Rights Issue Prospectus
Saudi Fisheries Company

The offering of preemptive rights shares under this prospectus is subject to the shareholders' approval of the capital increase in accordance with the Board of Directors' recommendation and the company's obtaining regulatory approvals. An invitation to convene the Extraordinary General Assembly of the company to approve the issuance of preemptive rights shares was published on **/**/****H (corresponding to **/**/****G). Shareholders should be aware that if the shareholders' approval of the offering of preemptive rights shares is not obtained, the issuance of preemptive rights shares will automatically stop, and at that time this prospectus will be considered void, and shareholders will be notified accordingly.

Saudi Fisheries Company is a Saudi public joint-stock company established by Royal Decree No. (M/7) dated 08/05/1400H (corresponding to 25/03/1980G), and by virtue of Commercial Registration No. (1010042732) issued in the city of Riyadh on 22/03/1402H (corresponding to 17/01/1982G).

Offering of thirty-three million four hundred ninety-three thousand and twenty (33,493,020) ordinary shares at an offering price of ten (10) Saudi Riyals per share through the issuance of Preemptive Rights Shares with a total value of three hundred thirty-four million nine hundred thirty thousand and two hundred (334,930,200) Saudi Riyals, representing an increase in the company's capital by (500%) to increase the company's capital from sixty-six million nine hundred eighty-six thousand and forty (66,986,040) Saudi Riyals divided into six million six hundred ninety-eight thousand six hundred and four (6,698,604) ordinary shares to four hundred one million nine hundred sixteen thousand two hundred and forty (401,916,240) Saudi Riyals divided into forty million one hundred ninety-one thousand six hundred and twenty-four (40,191,624) ordinary shares.

Trading period	Begins on ** **/**/****H (corresponding to **/**/****G) and ends on ** **/**/****H (corresponding to **/**/****G)

Subscription period	Begins on ** **/**/****H (corresponding to **/**/****G) and ends on ** **/**/****H (corresponding to **/**/****G)

Saudi Fisheries Company (hereinafter referred to as "SFICO" or the "Company") is a Saudi public joint-stock company established pursuant to Royal Decree No. (M/7) dated 08/05/1400H (corresponding to 25/03/1980G) authorizing its establishment, registered with the Ministry of Commerce under Commercial Registration No. (1010042732) issued in Riyadh dated 22/03/1402H (corresponding to 17/01/1982G). The head office is located in Riyadh – Al Malaz District, Building No. 8705, Riyadh 12641, Kingdom of Saudi Arabia. The Company's current capital is sixty-six million nine hundred eighty-six thousand and forty (66,986,040) Saudi Riyals divided into six million six hundred ninety-eight thousand six hundred and four (6,698,604) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, fully paid (individually referred to as the (Current Share) and collectively as the (Current Shares). As of the date of publishing this Prospectus, the substantial shareholders (who own 5% or more of the Company's shares) is Abdulaziz Abdullah Alhumaid who owns six hundred eighty-four thousand six hundred fifty-one (684,651) shares, representing approximately (10.221%) of the Company's shares before the offering.

The Company's Board of Directors recommended on 10/08/1446H (corresponding to 09/02/2025G) to increase the Company's capital through the offering of Preemptive Rights Shares with a value of three hundred thirty-four million nine hundred thirty thousand and two hundred (334,930,200) Saudi Riyals, so that the capital after the increase becomes four hundred one million nine hundred sixteen thousand two hundred and forty (401,916,240) Saudi Riyals. This is following the obtaining of all necessary regulatory approvals and the approval of the Extraordinary General Assembly.

On **/**/****H (corresponding to **/**/****G), the Company's Extraordinary General Assembly approved the increase of the Company's capital through the issuance of Preemptive Rights Shares ("Subscription"), and this will be done by offering thirty-three million four hundred ninety-three thousand and twenty (33,493,020) new ordinary shares (hereinafter referred to as "Preemptive Rights Shares" or "New Shares") at an offering price of ten (10) Saudi Riyals per share (hereinafter referred to as the "Offering Price"), and with a nominal value of ten (10) Saudi Riyals per share to increase the company's capital from sixty-six million nine hundred eighty-six thousand and forty (66,986,040) Saudi Riyals divided into six million six hundred ninety-eight thousand six hundred and four (6,698,604) ordinary shares to four hundred one million nine hundred sixteen thousand two hundred and forty (401,916,240) Saudi Riyals divided into forty million one hundred ninety-one thousand six hundred and twenty-four (40,191,624) ordinary shares, representing an increase of 500% after obtaining all necessary regulatory approvals and the approval of the (Extraordinary) General Assembly.

Preemptive rights will be issued as tradable securities (collectively referred to as "Preemptive Rights" and individually as a "Preemptive Right") to the shareholders owning shares at the end of trading on the day of the Extraordinary General Assembly meeting including the approval of the capital increase (referred to as the "Eligibility Date") and who are registered in the Company's shareholders register with the Depositary Center at the end of the second trading day following the day of the Extraordinary General Assembly meeting including the approval of the capital increase on **/**/****H (corresponding to **/**/****G) (collectively referred to as "Registered Shareholders" and individually as a "Registered Shareholder"), provided that these rights are deposited in the portfolios of the Registered Shareholders at the end of the second trading day following the day of the Extraordinary General Assembly meeting, taking into account the settlement procedures, at a rate of (5) rights for every one (1) share of the Company's shares, and each right gives its holder the eligibility to subscribe to one new share at the Offering Price.

Registered Shareholders and other public investors (collectively referred to as "New Investors") – who are permitted to trade rights and subscribe for new shares – will be able to trade and subscribe for Preemptive Rights Shares in the Saudi Stock Exchange ("Tadawul" or the "Market"). The trading period and the subscription period begin after (3) three business days from the approval of the Extraordinary General Assembly including the approval of the capital increase, on **/**/****H (corresponding to **/**/****G), provided that the trading period ends on **/**/****H (corresponding to **/**/****G) (referred to as the "Trading Period"), while the subscription period continues until the end of **/**/****H (corresponding to **/**/****G) (referred to as the "Subscription Period"). It should be noted that the trading period and the subscription period will start on the same day, while the trading period continues until the end of the sixth day from the beginning of the period, while the subscription period continues until the end of the ninth day from the beginning of the same period. Note that the trading hours for preemptive rights start from ten (10:00) a.m. until three (3:00) p.m., while the subscription hours for preemptive rights start from ten (10:00) a.m. until two (2:00) p.m. Registered Shareholders will be able to trade preemptive rights during the trading period by selling acquired rights or a part thereof or buying additional rights through the Market. They also have the right not to take any action regarding the rights they own. New Investors will also be able to purchase rights through the Market during the trading period and sell the rights purchased during the trading period.

The subscription to the new shares will be available in one phase as follows:

1. During this period, all registered shareholders and new investors will be able to subscribe to the new shares.
2. Registered shareholder with a limited number of shares will be able to subscribe directly for the number of shares they own or fewer during the subscription period. If they purchase new rights, they will be able to subscribe to them after the settlement period (two business days).
3. New investors will be able to subscribe to the new shares immediately after the rights purchase process is settled two business days).
4. Subscription will be available electronically through the investment portfolio on trading platforms and applications through which buy and sell orders are entered, in addition to subscription through other channels and means available at the broker.

In the event that any shares remain unsubscribed for after the end of the Subscription Period (referred to as "Rump Shares"), those shares will be offered (at the offering price as a minimum) to a number of institutional investors (referred to as "Institutional Investors") (this offering process is referred to as the "Rump Offering"). These Institutional Investors will submit their bids to purchase the Rump Shares, and such bids will be received starting from 10:00 AM on **/**/****H (corresponding to **/**/****G) until 5:00 PM on **/**/****H (corresponding to **/**/****G) (referred to as the "Rump Offering Period"). Rump Shares will be allocated to Institutional Investors with the highest bid, then the next highest, and so on (provided it is not less than the offering price), provided that shares are allocated proportionately to Institutional Investors who submit the same bid. As for fractional shares, they will be added to the Rump Shares and treated accordingly, and the total offering price collected from the Rump Offering process will be paid to the Company, and the remaining proceeds from the sale of Rump Shares and fractional shares (in excess of the Offering Price) will be distributed without any fees or deductions to those entitled, from the eligible persons who did not exercise their right to subscribe in full or in part, as well as fractional share holders, each according to their entitlement, no later than **/**/****H (corresponding to **/**/****G). Note that the investor who did not subscribe or sell their rights, and fractional shareholders, may not receive any compensation if the sale is made during the Rump Offering period at the Offering Price.

In the event that Institutional Investors do not subscribe to all Rump Shares and fractional shares, the remaining shares will be allocated to the Underwriter who will purchase them at the Offering Price **(for more details, please refer to Section (12) "Information Related to Shares and Offering Terms and Conditions" of this Prospectus).** The final allocation will be announced no later than **/**/****H (corresponding to **/**/****G) (referred to as the "Allocation Date") **(for more details, please refer to Section (12) "Information Related to Shares and Offering Terms and Conditions").**

After the completion of the subscription process, the Company's capital will become four hundred one million nine hundred sixteen thousand two hundred and forty (401,916,240) Saudi Riyals divided into forty million one hundred ninety-one thousand six hundred and twenty-four (40,191,624) ordinary shares. The net offering proceeds will be used to enable the Company to implement its strategic plans and support its future activities. **(For more details, please refer to Section (6) "Use of the Offering Proceeds and Future Projects" of this Prospectus).**

All the Company's shares are all of one class, and no share grants its holder any preferential rights. The New Shares will be fully paid and equal in all respects to the existing shares. Each share gives its holder the right to one vote, and every shareholder in the Company (referred to as the "Shareholder") has the right to attend and vote at the General Assembly meeting of shareholders (referred to as the "General Assembly") (whether ordinary or extraordinary). Holders of New Shares will be entitled to any dividends the Company declares for distribution after their issuance date (if any).

The Company was established as a Saudi public joint stock company pursuant to Royal Decree No. (M/7) dated 08/05/1400H (corresponding to 25/03/1980G) authorizing its establishment. The Company's capital upon establishment amounted to 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. On 26/01/1422H (corresponding to 20/04/2001G), the Company's shares were listed and offered for public subscription on the Saudi Stock Exchange. On 12/11/1426H (corresponding to 14/12/2005G), the Extraordinary General Assembly approved the Board of Directors' recommendation to increase its capital from one hundred million (100,000,000) Saudi Riyals to two hundred million (200,000,000) Saudi Riyals through the issuance of Preemptive Rights Shares in the amount of two million (2,000,000) ordinary shares and a nominal value of fifty (50) Saudi Riyals. On 16/10/1432H (corresponding to 14/09/2011G), the Extraordinary General Assembly approved the Board of Directors' recommendation to increase its capital from two hundred million (200,000,000) Saudi Riyals to five hundred thirty-five million three hundred seventy-five thousand (535,375,000) Saudi Riyals through the issuance of Preemptive Rights Shares in the amount of thirty-three million five hundred thirty-seven thousand and five hundred (33,537,500) shares and a nominal value of ten (10) Saudi Riyals per share. On 22/07/1438H (corresponding to 19/04/2017G), the Extraordinary General Assembly approved the Board of Directors' recommendation to reduce the Company's capital from five hundred thirty-five million three hundred seventy-five thousand (535,375,000) Saudi Riyals to two hundred million (200,000,000) Saudi Riyals at a reduction rate of (62.64%) of the Company's capital through the cancellation of thirty-three million five hundred thirty-seven thousand and five hundred (33,537,500) ordinary shares. On 19/04/1440H (corresponding to 26/12/2018G), the Extraordinary General Assembly approved the Board of Directors' recommendation to reduce the Company's capital from two hundred million (200,000,000) Saudi Riyals to one hundred one million one hundred thousand (101,100,000) Saudi Riyals at a reduction rate of (49.45%) of the Company's capital through the cancellation of nine million eight hundred ninety thousand (9,890,000) ordinary shares. On 21/09/1441H (corresponding to 14/05/2020G), the Extraordinary General Assembly approved the Board of Directors' recommendation to increase the Company's capital from one hundred one million one hundred thousand (101,100,000) Saudi Riyals to four hundred million (400,000,000) Saudi Riyals through the issuance of Preemptive Rights Shares in the amount of twenty-nine million eight hundred ninety thousand (29,890,000) shares and a nominal value of ten (10) Saudi Riyals per share. On 26/07/1446H (corresponding to 26/01/2025G), the Extraordinary General Assembly approved the Company's Board of Directors' recommendation to reduce the capital from four hundred million (400,000,000) Saudi Riyals to sixty-six million nine hundred eighty-six thousand and forty (66,986,040) Saudi Riyals at a reduction rate of (83.25%) of the Company's capital through the cancellation of thirty-three million three hundred one thousand three hundred and ninety-six (33,301,396) ordinary shares.

The existing shares of the Company are currently traded on the Saudi Stock Exchange ("Tadawul" or the "Market"). The Company has submitted an application to the Capital Market Authority of the Kingdom of Saudi Arabia (the "CMA") for the registration and offering of the New Shares "subject to this Prospectus". It has also submitted an application to the Saudi Stock Exchange ("Tadawul") for the admission of its listing. All required documents have been submitted and all requirements of the relevant authorities have been met. This Prospectus has been approved by the Capital Market Authority of the Kingdom of Saudi Arabia (the "CMA"). Trading of the New Shares in the Market is expected to commence shortly after the completion of the allocation of New Shares and the refund of surplus **(please refer to page (q) "Important Dates and Subscription Procedures").** Trading in the new shares – after their registration and acceptance of listing – will be available to citizens of the Kingdom of Saudi Arabia, legal residents therein, citizens of the member states of the Gulf Cooperation Council, Saudi and Gulf companies and investment funds, as well as foreign investors in accordance with the rules regulating foreign investment in securities.

This prospectus should be read in its entirety and the **"Important Notice" section on page (E)** and **section (2) "Risk Factors"** contained in this prospectus should be studied before making an investment decision regarding the new rights or shares.

Financial Advisor and Underwriter wasatah capital وساطة كابيتال

Lead Manager مشاركة Musharaka

This Prospectus contains information provided within the application for registration and offering of securities in accordance with the requirements of the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority of the Kingdom of Saudi Arabia (referred to as the "CMA") and the application for admission of listing of securities in accordance with the requirements of the Listing Rules of the Saudi Stock Exchange. The members of the Board of Directors whose names appear in this Prospectus collectively and individually bear full responsibility for the accuracy of the information contained in this Prospectus, and confirm, according to their knowledge and belief, after conducting all possible studies and to a reasonable extent, that there are no other facts whose omission from the Prospectus would make any statement therein misleading. The CMA and the Saudi Stock Exchange do not bear any responsibility for the contents of this Prospectus, and do not provide any assurances regarding its accuracy or completeness, and expressly disclaim themselves from any responsibility whatsoever for any loss resulting from what is stated in this Prospectus or from relying on any part of it.

This Prospectus is an unofficial English translation of the official Arabic Prospectus and is provided for information purposes only. The Arabic Prospectus published on the CMA's website (www.cma.org.sa) remains the only official, legally binding version and shall prevail in the event of any conflict between the two language versions.

This Prospectus was issued on 12/11/1447H (corresponding to 29/04/2026G)

الشركة السعودية للأسماك

SAUDI FISHERIES COMPANY

Important Notice

This Prospectus ("Prospectus") contains detailed information about Saudi Fisheries Company and the Preemptive Rights Shares offered for subscription. When applying for subscription in the New Shares, investors will be treated on the basis that their applications are based on the information contained in this Prospectus, a copy of which can be obtained from the Company's head office and from the Lead Manager, or by visiting the websites of the Company **(www.alasmak.com.sa)**, the Financial Advisor **(www.wasatah.com.sa)**, and the Capital Market Authority **(www.cma.gov.sa)**.

The Prospectus will be published and made available to the public for a period of no less than (14) days prior to the date of the Extraordinary General Assembly meeting related to the capital increase. In the event that the Extraordinary General Assembly does not approve the increase within six months from the date of the CMA's approval of the registration and offering of Preemptive Rights, the CMA's approval shall be deemed cancelled.

The Company has appointed Al Wasatah Al Maliah Company ("Wasatah Capital") as financial advisor ("Financial Advisor") and Musharaka Capital Company ("Musharaka Capital") as lead manager ("Lead Manager"). The Company has also appointed Al Wasatah Al Maliah Company ("Wasatah Capital") to act as an underwriter ("Underwriter") in relation to the offering of Preemptive Rights Shares to increase the Company's capital under this Prospectus.

This Prospectus contains information provided in accordance with the requirements of the Rules on the Offer of Securities and Continuing Obligations issued by the Board of the Capital Market Authority pursuant to 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, as amended by the Capital Market Authority Board Resolution No. (3-6-2026) dated 30/07/1447H (corresponding to 19/01/2026G). The members of the Board of Directors whose names appear on **page (d)** collectively and individually bear full responsibility for the accuracy of the information contained in this Prospectus, and confirm, according to their knowledge and belief, after conducting all possible studies and to a reasonable extent, that there are no other facts whose omission from the Prospectus would make any statement therein misleading. The Capital Market Authority and Tadawul Group (Tadawul) do not bear any responsibility for the contents of this Prospectus, and do not provide any assurances regarding its accuracy or completeness, and expressly disclaim themselves from any responsibility whatsoever for any loss resulting from what is stated in this Prospectus or from relying on any part of it.

Although the Company has conducted all reasonable studies to verify the accuracy of the information contained in this Prospectus as at the date of its issuance, part of the information contained in this Prospectus has been obtained from external sources. While the Company, any of its managers, directors, Financial Advisor, or any of the Company's advisors whose names appear on **page (f, g) ("Advisors")** have no reason to believe that such information is materially inaccurate, such information has not been independently verified, and therefore no commitment or representation can be made regarding the accuracy or completeness of such information.

The information contained in this Prospectus as at the date of its issuance is subject to change, particularly as the Company's financial position and share value may be adversely affected as a result of future developments such as inflation factors, interest rates, taxes, or other economic, political, or other factors beyond the Company's control **(please refer to Section (2) "Risk Factors" of this Prospectus).** This Prospectus or any oral or written information related to the Offering shares shall not be considered, interpreted, or relied upon, in any way, as a promise, assurance, or representation regarding the achievement of any future revenues, results, or events.

This Prospectus should not be considered as a recommendation by the Company, its Board of Directors, or any of its advisors to participate in the subscription for Preemptive Rights Shares. The information contained in this Prospectus is of a general nature and has been prepared without taking into account individual investment objectives, financial situation, or specific investment needs. Each person (natural or legal) receiving this Prospectus is responsible, before making an investment decision, for obtaining professional advice from a financial advisor licensed by the CMA regarding the subscription, to evaluate the suitability of this investment and the information provided herein in relation to their own objectives, financial situation, and needs.

Registered Shareholders and other public investors ("New Investors") – who are permitted to trade rights and subscribe for new shares – will be able to trade and subscribe for Preemptive Rights Shares in the Saudi Stock Exchange ("Tadawul" or the "Market"). The trading period and the subscription period begin after (3) three business days from the approval of the Extraordinary General Assembly including the approval of the capital increase, on **/**/****H (corresponding to **/**/****G), provided that the trading period ends on **/**/****H (corresponding to **/**/****G) ("Trading Period"), while the subscription period continues until the end of **/**/****H (corresponding to **/**/****G) ("Subscription Period"). It should be noted that the trading period and the subscription period will start on the same day, while the trading period continues until the end of the sixth day from the beginning of the period, while the subscription period continues until the end of the ninth day from the beginning of the same period. Note that the trading hours for preemptive rights start from ten (10:00) a.m. until three (3:00) p.m., while the subscription hours for preemptive rights start from ten (10:00) a.m. until two (2:00) p.m.

Registered Shareholders will be able to trade preemptive rights during the trading period by selling acquired rights or a part thereof or buying additional rights through the Market. New Investors will also be able to purchase rights through the Market during the trading period and sell the rights purchased during the trading period.

The subscription to the new shares will be available during the subscription period in one phase, as follows:

1. During this period, all registered shareholders and new investors will be able to subscribe to the new shares.
2. Registered shareholder will be able to subscribe directly for the number of shares they own during the subscription period. If they purchase new rights, they will be able to subscribe to them after the settlement period (two business days).
3. New investors will be able to subscribe to the new shares immediately after the rights purchase process is settled (two business days).
4. Subscription will be available electronically through the investment portfolio on trading platforms and applications through which buy and sell orders are entered, in addition to subscription through other channels and means available at the broker.

In the event that any shares remain unsubscribed for after the end of the Subscription Period ("Rump Shares"), those shares will be offered to a number of institutional investors (referred to as "Institutional Investors") (this offering process is referred to as the "Rump Offering"). These Institutional Investors will submit their bids to purchase the Rump Shares, and such bids will be received starting from ten in the morning on ** **/**/****H (corresponding to **/**/****G) until five in the evening of the following day ** **/**/****H (corresponding to **/**/****G) ("Rump Offering Period"). Rump Shares will be allocated to Institutional Investors with the highest bid, then the next highest, and so on (provided it is not less than the Offering Price), provided that shares are allocated proportionately to Institutional Investors who submit the same bid. As for fractional shares, they will be added to the Rump Shares and treated accordingly, and the total Offering Price collected from the Rump Offering process will be paid to the Company, and the remaining proceeds from the offering process (if any) (in excess of the Offering Price) will be distributed without any fees or deductions to those entitled, each according to their entitlement, no later than **/**/****H (corresponding to **/**/****G). Note that the investor who did not subscribe or sell their rights, and fractional share holders, may not receive any compensation if the sale is made during the Rump Offering period at the Offering Price.

In the event that Institutional Investors do not subscribe to all Rump Shares and fractional shares, the remaining shares will be allocated to the Underwriters who will purchase them at the Offering Price **(please refer to Section (12) "Information Related to Shares and Offering Terms and Conditions").** The final allocation will be announced no later than **/**/****H (corresponding to **/**/****G) ("Allocation Date") **(please refer to Section (12) "Information Related to Shares and Offering Terms and Conditions").**

The offering of Preemptive Rights Shares under this Prospectus is subject to the shareholders' approval. An invitation to the Company's Extraordinary General Assembly meeting to approve the issuance of Preemptive Rights Shares will be published on **/**/****H (corresponding to **/**/****G). Investors should be aware that if shareholders' approval for the offering of Preemptive Rights Shares is not obtained at that meeting, the issuance of the Preemptive Rights Shares will be halted, this Prospectus will be deemed void immediately, and shareholders will be notified accordingly.

Financial Information

The audited financial statements of the Company for the fiscal years ended 31 December 2022G, 31 December 2023G, and 31 December 2024G, and the notes thereto, have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA). The financial statements of the Company for the fiscal years ended 31 December 2022G and 31 December 2024G were audited by PKF Al-Bassam Company (Chartered Accountants). The financial statements of the Company for the fiscal year ended 31 December 2023G were audited by Crowe Solutions for Professional Consulting Company. The Company issues its financial statements in Saudi Riyals.

It should be noted that some of the financial and statistical information contained in this Prospectus has been rounded to the nearest whole number. Therefore, if the figures in a table are added, a slight difference may appear in the figures mentioned in the tables compared to those mentioned in this Prospectus.

