capital from five hundred and thirty-five million, three hundred and seventy-five thousand (535,375,000) Saudi Riyals, divided into fifty-three million, five hundred and thirty-seven thousand, five hundred (53,537,500) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to two hundred million (200,000,000) Saudi Riyals, divided into twenty million (20,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, representing a decrease of 62.6%, through the cancellation of thirty-three million, five hundred and thirty-seven thousand, five hundred (33,537,500) ordinary shares.

***** On 19/04/1440H (corresponding to 26/12/2018G), the Company's EGM approved a reduction in the Company's capital from two hundred million (200,000,000) Saudi Riyals, divided into twenty million (20,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to one hundred and one million, one hundred thousand (101,100,000) Saudi Riyals, divided into ten million, one hundred and ten thousand (10,110,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, representing a decrease of 49.5%, through the cancellation of nine million, eight hundred and ninety thousand (9,890,000) ordinary shares.

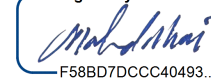
***** On 21/09/1441H (corresponding to 14/05/2020G), the Company's EGM approved an increase in the Company's capital from one hundred and one million, one hundred thousand (101,100,000) Saudi Riyals, divided into ten million, one hundred and ten thousand (10,110,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, through the issuance of twenty-nine million, eight hundred and ninety thousand (29,890,000) rights issue shares.

Signed by:



CA00FA4678644A2...

Signed by:



F58BD7DCCC40493...

6.4 Company's Expected Plans and Corrective Steps to Stop the Losses

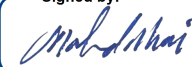
- Minimize farm costs to align with existing operations.
- Sell unproductive and unnecessary assets.
- Analyze store performance and close unprofitable stores.
- Boost wholesale sales volume.
- Study transportation costs and implement measures to reduce them in proportion to sales volume.
- Establish minimum and maximum inventory levels and maintain warehouses to alleviate liquidity pressure and minimize storage costs.
- Terminate service contracts that are no longer needed by the Company, particularly in light of labor cuts.
- Conduct detailed market studies to understand current trends and customer needs, enabling the Company to better direct its products and services.
- Restructure procurement processes and negotiate improved terms with suppliers to secure high-quality materials at reasonable prices.

6.5 General Structure of the Capital Reduction

- The Company's current capital is four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share.
- The Company's capital will be reduced by three hundred thirty-three million thirteen thousand nine hundred sixty (333,013,960) Saudi Riyals, by way of cancelling thirty-three million three hundred one thousand three hundred ninety-six (33,301,396) ordinary shares, representing 83.25349% of the Company's capital, at a cancellation rate of (1) ordinary share for every (1.20115) ordinary shares in order to amortize the Company's accumulated losses amounting to three hundred thirty-three million thirteen thousand nine hundred sixty-five (333,013,965) Saudi Riyals. The accumulated losses will reach five (5) Saudi Riyals representing 0.0% of the Company's capital post Capital Reduction based on the interim condensed financial statements for the nine-months ended 30 September 2024G, and the Company's Auditor's Report.
- The cancellation of 83.2549% of the Company's shares will reduce the capital to sixty-six million nine hundred eighty-six thousand forty (66,986,040) Saudi Riyals, thereby reducing the number of shares from forty million (40,000,000) ordinary shares to six million six hundred ninety-eight thousand six hundred four (6,698,604) ordinary shares with a nominal value of ten (10) Saudi Riyals per share.
- Upon the EGM's approval of the Capital Reduction, the reduction resolution will become effective and trading in the Company's shares will be suspended on the website of Tadawul for two trading days from the day following the EGM's approval of the Capital Reduction. Trading will then resume at the adjusted price.
- Fractional shares (if any) resulting from the Capital Reduction will be aggregated into a single portfolio to be sold on the Exchange at the prevailing market price at the time. The sale proceeds will then be distributed to the Eligible Shareholders in proportion to their ownership within thirty (30) days from the date the EGM approves the Capital Reduction.
- The financial statements used for the purposes of the Capital Reduction are the interim condensed financial statements for the nine-month ended 30 September 2024G.

Signed by:

CA00FA4678644A2...

Signed by:

F58BD7DCCC40493...

6.6 Board of Directors' Reasons for the Capital Reduction

The Company's management is devising a strategy to address the current situation and support the future growth and financial performance of the Company. To this end, it has decided to restructure the Company's capital through initiating the Capital Reduction process in order to amortize the Company's accumulated losses. Reducing the accumulated losses is a crucial decision given the circumstances the Company is facing. The Company is actively working to rectify its financial standing, halt losses, and achieve profitability.

On 20/06/1445H (corresponding to 02/01/2024G), the Company announced through the Tadawul website that its Board of Directors, during its meeting held on 19/06/1445H (corresponding to 01/01/2024G), recommended a reduction in the Company's capital from four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to one hundred and eighty-eight million, four hundred and forty thousand (188,440,000) Saudi Riyals, divided into eighteen million, eight hundred and forty-four thousand (18,844,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, through the cancellation of twenty-one million, one hundred and fifty-six thousand (21,156,000) ordinary shares from the Company's issued shares, representing a decrease of 52.89%.

Subsequently, on 12/11/1445H (corresponding to 20/05/2024G), the Company announced an amendment to the aforementioned recommendation to reduce the capital from four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to one hundred and thirty-five million, two hundred thousand (135,200,000) Saudi Riyals, divided into thirteen million, five hundred and twenty thousand (13,520,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, through the cancellation of twenty-six million, four hundred and eighty thousand (26,480,000) ordinary shares, a representing a decrease of 66.2%,.

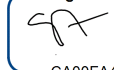
Subsequently, on 09/02/1446H (corresponding to 13/08/2024G), the Company announced an amendment to the aforementioned recommendation to reduce the capital from four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to ninety-five million six hundred eighty-four thousand four hundred (95,684,400) Saudi Riyals, divided into nine million five hundred sixty-eight thousand four hundred forty (9,568,440) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, through the cancellation of thirty million four hundred thirty-one thousand five hundred sixty (30,431,560) ordinary shares, representing a decrease of 76.0789%. The Capital Reduction aims to amortize part of the Company's accumulated losses amounting to three hundred four million three hundred fifteen thousand six hundred twenty nine (304,315,629) Saudi Riyals representing 76.0789% of the Company's current capital and the accumulated losses are expected to reach twenty-nine (29) Saudi Riyals representing 0.0% of the Company's capital post Capital Reduction, based on the interim condensed financial statements for the six-month ended 30 June 2024G and the Company's Auditor's report.

Subsequently, on 17/04/1446H (corresponding to 17/10/2024G), the Company announced an amendment to the aforementioned recommendation to reduce the capital from four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to sixty-six million nine hundred eighty-six thousand forty (66,986,040), divided into six million six hundred ninety-eight thousand six hundred four (6,698,604) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, through the cancellation of thirty-three million three hundred one thousand three hundred ninety-six (33,301,396) ordinary shares, representing a decrease of 83.25349%. The Capital Reduction aims to amortize part of the Company's accumulated losses amounting to three hundred thirty-three million thirteen thousand nine hundred sixty-five (333,013,965) Saudi Riyals representing 83.25349% of the Company's current capital and the accumulated losses are expected to reach five (5) Saudi Riyals representing 0.0% of the Company's capital post Capital Reduction, based on the interim condensed financial statements for the nine-month ended 30 September 2024G and the Company's Auditor's report.

6.7 Impact of the Capital Reduction on the Company's Liabilities

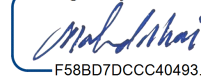
- The Company has appointed PKF Al Bassam Chartered Accountants (Member of PKF International) as the Auditor to prepare the Limited Assurance Report on the proposed Capital Reduction, which sets out the reasons and mechanism of the Capital Reduction and how it will affect the Company's liabilities and shareholders' equity.
- As per the attached Auditor's Report, the Capital Reduction will not have any impact on the Company's liabilities.

Signed by:



CA00FA4678644A2...

Signed by:



F58BD7DCCC40493...

6.8 Impact of the Capital Reduction on the Company's Shareholders' Rights

- The Company's accumulated losses amounted to three hundred thirty-three million thirteen thousand nine hundred sixty-five (333,013,965) Saudi Riyals representing 83.25349% of the Company's current capital and the accumulated losses are expected to reach five (5) Saudi Riyals representing 0.0% of the Company's capital post Capital Reduction based on the interim condensed financial statements for the 9-month ended 30 September 2024G and the Company's Auditor's report. The Capital Reduction of three hundred thirty-three million thirteen thousand nine hundred sixty (330,013,960) Saudi Riyals will amortize 99.99% of the total accumulated losses.

The table below sets out the impact on shareholders' equity based on the interim condensed financial statements for the nine-month ended 30 September 2024G:

Shareholders' Equity as of 30 September 2024 (Saudi Riyals)	Before the Capital Reduction	After the Capital Reduction	Impact
Share Capital	400,000,000	66,986,040	(333,013,960)
Accumulated Losses	(333,013,965)	(5)	333,013,960
Actuarial Reserve	816,740	816,740	-
Total Shareholders' Equity	67,802,775	67,802,775	-

Source: The attached Auditor's Report and the interim condensed financial statements for the nine-month ended 30 September 2024G.

- The Company intends to reduce its capital from four hundred million (400,000,000) Saudi Riyals to sixty-six million nine hundred eighty-six thousand forty (66,986,040) Saudi Riyals through the cancellation of thirty-three million three hundred one thousand three hundred ninety-six (33,301,396) ordinary shares of the Company's issued shares at a cancellation rate of (1) ordinary share for every (1.20115) ordinary shares.
- Fractional shares (if any) resulting from the Capital Reduction will be aggregated by the Company into a single portfolio to be sold in the Exchange at the prevailing market price at the time. The sale proceeds will then be distributed to the Eligible Shareholders in proportion to their ownership within thirty (30) days from the date the EGM approves the Capital Reduction.

The Capital Reduction will not affect the market value of the shareholder portfolios, as shown in the table below.

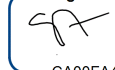
Example of a shareholder who owns one hundred (100) of the Company's shares before the reduction.

Item (estimated)	Before Capital Reduction	After Capital Reduction
Number of shares owned Before Capital Reduction	100	100
Share Price Before Capital Reduction (Saudi Riyals)* (Closing price as of the date of the EGM on 26/07/1446H (corresponding to 26/01/2025G))	24.48	24.48
Cancelled shares	84	Not Applicable
Number of shares owned After Capital Reduction	16	Not Applicable
Share Price After Capital Reduction (estimated) (Saudi Riyals)**	146.18	Not Applicable
Market Value of the Shares Before Capital Reduction (estimated) (Saudi Riyals)	2,448	2,320
Market Value of the Shares After Capital Reduction (estimated) (Saudi Riyals)	2,339	Not Applicable
Compensation resulting from fractional shares (estimated) (Saudi Riyals)	109.12	Not Applicable

* Based on the closing price of the EGM on 26/07/1446H (corresponding to 26/01/2025G)

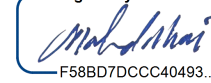
**Note: The indicative price may not match the adjusted price according to trading and membership procedures, as it is subject to a price change unit of 0.2 Saudi Riyals.

Signed by:



CA00FA467864A2...

Signed by:



F58BD7DCCC40493...

Shareholders holding two or fewer of the Company's shares prior to the reduction will have their shares canceled and will be compensated. The following table sets out the impact on shareholders holding up to 10 shares:

Item (estimated)										
Number of shares owned Before Capital Reduction	1	2	3	4	5	6	7	8	9	10
Share Price Before Capital Reduction (Saudi Riyals)*										
(Closing price as of the date of the EGM on 26/07/1446H (corresponding to 26/01/2025G))	24.48	24.48	24.48	24.48	24.48	24.48	24.48	24.48	24.48	24.48
Cancelled shares	1	2	3	4	5	5	6	7	8	9
Number of shares owned After Capital Reduction	0	0	0	0	0	1	1	1	1	1
Number of fractional shares due (estimated)	0.17	0.33	0.50	0.67	0.84	0.00	0.17	0.34	0.51	0.67
Share Price After Capital Reduction (estimated) (Saudi Riyals)**	146.18	146.18	146.18	146.18	146.18	146.18	146.18	146.18	146.18	146.18
Market Value of the Shares Before Capital Reduction (estimated) (Saudi Riyals)	24.48	48.96	73.44	97.92	122.4	146.88	171.36	195.84	220.32	244.8
Market Value of the Shares After Capital Reduction (estimated) (Saudi Riyals)	0.00	0.00	0.00	0.00	0.00	146.18	146.18	146.18	146.18	146.18
Compensation resulting from fractional shares (estimated) (Saudi Riyals)	24.48	48.96	73.44	97.92	122.40	0.70	25.18	49.66	74.14	98.62

* Based on the closing price of the EGM on 26/07/1446H (corresponding to 26/01/2025G)

**Note: The indicative price may not match the adjusted price according to trading and membership procedures, as it is subject to a price change unit of 0.2 Saudi Riyals.

6.9 Share Price Calculation After the Capital Reduction

The table below sets out how the share price will be calculated after the Capital Reduction:

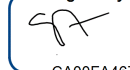
Item (estimated)	Value
(A) Share Price Before Capital Reduction (Saudi Riyals)* (Closing price as of the date of the EGM on 26/07/1446H (corresponding to 26/01/2025G))	24.48
(B) Number of shares owned Before Capital Reduction	40,000,000
(C) Market Capitalization Before Capital Reduction (estimated) = (A)*(B) (Saudi Riyals)	979,200,000
(D) Number of shares cancelled	33,301,396
(E) Number of shares owned After Capital Reduction = (B)-(D)	6,698,604
(F) Share Price After Capital Reduction = (C)/(E) (Saudi Riyals)**	146.18

*Based on the closing price as of 07/06/1446H (corresponding to 08/12/2024G), to be updated based on the closing price as of the EGMv

**Note: The indicative price may not match the adjusted price according to trading and membership procedures, as it is subject to a price change unit of 0.2 Saudi Riyals.

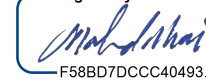
The closing price of the Share as of the day of the EGM approving the Capital Reduction on 26/07/1446H (corresponding to 26/01/2025G) is 24.48 Saudi Riyals and it is expected to reach 146.18 Saudi Riyals on the opening day following the suspension of the shares trading on 29/07/1446H (corresponding to 29/01/2025G). The variation represents an increase of 497%.

Signed by:



CA00FA4678644A2...

Signed by:



F58BD7DCCC40493...



الشركة السعودية للأسماك
SAUDI FISHERIES COMPANY



Signed by:

CA00FA4678644A2...

Signed by:

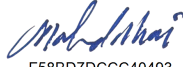
F58BD7DCCC40493.

7. Directors' Declaration

The Directors confirm, to the best of their knowledge and belief, that the Capital Reduction is in the best interests of the Company and its shareholders.

Signed by:

CA00FA4678644A2...

Signed by:

F58BD7DCCC40493...

8. Potential Risks Resulting from the Capital Reduction

The Company's management believes that the decision to reduce the Company's capital is crucial in light of the Company's focus on enhancing the shareholders' value. The Capital Reduction of three hundred thirty-three million thirteen thousand nine hundred sixty (333,013,960) Saudi Riyals, representing 83.25349% of the capital before the reduction, will have a positive impact by improving performance indicators (for further information, please see Section 5.6 "**Board of Directors' Reasons for the Capital Reduction**" of this Circular).

In addition, this decision and its impact have been studied from an accounting perspective. The Limited Assurance Report on the Capital Reduction confirms there is no material impact from the capital reduction on the Company's financial, operational, or regulatory obligations.