Information About the Sector and the Market

Information and data related to the Saudi economy and market data contained in this Prospectus were obtained from various public sources. Although there is no reason to believe that such information is materially inaccurate, the Board of Directors, the Shareholders, and the Advisors have not independently verified the accuracy of such information and data; therefore, no clear representation or assurance can be given regarding the accuracy or completeness of this information.

Forecasts and Forward- Looking Statements

The forward-looking statements contained in this prospectus were prepared based on specific and publicly stated assumptions, which are detailed in the relevant sections. Operating conditions may differ from these assumptions, and therefore, no warranty or representation is made regarding the accuracy or completeness of any of these projections. The company affirms that the statements made in this prospectus were made based on professional due diligence.

Some of the data contained in this Prospectus constitutes forward-looking statements. Such forward-looking statements can generally be identified by the use of words such as "intends/plans", "estimates", "believes", "expects", "could", "will", "intends", "should", "anticipated", "may", "believes", or the negative forms of these terms and other similar or opposite vocabulary. These forward-looking statements reflect the current views of the Company and its management regarding future events, but they are not a guarantee of future performance. There are many factors that could cause the actual results, performance, or achievements of the Company to differ materially from any future results, performance, or achievements that may be expressed or implied in such forward-looking statements. The most significant risks or factors that could lead to such an impact are discussed in more detail in other sections of this Prospectus **(refer to Section (2) "Risk Factors")**. Should one or more of these risks or uncertainties materialize, or should any of the underlying assumptions prove incorrect or inaccurate, actual results may differ materially from those described in this Prospectus as expectations, beliefs, estimates, or plans.

In accordance with Article (29) of the "Rules on the Offer of Securities and Continuing Obligations," the Company must submit a supplementary prospectus to the CMA if at any time after the publication date of this Prospectus and before the completion of the Offering, the Company becomes aware of any of the following:

1. The existence of a significant change in material matters contained in the prospectus or.
2. The emergence of any important issues that should have been included in the prospectus.

Except for these two cases, the Company does not intend to update or amend any information contained in this Prospectus, whether as a result of new additional information, future events, or otherwise related to the Company, the sector, or risk factors. As a result of these and other risks and assumptions, the forward-looking events and circumstances described in this Prospectus may not occur in the way the Company expects, or may not occur at all. Accordingly, potential investors must consider all forward-looking statements in light of these interpretations and should not place undue reliance on such forward-looking statements.

Company Directory

Board Members and Secretary:

Table (1): Board Members

Name	Position*	Nationality	Age	Membership Status	Shares Owned***				Membership Date
					Direct	Indirect	Total	Percentage %	
Abdulaziz Abdullah Alhumaid**	Board Chairman	Saudi	55	Non-Executive	684,651	-	684,651	10.2208012%	03/09/2024G
Mansour Abdulaziz AlSaghayer**	Board Deputy Chairman	Saudi	55	Independent	669	-	669	0.0099872%	25/10/2023G
Abdulmajed Abdulmohsen Al Alshikh	Board Member	Saudi	43	Independent	-	-	-	-	25/10/2023G
Abdulelah Mohammed Alwabel	Board Member	Saudi	25	Independent	2	-	2	0.0000299%	25/10/2023G
Riyan Mohammed Almansor****	Board Member	Saudi	44	Executive	-	-	-	-	30/11/2025G
Board Secretary									
Mohammed Aldawsari	Board Secretary	Saudi	38	-	-	-	-	-	18/08/2024G

Source: Company Management

*On 07/04/1444H (corresponding to 22/10/2023G), the Ordinary General Assembly approved the election of the aforementioned Board of Directors members for the current term, which commenced on 25/10/2023G and ends on 24/10/2026G.

**On 01/03/1446H (corresponding to 04/09/2024G), the Company announced the appointment of the Chairman of the Board of Directors, Mr. Abdulaziz Abdullah Alhumaid, effective from 03/09/2024G. The Company also announced the appointment of Mr. Mansour Abdulaziz AlSaghayer as Deputy Chairman of the Board of Directors, from 03/09/2024G until the end of the current Board term.

***It means shares owned by members of the Board of Directors, whether directly or indirectly, in the Company through their ownership in companies that own shares in the Company, or shares owned by relatives of the Board members, whether directly or through their ownership in companies that own shares in the Company.

****On 28/01/1447H (corresponding to 23/07/2025G), the Board of Directors appointed Eng. Riyan Mohammed Almansor as a member of the Board of Directors in the vacant seat to complete the current Board term. The Ordinary General Assembly approved, on 30/11/2025G, the appointment of Eng. Riyan Mohammed Almansor as a member of the Board of Directors to complete the Board term until the end of the current term on 24/10/2026G, succeeding the former member, Eng. Saeed bin Abdullah Al-Mu'aythir.

Company Address

Saudi Fisheries Company

Riyadh City – Al Malaz District
Building No. 8705, Riyadh 12641
Kingdom of Saudi Arabia
Tel: +966 (11) 4167800
Email: **info@alasmak.com.sa**
Website: **www.alasmak.com.sa**

Authorized Company Representative

First Authorized Company Representative

Abdulaziz Abdullah Alhumaid
Chairman of the Board
Saudi Fisheries Company
Riyadh City – Al Malaz District
Building No. 8705, Riyadh 12641
Kingdom of Saudi Arabia
Tel: +966 (50) 514 8824
Fax: +966 (11) 416 7800
Email: **chairman@alasmak.com.sa**
Website: **www.alasmak.com.sa**

Second Authorized Company Representative

Riyan Mohammed Almansor
CEO
Saudi Fisheries Company
Riyadh City – Al Malaz District
Building No. 8705, Riyadh 12641
Kingdom of Saudi Arabia
Tel: +966 (55) 222 9998
Fax: +966 (11) 416 7800
Email: **ceo@alasmak.com.sa**
Website: **www.alasmak.com.sa**

Stock Market

Saudi Stock Exchange

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Riyadh 12211-3388
Kingdom of Saudi Arabia
Tel: +966 92000 1919
Fax: +966 (11) 218 9133
Email: **csc@saudiexchange.sa**
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Advisors

Financial Advisor and Underwriter

Al Wasatah Al Maliah Company (Wasatah Capital)

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Email: **info@wasatah.com.sa**
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Lead Manager

Musharaka Capital Company

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Email: **info@musharaka.sa**
Website: **www.musharaka.sa**

Legal Advisor

Khaligyoun Legal Advisors Company

M7 Tower – 8th Floor
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The Company's Auditor for the financial years ending December 31, 2022G and December 31, 2024G

PKF Al-Bassam Company (Chartered Accountants)

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The Company's Auditor for the financial year ending December 31, 2023G

Crowe Solutions for Professional Consulting Company

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Email: **info@crowe.sa**
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Disclaimer: All Advisors and Auditors mentioned above have provided their written consent to the publication of their names and logos, and to the inclusion of their statements in the form and context appearing in this Prospectus. None of them has withdrawn such consent as of the date of this Prospectus. Neither the Advisors, the Auditors, nor any of their subsidiaries, shareholders, employees, or relatives own any shares or interest of any kind in the Company or any of its subsidiaries as of the date of this Prospectus.

Offering Summary

This Offering Summary is intended to provide a brief overview of the information contained in this Prospectus. Accordingly, this summary does not contain all the information that may be of interest to shareholders and other public investors, including both institutional and individual investors, as the information in the offering summary is insufficient to make an investment decision. Therefore, recipients of this Prospectus must read it in its entirety before making any investment decision to subscribe for or trade in the Preemptive Rights Shares. In particular, it is essential to consider the **"Risk Factors" set out in Section (2)** of this Prospectus. The following is a summary of the offering:

Name of the Issuer, Its Description, and Information About Its Establishment	Saudi Fisheries Company (hereinafter referred to as "SFICO" or the "Company") is a Saudi public joint-stock company established pursuant to Royal Decree No. (M/7) dated 08/05/1400H (corresponding to 25/03/1980G) authorizing its establishment, registered with the Ministry of Commerce under Commercial Registration No. (1010042732) issued in Riyadh dated 22/03/1402H (corresponding to 17/01/1982G). The head office is located in Riyadh – Al Malaz District, Building No. 8705, Riyadh 12641, Kingdom of Saudi Arabia. The Company's current capital is sixty-six million nine hundred eighty-six thousand and forty (66,986,040) Saudi Riyals divided into six million six hundred ninety-eight thousand six hundred and four (6,698,604) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, fully paid (individually referred to as the (Current Share) and collectively as the (Current Shares). As of the date of publishing this Prospectus, the substantial shareholders (who own 5% or more of the Company's shares) is Abdulaziz Abdullah Alhumaid who owns six hundred eighty-four thousand six hundred fifty-one (684,651) shares, representing approximately (10.221%) of the Company's shares before the offering.
Issuer's Activities	The Company conducts its activities under Commercial Registration No. (1010042732) issued in Riyadh on 22/03/1402H (corresponding to 17/01/1982G). The Company's activities, as stated in the Commercial Registration, consist of: Irrigation projects, operation of irrigation systems for agricultural projects, support activities for animal production, marine fishing, sea creatures fishing for investors, marine organism fishing, freshwater fishing, marine aquaculture, operation of freshwater fish hatcheries, marine shrimp farming, freshwater aquaculture, freshwater shrimp farming, freshwater ornamental fish breeding, fresh meat production, chilled and frozen meat production, cutting, processing, and packaging of meat and poultry, preservation of fish and fish products by chilling or freezing, production of fresh and frozen fish fillets and roe, production of caviar and its substitutes, manufacturing of fish products for human consumption, manufacturing of fish products for animal feed, cutting and cleaning of fish and aquatic organisms, cutting and packaging of fruits and vegetables, chilling and freezing of fruits, chilling and freezing of vegetables, drying and packaging of dates and manufacturing of date products, production and refining of olive oil, production and refining of sesame oil, production and refining of sunflower oil, production and refining of margarine, extraction and refining of animal fats, extraction and refining of oils from fish and marine organisms, manufacturing of lifting and handling machinery used in ports, factories, warehouses, etc., manufacturing and assembly of center pivot irrigation machinery and equipment, manufacturing of non-navigational vessels including dredgers, floating docks, and ponds, manufacturing of fishing boats, manufacturing of ships incorporating fish processing factories, manufacturing of fixtures for shops and restaurants including decorative installations and the like, routine repair and maintenance of ships, wholesale of fish and aquatic organisms, wholesale of feed and non-medicinal feed additives, wholesale of fruits, wholesale of vegetables, wholesale of dates, wholesale of animal oils and fats, wholesale of fish products, wholesale of frozen meat and poultry, road transport of goods, transport of chilled and frozen goods, chilled food stores, animal food and feed stores, frozen food stores, general warehouses containing a variety of goods, full-service restaurants, fish and seafood grilling shops, buying, selling, and subdividing of land and real estate, off-plan sales activities, management and leasing of owned or leased residential real estate, management and leasing of owned or leased non-residential real estate, real estate development of residential buildings using modern construction methods, and real estate development of commercial buildings using modern construction methods. The company's activities, as stated in its Bylaws, are as follows: Poultry farming activities, support activities for crop production, support activities for animal production, marine fishing, freshwater fishing, marine aquaculture, freshwater aquaculture, meat processing and preservation, processing and preservation of fish, crustaceans, and mollusks, processing and preservation of fruit and vegetables, manufacture of vegetable and animal oils and fats, manufacture of lifting and handling equipment, manufacture of agricultural and forestry machinery, building of ships and floating structures, manufacture of furniture, repair of transport equipment excluding motor vehicles, wholesale of agricultural raw materials and live animals, wholesale of food, beverages, and tobacco, retail sale of other new goods in specialized stores, road transport of goods, warehousing, service activities related to land transport, restaurant and mobile food service activities, and real estate activities involving owned or leased property. The Company conducts its activities in accordance with applicable regulations and after obtaining the necessary licenses from the competent authorities, if any. The Company has obtained the necessary licenses from the relevant authorities to conduct its business **(for more information, please refer to subsection (9.5) "Material Licenses, Certificates, and Approvals" in Section (9) "Legal Information").**

Substantial Shareholders	As of the date of this Prospectus, the Company has one substantial shareholder (owning 5% or more of the Company's shares), namely Mr. Abdulaziz Abdullah Mohammed Alhumaid, who owns six hundred eighty-four thousand six hundred fifty-one (684,651) shares, representing approximately (10.221%) of the Company's shares before the offering.
Public	In the rules for offering securities and continuing obligations, it refers to persons not mentioned below. 1. Affiliates of the issuer. 2. Substantial shareholders of the issuer. 3. Board members and senior executives of the issuer. 4. Board members and senior executives of the issuer's affiliates. 5. Board members and senior executives of the issuer's substantial shareholders. 6. Any relatives of the persons referred to in (1, 2, 3, 4, or 5) above. 7. Any company controlled by any of the persons referred to in (1, 2, 3, 4, 5, or 6) above. Or 8. Persons acting in concert with each other who collectively own (5%) or more of the class of shares to be listed.
Nature of the Offering	Increasing capital through the issuance of preemptive rights shares.
The Purpose of the Proposed Rights Issue	The company aims, through increasing its capital by offering preemptive rights shares, to enable the company to implement its strategic plans and support its future activities. **(Please refer to section (6) "Use of the Offering Proceeds and Future Projects").**
Issuer's Capital Before the Offering	Sixty-six million, nine hundred and eighty-six thousand and forty (66,986,040) Saudi Riyals.
Total Number of Shares of the Issuer Before the Offering	Six million six hundred ninety-eight thousand six hundred four (6,698,604) ordinary shares.
Nominal Value of the Share	Ten (10) Saudi Riyals per share.
Total Number of New Shares Offered for Subscription	Thirty-three million four hundred and ninety-three thousand and twenty (33,493,020) ordinary shares.
Offering Price	Ten (10) Saudi Riyals per share.
Total Value of the Offering	Three hundred and thirty-four million, nine hundred and thirty thousand, two hundred (334,930,200) Saudi Riyals.
Capital Increase	The increase in the company's capital will be from sixty-six million nine hundred and eighty-six thousand and forty (66,986,040) Saudi Riyals to four hundred and one million nine hundred and sixteen thousand two hundred and forty (401,916,240) Saudi Riyals.
Adjusted Price	The company's share price in the financial market was adjusted to (**) Saudi Riyals per share before trading on the day following the Extraordinary General Assembly meeting regarding the capital increase. This represents a decrease in the share price by (**) Saudi Riyals per share.
Registered Shareholders	Shareholders who own shares at the end of trading on the day of the Extraordinary General Assembly meeting for the capital increase and who are registered in the company's shareholder register at Edaa Center at the end of trading on the second trading day following the Extraordinary General Assembly meeting for the capital increase.
New investors	General investors, both individuals and institutions – excluding registered shareholders – who purchased preemptive rights during the trading period.
Target Investor Categories	Registered shareholders and new investors.
Preemptive Rights	Its tradable securities that grant their holder the right to subscribe to New Shares following the approval of the capital increase; this is a vested right for all Registered Shareholders. The right may be traded during the trading period. Each right entitles its holder to subscribe to one New Share at the Offering Price. Preemptive Rights will be deposited into the portfolios of Registered Shareholders following the Extraordinary General Assembly meeting dedicated to the capital increase. These rights will appear in the portfolios of Registered Shareholders under a new symbol designated for Preemptive Rights. Registered Shareholders will be notified of the deposit of these rights into their portfolios.

Eligibility Ratio	Each registered shareholder is granted (5) rights for each one (1) share he owns. This coefficient is the result of dividing the number of new shares by the current number of shares of the company.
Number of Issued Preemptive Rights	Thirty-three million four hundred and ninety-three thousand and twenty (33,493,020) rights.
Number of Shares Offered Underwritten	Thirty-three million four hundred and ninety-three thousand and twenty (33,493,020) ordinary shares.
Total Value of the Underwritten Offering	Three hundred and thirty-four million, nine hundred and thirty thousand, two hundred (334,930,200) Saudi Riyals.
Number of Shares Issued After the Capital Increase	Forty million one hundred ninety-one thousand six hundred twenty-four (40,191,624) ordinary shares.
Company's Capital After the Capital Increase	Four hundred and one million nine hundred and sixteen thousand two hundred and forty (401,916,240) Saudi Riyals.
Percentage of Shares Offered from the Issuer's Capital	500%
Total Expected Proceeds and Analysis and Description of their Proposed Use	The total proceeds from the subscription in the Preemptive Rights Shares are expected to amount to Three Hundred Thirty-Four Million Nine Hundred Thirty Thousand Two Hundred (334,930,200) Saudi Riyals. The net proceeds of the Offering are expected to be approximately Three Hundred Twenty Million Eight Hundred Ninety-Five Thousand Two Hundred (320,895,200) Saudi Riyals, after deducting the Offering costs amounting to Fourteen Million Thirty-Five Thousand (14,035,000) Saudi Riyals. The company intends to use the net proceeds of the offering to enable it to implement its strategic plans and support its future activities. The following table illustrates the expected use of the offering proceeds: **Table (2): Expected Use of Proceeds from the Offering**

Item	Proposed usage cost in Saudi Riyals	Percentage
Investment in the date trade and establishment of a factory specializing in date processing and related logistics services	250,000,000	74.6%
Payment of Accrued expenses	20,192,458	6.0%
Loans Settlement	3,903,346	1.2%
Creditor repayment	13,838,577	4.1%
Working capital financing	32,960,819	9.8%
Offering costs	14,035,000	4.2%
Total offering proceeds	**334,930,200**	**100.0%**

For more information **(please refer to section (6) " Use of the Offering Proceeds and Future Projects").**

Offering Costs	The offering costs are expected to amount to approximately fourteen million and thirty-five thousand (14,035,000) Saudi Riyals, including the costs of the financial advisor, the underwriter, the legal advisor, the auditor, marketing, printing and distribution expenses and other expenses related to the offering. Note that this amount is an estimate **(please refer to section (6) " Use of the Offering Proceeds and Future Projects").**

Total Proceeds Previously Obtained in the Last Preemptive Rights Shares Issuance, Their Analysis, Description, and Explanation of Their Use

The total proceeds received by the Company in the last Preemptive Rights shares issuance amounted to Two Hundred Ninety-Eight Million Nine Hundred Thousand (298,900,000) Saudi Riyals. The Extraordinary General Assembly of the Company's shareholders approved, on 21/09/1441H (corresponding to 14/05/2020G), the increase of its capital from One Hundred One Million One Hundred Thousand (101,100,000) Saudi Riyals to Four Hundred Million (400,000,000) Saudi Riyals. This was achieved through the issuance of Twenty-Nine Million Eight Hundred Ninety Thousand (29,890,000) new Preemptive Rights shares, with a nominal value of Ten (10) Saudi Riyals per share, and a total value of Two Hundred Ninety-Eight Million Nine Hundred Thousand (298,900,000) Saudi Riyals, for the purpose of settling liabilities, operating its projects, and developing its business.

The following table shows the use of the proceeds from the offering as disclosed in the relevant prospectus:

Table (3): Use of proceeds from the offering as disclosed in the relevant prospectus

Item (Saudi Riyals)	Planned use	Actual use	The difference between actual and planned use*	Actual spending versus planned spending percentage	Deviation percentage
Capital expenditures	190,000,000	50,300,000	(139,700,000)	26.5%	(73.5%)
Set-up and working capital expenses	25,000,000	96,900,000	71,900,000	387.6%	287.6%
Repayment of existing loan	80,000,000	147,500,000	67,500,000	184.4%	84.4%
Offering expenses	3,900,000	4,200,000	300,000	107.7%	7.7%
Total	**298,900,000**	**298,900,000**	-	-	

*Pursuant to Paragraph (F) of Article (57) of the Rules on the Offer of Securities and Continuing Obligations issued by the Board of the Capital Market Authority under 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, as amended by CMA Board Resolution No. (3-6-2026) dated 30/07/1447H (corresponding to 19/01/2026G). (The issuer must disclose to the public any variance of 5% or more between the actual use of proceeds from a preemptive rights issuance, or a share issuance with the suspension of preemptive rights, compared to what was disclosed in the relevant prospectus, immediately upon becoming aware of such variance).

On 20/06/1445H (corresponding to 02/01/2024G), the Company announced on the Tadawul website the latest developments regarding the use of proceeds from the previous offering. This included a disclosure to the public of a variance of (5%) or more between the actual use of the offering proceeds and what was disclosed in the Prospectus. At the time of disclosure, the actual amounts utilized from the offering proceeds amounted to 247.9 million Saudi Riyals out of the total offering proceeds of 298.9 million Saudi Riyals, resulting in a variance of 51.0 million Saudi Riyals.

During the period from 20/06/1445H (corresponding to 02/01/2024G), when the Company announced on the Tadawul website the latest developments regarding the use of the previous offering proceeds - which included a public disclosure of a variance of five percent (5%) or more between the actual use of the offering proceeds and what was disclosed in the Prospectus - until the date the Extraordinary General Assembly's approval was obtained to change the use of proceeds on 24/12/1445H (corresponding to 30/06/2024G), the Company utilized an amount of 6 million Saudi Riyals to finance working capital without obtaining the Extraordinary General Assembly's approval for such action. Consequently, a balance of 45 million Saudi Riyals remained from the offering proceeds.

On 24/12/1445H (corresponding to 30/06/2024G), the company obtained the approval of the Extraordinary General Assembly to change the avenues of expenditure for the use of the proceeds from the company's capital increase offering for the year 2020G, by reallocating the unused amounts referred to above to be as follows:

- The company is settling a loan of 40 million Saudi Riyals due to its desire to release a restricted deposit of 45 million Saudi Riyals used as collateral for the loan.
- Directing an amount of 5 million Saudi Riyals towards establishment expenses and working capital.

Accordingly, the Company has directed a total amount of (139.7) million Saudi Riyals from the amounts allocated for capital expenditures related to shrimp and fish farms towards the repayment of loans in the amount of (67.5) million Saudi Riyals, establishment expenses and working capital support in the amount of (71.9) million Saudi Riyals, and offering expenses in the amount of (0.3) million Saudi Riyals, as of the date of this Prospectus according to the details shown below.

Cont. Total Proceeds Previously Obtained in the Last Preemptive Rights Shares Issuance, Their Analysis, Description, and Explanation of Their Use	- The amount allocated for capital expenditures decreased from 190,000,000 Saudi Riyals to 50,300,000 Saudi Riyals with a deviation percentage of negative 73.5% of the amount allocated for capital expenditures. As the fish hatchery and nursery facilities were not established as planned. - The amounts allocated for establishment expenses and working capital increased from 25,000,000 Saudi Riyals to 96,900,000 Saudi Riyals, an increase of 71,900,000 Saudi Riyals with a deviation percentage of 287.6% of the amount allocated for establishment expenses and working capital, due to the unexpected increase in feed prices given the removal of feed subsidies, as well as the production cycles not yielding the desired results. The amount was directed as follows:

Item	Amount (Saudi Riyals)
Fish feed	47,514,191
Labor costs	13,945,028
Equipment rental	1,078,022
Pool insulation	1,724,848
Oxygen supply	503,822
Farm building renovation project	1,443,759
Spare parts	114,982
Gas cylinders	305,594
Electrical control panels	410,000
Diesel supply	703,020
Pool lining	3,859,288
Steel door installation	109,414
Labor supply	188,032
Total	**71,900,000**

- The amounts allocated for the repayment of existing loans increased from 80,000,000 Saudi Riyals to 147,500,000 Saudi Riyals, an increase of 67,500,000 Saudi Riyals with a deviation percentage of 84.4% of the amount allocated for loan repayment, due to the company's repayment of an additional loan in the amount of 25 million Saudi Riyals that the company had obtained during the year 2020G from Banque Saudi Fransi in addition to the loan interests in the amount of approximately 2,500,000 Saudi Riyals which was repaid on 28/07/2020G. Also, the company's repayment of an amount of 40,000,000 Saudi Riyals, a loan due to Al Rajhi Bank on 07/07/2024G.
- Offering expenses increased by 300,000 Saudi Riyals from 3,900,000 Saudi Riyals as was planned to 4,200,000 Saudi Riyals with a deviation percentage of 7.7% of the amount allocated for offering expenses, and this is due to an increase of 300,000 Saudi Riyals paid as financial advisor fees more than what was estimated.

The Company disclosed to the public on 20/06/1445H (corresponding to 02/01/2024G) the existence of a difference of (5%) or more between the actual use of the offering proceeds versus what was disclosed in the Prospectus, on the same items disclosed in the Prospectus related to these proceeds.

The Company also obtained the approval of the Extraordinary General Assembly on 24/12/1445H (corresponding to 30/06/2024G) to change the avenues of expenditure for an amount of 45,000,000 Saudi Riyals from the proceeds of the company's capital increase offering for the year 2020G from the capital expenditures item to repay a long-term loan of 40,000,000 Saudi Riyals to Al Rajhi Bank and direct an amount of 5,000,000 Saudi Riyals to support working capital.

Eligibility Date	Shareholders owning shares at the end of the trading day of the Extraordinary General Assembly meeting related to the capital increase, and who are registered in the Company's shareholders register at the end of the second trading day following the date of the Extraordinary General Assembly meeting related to the capital increase, on **/**/****H (corresponding to **/**/****G).

Offering Period	- The trading period begins after (3) three business days from the approval of the Extraordinary General Assembly, which includes the approval of the capital increase, on **/**/****H (corresponding to **/**/****G) and continues until the end of **/**/****H (corresponding to **/**/****G). During this period, all holders of Preemptive Rights - whether registered investors or new investors - may trade the Preemptive Rights. - The subscription period begins after (3) three business days from the approval of the Extraordinary General Assembly, which includes the approval of the capital increase, on **/**/****H (corresponding to **/**/****G) and continues until the end of **/**/****H (corresponding to **/**/****G). During this period, all holders of Preemptive Rights - whether registered investors or new investors - may exercise their right to subscribe to the new shares. It should be noted that the trading period and the subscription period will begin on the same day, after (3) three business days from the approval of the Extraordinary General Assembly, which includes the approval of the capital increase, while the trading period continues until the end of the sixth day from the start of the period, whereas the subscription period continues until the end of the ninth day from the start of the same period. Note that the trading hours for Preemptive Rights begin from ten o'clock (10:00) a.m. until three o'clock (3:00) p.m., while the subscription hours for Preemptive Rights begin from ten o'clock (10:00) a.m. until two o'clock (2:00) p.m.
Rump Shares	The remaining shares that were not subscribed to during the subscription period
Rump Offering	In the event that there are shares that have not been subscribed to after the end of the subscription period (Rump Shares), those shares will be offered to a number of institutional investors (Investment Institutions). These Investment Institutions will submit their bids to purchase the Rump Shares, and those bids will be received starting from ten o'clock in the morning on ** **/**/****H (corresponding to **/**/****G) until five o'clock in the afternoon of the following day ** **/**/****H (corresponding to **/**/****G) (Rump Offering Period). The Rump Shares will be allocated to the Investment Institutions with the highest bid, then the next highest and so on (provided that it is not less than the offering price), provided that the shares are allocated proportionately to the Investment Institutions that submit the same bid. As for fractional shares, they will be added to the Rump Shares and treated similarly.
Payment of Compensation Amounts (If Applicable)	The cash compensation amounts will be paid to the eligible persons who did not exercise their right to subscribe, in whole or in part, to the new shares and to the fractional shares' beneficiaries without any deductions no later than **/**/****H (corresponding to **/**/****G), noting that the cash compensation amounts represent the amount that exceeds the offering price from the net proceeds of the sale of the Rump Shares and fractional shares.
Listing and Trading Preemptive Rights	Preemptive Rights are listed on Tadawul and are traded during the Preemptive Rights trading period. Preemptive Rights shall have a separate and independent symbol from the symbol of the company's current shares on the Tadawul screen. During the trading period, registered shareholders have several options which include selling their rights or a part thereof in the market, purchasing additional rights through the market, or not taking any action regarding the Preemptive Rights, whether by selling them or purchasing additional rights. During the trading period, new investors shall have the right to purchase rights through the market, sell those rights or a part thereof, or not take any action regarding the rights purchased during the trading period. The "Tadawul" system will cancel the Preemptive Rights symbol of the company on the trading screen after the end of the Preemptive Rights trading period, and consequently, the trading of Preemptive Rights will cease with the end of that period.
Subscription Method	Subscription applications are submitted electronically through the websites and platforms of electronic brokers that provide these services to subscribers, or through any other means provided by the brokers.
Exercising Preemptive Rights Subscription	Eligible persons are entitled to exercise their right to subscribe to Preemptive Rights Shares by subscribing electronically through the websites and electronic platforms of the brokers that provide these subscription services or through any other means provided by the brokers. Eligible persons can also exercise Preemptive Rights as follows: During the subscription period, registered shareholders are entitled to exercise the rights granted to them on the eligibility date and any additional rights they purchased during the trading period "directly after the settlement of the rights purchase process (two business days)" by subscribing to the new shares. They also have the right not to take any action regarding the rights they own. During the subscription period, new investors are entitled to exercise the rights they purchased during the trading period "directly after the settlement of the rights purchase process (two business days)" by subscribing to the new shares. They also have the right not to take any action regarding the rights they own. In the event that any of the registered shareholders or new investors do not exercise their right to subscribe to the new shares during the subscription period, the shares associated with those rights will be offered in the Rump Offering Period.
Indicative Value of the Right	The indicative value of the right is the difference between the market value of the company's share during the trading period and the offering price. Tadawul will calculate and publish the indicative value of the right on its website five minutes late during the trading session. Market information service providers will also publish this information so that investors can view the indicative value of the right when entering orders.
Right Trading Price	It is the price at which the right is traded, noting that it is determined by the supply and demand mechanism, and therefore it may differ from the indicative value of the right.

Allocation Date	The shares will be allocated no later than **/**/****H (corresponding to **/**/****G).
Allocation Method and Refund of Surplus	Shares will be allocated to each investor based on the number of rights they have correctly and fully exercised. Fractional shares will be collected and added to the Rump Shares and then offered to Investment Institutions during the Rump Offering Period. The Company will receive the total offering price collected from the sale of the Rump Shares, while the rest of the Rump Offering proceeds without any fees or deductions (i.e., any amount exceeding the offering price) will be distributed to the eligible persons who did not subscribe in whole or in part to the new shares and to the fractional shares' beneficiaries, noting that an investor who did not subscribe or sell their rights, or fractional shares' owners, may not receive any compensation if the sale during the Rump Offering Period is at the offering price **(please refer to Section (12) "Information Related to Shares and Offering Terms and Conditions").** Any subscription surplus (if any) will be refunded to the subscribers without any commissions or deductions by the Company.
Date of Refund of Surplus Subscription	Any surplus subscription amount (if any) will be refunded without any commissions or deductions from the company no later than **/**/****H (corresponding to **/**/****G).
Trading New Shares	After all necessary procedures are completed, the date for the commencement of trading in the new shares will be announced on the Tadawul website. The period between the end of the subscription period for preemptive rights and the deposit of shares into shareholders' portfolios will be 9 business days.
Entitlement to Profits	New shareholders will be entitled to any dividends the company declares it will distribute after the issuance date.
Voting Rights	All shares of the Company are of one class, and no share grants its holder any preferential rights. The new shares will be fully paid and entirely equal to the existing shares. Each share entitles its holder to one vote, and every shareholder in the Company has the right to attend and vote at the General Assembly meetings (whether Ordinary or Extraordinary).
Restrictions Imposed on Shares	There are no restrictions on trading the company's shares, except for the regulatory restrictions generally imposed on listed shares.
Restrictions on Trading the Rights	There are no restrictions imposed on trading the rights.
Restrictions Imposed on New Shares as a Result of the Capital Increase	There are no restrictions imposed on shareholders in general and on founding shareholders after the subscription process resulting from the capital increase.
Shares Previously Listed by the Issuer	The Company was established as a Saudi public joint stock company pursuant to Royal Decree No. (M/7) dated 08/05/1400H (corresponding to 25/03/1980G) authorizing its establishment. The Company's capital upon establishment amounted to 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. On 26/01/1422H (corresponding to 20/04/2001G), the Company's shares were listed and offered for public subscription on the Saudi Stock Exchange. On 12/11/1426H (corresponding to 14/12/2005G), the Extraordinary General Assembly approved the Board of Directors' recommendation to increase its capital from one hundred million (100,000,000) Saudi Riyals to two hundred million (200,000,000) Saudi Riyals through the issuance of Preemptive Rights Shares in the amount of two million (2,000,000) ordinary shares and a nominal value of fifty (50) Saudi Riyals. On 16/10/1432H (corresponding to 14/09/2011G), the Extraordinary General Assembly approved the Board of Directors' recommendation to increase its capital from two hundred million (200,000,000) Saudi Riyals to five hundred thirty-five million three hundred seventy-five thousand (535,375,000) Saudi Riyals through the issuance of Preemptive Rights Shares in the amount of thirty-three million five hundred thirty-seven thousand and five hundred (33,537,500) shares and a nominal value of ten (10) Saudi Riyals per share. On 22/07/1438H (corresponding to 19/04/2017G), the Extraordinary General Assembly approved the Board of Directors' recommendation to reduce the Company's capital from five hundred thirty-five million three hundred seventy-five thousand (535,375,000) Saudi Riyals to two hundred million (200,000,000) Saudi Riyals at a reduction rate of (62.64%) of the Company's capital through the cancellation of thirty-three million five hundred thirty-seven thousand and five hundred (33,537,500) ordinary shares. On 19/04/1440H (corresponding to 26/12/2018G), the Extraordinary General Assembly approved the Board of Directors' recommendation to reduce the Company's capital from two hundred million (200,000,000) Saudi Riyals to one hundred one million one hundred thousand (101,100,000) Saudi Riyals at a reduction rate of (49.45%) of the Company's capital through the cancellation of nine million eight hundred ninety thousand (9,890,000) ordinary shares. On 21/09/1441H (corresponding to 14/05/2020G), the Extraordinary General Assembly approved the Board of Directors' recommendation to increase the Company's capital from one hundred one million one hundred thousand (101,100,000) Saudi Riyals to four hundred million (400,000,000) Saudi Riyals through the issuance of Preemptive Rights Shares in the amount of twenty-nine million eight hundred ninety thousand (29,890,000) shares and a nominal value of ten (10) Saudi Riyals per share. On 26/07/1446H (corresponding to 26/01/2025G), the Extraordinary General Assembly approved the Company's Board of Directors' recommendation to reduce the capital from four hundred million (400,000,000) Saudi Riyals to sixty-six million nine hundred eighty-six thousand and forty (66,986,040) Saudi Riyals at a reduction rate of (83.25%) of the Company's capital through the cancellation of thirty-three million three hundred one thousand three hundred and ninety-six (33,301,396) ordinary shares.

Risk Factors	Investing in the Preemptive Rights Shares involves certain risks, and these risks can be classified as: (1) risks related to the issuer, (2) risks related to the market and the sector in which the issuer operates, and (3) risks related to the securities offered. These risks have been reviewed in **section (2) "Risk Factors"** of this prospectus, which should be carefully studied before making any investment decision in new rights or shares.
Terms and Conditions for Subscribing to Preemptive Rights Shares	Eligible persons wishing to subscribe to the new shares must meet the relevant subscription requirements. For the terms, conditions, and instructions for subscription, **please refer to Section (12) "Information Related to Shares and Offering Terms and Conditions" of this Prospectus.**
Substantial Changes Made to the Information Disclosed in the Latest Prospectus	The following is a summary of the most important information that has changed since the Authority approved the latest share issuance prospectus, which was issued on 05/06/1441H (corresponding to 30/01/2020G): • **Board of Directors and its Committees:** A Board of Directors was elected for a new term that began on 25/10/2020G and ended on 24/10/2023G. A Board of Directors was also elected for the current term, which began on 25/10/2023G for a period of three years ending on 14/10/2026G. Accordingly, the committees emanating from the Board were reconstituted. • **Chairman of the Board of Directors:** Resignation of the Chairman of the Board, Eng. Omar bin Hamad Al-Madi, and the appointment of Mr. Abdulrahman bin Saud Al-Owais in his place. The Board of Directors also appointed Mr. Abdulrahman bin Saud Al-Owais as Chairman of the Board for the term that began on 25/10/2023G. On 03/09/2024G, the Board of Directors decided to reconstitute the Board for the current term and appointed Mr. Abdulaziz Abdullah Alhumaid as Chairman of the Board. • **Capital Increase:** On 21/09/1441H (corresponding to 14/05/2020G), the Extraordinary General Assembly of shareholders approved the Board's recommendation to increase the Company's capital from one hundred one million one hundred thousand (101,100,000) Saudi Riyals to four hundred million (400,000,000) Saudi Riyals, and consequently increasing the Company's shares from ten million one hundred ten thousand (10,110,000) shares to forty million (40,000,000) shares through the issuance of preemptive rights shares with a value of two hundred ninety-eight million nine hundred thousand (298,900,000). The number of shares offered for subscription amounted to twenty-nine million eight hundred ninety thousand (29,890,000) shares with a nominal value of ten (10) Riyals per share. • **Bylaws:** On 18/10/1442H (corresponding to 30/05/2021G), the Extraordinary General Assembly of Shareholders of the Saudi Fisheries Company approved amendments to several articles of the company's Bylaws. These amendments included: Article (1) of the Bylaws, related to the company's establishment; Article (3) of the Bylaws, related to the company's objectives; Article (4) of the Bylaws, related to participation and ownership in other companies; Article (5) of the Bylaws, related to the company's headquarters; Article (6) of the Bylaws, related to the company's duration; Article (7) of the Bylaws, related to the company's capital; deletion of Article (8) of the Bylaws, related to share subscription; amendment of Article (12) of the Bylaws, related to share trading; deletion of Article (13) of the Bylaws, related to the shareholders' register; and approval of the addition of Article (13) to the Bylaws, related to the company's purchase, sale, and pledging of its own shares. Article (14) of the Bylaws was also amended. The following amendments were made to the company's Bylaws related to capital increases: Article (16) related to company management; Article (17) related to termination of board membership; Article (18) related to vacancies on the board; Article (19) related to the board's powers; Article (20) related to board member remuneration; Article (21) related to the powers of the chairman, deputy chairman, managing director, and secretary; Article (22) related to board meetings; Article (23) related to quorum for board meetings; Article (24) related to board deliberations; Article (25) related to attendance at general assemblies; Article (26) related to the founding assembly; and Article (27) related to the assembly's powers. The following amendments were made to the company's Bylaws: Article (28) related to the powers of the Ordinary General Assembly; Article (30) related to the convening of general assemblies; Article (32) related to the quorum for an Ordinary General Assembly meeting; Article (33) related to the quorum for an Extraordinary General Assembly meeting; Article (34) related to approval at general assemblies; Article (35) related to the resolution of general assemblies; Article (36) related to discussion at general assemblies; Article (37) related to the chairmanship of general assemblies and the preparation of minutes; Article (38) related to the board committees; Article (39) related to the formation of the audit committee; Article (40) related to the quorum for committee meetings; Article (43) related to the appointment of the auditor; and Article (46) related to the fiscal year. (47) of the company's Bylaws relating to financial documents, amending Article (48) of the company's Bylaws relating to profit distribution, amending Article (49) of the company's Bylaws related to entitlement to profit distribution, amending Article (54) of the company's Bylaws relating to final provisions. On 07/04/1445H (corresponding to 22/10/2023G), the Extraordinary General Assembly of Saudi Fisheries Company's shareholders approved the amendment of several articles of the Company's Bylaws to comply with the new Companies Law. This included amending Article (3) of the Company's Bylaws regarding the Company's purposes, and Article (15) regarding the Board of Directors, pursuant to the Electronic Bylaws (Request No. 577046 – Version No. 1).

Cont. Substantial Changes Made to the Information Disclosed in the Latest Prospectus	- **Managing Director:** Mr. Saeed Abdullah Al-Mu'aythir was appointed as Managing Director of the company effective from 15/09/2024G. - **Company's Capital Reduction:** On 26/07/1446H (corresponding to 26/01/2025G), the (Extraordinary) General Assembly of shareholders approved the Board of Directors' recommendation to reduce the Company's 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, and to reduce the number of the Company's shares from forty million (40,000,000) shares to six million six hundred ninety-eight thousand six hundred four (6,698,604) shares, by canceling thirty-three million three hundred one thousand three hundred ninety-six (33,301,396) shares, with a reduction percentage of (83.25%). The main reason for the recommendation to reduce the capital is to restructure the capital to amortize the Company's accumulated losses. - **Substantial Shareholders:** One of the substantial shareholders (The Saudi Agricultural and Livestock Investment Company (SALIC)) sold its entire stake in the Saudi Fisheries Company to Mr. Abdulaziz Abdullah Alhumaid. - **Chief Executive Officer (CEO):** Resignation of the Chief Executive Officer, Eng. Waleed bin Hamad bin Sulaiman Al-Bat'hi, and the appointment of Mr. Awad Farouk Al-Desouqi. Subsequently, the Chief Executive Officer, Mr. Awad Farouk Al-Desouqi, was relieved of his duties, and the current Chief Executive Officer, Eng. Riyan Mohammed Almansor, was appointed. - **Accumulated losses:** Its accumulated losses decreased to 0% of the capital. - **Subsidiaries:** A subsidiary company named (Al-Haridah National Aquaculture Company) was established, 100% owned by the Saudi Fisheries Company, with a capital of one hundred thousand (100,000) Saudi Riyals. For further information, **please refer to sub-paragraph (9.11) "Material information that has changed since the Authority's approval of the last prospectus" of section (9) "Legal Information".**

Disclaimer: The **"Important Notice" section on page "a"** and **section "2" (Risk Factors)** of this prospectus should be studied very carefully before making any investment decision in the new rights or shares.

Important Dates and Subscription Procedures

Table (4): Expected Timeline for Preemptive Rights Shares Offering

Timeline	Date
The Extraordinary General Assembly meeting, which includes approval of the capital increase and determination of the eligibility date and the eligible shareholders, noting that the eligible shareholders are the shareholders who own shares at the end of trading on the day of the Extraordinary General Assembly meeting for the capital increase and who are registered in the company's shareholder register at the Edaa Center at the end of trading on the second trading day following the Extraordinary General Assembly meeting for the capital increase.	**/**/****H (corresponding to **/**/****G)
Trading Period*	The trading period will commence three (3) working days after the Extraordinary General Assembly's approval of the capital increase, dated **/**/****H (corresponding to **/**/****G), and will continue until the end of **/**/****H (corresponding to **/**/****G). During this period, all holders of Preemptive Rights - whether registered investors or new investors - may trade their Preemptive Rights. Preemptive Rights trading hours are from (10:00) a.m. to (3:00) p.m.
Subscription Period	The subscription period begins three (3) working days after the Extraordinary General Assembly's approval of the capital increase, dated **/**/****H (corresponding to **/**/****G), and continues until the end of **/**/****H (corresponding to **/**/****G). During this period, all holders of Preemptive Rights - whether registered investors or new investors - may exercise their right to subscribe to the new shares. The subscription hours for Preemptive Rights are from (10:00) a.m. to (2:00) p.m.
Subscription Period End Date	The subscription period ends and the deadline for receiving subscription requests is **/**/****H (corresponding to **/**/****G).
Rump Offering Period	Begins at 10:00 a.m. on **/**/****H (corresponding to **/**/****G) and continues until 5:00 p.m. on **/**/****H (corresponding to **/**/****G).
Notification of Final Allocation **	**/**/****H (corresponding to **/**/****G).
Payment of compensation amounts (if any) to eligible persons who did not participate in the subscription in whole or in part and to those entitled to fractional shares	**/**/****H (corresponding to **/**/****G).
Expected Date for the Start of Trading in the New Shares	After all necessary procedures are completed, the date for the commencement of trading in the new shares will be announced on the Tadawul website. The period between the end of the subscription period for Preemptive Rights and the deposit of shares into shareholders' portfolios will be nine business days.

Note: All dates mentioned in the Timeline above are approximate, and the actual dates will be announced on the Tadawul website (**www.saudiexchange.sa**).

*The Preemptive Rights trading period begins three (3) working days after the Extraordinary General Assembly of the Company approves the capital increase.

**The period between the end of the subscription to Preemptive Rights and the deposit of shares into shareholders' portfolios will be nine (9) working days.

Important Announcement Dates

Table (5): Important Announcement Dates

Announcement	Announcer	Announcement Date
Announcement of the invitation to the Extraordinary General Assembly meeting regarding the increase of capital	Company	**/**/****H (corresponding to **/**/****G)
Announcement of the results of the Extraordinary General Meeting regarding the increase of capital	Company	**/**/****H (corresponding to **/**/****G)
Announcement of adjustment to the company's share price, deposit of rights, and indicative value of the right.	Tadawul	**/**/****H (corresponding to **/**/****G)
Announcement of the addition of Preemptive Rights for the Saudi Fisheries Company	Edaa	**/**/****H (corresponding to **/**/****G)
Announcement of the rights trading period and subscription period	Company	**/**/****H (corresponding to **/**/****G)
Announcement of the start of the rights trading period and the subscription period	Tadawul	**/**/****H (corresponding to **/**/****G)
Reminder announcement regarding the start of the rights trading period and the subscription period.	Company	**/**/****H (corresponding to **/**/****G)
Reminder announcement about the last day for trading Preemptive Rights, "and a reminder of the importance of those who do not wish to subscribe selling the rights they own".	Company	**/**/****H (corresponding to **/**/****G)
Announcing: ◆ Subscription Results ◆ Details of the sale of unsubscribed shares (if any) and the start of the Rump Offering Period	Company	**/**/****H (corresponding to **/**/****G)
Announcement of the Rump Offering results and notification of final allocation	Company	**/**/****H (corresponding to **/**/****G)
Announcement of deposit of new shares into investors' portfolios*	Edaa	**/**/****H (corresponding to **/**/****G)
Announcement of the distribution of compensation amounts (if any)	Company	**/**/****H (corresponding to **/**/****G)

Note: All dates mentioned in the above table are approximate, and the actual dates will be announced on the Saudi Stock Exchange (Tadawul) website (**www.saudiexchange.sa**). In addition, the date of depositing the new shares into investors' portfolios will be determined in coordination with the Securities Depository Center Company (Edaa) to determine the share deposit date.

*The time period between the end of the subscription to Preemptive Rights and the deposit of shares into shareholders' portfolios will be nine (9) working days.