The potential risks mentioned below are not ranked in order of importance.

8.1 Risks Related to Future Prospects

The adequacy of working capital for the 12 months following the Capital Reduction was prepared and calculated based on management's assumptions regarding the Company's operational performance during such period. Like other sectors, the sector in which the Company operates is sensitive to supply and demand fluctuations in the local market. Therefore, a decrease in demand will affect the productivity of companies operating in the sector in general, and will consequently affect the Company's performance, results of operations, financial position and prospects, and thereby the Company's working capital.

8.2 Risks Related to Liquidity and Working Capital Adequacy

Liquidity risks constitute the Company's inability to meet its financial liabilities as they fall due. The Company's current liabilities amounting to 78.8 million Saudi Riyals as of 30 September 2024G exceeded its current assets amounting to 27.8 million Saudi Riyals as of 30 September 2024G. The Company's total current liabilities represented 2.7 times the total current assets as of 30 September 2024. Additionally, the working capital amounted to (50.0) million Saudi Riyals as of 30 September 2024G. Therefore, the Company may not be able to meet its liabilities in the ordinary course of its business operations and maintain adequate working capital levels, which will have an adverse impact on the Company's liquidity and credit position.

8.3 Risks Related to the Restatement of the Financial Statements for the Previous Period

On 11 August 2024G, the Company announced its financial results for the period ending on 30 June 2024G (6 month-period) and the restatement of its financial statements to reflect the changes to the amount of the accumulated losses as of 30 December 202G.

In case any additional accounting errors are found which resulted in the submission of incorrect data in previous financial years or if any accounting errors are discovered in future years, the Company will be subject to violations and fines which will have an adverse and material impact on the Company's operations, financial position, results of operations, and prospects.

8.4 Risks Related to Accumulated Losses

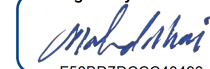
The Company's accumulated losses amounted to three hundred thirty-three million thirteen thousand nine hundred sixty-five (333,013,965) Saudi Riyals as of 30 September 2024G representing 83.25349% of the Company's current share capital. The Capital Reduction aims to offset the Company's accumulated losses, which will strengthen the Company's financial position and maintain its continuity. The accumulated losses are expected to reach 0.00% of the Company's share capital post Capital Reduction. However, there are no guarantees that the Company will not record additional losses in the future. If the Company is unable to make profits or continues to incur annual losses in the future, this will affect the Company's financial performance and continuity, and will result in a material and adverse impact on the Company's business, results of operations and future prospects.

Signed by:



CA00FA467864A2...

Signed by:



F58BD7DCCC40493...

In the event the accumulated losses reach 20% or more of the Company's share capital, the Company will be subject to the Procedures and Instructions Related to Listed Companies with Accumulated Losses Reaching 20% or More of their Share Capital issued by the CMA Board pursuant to Resolution No. 4-48-2013, dated 15/01/1435H (corresponding to 18/11/2013G), based on the Capital Market Law issued by Royal Decree No. M/30 dated 02/06/1424H (corresponding to 31/07/2003G), as amended by CMA Board Resolution No. 8-5-2023, dated 25/06/1444H (corresponding to 18/01/2023G), which require the Company to immediately announce its losses as follows: (1) immediately and without delay, disclose to the public in a separate announcement when its accumulated losses reach 20% or more and less than 35% of its share capital. The announcement should reflect the total accumulated losses, its percentage of the capital, and the main reasons that caused the losses, with reference that these procedures will be applicable. In case the announcement coincides with the interim or annual financial results announcement, the Company is exempt from the disclosure as a separate announcement if it disclosed the required information as per this paragraph in the interim or annual financial results announcement; (2) immediately and without delay, disclose to the public in a separate announcement when its accumulated losses reach 35% or more and less than 50% of its share capital. The announcement should reflect the total accumulated losses, its percentage of the capital, and the main reasons that caused the losses, with reference that these procedures will be applicable. In case the announcement coincides with the interim or annual financial results announcement, the Company is exempt from the disclosure as a separate announcement if it disclosed the required information as per this paragraph in the interim or annual financial results announcement; and (3) immediately and without delay, disclose to the public in a separate announcement when its accumulated losses reach 50% or more of its share capital. The announcement should reflect the total accumulated losses, its percentage of the capital, and the main reasons that caused the losses, with reference that these procedures will be applicable. In case the announcement coincides with the interim or annual financial results announcement, the Company is exempt from the disclosure in a separate announcement if it disclosed the required information as per this paragraph in the preliminary or yearly financial results announcement. If the Company fails to disclose its losses in accordance with the aforementioned procedures, the Company may be subject to sanctions or fines by the CMA, which may adversely and materially affect the Company's business, results of operations, financial position, and prospects.

In addition, if the Company's accumulated losses reach 50% of the share capital, the Company will be subject to the provisions of Article 132 of the Companies Law which require the Board to announce the losses within 60 days from the date of its knowledge thereof and the recommendations relating thereto, and to call within 180 days from said date for an extraordinary general assembly meeting to consider the continuation of the Company by taking measures necessary to resolve such losses or the dissolution of the Company. If the Company is unable to make profits or continues to incur annual losses in the future, this will affect the Company's financial performance and continuity, and will result in a material and adverse impact on the Company's business, results of operations and future prospects. For further information, please see Section 11 ("**Important Information**") of this Circular.

Within the 60-day period provided by the Companies Law, the Company announced on Tadawul's website that its losses reached 52.89% of its share capital on 25/04/1445H (corresponding to 09/11/2023G), and the Board recommended a reduction in the Company's capital for the purpose of offsetting the Company's losses during its meeting held on 19/06/1445H (corresponding to 01/01/2024G). However, the Company was not able to invite the EGM to consider the continuation of the Company and take the measures necessary to resolve such losses within the 180 day period provided by the Companies Law, which may expose the Company to penalties issued by the Ministry of Commerce. If the Company is exposed to these penalties, the Company may incur additional costs, which will negatively and materially affect the Company's business, results of operations, financial position, and prospects. If the EGM does not approve any of the measures necessary to address the losses, this will affect the Company's financial performance, and will result in a material and adverse impact on the Company's business, results of operations and future prospects.

8.5 Risks Related to Unforeseen Events

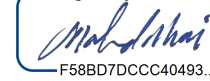
The Company's business and results are entirely dependent on its continuity. Therefore, the occurrence of any event that could adversely affect the Company's business or exposure to any accident or emergency that temporarily or permanently affects the continuity of its business will have a material adverse impact on the Company's operating and financial results, and thereby on its working capital.

Signed by:



CA00FA4678644A2...

Signed by:



F58BD7DCCC40493...

8.6 Risks Related to Fluctuations in the Market Price of the Shares and its Impact on the Compensation of Fractional Shares

The Company's share price may be subject to high volatility and instability due to a number of factors, including market conditions related to the shares and regulatory changes in the sector. If the market price of the shares falls after the capital reduction, shareholders will lose value on their investments in the Company's shares. In addition, the impact on the value of fractional share compensation is similar to the impact of fluctuations in the Company's share price, as the fractional shares will be sold at the prevailing market price at the time.

8.7 Risks Related to a Shareholder Owning Five Shares or Less

If a shareholder owns five or fewer shares, the share will be canceled and the shareholder will be compensated for the fractional shares that will be sold at the time. Trading of the Company's shares will be suspended for two business days following the day of the EGM approval. The Securities Depository Center (Edaa) will apply the reduction to the investment portfolios of shareholders in accordance with Article c (6) of Article 36 of the Listing Rules (for further information, please see Subsection 5.8 ("**Impact of the Capital Reduction on the Company's Shareholders' Rights**") of this Circular).