It should also be noted that, according to Article 31, sub-paragraph "E" of the Rules for Offering Securities and Continuing Obligations, if an announcement relating to the offering is published in a local newspaper after the publication of the prospectus, the announcement must include the following:

1. The issuer's name and commercial registration number.
2. The securities, their value, type, and class, included in the securities registration and offering application.
3. The addresses and locations where the public can obtain the prospectus.
4. The date of publication of the prospectus.
5. A statement that this announcement is for informational purposes only and does not constitute an invitation or offer to own, purchase, or subscribe to the securities.
6. The names of the lead manager, underwriters (if any), financial advisor, and legal advisor.
7. A disclaimer in the following format: "The Capital Market Authority and the Saudi Stock Exchange assume no responsibility for the contents of this announcement, make no representations as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from or in reliance upon any part of this announcement."

How to apply for subscription

Subscription to the Preemptive Rights shares is restricted to eligible persons, whether they are registered shareholders or new investors. In the event that the eligible persons do not exercise their Preemptive Rights, any remaining shares not subscribed to by them will be offered to institutional investors during the Rump Offering Period. Eligible persons wishing to subscribe to the new shares must submit subscription applications through the means and services provided by the broker to investors, provided that the eligible person has an investment account with one of the brokers providing these services. Furthermore, the eligible person's data must be up-to-date, and no changes shall have occurred to their data or information (by adding or removing family members) since their subscription in a recent offering, unless such amendments have been reported to and approved by the brokers.

Subscription applications shall be submitted through the investment portfolio on the trading platforms through which buy and sell orders are entered, in addition to the possibility of subscribing through any other means provided by the broker and the shares custodian to investors. The Company reserves the right to reject any application to subscribe to the new shares, in whole or in part, if it fails to meet any of the subscription terms or requirements. A subscription application may not be amended or withdrawn after its submission. Once submitted, the subscription application constitutes a binding contract between the Company and the eligible shareholder **(for more information, please refer to Section (12) "Information Related to Shares and Offering Terms and Conditions").**

Questions and Answers About Preemptive Rights

- **What are Preemptive Rights?**

  These are tradable securities that grant their holder the right to subscribe to the new shares offered upon the approval of the capital increase. This is an acquired right for all shareholders owning shares on the day of the Extraordinary General Assembly meeting related to the capital increase, and who are registered in the Company's shareholders register at the Depository Center at the end of the second trading day following the date of the Extraordinary General Assembly meeting. Each right entitles its holder to subscribe to one share at the offering price.

- **To whom are Preemptive Rights granted?**

  To all shareholders registered in the Company's shareholders register at the Depository Center at the end of the second trading day following the date of the Extraordinary General Assembly meeting.

- **When are Preemptive Rights deposited?**

  Following the Extraordinary General Assembly's meeting and its approval to increase the capital through a preemptive rights shares offering, the preemptive rights will be deposited as securities in the shareholders' portfolios in the Company's shareholders register at the Depository Center at the end of the second trading day after the Extraordinary General Assembly meeting. The shares will appear in their portfolios under a new symbol specific to the preemptive rights, and trading or subscribing to these rights will only be permitted at the beginning of the trading and subscription periods.

- **How is the investor notified of Preemptive Rights when the Rights are deposited into the portfolio?**

  Notification is made through an announcement on the trading website, as well as through the (Tadawulaty) service provided by the Securities Depository Center Company and through SMS messages sent through brokerage firms.

- **How many Preemptive Rights will a registered shareholder receive?**

  The number depends on the percentage of capital owned by each shareholder according to the company's shareholder register at the Depository Center at the end of the second trading day after the Extraordinary General Assembly meeting.

What is the Eligibility Ratio?

This is the factor that enables registered shareholders to determine the number of preemptive rights to which they are entitled relative to the shares they own at the end of the second trading day following the Extraordinary General Assembly meeting. This factor is calculated by dividing the number of new shares by the number of the company's existing shares. Accordingly, the Eligibility Ratio is (5) rights for every (1) share owned by the registered shareholder on the eligibility date. Therefore, if a registered shareholder owns one thousand (1,000) shares on the eligibility date, (5,000) rights will be allocated to them against the shares they own.

Will the name and trading symbol of these rights differ from the name and symbol of the company's shares?

Yes, the acquired right will be added to investors' portfolios under the name of the original share, with the addition of the word "Preemptive Rights" and a new symbol for these rights.

What is the value of the right at the beginning of its trading?

The opening price of the right will be the difference between the closing price of the company's share on the day before the right is listed and the offering price (the indicative value of the right). For example, if the closing price of the company's share on the previous day was fifteen (15) Saudi Riyals, and the offering price was ten (10) Saudi Riyals, then the opening price of the right will be five (5) Saudi Riyals.

Who is a registered shareholder?

It is any shareholder that appears in the company's shareholder register at the end of the second trading day after the extraordinary general meeting for the capital increase.

Can registered shareholders subscribe to additional shares?

Yes, registered shareholders can subscribe to additional shares by purchasing new rights through the market during the trading period and then subscribing to them during the subscription period after the purchase and settlement of rights is completed.

Is it possible for a shareholder to lose his right to subscribe even if he has the right to attend the extraordinary general meeting and vote on increasing capital by offering Preemptive Rights Shares?

Yes, a shareholder loses his right to subscribe if he sells his shares on the day of the Extraordinary General Meeting or one working day before it.

How does the subscription process work?

Subscription requests are submitted through the investment portfolio on trading platforms through which buy and sell orders are entered, in addition to the possibility of subscribing through any other means provided by the broker to investors and the share custodian.

Is it possible to subscribe more than once and through more than one broker?

Yes, it is possible, but it must be taken into account that the number of shares subscribed for should not exceed the number of rights owned at the end of the rights trading period, as any increase in the number of shares subscribed for beyond the number of rights owned at the end of the rights trading period will result in the cancellation of the subscription request.

Can an eligible person subscribe for more shares than the rights they own?

Eligible person cannot subscribe in a shares more than the rights he owns.

- **If the company's shares are owned through more than one investment portfolio, in which portfolio the Preemptive Rights will be deposited?**

  Preemptive Rights will be deposited in the same portfolio as the company shares to which the rights pertain. For example, if a shareholder owns (1,000) shares in the company, with (800) shares in portfolio (A) and (200) shares in portfolio (B), the total number of rights to be deposited is (5,000), assuming (5) rights per share. Therefore, (4,000) rights will be deposited in portfolio (A) and (1,000) rights in portfolio (B).

- **Are holders of share certificates entitled to subscribe and trade?**

  Yes, holders of share certificates are entitled to subscribe, but they will not be able to trade until the certificates are deposited into electronic investment portfolios through brokers or the Securities Depository Center Company ("Edaa Center"), and the necessary documents are brought before the end of the subscription period.

- **Is someone who has purchased additional rights entitled to trade them again?**

  Yes, he is entitled to sell it and buy other rights only during the trading period.

- **Is it possible to sell part of the Preemptive Rights?**

  Yes, the investor can sell part of these rights and subscribe to the remaining part.

- **When can a shareholder subscribe to the Preemptive Rights that he purchased during the rights trading period?**

  After the settlement of the rights purchase (which is two working days), the subscription to preemptive rights will take place during the subscription period.

- **Can the holder of Preemptive Rights sell or assign the right after the trading period has expired?**

  No, that's not possible. After the trading period ends, the rights holder can only exercise their right to subscribe to the preemptive rights shares or not. If the right is not exercised, the investor may incur a loss or a decrease in the value of their investment portfolio.

- **What happens to Preemptive Rights that are not sold or exercised during the trading period and subscription phase?**

  If the new shares are not fully subscribed during the subscription period, the remaining new shares will be offered for subscription managed by the lead manager. The compensation amount (if any) for the rights holder is calculated after deducting the subscription price. Note that the investor may not receive any compensation if the sale was made in the Rump Offering Period at the offering price.

- **Who has the right to attend the extraordinary general meeting and vote on increasing the company's capital by offering Preemptive Rights Shares?**

  A shareholder registered in the company's shareholder register at the Depository Center after the end of the trading day of the Extraordinary General Assembly is entitled to attend the Extraordinary General Assembly and vote on increasing the company's capital by offering Preemptive Rights Shares.

- **When is the share price adjusted as a result of a company increasing its capital through offering Preemptive Rights Shares?**

  The share price is adjusted by the market before the start of trading on the day following the Extraordinary General Meeting.

- **If an investor buys securities on the day of the general assembly meeting, is he entitled to the Preemptive Rights resulting from the increase in the issuer's capital?**

  Yes, the investor will be registered in the company's shareholder register two business days after the share purchase date (i.e., by the end of trading on the second trading day following the Extraordinary General Meeting). preemptive rights will be granted to all shareholders registered in the company's shareholder register by the end of trading on the second trading day following the Extraordinary General Meeting. However, the investor will not be entitled to attend or vote at the Extraordinary General Meeting related to the capital increase.

- **If an investor has more than one portfolio with more than one brokerage firm, how will his rights be calculated?**

  The investor's share will be distributed among the portfolios owned by the investor, according to the percentage of ownership in each portfolio. If there are fractions, those fractions will be aggregated, and if they complete one or more whole numbers, the whole number will be added to the portfolio in which the investor owns the largest amount of rights.

- **What are the trading and subscription periods?**

  Trading and subscription to rights will begin simultaneously three (3) working days after the Extraordinary General Assembly's approval of the capital increase, and trading will continue until the end of the sixth day, while subscription will continue until the ninth day, as stated in this prospectus and the company's announcements.

- **Is it possible to subscribe during the weekend?**

  No, that's not possible.

- **Can general investors who are not registered shareholders subscribe to Preemptive Rights Shares?**

  Yes, after the purchase of preemptive rights is completed during the trading period.

- **Will any additional fees be added to Preemptive Rights trading transactions?**

  The same commissions will apply to buy and sell transactions as to stocks, but with no minimum commission amount. The maximum commission will not exceed fifteen and a half basis points (0.155%) of the total transaction value.

- **If the new shares are subscribed to and the rights are subsequently sold, what happens in this case?**

  If a registered shareholder subscribes and then sells preemptive rights, and the number of preemptive rights equal to the number of rights subscribed for is not purchased before the end of the trading period, the subscription request will be rejected entirely if all rights are sold, or partially to the extent of the rights sold. The registered shareholder will be notified, and the rejected subscription amount will be returned to him through the shareholder's broker.

- **Additional Assistance:**

  If there is any questions, please contact the company at **mohammed.aldawsari@alasmak.com.sa**. For legal reasons, the company will only be able to provide the information contained in this prospectus and will not be able to provide advice on the substantive basis for issuing rights or even provide financial, tax, legal or investment advice.

For more information on the terms and conditions of the subscription, **please refer to section (12) " Information Related to Shares and Offering Terms and Conditions" and the rest of the information contained in this prospectus.**

Summary of Basic Information

This summary provides a brief overview of the key information contained in this prospectus. As a summary, it does not include all information that may be of interest to shareholders and other institutional and individual investors. Recipients of this prospectus should read it in its entirety before making an investment decision regarding the new rights or shares.

Description of the Issuer

Saudi Fisheries Company (hereinafter referred to as "SFICO" or the "Company") is a Saudi public joint-stock company established pursuant to Royal Decree No. (M/7) dated 08/05/1400H (corresponding to 25/03/1980G) authorizing its establishment, registered with the Ministry of Commerce under Commercial Registration No. (1010042732) issued in Riyadh dated 22/03/1402H (corresponding to 17/01/1982G). The head office is located in Riyadh – Al Malaz District, Building No. 8705, Riyadh 12641, Kingdom of Saudi Arabia. The Company's current capital is sixty-six million nine hundred eighty-six thousand and forty (66,986,040) Saudi Riyals divided into six million six hundred ninety-eight thousand six hundred and four (6,698,604) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, fully paid (individually referred to as the (Current Share) and collectively as the (Current Shares). As of the date of publishing this Prospectus, the substantial shareholders (who own 5% or more of the Company's shares) is Abdulaziz Abdullah Alhumaid who owns six hundred eighty-four thousand six hundred fifty-one (684,651) shares, representing approximately (10.221%) of the Company's shares before the offering.

Summary of Issuer Activities

The Company conducts its activities under Commercial Registration No. (1010042732) issued in Riyadh on 22/03/1402H (corresponding to 17/01/1982G). The Company's activities, as per the Commercial Registration, are as follows:

Irrigation projects, operation of irrigation systems for agricultural projects, support activities for animal production, marine fishing, sea creatures fishing for investors, marine organism fishing, freshwater fishing, marine aquaculture, operation of freshwater fish hatcheries, marine shrimp farming, freshwater aquaculture, freshwater shrimp farming, freshwater ornamental fish breeding, fresh meat production, chilled and frozen meat production, cutting, processing, and packaging of meat and poultry, preservation of fish and fish products by chilling or freezing, production of fresh and frozen fish fillets and roe, production of caviar and its substitutes, manufacturing of fish products for human consumption, manufacturing of fish products for animal feed, cutting and cleaning of fish and aquatic organisms, cutting and packaging of fruits and vegetables, chilling and freezing of fruits, chilling and freezing of vegetables, drying and packaging of dates and manufacturing of date products, production and refining of olive oil, production and refining of sesame oil, production and refining of sunflower oil, production and refining of margarine, extraction and refining of animal fats, extraction and refining of oils from fish and marine organisms, manufacturing of lifting and handling machinery used in ports, factories, warehouses, etc., manufacturing and assembly of center pivot irrigation machinery and equipment, manufacturing of non-navigational vessels including dredgers, floating docks, and ponds, manufacturing of fishing boats, manufacturing of ships incorporating fish processing factories, manufacturing of fixtures for shops and restaurants including decorative installations and the like, routine repair and maintenance of ships, wholesale of fish and aquatic organisms, wholesale of feed and non-medicinal feed additives, wholesale of fruits, wholesale of vegetables, wholesale of dates, wholesale of animal oils and fats, wholesale of fish products, wholesale of frozen meat and poultry, road transport of goods, transport of chilled and frozen goods, chilled food stores, animal food and feed stores, frozen food stores, general warehouses containing a variety of goods, full-service restaurants, fish and seafood grilling shops, buying, selling, and subdividing of land and real estate, off-plan sales activities, management and leasing of owned or leased residential real estate, management and leasing of owned or leased non-residential real estate, real estate development of residential buildings using modern construction methods, and real estate development of commercial buildings using modern construction methods.

The company's activities, as stated in its Bylaws, are as follows:

Poultry farming activities, support activities for crop production, support activities for animal production, marine fishing, freshwater fishing, marine aquaculture, freshwater aquaculture, meat processing and preservation, processing and preservation of fish, crustaceans, and mollusks, processing and preservation of fruit and vegetables, manufacture of vegetable and animal oils and fats, manufacture of lifting and handling equipment, manufacture of agricultural and forestry machinery, building of ships and floating structures, manufacture of furniture, repair of transport equipment excluding motor vehicles, wholesale of agricultural raw materials and live animals, wholesale of food, beverages, and tobacco, retail sale of other new goods in specialized stores, road transport of goods, warehousing, service activities related to land transport, restaurant and mobile food service activities, and real estate activities involving owned or leased property.

The Company conducts its activities in accordance with applicable regulations and after obtaining the necessary licenses from the competent authorities, if any. The Company has obtained the necessary licenses from the relevant authorities to conduct its business **(for more information, please refer to subsection (9.5) "Material Licenses, Certificates, and Approvals" in Section (9) "Legal Information").**

Issuer's capital structure

The Company was established as a Saudi public joint stock company pursuant to Royal Decree No. (M/7) dated 08/05/1400H (corresponding to 25/03/1980G) authorizing its establishment. The Company's capital upon establishment amounted to 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. On 26/01/1422H (corresponding to 20/04/2001G), the Company's shares were listed and offered for public subscription on the Saudi Stock Exchange. On 12/11/1426H (corresponding to 14/12/2005G), the Extraordinary General Assembly approved the Board of Directors' recommendation to increase its capital from one hundred million (100,000,000) Saudi Riyals to two hundred million (200,000,000) Saudi Riyals through the issuance of Preemptive Rights Shares in the amount of two million (2,000,000) ordinary shares and a nominal value of fifty (50) Saudi Riyals. On 16/10/1432H (corresponding to 14/09/2011G), the Extraordinary General Assembly approved the Board of Directors' recommendation to increase its capital from two hundred million (200,000,000) Saudi Riyals to five hundred thirty-five million three hundred seventy-five thousand (535,375,000) Saudi Riyals through the issuance of Preemptive Rights Shares in the amount of thirty-three million five hundred thirty-seven thousand and five hundred (33,537,500) shares and a nominal value of ten (10) Saudi Riyals per share. On 22/07/1438H (corresponding to 19/04/2017G), the Extraordinary General Assembly approved the Board of Directors' recommendation to reduce the Company's capital from five hundred thirty-five million three hundred seventy-five thousand (535,375,000) Saudi Riyals to two hundred million (200,000,000) Saudi Riyals at a reduction rate of (62.64%) of the Company's capital through the cancellation of thirty-three million five hundred thirty-seven thousand and five hundred (33,537,500) ordinary shares. On 19/04/1440H (corresponding to 26/12/2018G), the Extraordinary General Assembly approved the Board of Directors' recommendation to reduce the Company's capital from two hundred million (200,000,000) Saudi Riyals to one hundred one million one hundred thousand (101,100,000) Saudi Riyals at a reduction rate of (49.45%) of the Company's capital through the cancellation of nine million eight hundred ninety thousand (9,890,000) ordinary shares. On 21/09/1441H (corresponding to 14/05/2020G), the Extraordinary General Assembly approved the Board of Directors' recommendation to increase the Company's capital from one hundred one million one hundred thousand (101,100,000) Saudi Riyals to four hundred million (400,000,000) Saudi Riyals through the issuance of Preemptive Rights Shares in the amount of twenty-nine million eight hundred ninety thousand (29,890,000) shares and a nominal value of ten (10) Saudi Riyals per share. On 26/07/1446H (corresponding to 26/01/2025G), the Extraordinary General Assembly approved the Company's Board of Directors' recommendation to reduce the capital from four hundred million (400,000,000) Saudi Riyals to sixty-six million nine hundred eighty-six thousand and forty (66,986,040) Saudi Riyals at a reduction rate of (83.25%) of the Company's capital through the cancellation of thirty-three million three hundred one thousand three hundred and ninety-six (33,301,396) ordinary shares

Issuer's Vision

To be a successful economic enterprise in achieving the goals of investors and maximizing their wealth, by maintaining our leading position in the seafood sector, expanding our business to include the promising date sector, contributing to achieving the goals and pillars of food security, and improving the level and pattern of healthy food consumption, with a focus on enhancing the position of the Kingdom of Saudi Arabia as a major source of high-quality dates and their products globally.

Issuer's Mission

To contribute effectively and tangibly to enhancing initiatives to improve the level of food security in the Kingdom of Saudi Arabia, primarily by raising the level of healthy food consumption, through providing a range of diverse seafood products with high nutritional value and quality levels according to the highest international standards, in addition to expanding the production and manufacturing of dates and their innovative processed products, to ensure the complete satisfaction of our customers and to achieve our long-term vision.

Issuer's Objectives

- Building a successful and positively influential economic entity in the sectors in which the company operates and deals.
- Achieving an appropriate level of growth in shareholder return on investment, coupled with balanced growth in equity.
- Improving and developing the business model in line with external variables and the company's internal capabilities.
- To enhance and utilize expertise to achieve positive and sustainable growth in the marine wealth investment sector and the date sector locally and regionally.
- Applying the latest technologies in date production and processing and logistics services
- Establishing strategic alliances locally, regionally and internationally with successful establishments in related sectors, with the aim of transferring successful experiences and exchanging technical expertise in various fields.
- Achieving integration with the Kingdom's Vision 2030 and its implementation programs, especially with regard to developing marine resource investments, enhancing food security, improving quality of life, and increasing the percentage of Saudi date exports.
- Strengthening national industries and increasing job opportunities in the region through expansion in the date sector.

Strategic Directions

- Maintenance and operation of the marine fishing fleet will be carried out gradually after the boats have been fully equipped and trained sailors have been provided.
- Operating value-added product factories by outsourcing or partnership with others locally and internationally, and operating sorting, cleaning and canning facilities, supporting the commercial sector on its own.
- Completing the maintenance and modernization of refrigerated warehouses, upgrading the transport fleet, and expanding the geographical coverage of the logistics sector.
- Vertical expansion in the wholesale sector in the currently covered areas, in parallel with horizontal expansion in geographical coverage, primarily in the wholesale sector, primarily in retail, and secondarily in retail, to serve areas where the brand (SFICO) is not available.
- Working to develop existing products and services to gain a larger market share. This will be done in conjunction with developing sales and branch control systems and working to improve margins by diversifying purchasing sources.
- Basic maintenance of the aquaculture farm in Al-Haridah (shrimp farming sector) and the start of trial operation and gradual expansion of operation.
- Maintenance and completion of the installation of floating cages in the aquaculture farm in Al-Haridah and their operation in the cultivation of marine tilapia fish.
- Redeveloping the franchise system for the (SFICO) brand for greater reach, geographical coverage, and diversification of income sources.
- Establishing an integrated factory for the production and processing of dates in Al-Qassim, with a focus on meeting local and international demand.
- Developing modern and advanced production lines to transform fresh dates into various high-quality products, such as packaged dates, date syrup, date paste, date powder, stuffed and chocolate-coated dates, and date cookies.
- Strengthening the food supply chain from producer to consumer, while adhering to quality and food safety standards in the dates sector.

Strengths and Competitive Advantages of the Company

- The company has a long history of more than 40 years in the fields of fishing, aquaculture and trading in marine products.
- The existence of a network of shops specializing in selling seafood products across the Kingdom's regions facilitates access for customers.
- The company owns a land transport fleet, which facilitates the transport of products across the Kingdom.
- The company owns factories and plants for seafood and cold storage warehouses.
- The company owning its own fishing boats contributes to obtaining aquatic life at a competitive price.
- The company has projects for aquaculture in saltwater at a competitive price.
- The company owns marine life farms for shrimp production.
- Taking advantage of the project's location in Al-Qassim, which is one of the most important agricultural and productive areas for dates in the Kingdom of Saudi Arabia.
- The possibility of applying the latest technologies in production and logistics processes to increase quality and efficiency in the date sector.
- The ability to produce and manufacture a variety of high-quality date products that meet local and international demand.

Market Overview

The agriculture and food industries sector in the Kingdom of Saudi Arabia

The agriculture and food industries sector is one of the essential pillars for achieving food security in the Kingdom of Saudi Arabia. It is witnessing rapid growth supported by Saudi Vision 2030, which aims to diversify income sources and enhance local production. Furthermore, Saudi Vision 2030 has established strategies and plans to achieve several targets primarily related to the lives of citizens and residents, foremost among which is food security and agriculture. The Kingdom has adopted a comprehensive strategy to enhance food security, stimulate local production, and achieve long-term agricultural sustainability aimed at increasing self-sufficiency in agricultural and food products. This has raised the contribution of the agricultural sector to the Gross Domestic Product (GDP) from 109 billion Saudi Riyals in 2023G to 114 billion Saudi Riyals in 2024G.[1]

Aquaculture and marine production sector in the Kingdom of Saudi Arabia

The aquaculture and marine production sector are considered one of the vital fields contributing to the enhancement of food security. It is witnessing accelerated growth thanks to the plans and programs implemented by the Ministry of Environment, Water, and Agriculture to develop the sector and increase investments. A number of aquaculture projects in marine and inland waters and closed systems have seen a record increase during the recent period, along with an expansion in granting developmental loans in the fields of aquaculture and marine fishing. The Ministry is working towards targets such as encouraging the use of modern technologies, supporting and facilitating investment procedures, and developing the capabilities of small-scale fishermen to empower the private sector and increase the agricultural sector's contribution to the GDP, in line with the objectives of the Kingdom's Vision.

On the aquaculture level, the Kingdom has recorded record figures in fish production in both saltwater and inland waters, with a volume exceeding 140,000 tons, while the total catch from marine fisheries in the Red Sea and the Arabian Gulf reached 74.7 thousand tons.

Regarding animal products, shrimp achieved the highest self-sufficiency rate among animal products at 147%, followed by dairy products at 129%, and table eggs which achieved a self-sufficiency rate of 100%. As for meat, the self-sufficiency rate for poultry reached 71%, and for red meat 61%. For fish, a self-sufficiency rate of 48% was recorded.

The Ministry of Environment, Water, and Agriculture also confirmed that it is working according to well-studied programs and plans to increase self-sufficiency rates of fish products by improving quality standards, farming new types of fish, encouraging investments, and increasing per capita consumption of fish products to 13 kg annually. It pointed out that the most prominent species produced in the Kingdom include: Nile Tilapia, Sea Bass, Sea Bream, and Shrimp, in addition to varying percentages of other species.[2]

1 https://www.akhbaar24.com

2 https://aawsat.com

Financial Information Summary

The financial information summary presented below is based on the Company's audited financial statements for the fiscal years ended December 31, 2022G, 2023G, and 2024G, and the notes thereto, in accordance with the International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements approved by the Saudi Organization for Chartered and Professional Accountants (SOCPA). The Company's financial statements for the fiscal years ended December 31, 2022G, and December 31, 2024G, were audited by PKF Al-Bassam Company (Chartered Accountants). The Company's financial statements for the fiscal year ended December 31, 2023G, were audited by Crowe Solutions for Professional Consulting Company. The Company issues its financial statements in Saudi Riyals.

Statement of Financial Position

Table (6): Statement of Financial Position

Item (Saudi Riyals)	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited
Total current assets	68,453,794	34,533,088	26,322,993
Total non-current assets	275,802,691	208,686,330	151,893,560
Total assets	344,256,485	243,219,418	178,216,553
Total current liabilities	67,912,112	78,647,042	86,755,140
Total non-current liabilities	40,543,736	48,300,207	15,904,220
Total liabilities	108,455,848	126,947,249	102,659,360
Shareholders' equity	235,800,637	116,272,169	75,557,193
Total shareholders' equity and liabilities	344,256,485	243,219,418	178,216,553

Source: The company's financial statements for the years ending December 31, 2022G, 2023G and 2024G.

Statement of Income

Table (7): Statement of Income

Item (Saudi Riyals)	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited
Revenue	**48,815,516**	**52,208,079**	**19,042,570**
Cost of Revenue	**(66,487,445)**	**(62,395,066)**	**(24,162,285)**
Gross Income / (Loss)	(21,263,931)	(43,962,327)	(5,947,483)
Income / (Loss) from Operations	(58,639,047)	(107,950,040)	(34,555,101)
Net Income / (Loss) Before Zakat	(60,595,684)	(111,611,745)	(39,118,600)
Net Profit / Loss for the Year	(63,389,796)	(119,959,261)	(40,995,299)
Total Comprehensive Income (Loss) for the Year	(62,900,222)	(119,528,468)	(40,714,976)

Source: The company's financial statements for the years ending December 31, 2022G, 2023G and 2024G.

Statement of Cash Flow

Table (8): Statement of Cash Flow

Item (Saudi Riyals)	December 31, 2022G	December 31, 2023G	December 31, 2024G
Net cash available from operating activities	(47,694,931)	(39,769,010)	(26,878,063)
Net cash used in investing activities	17,170,444	35,310,968	58,943,254
Net cash available from financing activities	27,044,766	5,691,880	(24,586,312)

Source: The company's financial statements for the years ending December 31, 2022G, 2023G and 2024G.

Key Performance Indicators

Table (9): Key Performance Indicators

Key Performance Indicators	Financial year ending 31/12/2022G Revised	Financial year ending 31/12/2023G Revised	Financial year ending 31/12/2024G Audited
Gross Profit Margin (Loss)	(43.6%)	(84.2%)	(31.2%)
Net Profit Margin (Loss)	(129.9%)	(229.8%)	(215.3%)
Current Ratio (Times)	1.01	0.44	0.30
Total Assets/Total Liabilities	317.4%	191.6%	173.6%
Total Liabilities to Total Equity	46.0%	109.2%	135.9%
Return on Total Assets	(18.4%)	(49.3%)	(23.0%)
Return on Total Shareholders' Equity	(26.9%)	(103.2%)	(54.3%)

Source: The Company.

Summary of Risk Factors

Investors wishing to subscribe to shares in this offering should carefully study and review all the information contained in this prospectus before making their investment decision regarding subscription or trading in the Preemptive Rights Shares, including, in particular, the Risk Factors detailed in **Section (2) "Risk Factors"** of this Prospectus. There are several risks associated with the Issuance of the Preemptive Rights Shares, which are summarized below:

Risks Related to the Issuer

- Risks related to business continuity.
- Risks related to revenue concentration.
- Risks related to customer concentration.
- Risks related to the downsizing of the Company's activities.
- Risks related to high production costs.
- Risks related to changes in the prices of key raw materials.
- Risks related to reliance on key suppliers and supply chains.
- Risks related to certain customers' non-payment due to dissatisfaction with their supply chain disruptions.
- Risks related to the decline in gross profit.
- Risks related to accumulated losses.
- Risks related to credit.
- Risks related to liquidity.
- Risks related to inventory management.
- Risks related to current liabilities exceeding current assets.
- Risks related to investment properties.
- Risks related to the depreciation and impairment of fixed assets.
- Risks related to the presence of a qualification in the financial statements.
- Risks related to loans.
- Risks related to the pledging of real estate and assets against facilities and loans.
- Risks related to allocating the compensation for Jeddah and Riyadh lands to the State and the government's participation in the capital.
- Risks related to Zakat and Zakat assessments.
- Risks related to changes or amendments in International Financial Reporting Standards (IFRS).
- Risks related to the existence of previous Preemptive Rights Share issuances.
- Risks related to creditors of the Preemptive Rights subscription.
- Risks related to operation and unexpected business shutdowns.
- Risks related to the Company's entry into the date production sector.

- Risks related to the inability to implement the strategy.
- Risks of the share sale agreement and strategic partnership related to Al-Haridah National Aquaculture Company.
- Risks associated with Board members or senior executives participating in businesses competing with the Company.
- Risks related to the Company's reputation.
- Risks related to the outbreak of infectious or malignant diseases, epidemics, or pandemics in general.
- Risks related to the spread of diseases in the Company's projects.
- Risks of employee errors or misconduct.
- Risks of reliance on key personnel and executive management.
- Risks related to reliance on non-Saudi employees.
- Risks of job vacancies and their impact on operational efficiency.
- Risks related to localization requirements.
- Risks related to the adequacy of insurance coverage.
- Risks related to the failure to obtain or renew licenses and certificates.
- Risks related to trademark protection.
- Risks related to litigation and legal claims.
- Risks related to transactions with related parties.
- Risks related to the new Companies Law and the amended Corporate Governance Regulations.
- Risks associated with non-compliance or breach of rules imposed by the Capital Market Authority (CMA).
- Risks related to leased assets.
- Risks related to the deviation in the use of offering proceeds.

Risks Related to the Market and the Sector in Which the Issuer Operates

- Risks related to the economic performance of the Kingdom.
- Risks related to growth opportunities.
- Risks related to the competitive environment.
- Risks related to non-compliance with current regulations and laws and/or the issuance of new regulations and laws.
- Risks related to political and economic instability in the Middle East.
- Risks related to the imposition of new fees or taxes.
- Risks related to the increase in energy and water prices.
- Environment, Safety and Occupational Health.

Risks Related to the Securities Offered

- Risks related to low shareholder awareness of the trading mechanism and the exercise of their rights.
- Risks associated with potential fluctuations in the price of Preemptive Rights.
- Risks related to potential fluctuations in the share price.
- Risks related to the non-profitability or inability to sell Preemptive Rights.
- Risks related to forward-looking statements.
- Risks related to the potential issuance of new shares.
- Risks related to a decline in demand for Preemptive Rights and the Company's shares.
- Risks of dilution of ownership percentages.
- Risks of failure to exercise Preemptive Rights in a timely manner.
- Risks related to dividend distributions to shareholders.
- Risks related to speculation in Preemptive Rights.
- Risks related to the suspension of trading or delisting of the Company's shares due to failure to publish financial statements within the statutory period.

For more information about the risks mentioned above, please refer to section (2) "Risk Factors" of this Prospectus.

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Terms and Definitions

1- Terms and Definitions

Terms	Definitions
"The Company," "SFICO," or "The Issuer"	Saudi Fisheries Company (hereinafter referred to as "SFICO" or the "Company") is a Saudi public joint-stock company established pursuant to Royal Decree No. (M/7) dated 08/05/1400H (corresponding to 25/03/1980G) authorizing its establishment, registered with the Ministry of Commerce under Commercial Registration No. (1010042732) issued in Riyadh dated 22/03/1402H (corresponding to 17/01/1982G). The head office is located in Riyadh – Al Malaz District, Building No. 8705, Riyadh 12641, Kingdom of Saudi Arabia. The Company's current capital is sixty-six million nine hundred eighty-six thousand and forty (66,986,040) Saudi Riyals divided into six million six hundred ninety-eight thousand six hundred and four (6,698,604) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, fully paid (individually referred to as the (Current Share) and collectively as the (Current Shares). As of the date of publishing this Prospectus, the substantial shareholders (who own 5% or more of the Company's shares) is Abdulaziz Abdullah Alhumaid who owns six hundred eighty-four thousand six hundred fifty-one (684,651) shares, representing approximately (10.221%) of the Company's shares before the offering.
Advisors	The company's advisors whose names are shown on **pages (f , g).**
Management	The Saudi Fisheries Company's Management.
Board or Board of Directors	The company's Board of Directors, whose names appear on **page (d).**
Substantial Shareholders	As of the date of this Prospectus, the Company has one substantial shareholder (owning 5% or more of the Company's shares), who is Mr. Abdulaziz Abdullah Alhumaid, owning six hundred eighty-four thousand six hundred fifty-one (684,651) shares, representing approximately (10.221%) of the Company's shares before the offering.
Related Parties	This refers to: 1. The company's affiliates. 2. Substantial shareholders of the company. 3. The company's board members and senior executives. 4. The board members and senior executives of the company's affiliates. 5. The board members and senior executives of the company's substantial shareholders. 6. Any relatives of the persons referred to in (1, 2, 3, 4, or 5) above. 7. Any company controlled by any of the persons referred to in (1, 2, 3, 4, 5, or 6) above. 8. Persons acting in concert with each other and collectively owning (5%) or more of the class of shares to be listed.
Senior Executives	Any natural person who is charged (alone or with others) by the company's administrative body or by a member of the company's administrative body with supervisory and management duties, and who reports to any of the following: (1) the administrative body directly, (2) a member of the administrative body, and (3) the Chief Executive Officer.
Administrative Body	The group of individuals who make the company's strategic decisions, and the board of directors of the joint-stock company is its administrative body.
Bylaws	The Company's Bylaws
Capital Market Authority or CMA	The Capital Market Authority in the Kingdom of Saudi Arabia.
Companies Law	The Companies Law in the Kingdom of Saudi Arabia issued by Royal Decree No. (M/132) dated 01/12/1443H (corresponding to 30/06/2022G) which entered into force on 26/06/1444H (corresponding to 19/01/2023G).
Stock Market	Saudi Exchange Company (Tadawul).

Terms	Definitions
Securities Depository Center Company (Edaa)	It is a closed joint-stock company wholly owned by the Saudi Exchange Company (Tadawul). It was established in 2016G under the Saudi Companies Law issued by Royal Decree No. M/3 dated 28/01/1437H (corresponding to 11/11/2015G).
Founding Shareholders	The company's founding shareholders.
General Assembly	The general assembly which is convened in the presence of the company's shareholders in accordance with the provisions of the Companies Law and the company's bylaws. It may be an ordinary or extraordinary general assembly.
Ordinary General Assembly	The company's general assembly of shareholders.
Extraordinary General Assembly	The company's extraordinary general assembly of shareholders.
Gulf Cooperation Council	The Cooperation Council for the Arab States of the Gulf.
Gross Domestic Product (GDP)	The gross domestic product of the Kingdom of Saudi Arabia is the market value of all final goods and services recognized locally.
Government	The government of the Kingdom of Saudi Arabia.
Corporate Governance Regulations	The Corporate Governance Regulations in the Kingdom of Saudi Arabia issued by the Board of the Capital Market Authority pursuant to Resolution No. (8-16-2017) dated 16/05/1438H (corresponding to 13/02/2017G) based on the Companies Law issued by Royal Decree No. M/3 dated 28/01/1437H (corresponding to 10/11/2015G), as amended by the Board of the Capital Market Authority Resolution No. (8-5-2023) dated 25/06/1444H (corresponding to 18/01/2023G) based on the Companies Law issued by Royal Decree No. (M/132) dated 01/12/1443H (corresponding to 30/06/2022G).
Kingdom or Saudi Arabia	Kingdom of Saudi Arabia.
Rights or Preemptive Rights	These are tradable securities that grant their holder the right to subscribe to new shares upon the approval of the capital increase. This is an acquired right for all registered shareholders, where each right entitles its holder to subscribe to one new share at the offering price. The rights will be deposited after the Extraordinary General Assembly meeting related to the capital increase. These rights will appear in the accounts of registered shareholders under a new symbol specific to the preemptive rights, and registered shareholders will be notified of the deposit of these rights into their portfolios.
Capital Market Law	The Capital Market Law issued by Royal Decree No. M/30 dated 02/06/1424H (corresponding to 31/07/2003G).
Rules for offering securities and continuing obligations	The Rules on the Offer of Securities and Continuing Obligations issued by the Board of the Capital Market Authority pursuant to 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, as amended by the Board of the Capital Market Authority Resolution No. (3-6-2026) dated 30/07/1447H (corresponding to 19/01/2026G).
Listing Rules	The Listing Rules issued by the Saudi Exchange Company (Tadawul) and approved by the Capital Market Authority Board Resolution No. (3-123-2017) dated 09/04/1439H (corresponding to 27/12/2017G), as amended by its Resolution No. (1-46-2026) dated 13/10/1447H (corresponding to 01/04/2026G).
Listing	Listing securities on the main market or - where the context allows - submitting a listing application to the Saudi Exchange Company (Tadawul).
Lead Manager	Musharaka Capital Company
Net Proceeds of the Offering	Proceeds from the offering after deducting offering expenses.
Offering/Subscription Price	10 Saudi Riyals per share.
Shares Offered for Subscription	Thirty-three million four hundred and ninety-three thousand and twenty (33,493,020) ordinary shares.
Right's Indicative Value	The difference between the market value of a company's share during the trading period and the offering price.
Offering Period	The period starting after (3) three business days from the approval of the Extraordinary General Assembly including the approval of the capital increase, from ** **/**/****H (corresponding to **/**/****G) to ****/**/****H (corresponding to **/**/****G).

Terms	Definitions
Rump Offering	Offering any remaining shares not subscribed to by eligible persons from investment institutions by offering them during the Rump Offering Period.
Rump Offering Period	If there are shares that have not been subscribed to after the end of the subscription period ("Rump Shares"), such shares will be offered to a number of institutional investors (referred to as "Investment Institutions") (this offering process is referred to as the "Rump Offering"). Such investment institutions will submit their offers to purchase the Rump Shares, and such offers will be received starting from 10:00 a.m. on ** **/**/****H (corresponding to **/**/****G) until 5:00 p.m. on ** **/**/****H (corresponding to **/**/****G) ("Rump Offering Period"). The Rump Shares will be allocated to the investment institutions with the highest offer, then the lowest, and so on (provided that it is not less than the offering price), provided that the shares are allocated proportionately to the investment institutions that submit the same offer. As for the fractional shares, they will be added to the Rump Shares and treated similarly.
Fiscal Year/Fiscal Years	It is the period of time to present the results of the establishment's activity, the beginning and end of which are specified in the company's Bylaws, noting that the company's fiscal year begins on January 1 and ends on December 31 of each Gregorian year.
Localization	Replacing expatriate workers with Saudi citizens in private sector jobs.
Eligible Persons	All holders of Preemptive Rights, whether they are registered shareholders or those who purchased Preemptive Rights during the trading period.
Registered Shareholders	Shareholders who own shares on the day of the Extraordinary General Assembly meeting for the capital increase and who are registered in the company's shareholder register at the end of trading on the second trading day following the Extraordinary General Assembly meeting.
Person	Normal Person.
Prospectus	This prepared document by the Company regarding the subscription of Preemptive Rights Shares.
Riyal	Saudi Riyal, the official currency of the Kingdom of Saudi Arabia.
Functional Currency	Saudi Riyal in which the consolidated financial statements are presented.
Shareholder	The owner or holder of shares as of any given time.
Al Wasatah Al Maliah Company or Wasatah Capital	Al Wasatah Al Maliah Company is a closed joint stock Saudi company licensed by the Capital Market Authority with license number (08125-37), Which allows it to deal as a principal and undertake to underwriting, manage, arrange and maintain securities.
Brokers	They are market institutions licensed by the Capital Market Authority to engage in securities trading as an agent.
Institutional Investors	It includes a group of institutions, which are as follows: 1. Government entities and government-owned companies, directly or through a private portfolio manager, or any international body recognized by the Authority, or the market, or any other financial market recognized by the Authority, or the Depository Center. 2. Public investment funds established in the Kingdom that are offered for public offering, in addition to private funds that invest in securities listed on the Saudi Exchange if the terms and conditions of the fund allow it to do so, while adhering to the provisions and restrictions stipulated in the Investment Funds Regulations. 3. Persons licensed to deal in securities as principal, while adhering to financial adequacy requirements. 4. Clients of a person licensed to practice management business, provided that such licensed person has been appointed on terms that enable him to make decisions regarding acceptance of participation in the offering and investment in the Saudi Exchange on behalf of the client without the need to obtain prior approval from him. 5. Any other legal persons may open an investment account in the Kingdom and an account with the Depository Center, taking into account the controls for investment by listed companies in securities, provided that the company's participation does not lead to any conflict of interest. 6. Gulf investors with legal personality, including companies and funds established In the Gulf Cooperation Council countries.

Terms	Definitions
Saudi Organization for Chartered and Professional Accountants (SOCPA)	The Saudi Organization for Chartered and Professional Accountants in the Kingdom of Saudi Arabia, formerly the Saudi Organization for Certified Public Accountants. It is a professional authority that through its available knowledge and skills, leads and supervises the accounting and auditing profession in the Kingdom of Saudi Arabia, with the aim of improving and developing its practice, advancing it, monitoring the quality of its performance, raising awareness of its rules and behaviors, and enhancing its participation in serving the national economy and society. It also works with all possible efforts to develop and support individuals, institutions, and various groups related to commercial work to increase confidence and transparency in financial statements and protect investors and users of financial statements.
International Financial Reporting Standards (IFRS)	A set of accounting standards and their interpretations issued by the International Accounting Standards Board.
Saudi Food and Drug Authority	The Saudi Food and Drug Authority in the Kingdom of Saudi Arabia.
General Organization for Social Insurance	The General Organization for Social Insurance in the Kingdom of Saudi Arabia.
Ministry of Municipal and Rural Affairs	Ministry of Municipal and Rural Affairs in the Kingdom of Saudi Arabia.
Ministry of Commerce	Ministry of Commerce in the Kingdom of Saudi Arabia (the name “Ministry of Commerce and Investment” has been changed to “Ministry of Commerce”).
Ministry of Environment, Water and Agriculture	Ministry of Environment, Water and Agriculture in the Kingdom of Saudi Arabia.
Subscriber	Any person who subscribes to shares offered for subscription.
Tadawul	Automated system for buying and selling Saudi stocks.
Zakat, Tax and Customs Authority	It is one of the government agencies that is organizationally linked to the Minister of Finance, and it is the agency entrusted with the work of collecting Zakat and collecting taxes.
Value Added Tax (VAT)	The Council of Ministers approved the Unified Agreement for Value Added Tax (VAT) for the Cooperation Council for the Arab States of the Gulf on 02/05/1438H, which came into effect on January 1, 2018G, as a new tax added to the system of other taxes and fees applicable to specific sectors in the Kingdom and the Cooperation Council for the Arab States of the Gulf. The VAT rate was initially set at (5%). However, the Government of Saudi Arabia decided to increase the VAT rate from 5% to 15%, effective July 2020G. Certain products were exempted from VAT, including (basic food items and services related to healthcare and education).
Underwriter	Al Wasatah Al Maliah Company (Wasatah Capital).
Underwriting Agreement	Underwriting agreement between the company and the underwriter.
Capital	The balance shown as a separate item within shareholders' equity in the statement of financial position.
Litigation	Resorting to courts or judicial and quasi-judicial committees to reach a settlement of a dispute.
Rules governing foreign investment in securities	These are the rules regulating investment in securities by non-Saudi persons residing outside the Kingdom, issued by the Board of the Capital Market Authority pursuant to Resolution No. (2-26-2023) dated 05/09/1444H (corresponding to 27/03/2023G) based on the Capital Market Law issued by Royal Decree No. M/30 dated 02/06/1424H, as amended by the Capital Market Authority Board Resolution No. (1-2-2026) dated 16/07/1447H (corresponding to 05/01/2026G).
Day or business day	Any business day, excluding Friday and Saturday, and any day that is an official holiday in the Kingdom of Saudi Arabia, or any day on which banking institutions close their doors for work in accordance with applicable regulations and other government procedures.
Calendar day	Any day, whether it's a business day or not.
H	Hijri calendar
G	Gregorian calendar

Terms	Definitions
Execution law	The Execution law issued by Royal Decree No. (M/53) dated 13/08/1433H (corresponding to 03/07/2012G) and any amendments thereto.
Agricultural Development Fund	It is a government credit institution specializing in financing agricultural activities in all regions of the Kingdom of Saudi Arabia.
Industrial Development Fund	It is a government financial institution aimed at supporting the private sector in various industrial fields, and financing and developing the industrial sector in cooperation with government agencies in the Kingdom of Saudi Arabia.
Aquaculture farm	It is the cultivation of aquatic organisms (plants and animals) on farms instead of harvesting them from their natural environment.
Cultivation	Raising fish of various types, whether saltwater or freshwater fish, which are used as food for humans, under controlled conditions and under human control, and in specific areas, whether earthen or concrete ponds or cages, with the intention of developing fish production.
Hatcheries	A fishery project located on a specific piece of land, which has a permanent source of water suitable for the life and reproduction of specific types of fish, and also has the environmental needs and components necessary to complete the hatching process, incubation of fertilized eggs, and care for mothers, under the control of an organized human management, with the aim of achieving economic and social benefits.
Incubators	Special ponds for raising larvae, broodstock, and shrimp.
ISO certification	It is the proof of the application of a quality assurance system in the organization, institution, or association that has obtained it.
Franchise	The company gives entrepreneurs the opportunity to obtain a franchise for the (SFICO) brand, according to controls and conditions that ensure the maintenance of the targeted quality level.
Vannamei shrimp larvae PL 13 (10,000 pieces)	Shrimp larvae, 13 days old after metamorphosis, ready for rearing, are used to start the shrimp production cycle.
Barramundi fish fingerlings 0.1 to 1.0 grams	Young barramundi fish in an early stage of growth are used for breeding in freshwater or saltwater systems.
Barramundi fish fingerlings, average weight 2.0 grams (local)	Small barramundi fish weighing 2 grams are used to start the breeding cycle until they grow to market size.
Shrimp feed - starter	Feed specifically formulated for shrimp larvae and young shrimp in the early stages of growth, containing micronutrients that promote growth and survival at the beginning of the breeding cycle.
Shrimp feed - for growth	Feed designed for shrimp in the post-starter growth stage, providing the nutrients necessary to accelerate growth and improve feed conversion up to the harvest stage.
Marine fish feed	Balanced feed specifically formulated for marine fish species, containing proteins, oils and amino acids that meet their nutritional needs and promote growth and health in saline rearing environments.
Frozen single-shell sea shrimp, 30% dehydrated, 16/20	Individually peeled and frozen marine shrimp, 30% dehydrated, 16 to 20 pieces per pound, used for direct consumption or food processing.
Frozen single-shell sea shrimp, 30% dehydrated, 31/40	Individually peeled and frozen sea shrimp, 30% dehydrated, 31–40 pieces per pound, ready for cooking or food processing.
Frozen individual headless farm shrimp 50/60	Frozen, individually frozen, headless shrimp, 50–60 pieces per pound, used for commercial cooking and processing.
Frozen individual headless farm shrimp 40/50	Individually frozen, headless farmed shrimp, 40–50 pieces per pound, ready for use in cooking or food processing.
Frozen individual headless farm shrimp 60/70	Headless, individually frozen farmed shrimp, 60–70 pieces per pound, used in various food applications and direct cooking.
Frozen individual headless farm shrimp 30/40	Individually frozen, headless farmed shrimp, 30–40 pieces per pound, are larger in size and used in cooking and high-quality seafood.