8.8 Risks Related to the New Companies Law

The provisions of the Companies Law is applicable to the Company. The new Companies Law was issued by Royal Decree No. M/132 dated 01/12/1443H (corresponding to 30/06/2022G) and entered into force on 19 January 2023G. Pursuant to the new Companies Law, if the Company's accumulated losses reach 50% of the share capital, the Company will be subject to the provisions of Article 132 of the Companies Law. Article 132 of the Companies Law requires the Board to announce the losses within 60 days from the date of its knowledge thereof and the recommendations relating thereto, and to call within 180 days from the said date for an extraordinary general assembly meeting to consider the continuation of the Company by taking measures necessary to resolve such losses or the dissolution of the Company (for further information, please see Section 11 ("**Important Information**") of this Circular). Within the 60-day period provided by the Companies Law, the Company announced on Tadawul's website that its losses reached 211.5 million Saudi Riyals, representing 52.89% of its share capital, on 25/04/1445H (corresponding to 09/11/2023G), and the Board recommended a reduction in the Company's capital for the purpose of offsetting the Company's losses during its meeting held on 19/06/1445H (corresponding to 01/01/2024G). However, the Company was not able to invite the EGM to consider the continuation of the Company and take the measures necessary to resolve such losses within the 180 day period provided by the Companies Law, which may expose the Company to penalties issued by the Ministry of Commerce. If the Company is exposed to these penalties, the Company may incur additional costs, which will negatively and materially affect the Company's business, results of operations, financial position, and prospects. If the EGM does not approve any of the measures necessary to address the losses, this will affect the Company's financial performance, and will result in a material and adverse impact on the Company's business, results of operations and future prospects.

8.9 Risks Related to the Application of the Accounting Standards accredited by the Saudi Organization for Chartered and Professional Accountants

The Company's financial statements for the fiscal years ended 31 December 2021G, 2022G and 2023G were prepared in accordance with the International Financial Reporting Standards (IFRS) endorsed in the Kingdom of Saudi Arabia and other standards and publications issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA). The Company is committed to apply the amendments or changes that may occur to those standards from time to time. There is no guarantee that the mandatory application of certain accounting standards will not change in subsequent years.

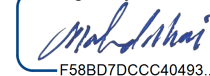
It is worth noting that on 05/07/2023G, the Company received a violation notice letter from the Capital Market Authority in relation to the Company's non-compliance with Article 66 (d) of the Rules on the Offer of Securities and Continuing Obligations which provides that "the issuer must prepare its annual financial statements in accordance with the accounting and auditing standards adopted by the Saudi Organization for Chartered and Professional Accountants (SOCPA) [...]". The letter was issued on the basis that there were observations in the auditor's report on the financial statements for the fiscal year ended 31 December 2022G in relation to the "fishes" as biological assets for which the Saudi Fisheries Company did not comply with Paragraph 12 of the International Accounting Standard 41 "Agriculture" (IAS 41).

Signed by:



CA00FA4678644A2...

Signed by:



F58BD7DCCC40493...

On 11/09/2023G, the Company received a violation notice letter from the Capital Market Authority in relation to an announcement (on the Company's inability to publish its financial results for the interim period of 6 months ended 30/06/2023G within the requirement time) made by the Company on Tadawul's website on 14/08/2023G, which was not compliant with Article 21 (9) of the Corporate Governance Regulations which states that: "without prejudice to the competencies of the General Assembly as per the Companies Law and its implementing regulations and the Company's bylaws, the Board shall have the broadest powers in managing the Company and guiding its activities to achieve its objectives. Among the main functions and competencies of the Board are: [...] (9) preparing the Company's interim and annual financial statements and approving them before publishing them".

On 04/02/2024G, the Company received a violation notice letter from the Capital Market Authority in relation to the Company's non-compliance with Article 66 (d) of the Rules on the Offer of Securities and Continuing Obligations which provides that "the issuer must prepare its annual financial statements in accordance with the accounting and auditing standards adopted by the Saudi Organization for Chartered and Professional Accountants (SOCPA) [...]". The letter was issued on the basis that there were observations in the auditor's report on the interim financial statements for the six-month period ended 30 June 2023G in relation to the Company's change of its accounting policy on the measurements of the investment properties from the cost model to the fair value model, which resulted in the Company's failure to comply with Paragraph 43 (a) of the International Accounting Standard 34 "Interim Financial Reporting" (IAS 34) and Paragraph 91 (a) of the International Financial Reporting Standard 13 "Fair Value Measurement" (IFRS 13).

On 16/09/2024G, the Company received a violation notice letter from the Capital Market Authority in relation to the Company's non-compliance with Article 66 (d) of the Rules on the Offer of Securities and Continuing Obligations which provides that "the issuer must prepare its annual financial statements in accordance with the accounting and auditing standards adopted by the Saudi Organization for Chartered and Professional Accountants (SOCPA) [...]". The letter was issued on the basis that there were observations in the auditor's report on the financial statements for the fiscal year ended 31 December 2023G in relation to the existence of indications of impairment in the value of the Company's assets and the auditor's lack of conviction in the reasonableness of the assumptions and inputs used by the Company when conducting the impairment tests. In addition to the auditor's inability to implement the necessary procedures to reach to the fair value of the fishes as of 31 December 2022G and the change in the fair value of the fishes for the years ended 31 December 2022G and 31 December 2023G, which resulted in the Company's failure to comply with Paragraph 22 of the International Financial Reporting Standard 13 "Fair Value Measurement" (IFRS 13), Paragraph 22 of the International Financial Reporting Standard 13 "Fair Value Measurement" (IFRS 13), Paragraph 18 of International Accounting Standard 36 "Impairment in the Value of Assets" (IAS 36) and Paragraph 117 of International Accounting Standard 1 "Presentation of Financial Statements" (IAS 1).

The Company's non-compliance with International Financial Reporting Standards (IFRS) endorsed in the Kingdom of Saudi Arabia may necessitate the reclassification of certain financial statement items by the auditor to clarify the impact of the standards that the Company did not adhere to. If reclassified, this will affect the reader's ability to understand and analyze the Company's financial position. Moreover, the repetition of such practices and non-compliance with preparing financial statements in accordance with the International Financial Reporting Standards (IFRS) will expose the Company to violations and fines, which will consequently adversely and materially affect the Company's financial results, financial position and future prospects.

8.10 Risks related to the non-compliance with the existing and new laws and regulations

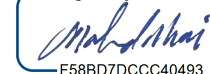
The Company is subject to the control of several governmental authorities in the Kingdom of Saudi Arabia, including but not limited to, the Capital Market Authority, the Ministry of Commerce, the Ministry of Environment Water and Agriculture, the General Authority for Meteorology and Environmental Protection, and others. The Company may be subject to the risks associated with the changes in the laws, regulations, circulars and policies, especially those that may impact the licensing regulatory requirements (including the licenses issued by the Ministry of Commerce, the Ministry of Industry and Mineral Resources and the Ministry of Environment Water and Agriculture), the Companies' Law issued by the Ministry of Commerce, the corporate governance regulations issued by the Capital Market Authority, the customs fees applicable to raw materials and the imported finished products, restrictions on sales, health related responsibilities, international regulations in relation to fishing seasons. The regulatory framework in the Kingdom of Saudi Arabia is subject to new laws and regulations which are continuously being updated and developed. The costs to comply with these new regulations are high. The occurrence of changes in the current laws and regulations, or the issuance of new laws or regulations, will result in an increase of unexpected financial costs that the Company will bear to comply with and meet the new requirements of these regulations, or will result in violations or penalties imposed on the Company by the relevant governmental authorities for non-compliance with such regulations, which will adversely and materially affect the Company's business, results of operations, financial position and future prospects.

Signed by:



CA00FA4678644A2...

Signed by:



F58BD7DCCC40493...

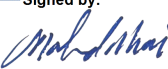


الشركة السعودية للأسماك
SAUDI FISHERIES COMPANY



Signed by:

CA00FA4678644A2...

Signed by:

F58BD7DCCC40493.