Terms	Definitions
Frozen individual headless farm shrimp 20/30	Large farmed shrimp, headless and individually frozen, 20–30 pieces per pound, so that they are presented to the end consumer in a luxuriously packaged and canned form.
Frozen shrimp with head 21/30	It is a product of whole shrimp (with head) that is frozen to preserve its quality, and the number 21/30 indicates the size of the shrimp so that one kilogram contains approximately 21 to 30 shrimp.
Frozen shrimp with heads 50/60	It is a whole shrimp with the head that is frozen to preserve its quality. The number 50/60 refers to the size of the shrimp, meaning that one kilogram contains approximately 50 to 60 shrimp, which means that the shrimp here are smaller in size compared to sizes such as 21/30.
Salmon with head and cleaned (fresh)	It is a whole salmon sold fresh with the head, but the internal organs have been removed and it has been cleaned to be ready for cooking or cutting as needed.
Sea bass (local sea bass) (fresh)	It is sea bass, known locally as sea bass, sold fresh (not frozen), and caught from local waters.
Sea bream (fresh)	It is a sea bream sold fresh (not frozen), and is characterized by its firm, white flesh.
Ankor Quail (fresh)	The grouper family, without pale speckles, sold fresh (not frozen), is a type of delicious and nutritious marine fish.
Grouper (fresh)	It is the grouper fish, sold fresh (not frozen), and is considered one of the distinctive fish in the Arabian Gulf, characterized by its soft white flesh.
Kingfish (fresh)	Kingfish is sold fresh (not frozen), and is a popular fish in the Arabian Gulf. It is characterized by its red flesh, low fat, and strong taste.
Pigeon (fresh)	It is a type of small to medium-sized marine fish, characterized by soft white flesh with little fat, sold fresh and not frozen.
Swarthy Parrotfish	It is a type of marine fish that is black or dark in color, characterized by firm white flesh, and is sold fresh and not frozen.

2

Risk Factors

2- Risk Factors

In addition to the other information contained in this Prospectus, any person wishing to invest in the shares offered for subscription must carefully study all the information contained in this Prospectus, including the risk factors set forth below in this section, before making a decision to purchase the offering shares. It should be noted that the risks described below may not include all the risks that the Company may face; there may be additional risks currently unknown to the Company, or which the Company may deem immaterial, or that may not hinder its operations. The Company's business, financial position, results of operations, cash flows, and future prospects could be adversely and materially affected if any of the risk factors referred to below occur or materialize. The members of the Company's Board of Directors declare that, to the best of their knowledge and belief, there are no other material risks - the omission of which might affect the decision of shareholders and potential investors - known to them as of the date of this Prospectus other than what has been disclosed in this section. Investment in the offered shares is suitable only for investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss that may result therefrom. Any potential investor who has doubts about the investment decision in the Company should seek appropriate advice regarding the investment in the offered shares from a financial advisor licensed by the Capital Market Authority. If any of the risk factors that the Company currently believes to be significant occur or materialize, or if any other risks that the Company has not been able to identify or currently deems immaterial occur, this could lead to a decline in the market price of the shares, and the potential investor could lose all or part of their investment in these shares. The risks set forth below are listed in an order that does not reflect their importance, and additional risks that are unknown or currently deemed immaterial may have the effects described in this Prospectus.

2-1 Risks Related to the Issuer

2-1-1 Risks related to business continuity

The company's operations during the historical period depended on retail sales through its own retail outlets, in addition to wholesale sales to customers through cultivation or purchasing from external suppliers.

Regarding retail sales:

During fiscal year 2022G, the company closed several retail outlets to focus on wholesale sales due to declining profitability in retail. This decline in profitability was attributed to:

- Increased overhead and staffing costs in retail stores and restaurants,
- Online order sales were at a lower margin due to the 20%-25% fees charged by delivery partners/apps.
- The decline in foot traffic at retail outlets is due to customers' preference for placing orders online with delivery partners.

This resulted in a decrease in average sales per retail outlet from 1.4 million Saudi Riyals in fiscal year 2022G to 0.9 million Saudi Riyals in fiscal year 2023G, followed by an increase to 1.2 million Saudi Riyals in fiscal year 2024G, and then a decrease to 0.42 million Saudi Riyals in the six-month period ending June 30, 2025G.

Based on the above, the company's management decided to close 20 retail branches as of the date of this Prospectus. The company closed 5 branches during 2022G, 9 during 2023G, 1 during 2024G, and 5 during 2025G, bringing the total number of closed branches to 20.

As of the date of this Prospectus, the company has no active retail branches due to operating losses, pending a review of the situation after the reactivation of the aquaculture farms in the new partnership with Sara National Trading Company **(for further details please refer to Section (9) "Legal Information", Paragraph (9.7.5) "Other Material Contracts Related to the Group's Activity").**

Regarding wholesale sales and farming:

In the second half of 2021G, the Company decided to shift from relying on external sources (suppliers) to local aquaculture and harvesting through the Company's fish farms. This strategic decision to farm and harvest fish internally also contributed to an increase in the cost of revenues, reaching 67.8 million Saudi Riyals in the 2022G fiscal year compared to 42.8 million Saudi Riyals in the 2021G fiscal year, representing an increase of (59%) of the total cost of revenues. This increase led to higher operating costs in the short term, including an increase in labor costs from 7.7 million Saudi Riyals to 20.6 million Saudi Riyals, representing an increase of (167%) of total operating costs; equipment rental from 0.94 million Saudi Riyals to 2.51 million Saudi Riyals, representing an increase of (167%) of total operating costs; maintenance expenses from 1.3 million Saudi Riyals to 2.7 million Saudi Riyals, representing an increase of (79%) of total operating costs; and electricity and other utility costs from 2.6 million Saudi Riyals to 4.5 million Saudi Riyals, representing an increase of (70%) of total operating costs in the 2022G fiscal year compared to the 2021G fiscal year. Additionally, vacancies in key personnel positions, such as the Aquaculture Manager, have affected the efficiency of its aquaculture production. The Company was able to partially control the rise in the cost of revenues during the 2023G fiscal year, as costs decreased from 67.8 million Saudi Riyals in the 2022G fiscal year to 62.4 million Saudi Riyals in the 2023G fiscal year; however, the Company still incurred total operating losses amounting to 107.9 million Saudi Riyals in the 2023G fiscal year.

As a result, in the second half of 2024G, the Company decided to suspend its fish and shrimp aquaculture activities. Wholesale operations were also halted due to the cessation of aquaculture activities. This suspension affected the Company's revenues, which decreased from 52.2 million Saudi Riyals in the 2023G fiscal year to 19.0 million Saudi Riyals in the 2024G fiscal year, representing a decrease of 63.6% **(for more details, please refer to subsection (5.8.1) “Sales” of Section (5) “Financial Information and Management’s Discussion and Analysis”).** The Company is now focusing solely on generating revenue from retail sales through its remaining five stores in the second half of the 2024G fiscal year. The following table illustrates the details of retail and wholesale sales revenues during the fiscal years ended December 31, 2022G, 2023G, and 2024G, and the six-month period ended June 30, 2025G:

Table (10): Retail and Wholesale Sales Revenue

Item (Millions of Saudi Riyals)	2022G	2023G	2024G	June 30, 2025G
Retail sales	23.3	12.1	6.1	2.1
Wholesale sales	25.5	40.1	12.9	0
Total	**48.8**	**52.2**	**19.0**	**2.1**

Source: Company Management

It is worth noting that the cessation of farming operations as well as wholesale sales has led to the company incurring additional losses resulting from unutilized assets (idle costs).

Idle (unutilized) farm costs amounted to 7.8 million Saudi Riyals and 4.4 million Saudi Riyals during the second half of 2024G and the first half of 2025G, respectively, representing 45.4% and 40.8% of the Company’s total operating loss during the same periods, respectively. The following table illustrates the details of the Company’s idle (unutilized) costs during the second half of 2024G and the first half of 2025G:

Table (11): Idle (Unutilized) Farm Costs

Millions of Saudi Riyals	Second half of 2024G	First half of 2025G
Depreciation of property, plant, and equipment	4.3	3.4
Salaries and wages	2.7	0.5
Electricity and other utility expenses	0.3	0.2
Depreciation of the right of use asset	0.2	0.2
Rent	0.2	0.0
Total costs of the idle (unutilized) farm	**7.8**	**4.4**

Source: Company Management

The cessation of the Company's main operational activities, namely fish aquaculture and wholesale sales, in addition to the suspension of the retail branch network, has led to exacerbated operating losses and the incurrence of idle costs resulting from unutilized assets. In light of these developments, the Company faces significant challenges regarding its ability to restore its main activities or achieve operational levels that would enable it to halt the ongoing losses. Should this situation persist without effective and sustainable solutions, it may threaten the Company's ability to continue as a going concern, adversely affecting its financial position, profitability, and its capacity to achieve future growth. This, in turn, may negatively impact the Company's activities, profitability, results of operations, and future prospects.

2-1-2 Risks related to revenue concentration

The Company conducts its activities in accordance with applicable regulations and after obtaining the necessary licenses from the competent authorities, if any. The Company's current activity consists of the retail sale of fish and other seafood and their products, in addition to full-service restaurants.

The Company's revenues from shrimp products represented (49%), (62%), and (55%) of the total revenues during the fiscal years ended December 31, 2022G, 2023G, and 2024G, respectively. The following table illustrates the details of the Company's revenues by product type and their percentage of total sales for the fiscal years ended December 31, 2022G, 2023G, and 2024G:

Table (12): Details of the company's revenue by product type and its percentage of total sales.

Product	2022G		2023G		2024G		June 30, 2025G	
	Value Saudi Riyals	Percentage of total sales	Value Saudi Riyals	Percentage of total sales	Value Saudi Riyals	Percentage of total sales	Value Saudi Riyals	Percentage of total sales
Fish	10,840,891	22%	13,627,018	26%	5,148,438	27%	683,800	32%
Meals*	14,288,879	29%	6,073,412	12%	3,453,952	18%	1,350,091	64%
Shrimp	23,685,746	49%	32,507,649	62%	10,440,179	55%	77,819	4%
Total	**48,815,516**	**100%**	**52,208,079**	**100%**	**19,042,570**	**100%**	**2,111,710**	**100%**

Source: Company Management

*The company's meal product refers to ready-to-eat or ready-to-cook seafood meals prepared using fish and shrimp. This product is sold through retail stores, online platforms, and delivery services.

It should be noted that during the 2022G fiscal year, the Company closed several retail outlets to focus on wholesale sales due to low profitability in the retail sector. Additionally, the Company decided to shift from relying on external sources (suppliers) to internal aquaculture and harvesting through its fish farms. This decision contributed to an increase in the cost of revenues, resulting in higher short-term operating costs, including increased labor, equipment, and maintenance costs associated with internal production. Furthermore, vacancies in key positions, such as the Aquaculture Manager, impacted the efficiency of its aquaculture production. Consequently, in the second half of 2024G, the Company decided to suspend its fish and shrimp aquaculture activities, and wholesale operations were halted due to the cessation of aquaculture activities. This led to a significant decrease in total revenues during the second half of the 2024G fiscal year, as the Company focuses solely on generating revenue from retail sales through its remaining five stores as of the second half of the 2024G fiscal year **(for further details, please refer to sub-paragraph (2.1.1) "Risks related to business continuity" of this section).**

As of the date of this prospectus, the company has no active retail branches, as the company has closed them pending a review of the situation following the reactivation of the aquaculture farms in the new partnership with Sara National Trading Company **(for further details, please refer to Section (9) "Legal Information", Paragraph (9.7.5) "Other Material Contracts Related to the Group's Activity"** and **subparagraph (2.1.1) "Risks related to business continuity" of this section).**

In the event of any adverse occurrence affecting the products or their prices, whether locally or globally, or any change resulting from fluctuations in supply and demand or competition for these products or a change in the company's future plans, this will impact the Company's revenues. Such impact would reflect negatively and materially on the Company's business, results of operations, financial position, and future prospects.

2-1-3 Risks related to customer concentration

Wholesale sales from the Company's largest customer represented 8.0%, 23.6%, and 30.6% of total sales during the fiscal years ended December 31, 2022G, 2023G, and 2024G, respectively. The Company signed an agreement to supply fresh fish and shrimp to the auction market in the 2023G fiscal year; accordingly, the largest customer's share of wholesale sales reached 23.6% and 30.6%, representing 12.3 million Saudi Riyals and 5.8 million Saudi Riyals of total sales during the fiscal years ended December 31, 2023G and 2024G, respectively. It is worth noting that the Company suspended its wholesale operations in the second half of 2024G, which led to a decrease in total revenues from 15.7 million Saudi Riyals during the first half of 2024G to 3.3 million Saudi Riyals during the second half of 2024G **(for more details, please refer to sub-paragraph (2.1.1) "Risks related to business continuity" of this section).**

Wholesale sales from the Company's top five key clients represented 28.1%, 46.8%, and 51.8% of total sales during the fiscal years 2022G, 2023G, and 2024G, respectively.

The following table shows the wholesale sales value of the company's top five clients and their percentage of total sales during the fiscal years ending December 31, 2022G, 2023G and 2024G:

Table (13): Wholesale sales value of the company's top five clients and their percentage of total sales

Client*	Product type	2022G		2023G		2024G	
		Value Millions of Saudi Riyals	Percentage of total sales	Value Millions of Saudi Riyals	Percentage of total sales	Value Millions of Saudi Riyals	Percentage of total sales
1	Fish and shrimp	3.9	8.0%	12.3	23.6%	5.8	30.5%
2	Fish and shrimp	3.1	6.4%	5.0	9.6%	2.6	13.7%
3	Fish and shrimp	2.3	4.7%	3.1	5.9%	0.5	2.6%
4	Fish and shrimp	2.2	4.5%	2.0	3.8%	0.5	2.6%
5	Fish and shrimp	2.1	4.3%	1.9	3.6%	0.5	2.6%
	Total	**13.7**	**28.1%**	**24.4**	**46.8%**	**9.9**	**51.8%**

Source: Company Management

*It should be noted that the company did not achieve any wholesale sales during the six-month period ending on June 30, 2025G, as a result of the cessation of activity and the continuation of retail sales only.

It is worth noting that the company stopped wholesale operations in the second half of 2024G and the suspension is still ongoing to this day. Therefore, the company may not be able to regain its clients once it decides to resume its main aquaculture activity, which will negatively and substantially affect the company's profitability, business, financial position, operating results and future expectations.

2-1-4 Risks related to the downsizing of the Company's activities

Following the suspension of aquaculture and wholesale activities during the second half of 2024G, the company became entirely dependent on retail revenues, which were also recently suspended pending a reassessment of its operational strategy and a study on restarting aquaculture farms in partnership with Sara National Trading Company. **(For further details, please refer to Section (9) "Legal Information," Paragraph (9.7.5) "Other Material Contracts Related to the Group's Activity")**. This change represents a substantial reduction in core operating activities that previously constituted the largest share of the company's revenues, representing (47.7%), (23.2%), and (32.1%) of total revenues for the fiscal years ending December 31, 2022G, 2023G, and 2024G, respectively.

Reliance on retail sales, in light of the high associated operating costs and intense competition from electronic delivery platforms that reduce profit margins, increases the risks related to the Company's ability to generate sufficient cash flows to cover its operating expenses and meet its financial obligations.

The company's management closed all 20 retail branches during the fiscal years 2022G, 2023G, 2024G and 2025G, with 5 branches closed during 2022G, 9 branches during 2023G, one branch during 2024G and 5 branches during 2025G.

As of the date of this prospectus, the company has no active retail branches.

It should be noted that the company is currently not engaged in any actual operational activities, having suspended its fish farming and wholesale sales activities during the second half of 2024G. It has also closed all (20) of its retail branches pending a reassessment of its operational strategy and a study on restarting its aquaculture farms in a new partnership with Sara National Trading Company, This increases its dependence on available funding sources or cash resources, and may put additional pressure on liquidity to cover its operating expenses and meet its financial obligations on their due dates. If the Company is unable to proceed with its future projects or if the Company is unable to implement its future plans to enter the dates and logistics sector, or if the expected returns from these plans are not realized **(for more details, please refer to Section (6) "Use of the Offering Proceeds and Future Projects", subsection (6.2) "Investment in the Establishment of a Date Factory and Related Logistics Services")**, This could lead to increased financial losses and a depletion of the company's resources. This poses a material threat to the Company's ability to continue as a going concern and negatively impacts its results of operations, financial position, and future prospects.

2-1-5 Risks related to high production costs

The company's performance depends on its ability to maintain profitability by setting prices for its products and its ability to absorb any increase in costs related to the products offered to its customers by increasing the relevant prices in proportion to the increase in costs.

The following table shows the development of gross profit (loss) during the financial years ending December 31, 2022G, 2023G, and 2024G, and the six-month period ending June 30, 2025G:

Table (14): Development of gross profit (loss)

Item	2022G	2023G	2024G	June 30, 2025G
Sales	48,815,516	52,208,079	19,042,570	1,050,070
Cost of Sales	(66,487,445)	(62,395,066)	(24,162,285)	(517,794)
Loss of Vital Assets at Fair Value	(33,775,340)	(33,775,340)	(827,768)	-
Gross Profit (Loss)	**(21,263,931)**	**(43,962,327)**	**(5,947,483)**	**532,276**
Cost of Sales to Sales Ratio	**136.2%**	**119.5%**	**126.9%**	**49.3%**

Source: The company's financial statements for the years ended December 31, 2022G, 2023G and 2024G and the condensed interim financial statements for the six-month period ended June 30, 2025G.

The Company incurred a gross loss as a result of the high cost of sales compared to total realized sales, as illustrated in the table above, where the cost of sales exceeded the value of sales by 136.2%, 119.5%, 126.9%, and 49.3% during the fiscal years 2022G, 2023G, 2024G, and the six-month period ended June 30, 2025G, respectively. This has led to a liquidity shortage for the Company and affected its ability to meet its immediate obligations. Additionally, the Company faces losses in biological assets at fair value, resulting from the impairment of biological assets (aquatic organisms) recorded in the Company's financial statements. This decrease is measured by comparing the fair value (the price at which the asset can be sold in the market) with the carrying amount (the costs incurred on these assets). These losses also reflect the high production costs incurred by the Company compared to the market value of the Company's products **(for more details, please refer to subsection (2.1.9) "Risks related to the decline in gross profit" of this section).**

The Company may not be in a position to increase its product prices to keep pace with any increase in costs, as prices generally depend on market conditions and the Company's pricing strategy. On the other hand, the Company does not have the ability to fully control its costs, as they may be affected by several factors such as economic conditions, the regulatory environment, and other factors including, but not limited to, increases in utility costs, labor costs, and the costs of contracts entered into by the Company with service providers. In the event that these costs rise and the Company is unable to raise the prices of its services or products to keep pace with such increases, this will have a material adverse effect on the Company's business, results of operations, financial position, and future prospects.