9. Expected Timetable for the Capital Reduction Process

Expected Timetable for the Capital Reduction	Date
1- Procedures for Obtaining the CMA's Approval of the Capital Reduction	
The Company's announcement regarding the Board of Directors' recommendation of the Capital Reduction on the website of Tadawul	20/06/1445H (corresponding to 02/01/2024G)
The Company's announcement regarding the appointment of a financial advisor for the Company's Capital Reduction process	27/10/1445H (corresponding to 06/05/2024G)
The Company's supplementary announcement regarding the Board of Directors' recommendation of the Capital Reduction on the website of Tadawul	12/11/1445H (corresponding to 20/05/2024G)
Submission of the Capital Reduction approval application file to the CMA	26/11/1445H (corresponding to 03/06/2024G)
The Company's second supplementary announcement regarding the Board of Directors' recommendation of the Capital Reduction on the website of Tadawul	09/02/1446H (corresponding to 13/08/2024G)
The Company's third supplementary announcement regarding the Board of Directors' recommendation of the Capital Reduction on the website of Tadawul	17/04/1446H (corresponding to 20/10/2024G)
The CMA's approval of the Company's Capital Reduction application	17/06/1446H (corresponding to 18/12/2024G)
2- EGM Procedures	
Call for the Capital Reduction EGM and announcement thereof on the website of the Saudi Exchange (Tadawul)	05/07/1446H (corresponding to 05/01/2025G)
Start of the Electronic voting on the items of the EGM's agenda including the Capital Reduction (First Meeting)	26/07/1446H (corresponding to 26/01/2025G)
Convening of the EGM on the Capital Reduction (First Meeting). The Quorum of the first meeting is met upon the attendance of shareholders which represent at least half of the Company's share capital	26/07/1446H (corresponding to 26/01/2025G)
In case the quorum of the first meeting is not met, convening of the EGM on the Capital Reduction (Second Meeting) an hour after the end of the period specified for holding the first meeting of the EGM. The quorum of the second meeting is met upon the attendance of shareholders which represent at least a quarter of the Company's share capital. In case the quorum required to hold the second meeting is not met an invitation is sent to hold a third meeting under the same conditions provided by Article 91 of the Companies Law. The quorum of the third meeting is met irrespective of the number of shares represented.	26/07/1446H (corresponding to 26/01/2025G)
The Company's announcement regarding the results of the Capital Reduction EGM on the website of Tadawul	27/07/1446H (corresponding to 27/01/2025G)
3- Procedures for Completion of the Capital Reduction Process	
Entry into force of the Capital Reduction resolution and announcement thereof within the resolutions of the EGM	26/07/1446H (corresponding to 26/01/2025G)
Suspension of share trading on the Tadawul website for two trading days from the day following the EGM's approval of the Capital Reduction	27/07/1446H (corresponding to 27/01/2025G)
Adjustment of the share price after the Capital Reduction, on the day following the suspension of share trading	29/07/1446H (corresponding to 29/01/2025G)
Announcement of the deposit of the proceeds from the sale of fractional shares resulting from the Capital Reduction of the Company into the accounts of the Eligible Shareholders	26/08/1446H (corresponding to 25/02/2025G)

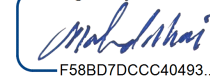
The deposit of the proceeds from the sale of fractional shares resulting from the Capital Reduction of the Company into the shareholders' accounts will be announced within thirty (30) days from the date the EGM approves the Capital Reduction of the Company.

Signed by:



CA00FA4678644A2...

Signed by:



F58BD7DCCC40493...

10. Regulatory Approvals Required for the Capital Reduction

- On 17/06/1446H (corresponding to 18/12/2024G), the Company obtained the CMA's approval for the Capital Reduction of the Company's capital from four hundred million (400,000,000) Saudi Riyals, divided into forty million (40,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, to sixty-six million nine hundred eighty-six thousand forty (66,986,040) Saudi Riyals, divided into six million six hundred ninety-eight thousand six hundred four (6,698,604) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, through the cancellation of thirty-three million three hundred one thousand three hundred ninety-six (33,301,396) ordinary shares of the Company's issued shares, representing a capital decrease of 83,25349%. The CMA announcement approving the Capital Reduction was published on the websites of the CMA, dated 17/06/1446H (corresponding to 18/12/2024G), and the Saudi Exchange (Tadawul), 18/06/1446H (corresponding to 19/12/2024G).
- The Capital Reduction process is conditional on the approval of shareholders during the EGM. Shareholders should be aware that if their approval is not obtained for the Capital Reduction process, the Capital Reduction process will be completely halted.
- If shareholders' approval is obtained at the EGM for the Capital Reduction, the Company will then approach the Ministry of Commerce to obtain its approval to amend the Company's commercial registration and articles of association.
- Aside from the foregoing, there are no other regulatory approvals that the Company has not obtained in connection with the completion of the Capital Reduction procedures.

Signed by:

CA00FA4678644A2...

Signed by:

F58BD7DCCC40493...

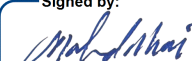
11. Relevant Rules and Regulations

- The Companies Law issued by Royal Decree No. M/132, dated 01/12/1443H (corresponding to 30/06/2022G), as may be amended.
- The Capital Market Law issued by Royal Decree No. M/30, dated 02/06/1424H (corresponding to 31/07/2003G), as may be amended.
- The Rules on the Offer of Securities and Continuing Obligations issued by the Board of the CMA pursuant to its Resolution No. 3-123-2017, dated 09/04/1439H (corresponding to 27/12/2017G), based on the Capital Market Law issued by Royal Decree No. M/30 dated 02/06/1424H (corresponding to 31/07/2003G), as amended by CMA Board Resolution No. 3-114-2024, dated 04/04/1446H (corresponding to 07/10/2024G), and as may be amended from time to time.
- The Listing Rules issued by Tadawul and approved by the Board of the CMA pursuant to its Resolution No. 3-123-2017, dated 09/04/1439H (corresponding to 27/12/2017G), as amended pursuant to Resolution No.4-114-2024, dated 04/04/1446H (corresponding to 07/10/2024G).
- The Implementing Regulation of the Companies Law for Listed Joint Stock Companies issued by the CMA Board pursuant to Resolution No. 8-127-2016, dated 16/01/1438H (corresponding to 17/10/2016G), based on the Companies Law issued by Royal Decree No. M/3, dated 28/01/1437H, as amended by CMA Board Resolution No. 2-114-2024, dated 04/04/1446H (corresponding to 07/10/2024G), based on the Companies Law issued by Royal Decree No. M/132, dated 01/12/1443H (corresponding to 30/06/2022G).
- The Procedures and Instructions Related to Listed Companies with Accumulated Losses Reaching 20% or More of their Share Capital issued by the CMA Board's Resolution No. 4-48-2013, dated 15/01/1435H (corresponding to 18/11/2013G), based on the Capital Market Law issued by Royal Decree No. M/30 dated 02/06/1424H (corresponding to 31/07/2003G), as amended by CMA Board Resolution No. 8-5-2023, dated 25/06/1444H (corresponding to 18/01/2023G).
- The Company's articles of association.

Signed by:





CA00FA4678644A2...

Signed by:


F58BD7DCCC40493...