2-1-6 Risks related to changes in the prices of key raw materials

The Company conducts its activities in accordance with applicable regulations and after obtaining the necessary licenses from the competent authorities, if any. The Company's current activity consists of the retail sale of fish and other seafood and their products, in addition to full-service restaurants. It is worth noting that the Company suspended its wholesale operations in the second half of 2024G, which led to a decrease in revenues from 15.7 million Saudi Riyals in the first half of 2024G to 3.3 million Saudi Riyals in the second half of 2024G. The company management also closed all 20 retail branches during the fiscal years 2022G, 2023G, 2024G and 2025G, with 5 branches closed during 2022G, 9 branches during 2023G, one branch during 2024G and 5 branches during 2025G. **(for more details, please refer to sub-paragraph (2.1.1) "Risks related to business continuity" of this section).**

As of the date of this prospectus, there are no active retail branches, pending a reassessment of its operational strategy and a study on restarting the aquaculture farms in the new partnership with Sara National Trading Company. **(For further details, please refer to Section (9) "Legal Information", Paragraph (9.7.5) "Other Material Contracts Related to the Group's Activity").**

The Company relies on certain key raw materials, such as polystyrene boxes, larvae, ice, and feed. The following table illustrates the Company's key raw materials and the change in their prices for the fiscal years ended December 31, 2022G, 2023G, and 2024G, and the six-month periods ended June 30, 2024G, and 2025G:

Table (15): Changes in the prices of key raw materials

Materials	Weighted average price of key raw materials (Saudi Riyals)							
	2022G	2023G	Percentage change during 2023G compared to 2022G	2024G	Percentage change during 2023G compared to 2024G	June 30, 2024G	June 30, 2025G	Percentage change during the period 30 June 2024G compared to the period 30 June 2025G
Vannamei shrimp larvae PL 13 (10,000 pieces)	271.60	260.38	(4.13%)	-	-	-	-	-
Barramundi fish fingerlings 0.1 to 1.0 grams/unit	1.39	-	-	-	-	-	-	-
Barramundi fish fingerlings, average weight 2.0 grams (local)/unit	-	2.90	-	-	-	-	-	-
Shrimp feed – starter/kg	3.95	6.00	51.90%	-	-	-	-	-

Materials	Weighted average price of key raw materials (Saudi Riyals)							
	2022G	2023G	Percentage change during 2023G compared to 2022G	2024G	Percentage change during 2023G compared to 2024G	June 30, 2024G	June 30, 2025G	Percentage change during the period 30 June 2024G compared to the period 30 June 2025G
Shrimp feed - for growth/kg	5.30	5.20	(1.89%)	-	-	-	-	-
Marine fish feed/kg	4.90	4.90	0.00%	5.40	10.20%	5.40	-	-
Frozen single-shell sea shrimp, 30% dehydrated, 16/20/kg	-	31.12	-	-	-	-	-	-
Frozen single-shell sea shrimp, 30% dehydrated, 31/40/kg	-	26.00	-	-	-	-	-	-
Frozen individual headless farm shrimp 50/60/kg	-	19.85	-	19.85	0.00%	19.85	-	-
Frozen individual headless farm shrimp 40/50/kg	-	21.70	-	21.70	0.00%	21.70	-	-
Frozen individual headless farm shrimp 60/70/kg	-	18.53	-	18.53	0.00%	18.53	-	-
Frozen individual headless farm shrimp 30/40/kg	-	28.15	-	28.15	0.00%	28.15	-	-
Frozen individual headless farm shrimp 20/30/kg	-	39.15	-	39.15	0.00%	39.15	-	-
Frozen shrimp with head 21/30/kg	-	-	-	-	-	-	46	-
Frozen shrimp with heads 50/60/kg	-	-	-	-	-	-	30	-
Salmon with head and cleaned (fresh)/kg	21.5	-	-	37	-	50.5	45.3	(10.30%)
Sea bass (local sea bass) (fresh)/kg	20	-	-	21	-	18.5	23	24.32%
Sea bream (fresh)/kg	32	-	-	31	-	31	33	6.45%
Ankor Quail (fresh)/kg	21	27	29%	25	(7.41%)	23.7	28	18.14%
Grouper (fresh)/kg	59	73	24%	62	(15.07%)	44.12	53.5	21.26%
Kingfish (fresh)/kg	40	48	20%	56	16.67%	41.8	50.8	21.53%
Pigeon (fresh)/kg	27	18	(33%)	21	16.67%	22.2	21.3	(4.05%)
Swarthy Parrotfish/kg	30	23	(23%)	37	60.87%	22.05	26.3	19.27%

Source: Company Management

The Company purchases various other raw materials such as fresh fish, shrimp (local or imported), shrimp feed, processing materials, and others. Accordingly, the prices of key raw materials are volatile; for instance, the prices of (marine fish feed) increased by 10.2% during 2024G compared to 2023G. Consequently, when raw material prices increase - especially if the Company is unable to cover such increases by reducing other operating costs or raising the selling prices of its products in the future - this may result in lower profits or losses and negative operating cash flows. This would weaken the Company's ability to expand and increase sales, which will affect the Company's revenues and profitability and reflect negatively and materially on its business, results of operations, financial position, and future prospects.

2-1-7 Risks related to reliance on key suppliers and supply chains

The Company relies on a specific base of suppliers for the purchase of raw materials. Purchases from the Company's top 5 suppliers combined represented (52%), (65%), (87%), and (89%) of the Company's total purchases for the fiscal years ended December 31, 2022G, 2023G, and 2024G, and the six-month period ended June 30, 2025G, respectively.

Purchases from external suppliers consist of: purchasing feed, purchasing shrimp larvae, and purchasing frozen and fresh fish products to supplement internal production and meet market demand. It should be noted that the Company used to import shrimp and fish products from both Gulf and international suppliers, whereas it changed its supply chain following its decision to produce these products locally in the fiscal year 2022G.

- The Company has become increasingly dependent on supplies from a key supplier that was a (related party) to the Saudi Fisheries Company, Whereas the CEO of NAQUA Company, Ahmad Rasheed Mohammad AlBallaa, was a member of the Board of Directors of the Saudi Fisheries Company for the term that began on 10/04/1445H (corresponding to 25/10/2023G) and ended on 13/05/1448H (corresponding to 24/10/2026G). On 30/02/1446H (corresponding to 03/09/2024G), the company's Board of Directors decided to accept the resignation of member Ahmad Rasheed Mohammad AlBallaa from his position as a member of the Board of Directors. On 24/12/1445H (corresponding to 30/06/2024G), the Extraordinary General Assembly approved the business and contracts executed between the Company and its key supplier **(for more details, please refer to subsection (2.1.42) "Risks related to transactions with related parties" of this section,** and **subsection (9.7.2) "Agreements and Transactions with Related Parties" of Section (9) "Legal Information").**
- Total purchases from the key supplier amounted to 14% of purchases in fiscal year 2022G, 49% in fiscal year 2023G and 66% in fiscal year 2024G.

The following table details the company's top 5 suppliers as of the fiscal years ending December 31, 2022G, 2023G, 2024G, and the six-month period ending June 30, 2025G:

Table (16): Details of the company's top 5 suppliers

Year	Supplier	Product type	Value Millions of Saudi Riyals	Percentage of total purchases
2022G	Supplier 1	Feed	7.4	17%
	Supplier 2	Feed and shrimp	6.0	14%
	Supplier 3	Feed	5.0	11%
	Supplier 4	Fish	2.6	6%
	Supplier 5	Fish fingerlings	1.8	4%
	Other suppliers		21.3	48%
	Total		**44.1**	**100%**
2023G	Supplier 1	Feed and shrimp	22.9	49%
	Supplier 2	Feed	3.1	7%
	Supplier 3	Fish	1.8	4%
	Supplier 4	Peeled shrimp	1.3	3%
	Supplier 5	Storage facilities	1.1	2%
	Other suppliers		16.1	35%
	Total		**46.4**	**100%**

Year	Supplier	Product type	Value Millions of Saudi Riyals	Percentage of total purchases
2024G	Supplier 1	Feed and shrimp	7.0	66%
	Supplier 2	Fish	0.9	8%
	Supplier 3	Fish	0.5	5%
	Supplier 4	Fish	0.4	4%
	Supplier 5	Fish	0.4	4%
	Other suppliers		1.4	13%
	Total		**10.6**	**100%**
June 30, 2025G	Supplier 1	Fish	0.86	58%
	Supplier 2	Frozen shrimp	0.20	13%
	Supplier 3	Fish	0.14	9%
	Supplier 4	Fish	0.09	6%
	Supplier 5	License fees	0.04	3%
	Other suppliers		0.16	11%
	Total		**1.48**	**100%**

Source: Company Management

The Company's current suppliers may experience business disruptions, such as exposure to climatic conditions or interruptions due to force majeure events, including but not limited to the outbreak of epidemics. In the event of any change in the quality of the supplied materials, a strain in the relationship between the supplier and the Company, a change in supply terms, an impact on supply chains, or any change in import and export laws and regulations, this will have a material adverse effect on the Company's business, results of operations, financial position, and future prospects.

2-1-8 Risks related to certain customers' non-payment due to dissatisfaction with their supply chain disruptions

The company suspended its fish farming and wholesale activities during the second half of 2024G. Consequently, the company relied entirely on retail sales revenue, which were recently suspended pending a reassessment of the situation after the reactivation of the fish farms in the new partnership with Sara National Trading Company (**for further details, please refer to Section (9) "Legal Information", Paragraph (9.7.5) "Other Material Contracts Related to the Group's Activity"**). This significant shift in operational activity resulted in some customers being unable to obtain products or services according to the usual schedules, leading to some customers defaulting on their payments.

The Company's total accounts receivable that have been past due for more than 90 days amounted to 8.6 million Saudi Riyals, representing 97% of the total accounts receivable, which reflects a material delay in cash collection.

Accordingly, the continuation of this situation represents a material risk to the Company, as the failure to collect these receivables in a timely manner may lead to:

- A direct impact on the company's cash flow, which may limit its ability to finance day-to-day operations.
- Increased risks associated with liquidity and meeting future financial obligations.
- A potential negative impact on the company's overall financial position and future operating results, especially if it continues to rely on retail activity as the sole source of revenue without achieving full collection of outstanding receivables.

Therefore, the company's management of collection and liquidity risks is a crucial factor in ensuring the continuity of operations and achieving its future financial objectives. The company needs to take effective measures to enhance receivables collection and manage supply chain risks to minimize the potential financial impact. If the company fails to do so, it will have a negative impact on its operating results, financial position, and future prospects.

2-1-9 Risks related to the decline in gross profit

During the 2022G fiscal year, the Company closed several retail outlets to focus on wholesale sales due to low profitability in retail outlets. Additionally, the Company decided to shift from relying on external sources (suppliers) to local aquaculture and harvesting through its water farms. This decision contributed to an increase in the cost of revenues, resulting in higher short-term operating costs, including increased labor, equipment, and maintenance costs associated with local production. Furthermore, vacancies in key positions, such as the Aquaculture Manager, impacted the efficiency of its aquaculture production **(for more details, please refer to subsection (2.1.34) "Risks of reliance on key personnel and executive management" of this section).** These strategic shifts contributed to a decline in gross profit during the period covered by this Prospectus.

It is worth noting that some of the main reasons for the company's low overall profit are:

- **Increase revenue costs**
  - The cost of revenues increased significantly up until the first half of 2024G, driven largely by the rise in raw material costs. Additionally, the Feed Conversion Ratio ("FCR") increased, indicating less efficient use of feed in production. Combined, these factors exerted negative pressure on the Company's gross profit margins, contributing to the overall increase in losses.
  - Strategic Shift to Local Aquaculture and Harvesting: The Company's strategic decision to farm and harvest fish locally also contributed to the increase in the cost of revenues. While this strategy aimed to improve control over the supply chain and reduce reliance on external sources, it led to higher short-term operating costs, including increased labor, equipment, and maintenance costs associated with local production. Furthermore, Management stated that vacancies in key positions, such as the Aquaculture Manager, impacted the efficiency of its aquaculture production.
- **Loss in fair value of biological assets:**
  - The Company's biological assets primarily consist of fish and shrimp, with biological assets representing (6.00%), (0.84%), and (0.00%) of total assets as of December 31, 2022G, 2023G, and 2024G, respectively.
  - A significant portion of the decline in gross profit is attributed to the loss recognized in the fair value of biological assets. This loss is primarily due to the high production cost of biological assets (vital) compared to their net realizable value, as market prices were insufficient to cover the high costs of production. This led to the recognition of fair value losses in the biological assets inventory held in the statement of financial position at year-end. This was driven by the relatively high Feed Conversion Ratio ("FCR") and the low survival rate of the fish, which appear to be partially driven by the operational challenges faced by the Company.

The following table details the development of gross profit (loss) during the years 2022G, 2023G, 2024G and the six-month period ending on June 30, 2025G:

Table (17): Details of the development of gross profit (loss).

Item (Million Saudi Riyals)	2022G	2023G	2024G	First half of 2025G	Compound Annual Growth Rate (CAGR)
Sales	48.8	52.2	19.0	2.1	(59.3%)
Profit (Loss) of Vital Assets	(3.6)	(33.8)	(0.8)	-	-
Government Subsidies	-	-	-	-	-
Raw Materials	(28.2)	(35.1)	(17.1)	(1.1)	-
Salaries and Wages	(20.6)	(13.4)	(2.9)	-	-
Depreciation	(7.3)	(7.6)	(3.4)	-	-
Electricity and Other Costs	(4.5)	(3.3)	(0.6)	-	-
Rent	(2.5)	(1.9)	-	-	-
Miscellaneous Costs	0.6	(1.9)	-	-	-
Other Direct Costs	(3.9)	(2.8)	(0.2)	-	-
Cost of Sales	(66.5)	(62.4)	(24.2)	(1.1)	(69.0%)
Gross Profit (Loss)	**(21.3)**	**(44.0)**	**(6.0)**	**1.0**	**-**

Source: The company's financial statements for the years ended December 31, 2022G, 2023G, and 2024G, and the condensed interim financial statements for the six-month period ended June 30, 2025G, and the Company's Management.

It should be noted that the company suspended its aquaculture operations and wholesale sales during the second half of 2024G. The company management also closed all 20 retail branches during the fiscal years 2022G, 2023G, 2024G and 2025G, with 5 branches closed during 2022G, 9 branches during 2023G, one branch during 2024G and 5 branches during 2025G. **(For further details, please refer to sub-paragraph (2.1.1) "Risks related to business continuity" of this section.)**

As of the date of this prospectus, the company has no active retail branches pending a review of the situation following the reactivation of the aquaculture farms in the new partnership with Sara National Trading Company **(for further details please refer to Section (9) "Legal Information", Paragraph (9.7.5) "Other Material Contracts Related to the Group's Activity").**

The Company must work to address these operational challenges by improving production and spending efficiency, and by appointing appropriate talent in vital positions, while continuing to evaluate and adjust its production strategies to ensure improved margins and achieve financial sustainability in the medium and long term. The Company's inability to confront the challenges referred to above will impose additional challenges on the Company, which will negatively affect its business, results of operations, and future prospects.

2-1-10 Risks related to accumulated losses

The Company's accumulated losses as of December 31, 2022G, amounted to (164.6) million Saudi Riyals, representing (41.15%) of its capital of (400) million Saudi Riyals. Accumulated losses as of December 31, 2023G, reached (284.5) million Saudi Riyals, representing (71.12%) of its capital of (400) million Saudi Riyals. As of December 31, 2024G, accumulated losses reached (325.5) million Saudi Riyals, representing (81.4%) of its capital of (400) million Saudi Riyals. As of June 30, 2025G, the accumulated losses amounted to (4.1) million Saudi Riyals, representing (6.2%) of its capital of (66.99) million Saudi Riyals.

On 26/07/1446H (corresponding to 26/01/2025G), the Company's Extraordinary General Assembly approved the reduction of its capital by (83.25%) from (400) million Saudi Riyals to (66,986,040) Saudi Riyals after the reduction, for the purpose of restructuring the Company's capital and amortizing the accumulated losses. Accordingly, on 02/09/1446H (corresponding to 02/03/2025G), the Company announced on Tadawul website the reduction of its accumulated losses to 0% of its capital.

The primary reasons for incurring these accumulated losses are attributed to the decrease in sales and the increase in the cost of sales, in addition to losses in the fair value of the Company's biological assets (aquaculture).

It is worth noting that the primary reasons for the Company's losses during the fiscal years ended December 31, 2022G, 2023G, and 2024G, and the six-month period ended June 30, 2025G, are illustrated in the table below:

Table (18): Primary Reasons for Company's Losses

Year	Reason
2022G	◆ The cost of sales amounted to 66.5 million Saudi Riyals, leading to a gross loss of 21.3 million Saudi Riyals. Additionally, the fair value valuation loss of biological assets, amounting to 3.6 million Saudi Riyals, negatively impacted profitability. ◆ Total selling and distribution expenses amounted to 22.2 million Saudi Riyals, while general and administrative expenses reached 22.7 million Saudi Riyals, reflecting significant operational spending. ◆ Provisions and impairment included 1.2 million Saudi Riyals for the impairment of capital work-in-progress, 1.4 million Saudi Riyals for unusable inventory, and 1.3 million Saudi Riyals for expected credit losses on trade receivables. ◆ A gain of 6.0 million Saudi Riyals was recorded on the fair value of investment properties, providing a partial offset to the operating losses. ◆ Finance costs amounted to 2.0 million Saudi Riyals, which further increased the total loss. ◆ Zakat expense for the year amounted to 2.8 million Saudi Riyals. ◆ These factors combined resulted in a net loss of 63.4 million Saudi Riyals for the year 2022G, driving the accumulated losses to 164.6 million Saudi Riyals as of December 31, 2022G.
2023G	◆ The cost of sales amounted to 62.4 million Saudi Riyals, leading to a gross loss of 43.9 million Saudi Riyals. Additionally, the fair value valuation loss of biological assets, amounting to 33.8 million Saudi Riyals, negatively impacted profitability. ◆ Total selling and distribution expenses amounted to 20.1 million Saudi Riyals, while general and administrative expenses reached 20.5 million Saudi Riyals, reflecting the continuation of operational spending despite the decline in sales. ◆ Provisions and impairment included 36.0 million Saudi Riyals for the impairment of non-financial assets, 3.4 million Saudi Riyals for unusable inventory, and 1.4 million Saudi Riyals for advances to suppliers. ◆ A loss of 2.6 million Saudi Riyals was recorded as a result of the disposal of investment properties. ◆ Finance costs amounted to 3.7 million Saudi Riyals, which further increased the total loss. ◆ Zakat expense for the year amounted to 8.3 million Saudi Riyals. ◆ These factors combined resulted in a net loss of 119.9 million Saudi Riyals for the year 2023G, driving the accumulated losses to 284.5 million Saudi Riyals as of December 31, 2023G.

Year	Reason
2024G	◆ The total loss incurred from the fish production cycle that was completed in 2024G. ◆ Idle farm costs amounted to approximately 8 million Saudi Riyals during the period from June to December 2024G, which were incurred by the Company after the decision to suspend aquaculture operations. ◆ General and administrative expenses increased by approximately 8 million Saudi Riyals, primarily related to the costs of the capital reduction, in addition to expenses related to the Company's transformation strategy during 2024G. ◆ Finance costs amounted to 4.6 million Saudi Riyals, along with other additional provisions of approximately 9 million Saudi Riyals. Finance costs consist of Murabaha financing and lease liabilities. The total provisions of 9 million Saudi Riyals are distributed as follows: (3.5 million Saudi Riyals for accounts receivable, 2.2 million Saudi Riyals for unusable inventory, and 3.2 million Saudi Riyals for the impairment of advances to suppliers).
June 30, 2025G	◆ The cost of sales amounted to 1.1 million Saudi Riyals, resulting in a gross profit of 1.0 million Saudi Riyals. ◆ Total selling and distribution expenses amounted to 2.5 million Saudi Riyals, while general and administrative expenses reached 12.0 million Saudi Riyals, reflecting the continuation of operational spending. ◆ The period included an impairment of non-financial assets amounting to 2.6 million Saudi Riyals, with a reversal of provisions of 0.2 million Saudi Riyals for accounts receivable and 0.1 million Saudi Riyals for advances to suppliers. Additionally, a provision of 0.3 million Saudi Riyals was recorded for inventory write-down. ◆ Other income contributed 5.2 million Saudi Riyals, providing a significant offset to the operating expenses. ◆ Finance costs amounted to 0.7 million Saudi Riyals, which further increased the total loss, while Zakat expense for the period reached 0.1 million Saudi Riyals. ◆ These factors combined resulted in a net loss of 11.6 million Saudi Riyals for the six-month period ended June 30, 2025G. ◆ Following the capital reduction of 333.0 million Saudi Riyals, which offset the previous accumulated losses, the accumulated losses stood at 4.1 million Saudi Riyals as of June 30, 2025G.

Based on the Procedures and Instructions Related to Listed Companies with Accumulated Losses of 20% or More of Their Capital, issued by the Board of the Capital Market Authority 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, as amended by the Board of the Capital Market Authority Resolution No. (8-5-2023) dated 25/06/1444H (corresponding to 18/01/2023G) regarding Article Five: "Reaching accumulated losses of 50% or more of capital," the company must immediately and without delay disclose to the public through a separate announcement upon reaching accumulated losses of 50% or more of its capital. This announcement must include the amount of accumulated losses, their percentage of the capital, and the primary reasons that led to these losses, with a reference in the announcement that these procedures and instructions will be applied. In the event that the required disclosure coincides with the announcement of interim or annual financial results, the company is exempt from making a separate announcement if the disclosure is included within the announcement of the interim or annual financial results.

As the Company announced on Tadawul website on 25/04/1445H (corresponding to 09/11/2023G), its accumulated losses reached a total of (211,544,451) Saudi Riyals, representing (52.89%) of its capital.

There is no assurance that the Company will not incur any future losses, which would compel it to take the procedures and instructions related to listed companies with accumulated losses of 20% or more of their capital. Such an event would have a material adverse effect on the Company's business, financial position, results of operations, and future prospects.

2-1-11 Risks related to credit

Credit risk arises when one party fails to fulfill a specific financial obligation to the other party. The Company may face credit risks in several temporary or permanent cases, including the existence of debit balances from customers. The Company works to verify the customer's ability to fulfill obligations by reviewing their financial history and payment record, whereby the Company sets a credit limit based on the customer's risk profile and ensures all terms are clearly agreed upon in writing. Additionally, the Company regularly monitors payment behavior to manage its receivables and protect its cash flows; nonetheless, the Company does not guarantee against the failure of other debtor parties to meet their obligations toward the Company. The balance of trade receivables aged over 90 days amounted to approximately 8.6 million Saudi Riyals as of December 31, 2024G.

The following table shows the accounts receivable turnover rate (times/day) during the financial years ending December 31, 2022G, 2023G and 2024G:

Table (19): Accounts Receivable Turnover

Item	2022G	2023G	2024G
Credit Sales	17,051,635	37,218,085	12,212,741
Average Trade Receivable Balance*	4,233,055.50	4,112,867.50	2,518,707.00
Accounts Receivable Turnover (times)	4.03	9.05	4.85
Accounts Receivable Turnover in Days (days)	91	40	75

Source: Company Management.

*Represents the average balance of trade receivables at the beginning and end of the period.

The Company faced many issues related to cash collection during the financial year 2024G, mainly due to the suspension of aquaculture activities and wholesale trade in the second half of 2024G. In addition, some customers are refusing to pay due to dissatisfaction with the disruption in their supply chains, and the Company intends to take legal action against some of its customers with an estimated value of 2.4 million Saudi Riyals **(for more information, please refer to sub-paragraph (9.10) "Disputes and Litigations" of Section (9) "Legal Information").** Additionally, there is an amount of 6.4 million Saudi Riyals at risk of aging and/or inability to collect from customers, and there is no guarantee of the Company's ability to collect these amounts.

It should be noted that the Company has created a provision for impairment of trade receivables in the amount of 4.1 million Saudi Riyals, 5.7 million Saudi Riyals, and 8.6 million Saudi Riyals as of 31 December 2022G, 2023G, and 2024G, respectively, and an amount of 8.4 million Saudi Riyals as of 30 June 2025G, and there is no guarantee that there will be no default in collecting these amounts from customers.

The continued existence of high debit balances, especially those past due, in addition to the weak ability to collect some amounts from defaulting customers, may expose the Company to material risks in cash flows and adversely affect its financial position and future profitability, particularly in the event of failure to execute legal procedures or the worsening of market conditions that hinder payment.

2-1-12 Risks related to liquidity

Liquidity risks consist of the Company's inability to meet its obligations related to current liabilities when they fall due at the specified time. The Company's liquidity ratio reached approximately (1.01) times, (0.44) times, (0.30) times, and (0.39) times as of 31 December 2022G, 2023G, and 2024G and the six-month period ended 30 June 2025G, respectively. These ratios reflect a significant decline in the ability to cover current liabilities using the Company's current assets, and when the liquidity ratio is less than (1), this indicates that the Company may not have sufficient ability to pay its current liabilities using its current assets.