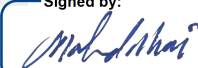
12. Important Information

- Based on the Saudi Companies Law issued by Royal Decree No. M/132, dated 01/12/1443H (corresponding to 30/06/2022G), as amended, in particular Article 132 thereof, which states that If the losses of a joint-stock company amount to half of the issued capital, the board of directors shall, within 60 days from the date of its knowledge thereof, announce the losses and the recommendations relating thereto, and shall, within 180 days from said date, call for an extraordinary general assembly meeting to consider the continuation of the company by taking measures necessary to resolve such losses or the dissolution of the company.
- Based on the Saudi Companies Law issued by Royal Decree No. M/132, dated 01/12/1443H (corresponding to 30/06/2022G), as amended, in particular Article 133 thereof, which states that the Company's capital shall be decreased by any of the following methods:
 - Cancellation of a number of shares equal to the amount to be decreased.
 - Reduction of the nominal value of a share by canceling a part thereof equal to the amount of losses incurred by the Company.
 - Reduction of the nominal value of a share by returning a part thereof to the shareholder or relieving him from all or part of the unpaid amount of the share's value.
 - The Company's purchase of a number of its shares equal to the amount to be decreased, and the cancellation of such shares thereafter.
- With reference to the Procedures and Instructions Related to Listed Companies with Accumulated Losses Reaching 20% or More of their Share Capital issued by the CMA Board pursuant to Resolution No. 4-48-2013, dated 15/01/1435H (corresponding to 18/11/2013G), based on the Capital Market Law issued by Royal Decree No. M/30 dated 02/06/1424H (corresponding to 31/07/2003G), as amended by CMA Board Resolution No. 8-5-2023, dated 25/06/1444H (corresponding to 18/01/2023G), the Company shall:
 - Immediately and without delay, disclose to the public in a separate announcement when its accumulated losses reach 20% or more and less than 35% of its share capital. The announcement should reflect the total accumulated losses, its percentage of the capital, and the main reasons that caused the losses, with reference that these procedures will be applicable. In case the announcement coincides with the interim or annual financial results announcement, the Company is exempt from the disclosure as a separate announcement if it disclosed the required information as per this paragraph in the interim or annual financial results announcement.
 - Immediately and without delay, disclose to the public in a separate announcement when its accumulated losses reach 35% or more and less than 50% of its share capital. The announcement should reflect the total accumulated losses, its percentage of the capital, and the main reasons that caused the losses, with reference that these procedures will be applicable. In case the announcement coincides with the interim or annual financial results announcement, the Company is exempt from the disclosure as a separate announcement if it disclosed the required information as per this paragraph in the interim or annual financial results announcement.
 - Immediately and without delay, disclose to the public in a separate announcement when its accumulated losses reach 50% or more of its share capital. The announcement should reflect the total accumulated losses, its percentage of the capital, and the main reasons that caused the losses, with reference that these procedures will be applicable. In case the announcement coincides with the interim or annual financial results announcement, the Company is exempt from the disclosure in a separate announcement if it disclosed the required information as per this paragraph in the preliminary or yearly financial results announcement.
- According to the website of the Saudi Exchange (Tadawul), companies with accumulated losses are classified into:

	The Company's accumulated losses reach 20% or more and less than 35% of its share capital
	The Company's accumulated losses reach 35% or more and less than 50% of its share capital
	The Company's accumulated losses reach 50% or more of its share capital

Signed by:

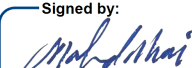
CA00FA4678644A2...

Signed by:

F58BD7DCCC40493...

- Pursuant to Article 134 of the Companies Law, the Extraordinary General Assembly may decide to decrease the Company's capital if the Company incurs losses. In such case only, the capital may be decreased below the limit specified in Article 59 of the Companies Law, which is 500,000 Saudi Riyals. The Capital Reduction resolution shall not be issued until a statement prepared by the Board of Directors stating the grounds for such decrease, the Company's liabilities, and the effect of the decrease on satisfying such liabilities is presented at the General Assembly. Said statement shall include the report of the Company's auditor.
- In accordance with Article 93 of the Companies Law, an Extraordinary General Assembly meeting shall be deemed valid only if attended by shareholders who represent at least half of the Company's voting shares, unless the Company's articles of association stipulate a higher percentage, provided that such percentage does not exceed two thirds of the voting shares. If the quorum required for an Extraordinary General Assembly meeting is not satisfied, a call shall be made for a second meeting under the same conditions provided by Article 91 of the Companies Law. The second meeting may be held one hour after the end of the period set for the first meeting, provided that the invitation for the first meeting provides for the possibility of holding a second meeting. In all cases, the second meeting shall be deemed valid if attended by shareholders who represent at least a quarter of the Company's voting shares. If the quorum required for the second meeting is not satisfied, a call shall be made for a third meeting. The third meeting shall be deemed valid regardless of the number of voting shares represented therein.
- In accordance with Article 93 of the Companies Law, the EGM Capital Reduction resolution shall be passed by the approval of two-thirds of the voting shares represented therein.
- If approved by the Company's shareholders, the Capital Reduction resolution shall be effective against all of the Company's shareholders who hold shares at the end of the trading day of the EGM and registered in the Company's records with the Securities Depository Company (Edaa) at the end of the second trading day of the EGM, including shareholders who did not attend the EGM, as well as shareholders who attended the EGM and did not vote or voted against the Capital Reduction resolution.

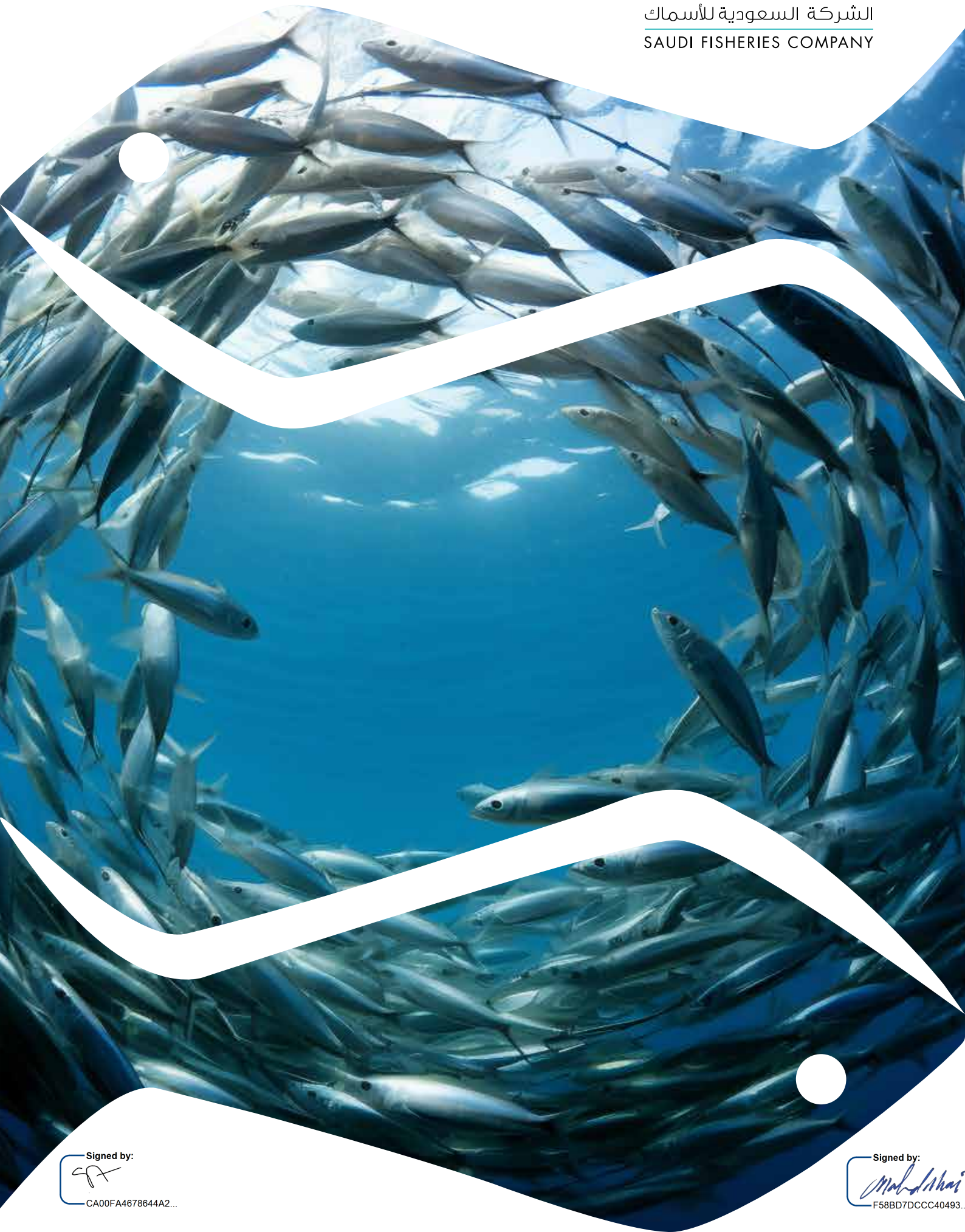
Signed by:

CA00FA4678644A2...


Signed by:

F58BD7DCCC40493...



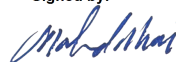
الشركة السعودية للأسماك
SAUDI FISHERIES COMPANY



Signed by:


CA00FA4678644A2...

Signed by:


F58BD7DCCC40493...

13. Auditor's Report

The Company has appointed PKF Al Bassam Chartered Accountants (Member of PKF International) to prepare the Limited Assurance Report on the proposed Capital Reduction, which sets out the mechanism for the Capital Reduction and how it will affect the Company's liabilities and shareholders' equity, in order to obtain the CMA's approval of the Capital Reduction request.

In accordance with Article 134 of the Companies Law, the Capital Reduction resolution shall not be issued until a statement prepared by the Board of Directors stating the grounds for such reduction, the company's liabilities, and the effect of the reduction on satisfying such liabilities is presented at the General Assembly. Said statement shall include the report of the Company's auditor.

A copy of the Limited Assurance Report on the Capital Reduction prepared by the Auditor has been included in the announcement for the invitation to this EGM on the website of the Saudi Exchange (Tadawul), dated 05/07/1446H (corresponding to 05/01/2025G).

Signed by:

CA00FA4678644A2...

Signed by:

F58BD7DCCC40493...

14. Documents Available for Inspection

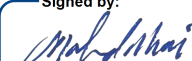
The Shareholders' Circular will be published and made available to the public at least 14 days prior to the EGM date to vote on the Capital Reduction.

The Company will make the following documents available to the public for inspection for a period of at least 14 days prior to the EGM date to vote on the Capital Reduction at the Company's headquarters in Riyadh, Riyadh, Malaz District - P.O. Box 4210 - Riyadh 11491 and on the Company's website, until the EGM is held on 26/07/1446H (corresponding to 26/01/2025G), during official business hours between 8:00 a.m. and 4:00 p.m.:

- Copy of the Board of Directors' recommendation on the Capital Reduction.
- Copy of the letter of appointment of the financial advisor.
- Copy of the letter of appointment of the legal advisor.
- Copy of the CMA announcement approving the Capital Reduction, published on the websites of the CMA, dated 17/06/1446H (corresponding to 18/12/2024G), and the Saudi Exchange (Tadawul), 18/06/1446H (corresponding to 19/12/2024G).
- Copy of the Shareholders' Circular submitted to the EGM.
- Copy of the Auditor's report on the Capital Reduction.

Signed by:

CA00FA4678644A2...


Signed by:

F58BD7DCCC40493...

15. Attachments

- Copy of the Auditor’s Report.
- Proxy to attend the EGM.

Signed by:

CA00FA4678644A2...

Signed by:

F58BD7DCCC40493...

Appendix (1): Copy of the Auditor's Report



INDEPENDENT LIMITED ASSURANCE REPORT

TO THE SHAREHOLDERS OF SAUDI FISHERIES COMPANY
A SAUDI JOINT STOCK COMPANY
RIYADH, KINGDOM OF SAUDI ARABIA

(1 /3)

INTRODUCTION

According to the request of the management of Saudi Fisheries Company ("the Company"), we have been engaged to perform a limited assurance engagement in order to state whether anything has come to our attention that causes us to believe that the subject matter detailed below ("Subject Matter"), has not been reported and presented fairly, in all material respects, in accordance with the applicable criteria mentioned below ("Applicable Criteria").

SUBJECT MATTER

The scope of the engagement relates to the limited assurance engagement on the decision of Board of Directors of the Company circulated on 14 Rabi Al-Thani 1446H (corresponding to 17 October 2024) for the proposed reduction of share capital of the Company in which the Board decided to recommend to the Extraordinary General Assembly to reduce the share capital by an amount of SAR 333,013,960 from SAR 400,000,000 to SAR 66,986,040 by cancelling of 33,301,396 shares. The reduction is proposed to restructure the Company's capital to off-set total accumulated losses with a capital reduction percentage of 83.25349%.

APPLICABLE CRITERIA

- 1. Article (133 & 134) of the Companies' Law issued by the Ministry of Commerce;
- 2. Article (61) of the second chapter (part six) of the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority;
- 3. Article (12) of the Company's by-laws.

MANAGEMENT RESPONSIBILITY

The management and the chairman of the Company's board of directors are responsible for preparing the subject matter of assurance and presenting it as appropriate in accordance with applicable criteria. The Company's management is also responsible for establishing and maintaining an adequate internal control system for the preparation and presentation of the subject matter of assurance that are free of material misstatements, whether arising from fraud or error, choosing and applying appropriate controls, maintaining adequate records, and making reasonable estimates according to the circumstances.

OUR RESPONSIBILITY

It is our responsibility to express the conclusion of a limited assurance on the subject matter of assurance based on the limited assurance engagement that we have performed in accordance with the International Standard for Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" that is endorsed in the Kingdom of Saudi Arabia and the terms and conditions of this engagement as agreed with the Company's management.

RIYADH
Tel: +966 11 208 5203 | P.O.Box 69698
Fax: +966 11 208 5444 | Riyadh 11562

JEDDAH
Tel: +966 12 652 5203 | P.O.Box 15051
Fax: +966 12 652 2804 | Jeddah 21454

AL KHOBAR
Tel: +966 13 880 3319 | P.O.Box 4936
Fax: +966 13 880 3349 | Al Khobar 31952

Signed by:

CA00FA4678644A2...

PKF Al Bassam Chartered Accountants (G.R. 121228154) (P.P. License 52711522) is a member of PKF Global, the network of member firms of PKF International Limited, each of which is a separate and independent legal entity and is not bound by the responsibility or liability for the actions or omissions of any individual member or corresponding firm. Email: info@pkf.com Web: www.pkf.com

Signed by:

F58BD7DCCC40493...



INDEPENDENT LIMITED ASSURANCE REPORT (CONTINUED)

TO THE SHAREHOLDERS OF SAUDI FISHERIES COMPANY
A SAUDI JOINT STOCK COMPANY
RIYADH, KINGDOM OF SAUDI ARABIA

(2 /3)

OUR RESPONSIBILITY (CONTINUED)

Our procedures were designed to obtain a limited level of assurance on which to base our conclusion, and as such do not provide all of the evidence that would require to provide a reasonable assurance. The procedures performed depend on our professional judgment, including the risk of material misstatement of the subject matter, whether due to fraud or error. While, we considered the effectiveness of management's internal control when determining the nature and extent of our procedure, our engagement was not designed to provide assurance on the effectiveness of internal control system.

INDEPENDENCE AND QUALITY CONTROL

We have complied with the independence requirements in accordance with the Code of Professional Conduct and Ethics for Professional Accountants, issued by the International Ethics Standard Board for Accountants, that is endorsed in the Kingdom of Saudi Arabia by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Management (ISQM 1), "Quality Management for firms that perform audits or reviews of financial statements, or other assurance or related services engagements, that is endorsed in the Kingdom of Saudi Arabia. Accordingly, ISQM 1 maintains a comprehensive system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

SUMMARY OF PROCEDURES PERFORMED

Our procedures regarding systems and controls relating to the preparation of the Notification in accordance with the requirements of applicable criteria, are subject to inherent limitations and, accordingly, errors or irregularities may occur and not be detected. Furthermore, such procedures may not be relied upon as evidence of the effectiveness of the systems and controls against fraudulent collusion, especially on the part of those holding positions of authority or trust.

The procedures performed in the limited assurance engagement differ in nature and timing and are less in scope than the reasonable assurance engagement. Consequently, the level of assurance obtained in the limited assurance engagement is much less than the assurance that would have been obtained had we performed the reasonable assurance engagement. As part of this engagement, we have not performed any procedures of reviewing, examining, or verifying the subject matter of assurance, nor of the records or other sources from which the subject in question was extracted. Accordingly, we will not express reasonable assurance opinion.

RIYADH
Tel: +966 11 208 5200 | P.O.Box 69698
Fax: +966 11 208 5444 | Riyadh 11562

JEDDAH
Tel: +966 12 652 5200 | P.O.Box 15051
Fax: +966 12 652 2004 | Jeddah 21454

AL KHOBAR
Tel: +966 13 860 2018 | P.O.Box 4606
Fax: +966 13 860 2049 | Al Khobar 31952

PKF Al Bassam Chartered Accountants (G.R. 121228154) (P.P. License 52711522) is a member of PKF Global, the network of member firms of PKF International Limited, each of which is a separate and independent legal entity and is not bound by the responsibility or liability for the actions or omissions of any individual member or corresponding firm. Email: info@pkf.com Web: www.pkf.com

Signed by:

CA00FA4678644A2...

Signed by:

F58BD7DCCC40493...



INDEPENDENT LIMITED ASSURANCE REPORT (CONTINUED)

TO THE SHAREHOLDERS OF SAUDI FISHERIES COMPANY
A SAUDI JOINT STOCK COMPANY
RIYADH, KINGDOM OF SAUDI ARABIA

(3 /3)

SUMMARY OF PROCEDURES PERFORMED (CONTINUED)

- Our assurance procedure are as follows:
- Obtained the minutes of meetings of Board and Board of Directors' decision dated 14 Rabi Al-Thani 1446H (corresponding to 17 October 2024) in which the Board decided to recommend to the Extraordinary General Assembly to reduce the share capital from SAR 400,000,000 to SAR 66,986,040 by a reduction percentage of 83.25349%;
 - Examining the accompanied information provided by the Company, which shows the rationale for reducing the share capital and the effect of the aforementioned reduction on the Company's obligations;
 - Review the article (133 & 134) of the Companies' Law issued by the Ministry of Commerce and Investments, article (61) of the second chapter (part six) of the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority and article (12) of the Company's by-laws.

CONCLUSION

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the subject matter above has not been reported and presented fairly, in all material respects, with the applicable criteria.

OTHER MATTER

The proposed adjusted share capital balance will be reflected in the Company's accounting records after approval of the Company's shareholders and upon completion of the regulatory procedures with the Ministry of Commerce.

RESTRICTIONS ON THE USE OF OUR REPORT

Our report has been solely prepared upon the request of the Company's management to be presented to the shareholders in their Extraordinary General Assembly meeting in accordance with the requirements of applicable criteria. The report may not be used for any other purpose or to distribute to any other party other than the Ministry of Commerce and Capital Market Authority or to quote from or refer to it without obtaining our prior approval.

For PKF Al-Bassam Chartered Accountants

Ibrahim Ahmed Al-Bassam
Certified Public Accountant
License No. 337
Riyadh: 01 Jumada Al-Akhirah 1446H
Corresponding to: 02 December 2024



RIYADH
Tel: +966 11 208 5333 / P.O.Box 69698
Fax: +966 11 200 5444 / Riyadh 11557

JEDDAH
Tel: +966 12 650 5000 / P.O.Box 15601
Fax: +966 12 650 2004 / Jeddah 21454

AL KHOBAR
Tel: +966 13 880 2018 / P.O.Box 4806
Fax: +966 13 880 2040 / Al Khobar 31050

Signed by:

CA00FA4678644A2...

Signed by:

F58BD7DCCC40493...

SAUDI FISHERIES COMPANY
(A Saudi Joint Stock Company)
REPORT ON THE REASON FOR REDUCING CAPITAL AND ITS IMPACT ON THE COMPANY'S OBLIGATIONS

1. REASON OF SHARE CAPITAL REDUCTION:

The reason for the share capital reduction is restructuring of the Company's share capital by reducing the amount of SAR 333,013,960, due to the accumulated losses reaching approximately 83.25349% of the share capital and off-set against the accumulated losses through cancelling 33,301,396 shares of the Company. There is no material impact from the capital reduction on the Company's financial, operational or regulatory obligations.

Signed by:

CA00FA4678644A2...

Signed by:

F58BD7DCCC40493...

DocuSign Envelope ID: 2C0030BE-A72B-4833-9EC1-A6D9AB6181E7

SAUDI FISHERIES COMPANY
(A Joint Stock Company)
EXTRACT OF CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024
(All amounts are in Saudi Riyal unless otherwise stated)

2. IMPACT OF THE REDUCTION ON THE COMPANY'S OBLIGATIONS:

The impact on the share capital and accumulated losses as of 30 September 2024 will be as follows:

	30 September 2024 (Unaudited)	Adjustments	30 September 2024 (Unaudited)
ASSETS			
Non-current assets			
Property, plant, and equipment	83,643,456	-	83,643,456
Capital work in progress	21,923,634	-	21,923,634
Investment properties	40,296,616	-	40,296,616
Right-of-use assets	9,452,397	-	9,452,397
Restricted cash deposits	-	-	-
Total non-current assets	155,316,103		155,316,103
Current assets			
Inventories	1,072,681	-	1,072,681
Biological assets	-	-	-
Trade receivables	658,154	-	658,154
Prepayments and other assets	11,995,935	-	11,995,935
Investments carried at FVTPL	20,155	-	20,155
Cash and bank balances	14,982,603	-	14,982,603
Total current assets	28,729,528	-	28,729,528
TOTAL ASSETS	184,045,631	-	184,045,631
EQUITY AND LIABILITIES			
EQUITY			
Share capital	400,000,000	(333,013,960)	66,986,040
Accumulated losses	(333,013,965)	333,013,960	(5)
Actuarial reserve	816,740	-	816,740
TOTAL EQUITY	67,802,775	-	67,802,775
LIABILITIES			
Non-current liabilities			
Long-term borrowings	21,537,923	-	21,537,923
Employees' post-employment benefits	4,666,316	-	4,666,316
Lease liabilities	11,262,652	-	11,262,652
Total non-current liabilities	37,466,891	-	37,466,891
Current liabilities			
Long-term borrowings - current portion	1,886,752	-	1,886,752
Trade and other payables	40,158,472	-	40,158,472
Shareholder's compensation to priority right shares	13,408,563	-	13,408,563
Lease liabilities – current portion	5,565,437	-	5,565,437
Provision for zakat	17,756,741	-	17,756,741
Total current liabilities	78,775,965	-	78,775,965
TOTAL LIABILITIES	116,242,856	-	116,242,856
TOTAL EQUITY AND LIABILITIES	184,045,631	-	184,045,631

Signed by:

282E880D83EA407

Chairman of the Board of
Directors

Signed by:

F58BD7DCCC40493

Chief Executive Officer

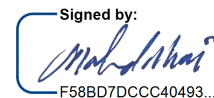
Signed by:

F58BD7DCCC40493

Chief Financial Officer

Signed by:

CA00FA4678644A2...


Signed by:

F58BD7DCCC40493...

Appendix (2): Proxy to attend the EGM

The proxy form is unavailable as the Extraordinary General Assembly Meeting will be conducted through modern technological means via the Tadawulaty system.

Signed by:

CA00FA4678644A2...

Signed by:

F58BD7DCCC40493...

Saudi Fish Company
8705 Nasr Bin Ghanem - Al Malaz
Riyadh 12641 - 2640 Saudi Arabia



info@alasmak.com.sa
920000527

الشركة السعودية للأسماك
SAUDI FISHERIES COMPANY

alasmak.com.sa



Signed by:

CA00FA4678644A2...

Signed by:

F58BD7DCCC40493...