It should also be noted that the net cash generated from the Company's operating activities amounted to negative (47,694,931) Saudi Riyals, negative (39,769,010) Saudi Riyals, negative (26,878,063) Saudi Riyals, and (26,416,749) Saudi Riyals as of the financial years ended 31 December 2022G, 2023G, and 2024G and the six-month period ended 30 June 2025G, respectively, reflecting the continued deficit in generating sufficient operating cash flows. As a result, the Company resorts to covering its operating expenses through its financing or investing activities, which may lead to an increase in financing burdens in the future, given that financing terms are usually affected by working capital, the general financial position of the Company, and available cash flows, in addition to the type and size of the guarantees provided.

Any emergency or sudden events may occur that require immediate liquidity or require the sale of financial assets quickly enough and at their fair value to cover the required liquidity. Therefore, the Company must work to improve its liquidity level to be able to meet its short-term obligations; otherwise, it will face additional liquidity problems that would negatively affect the Company's business, results of operations, and future expectations.

2-1-13 Risks related to inventory management

The Company relies on its experience in the fish and shrimp sector and other food products and its knowledge of demand expectations for its products to manage its inventory of ingredients. Material changes may occur in the demand for the food products it provides contrary to what is expected, as demand may be affected by the launch of new products in the market, changes in product cycles or pricing, changes in consumer spending patterns, the entry of new competitors into the market, and other factors. As a result, consumer orders for the Company's products may decrease, and therefore, if the Company fails to accurately estimate the volume of products that consumers are looking for or manage production quantities appropriately, more food products may be produced than consumers may demand, leading to an increase in inventory levels.

The ratio of inventory to total assets reached 6.62%, 3.73%, 0.67%, and 0.67% for the financial years ended 31 December 2022G, 2023G, and 2024G and the six-month period ended 30 June 2025G, respectively. The table below illustrates the breakdown of the inventory held by the Company for the financial years ended 31 December 2022G, 2023G, and 2024G and the six-month period ended 30 June 2025G:

Table (20): Breakdown of the company's inventory

Item	2022G Value (Saudi Riyals)	2023G Value (Saudi Riyals)	2024G Value (Saudi Riyals)	June 30, 2025G Value (Saudi Riyals)
Finished Goods	12,145,399	3,209,390	1,063,823	1,155,883
Raw Materials	5,476,269	5,268,202	1,299,104	1,349,654
Packaging Materials and Consumables	3,503,609	2,383,316	2,882,840	3,064,301
Spare Parts	1,677,617	1,621,765	1,589,632	1,583,824
Obsolete Inventory Provision	-	(3,408,111)	(5,640,989(	(5,897,828)
Total	**22,802,894**	**9,074,562**	**1,194,410**	**1,255,834**

Source: The company's financial statements for the years ended December 31, 2022G, 2023G, and 2024G, and the condensed interim financial statements for the six-month period ended June 30, 2025G, and the Company's Management.

The following table shows the inventory turnover rate for the fiscal years ending December 31, 2022G, 2023G and 2024G:

Table (21): Inventory Turnover Rate

Item	2022G Value (Saudi Riyals)	2023G Value (Saudi Riyals)	2024G Value (Saudi Riyals)
Cost of Sales	(66,487,445)	(62,395,066)	(24,162,285)
Average Inventory*	22,493,156.50	15,938,728	5,134,486
Inventory Turnover Rate (times)	3	4	5
Inventory Turnover Rate (days)	123	93	78

Source: Company Management.

*Represents the average inventory balance at the beginning and end of the period.

In the event that the Company fails to accurately predict market trends or manage its inventory effectively, this may lead to inventory levels rising above the actual market need, which could result in multiple risks, including: product obsolescence or expiration, especially in perishable products such as fish and shrimp; which may force the Company to sell them at low prices or write them off, which negatively reflects on the profit margin.

Furthermore, inventory accumulation or slow movement leads to the depletion of cash resources and high costs associated with storage and insurance, in addition to recording financial provisions for obsolete inventory. Therefore, any miscalculation in the volume of demand or ineffective inventory management may have a negative and material impact on the Company's profitability, financial position, cash flows, results of operations, and future expectations.

2-1-14 Risks related to current liabilities exceeding current assets

The excess of current liabilities over current assets is one of the material indicators reflecting pressure on liquidity and the ability to meet short-term obligations. This situation indicates the existence of a financing gap that may affect business continuity and weaken the confidence of creditors and investors in the Company's ability to manage its working capital efficiently.

The Company suffered from an increase in current liabilities over current assets during the financial years 2023G and 2024G, and this continued during the first half of 2025G. The following table shows the net working capital during the financial years 2022G, 2023G, and 2024G and the six-month period ended 30 June 2025G:

Table (22): Working Capital

Period	2022G Saudi Riyals	2023G Saudi Riyals	2024G Saudi Riyals	June 30, 2025G Saudi Riyals
Total Current Assets	68,453,794	34,533,088	26,322,993	42,604,510
Total Current Liabilities	67,912,112	78,647,042	86,755,140	110,120,682
Net Working Capital	541,682	(44,113,954)	(60,432,147)	(67,516,172)

Source: Company Management.

The primary reason for the decrease in net working capital is due to the decrease in inventory balance, the decline in the production of biological assets, and the extension of the payment period for trade accounts payable to suppliers. This is mainly due to the cash constraints faced by the Company, which prompted the management to stop aquaculture activities and wholesale sales in the second half of 2024G.

The continuation of this situation may negatively affect the Company's ability to cover its short-term obligations, which increases risks related to liquidity and limits the Company's financial flexibility, especially in the event of unavailability of sufficient financing or improvement in cash flows during the coming periods. In the event of the continued deficit or its worsening, the Company may be forced to seek additional financing sources with less favorable terms, or face difficulties in paying its obligations on time, which may negatively affect its financial position, results of operations, and future expectations.

2-1-15 Risks related to investment properties

Investment properties consist of properties owned by the Company for the purpose of earning rental income or for capital appreciation, and as of 31 December 2024G, the Company has investment properties with a fair value of (41,683,054) Saudi Riyals and the following table shows a breakdown of the investment properties owned by the Company as of 31 December 2024G:

Table (23): Investment Properties Owned by the Company

Lands	Fair Value (Saudi Riyals)
Al-Khobar Land	6,969,960
Unaizah Land	298,800
Abu Arish Land	34,414,294
Total	**41,683,054**

Source: Company Management.

The Company follows the fair value model which resulted in profits of (1,386,438) Saudi Riyals during the financial year ended 31 December 2024G. It should be noted that investment properties are valued by professionally qualified external valuers to determine the fair value.

However, the use of the fair value model involves a high degree of uncertainty, as the estimation of value is subject to multiple factors such as market fluctuations, economic conditions, location, and regulatory changes. Despite the assistance of licensed external valuers, it cannot be certain that the current value of the properties will remain stable or rise in the future, and it may experience a decrease as a result of changing market conditions or a decrease in demand for locations.

Any change in the fair value of investment properties results in a direct impact on the profits or losses recorded in the financial statements, which may negatively reflect on the Company's results of operations, profitability, and future financial expectations, especially in the event of recording impairment losses during the coming periods.

2-1-16 Risks related to the depreciation and impairment of fixed assets

The Company's operating assets are concentrated in a number of key fixed assets, including factory equipment, boats, and fishing equipment, in addition to vehicles, buildings, furniture, and fixtures. The Company's operational capability and the quality of its outputs rely primarily on the efficiency of these assets, their technical suitability, and their operational sustainability.

The following table shows the cost of fixed assets (excluding land and buildings) and their accumulated depreciation as of 31 December 2022G, 2023G, and 2024G and the six-month period ended 30 June 2025G:

Table (24): Fixed Asset Costs

Fixed asset	2022G			2023G			2024G			30/06/2024G			30/06/2025G		
	Cost	Accumulated depreciation	Accumulated depreciation to cost ratio	Cost	Accumulated depreciation	Accumulated depreciation to cost ratio	Cost	Accumulated depreciation	Accumulated depreciation to cost ratio	Cost	Accumulated depreciation	Accumulated depreciation to cost ratio	Cost	Accumulated depreciation	Accumulated depreciation to cost ratio
Factory equipment	145,141,128	128,128,047	88.28%	136,548,474	121,561,347	89.02%	41,441,353	30,342,195	73.20%	135,999,776	122,045,851	89.74%	39,896,992	29,249,829	73.31%
Boats and fishing equipment	30,965,706	13,022,011	42.05%	31,185,156	14,120,181	45.28%	17,547,055	11,033,770	62.90%	12,773,698	10,068,613	78.82%	3,615,827	2,009,530	55.58%
Vehicles	13,068,818	11,744,982	89.87%	8,659,448	7,738,362	89.36%	4,345,831	3,847,720	88.50%	8,598,703	7,875,317	91.59%	4,195,603	3,851,868	91.81%
Furniture and equipment	8,603,898	6,957,441	80.86%	8,581,181	7,493,519	87.33%	3,545,227	3,140,093	88.60%	7,268,490	6,486,130	89.24%	1,270,463	957,783	75.39%
Computer software, hardware, and accessories	3,144,475	1,007,659	32.05%	3,144,475	1,454,711	46.26%	3,145,962	1,601,573	50.90%	3,144,475	1,678,237	53.37%	3,148,546	2,120,428	67.35%
Total	200,924,025	160,860,140	80.06%	188,118,734	152,368,120	81.00%	70,025,428	49,965,351	71.40%	167,785,142	148,154,148	88.30%	52,127,432	38,189,439	73.26%

Source: The company's financial statements for the years ended December 31, 2022G, 2023G, and 2024G, and the condensed interim financial statements for the six-month period ended June 30, 2025G, and the Company's Management.

As can be seen from the table above, the ratio of the accumulated depreciation of fixed assets referred to above to total assets reached 71.4%, which reflects the growing challenge associated with the obsolescence of existing assets.

As fixed assets age, the need for their periodic maintenance increases, and these assets may be subject to higher rates of breakdowns and stoppages, leading to high operating costs and low production efficiency, which may negatively affect the Company's performance and the quality of its services provided to customers.

In order to avoid the decline in operational efficiency and ensure business continuity, the Company may be forced to eplace or modernize its fixed assets or add new assets, which would constitute an additional financial burden on the Company, whether in terms of financing, accounting depreciation, or the impact on cash flows.

Furthermore, the possibility of some fixed assets being subject to impairment in value as a result of a decline in their economic benefit, changing market conditions, or changes in operational plans, may require the Company to record impairment losses that negatively affect its financial results.

Accordingly, the Company's inability to maintain the efficiency of its fixed assets or replace them in a timely manner may lead to weakness in the efficiency of operational processes, an increase in costs, and a decrease in competitiveness, which may negatively and materially reflect on the Company's financial position, profitability, results of operations, and future expectations.

It is worth noting that Saudi Fisheries Company obtained financing facilities from the Agricultural Development Fund, which included providing real estate guarantees represented by the mortgage of two plots of land located in both Al-Khobar city and Al-Qatif governorate with a value of (8,341,030) Saudi Riyals in favor of the Fund as a guarantee for the granted loan **(for more information, please refer to sub-paragraph (9.7.4) "Credit Facilities and Loans Agreements" of Section (9) "Legal Information").**

It should be noted that the land in Al-Khobar has been classified as a property for rent and is registered as an investment asset, and its market value as of 31 December 2024G reached (6,969,960) Saudi Riyals. While the land located in Al-Qatif city is registered as part of the fixed assets in the Company's records, and its market value as of 30 September 2021G reached 16.5 million Saudi Riyals.

The mortgage of these assets represents a limitation on the Company's ability to dispose of them for real estate or investment purposes, whether in terms of sale, development, or additional financing, except after obtaining the approval of the financing entity and discharging the mortgage. Furthermore, any default by the Company in payment or breach of financing terms may lead the financing entity to take regulatory actions against the mortgaged properties, including foreclosure on the real estate guarantee and selling them at auction to satisfy the amounts due to the Fund, which may affect the Company's assets and its equity.

Although the Company is currently committed to paying its obligations towards the Fund, the existence of mortgaged strategic properties constitutes a risk factor in the event of changes in cash flows or exposure to operational risks that affect the Company's ability to meet the loan terms in the future, which may negatively affect the Company's operations, results, future expectations, and profitability.

2-1-17 Risks related to the presence of a qualification in the financial statements

The financial statements for the financial year ended 31 December 2022G included a qualified opinion from the independent auditor due to the unavailability of the necessary mechanism to verify fish quantities in the sea to confirm the physical inventory process of biological assets related to fish with a value of 12.9 million Saudi Riyals as of 31 December 2022G, and due to not obtaining sufficient and appropriate audit evidence through alternative means regarding the quantities owned as of 31 December 2022G.

The financial statements for the financial year ended 31 December 2023G also included a qualified opinion from the independent auditor due to the insufficiency of evidence related to the estimation of the net book value of property, plant, and equipment, capital work-in-progress, and right-of-use assets, which amounted to 112.45 million Saudi Riyals as of 31 December 2023G. This is due to the existence of material indicators of impairment as a result of the Company's accumulated losses and its limited ability to generate sufficient future cash flows from its operating activities. The auditor was unable to obtain sufficient and appropriate audit evidence through alternative means to verify the reasonableness of the material assumptions used by the Company's management in determining the recoverable amount of those assets.

There is no guarantee that the chartered accountant's opinion will not include an adverse opinion, a disclaimer of opinion, or a qualification in the future, which makes the Company vulnerable to losing the trust of investors and financing entities, and increases doubts regarding the reliability of the financial statements and the accuracy of its financial position, which will negatively affect the Company's reputation in the market, its ability to attract investments, and obtain the necessary financing, and increases the risks of its exposure to potential losses or the imposition of restrictions by regulatory or financing entities, which may negatively reflect on the share price and investor trends, which will negatively and materially affect the Company's business, results of operations, financial position, and future expectations.

2-1-18 Risks related to loans

The Company relies on loans to finance its operational activities, given that it generates negative free cash flows. The outstanding loans are secured by a promissory note provided by the Company, in addition to mortgages on the lands owned by the Company.

The Company increased the volume of bank loans from 34.7 million Saudi Riyals as of December 2022G to 44.5 million Saudi Riyals as of December 2023G, then decreased to 23.9 million Saudi Riyals by the end of December 2024G, as a result of an early settlement of some loans (the entire Al Rajhi Bank loan) to release restricted cash balances. The following table shows the bank loans during the financial years 2022G, 2023G, and 2024G:

Item	2022G	2023G	2024G
Murabaha financing	30,000,000	39,812,321	18,952,809
Interest-free loans	3,696,888	3,823,788	4,088,990
Accountable financial costs	1,060,024	874,982	824,420
Total	**34,756,912**	**44,511,091**	**23,866,219**

The general increase in the level of loans during the historical period contributed to an increase in finance costs from 1.1 million Saudi Riyals in the financial year 2022G to 2.8 million Saudi Riyals in the financial year 2023G, then to 3.9 million Saudi Riyals in the financial year 2024G, and reached 0.4 million Saudi Riyals during the six-month period ended 30 June 2025G. Below is a summary of the loans obtained by the Company during the financial years 2022G, 2023G, and 2024G:

- **Fiscal year 2022G:**
  - The Company obtained a loan from Al Rajhi Bank amounting to 20 million Saudi Riyals, with a maturity date of August 2026G, and at an interest rate equivalent to 3-month SAIBOR + 1.75%. It also obtained short-term loans amounting to 10 million Saudi Riyals from the National Bank of Bahrain (which was repaid during the year 2023G).
- **Fiscal year 2023G:**
  - The Company obtained an additional long-term loan from Al Rajhi Bank amounting to 19.8 million Saudi Riyals, at an interest rate equivalent to 3-month SAIBOR + 1.75%, with a maturity date of August 2026G.
  - On 10 December 2023G, the Company restructured its facilities with Al Rajhi Bank by converting all old facilities into a single facility amounting to 40 million Saudi Riyals, to be repaid on a quarterly basis starting from 31 March 2024G and ending on 31 December 2026G.
- **Fiscal year 2024G:**
  - The Company obtained a loan from Riyad Bank amounting to 19 million Saudi Riyals, with a maturity date of May 2026G, and at an interest rate equivalent to 3-month SAIBOR + 1.65%.

It should be noted that part of the terms of the loans granted by Al Rajhi Bank, which the Company obtained, required it to maintain a restricted cash balance in the amount of 45 million Saudi Riyals in an interest-bearing bank account, which does not enable the Company to use it in its operational processes, which limited the Company's ability to benefit from its full cash liquidity. To improve the liquidity position, the Company decided during the year 2024G to repay the loan in the amount of 40 million Saudi Riyals on 04 July 2024G before its maturity date, as the loan was due in quarterly installments during the period from 31 March 2024G and ending on 31 December 2026G; however, the Company has, on 04 July 2024G, repaid the entire Al Rajhi Bank loan in the amount of 40 million Saudi Riyals to release the restricted amount and use it in financing operational needs.

During the period ended 30 June 2025G, Saudi Agricultural and Livestock Investment Company (SALIC), in its capacity as the guarantor under the facilities agreement concluded with Riyad Bank, paid the full loan amount of 19 million Saudi Riyals, following the exit of Saudi Agricultural and Livestock Investment Company (SALIC) from Saudi Fisheries Company by selling its entire stake in Saudi Fisheries Company, amounting to 15,997,003 shares representing 39.99% of the Company's shares with a total value of 122,377,073 Saudi Riyals, to Mr. Abdulaziz Abdullah Alhumaid on 02/09/2024G. Accordingly, Riyad Bank withdrew the loan amount of 19,000,000 Saudi Riyals from the account of Saudi Agricultural and Livestock Investment Company. Subsequently, an agreement was signed between Saudi

Fisheries Company and SALIC, under which Saudi Fisheries Company committed to repay the full loan amount of 19 million Saudi Riyals through unequal monthly installments starting from July 2025G until May 2026G. An amount of 16.5 million Saudi Riyals has been paid as of the date of this Prospectus, leaving an amount of 2.5 million Saudi Riyals due from the Company to Saudi Agricultural and Livestock Investment Company (SALIC) as of the date of this Prospectus.

Despite the early settlement of some loans as described above, the settlement of these loans does not necessarily guarantee an improvement in free cash flows or avoid the need to resort to additional financing sources, as the Company still generates negative free cash flows, which may require obtaining new loans or facilities in the future to support its operations or finance its operational plans.

It should be noted that as of the date of this Prospectus, in addition to the amount due to SALIC Company as detailed above, the Company has an existing loan with the Agricultural Development Fund, as the Company entered into a loan agreement on 21/11/1430H (corresponding to 09/11/2009G) to finance a shrimp farming project with a total value of (12,867,838) Saudi Riyals without interest, provided that the loan is repaid on 19/10/2011G. An amount of (2,856,958) Saudi Riyals was paid, and as a result of the failure to pay the remaining amount according to the agreement, the Company applied on 12/04/2016G to reschedule the loan balance amounting to (10,010,880) as of 31/12/2016G. The rescheduling of the loan into nine (9) annual installments was approved, with a value of (500,000) Saudi Riyals for the first three installments starting from November 2017G, and (1,418,480) Saudi Riyals for the following six installments ending on 01/11/2026G. This loan is secured by the mortgage of two plots of land in Al-Khobar and Al-Qatif with a value of (8,341,030) Saudi Riyals. The most prominent terms and conditions included in the agreement are as follows:

- The Second Party (the Company) undertakes that the Borrower shall maintain the mortgaged immovable property and its components and annexes by not selling them or creating any rights for third parties therein in any way. This undertaking includes everything on the land, farm, or real estate. The Second Party (the Company) may not dispose of the aforementioned in any way except with the permission of the Fund. The Fund may recover the loan value if the Second Party (the Company) fails to maintain the property mortgaged in favor of the Fund, or if its value decreases by more than 20% from the value estimated by the Fund and the Borrower does not provide any other guarantee acceptable to the Fund.
- The Borrower (the Company) may not dispose of the farm or the project for which the loan was granted, or any of the objects secured by the Fund's loan, by transfer, sale, gift, assignment, or lease except after obtaining the prior written approval of the Fund.

Based on the Company's request, the Bank agreed to defer the remaining outstanding balance of 3,903,346 Saudi Riyals (including restructuring fees) until 01/11/2026G, after the Company provided an undertaking to settle the entire debt in the event of a Company capital increase or receiving compensations. **(For more information, please refer to sub-paragraph (9.7.4) "Credit Facilities and Loans Agreements" of Section (9) "Legal Information").**

Thus, the total volume of bank loans due from the Company as of the date of this Prospectus is 6,403,346 Saudi Riyals, consisting of an amount of 2,500,000 Saudi Riyals due from the Company to SALIC and an amount of 3,903,346 Saudi Riyals due from the Company to the Agricultural Development Fund. **(For more information, please refer to subsection (9.7.4) "Credit Facilities and Loans Agreements" of Section (9) "Legal Information").**

The Company must comply with the terms and conditions set forth in the loan agreement concluded with the Agricultural Development Fund, including maintaining the mortgaged property and its components and not disposing of it or creating any third-party rights over it in any form except after obtaining the prior approval of the Fund. The Company is also required to provide the necessary guarantees as indicated above. If the Company is unable to comply with the payment of the amounts due under the agreement or to provide the required guarantees, or if it breaches any of its future obligations or undertakings, the financing entity shall have the right to consider it in default, which grants it the right to take appropriate legal actions, including recovering the loan value or disposing of the mortgaged property in accordance with the relevant regulations. As a result, the Company may not be able to obtain sufficient alternative financing sources to meet its obligations, The Company may be forced to obtain additional financing in the future, which will also require it to comply with additional covenants and the imposition of financing restrictions and conditions, including the provision of additional guarantees or mortgages on the Company's assets, and there is no guarantee that the Company will be able to provide these guarantees, which may limit its financial flexibility and its ability to implement its operational or investment plans as planned, which could have a material adverse effect on the Company's business, financial position, and future expectations.

2-1-19 Risks related to the pledging of real estate and assets against facilities and loans

Bank facilities agreements and financing agreements entered into with the Company by financing companies licensed by the Saudi Central Bank require the mortgage of some of the Company's assets to provide in-kind guarantees that enhance the confidence of financing entities and limit risks associated with default. The Company has mortgaged several properties and lands against existing facilities with the Agricultural Development Fund and a settlement agreement with Saudi Agricultural and Livestock Investment Company - SALIC. The following table shows the details of the mortgage of properties and assets against facilities and loans as of 30 June 2025G:

Table (25): Mortgaging Real Estate and Assets Against Facilities and Loans

Facilities	Mortgaged properties and land	Financing balance used as of June 30, 2025G (Saudi Riyal)
Agricultural Development Fund facilities	(2) Land deeds - West of Al-Awjam - Safwa (1) Land Deed – Al-Khobar	4,255,440
Settlement Agreement with the Saudi Agricultural and Livestock Investment Company – SALIC	(1) Land Deed - Al Malaz - Riyadh	19,000,000

Source: Company Management.

It should be noted that on 27/02/2025G, the Company restructured the Agricultural Development Fund loan by deferring an installment amounting to (1,418,480) Saudi Riyals due on 01/11/2024G, and as of the date of this Prospectus, the amount due to the Agricultural Development Fund is (3,903,346) Saudi Riyals including restructuring fees.

Mortgage operations involve several risks, including restrictions on disposing of the mortgaged property without the consent of the mortgagor during the term of the financing agreement, a procedure that may take a period of time leading to the loss of some lucrative exit opportunities from the mortgaged property **(for more information, please refer to sub-paragraph (9.7.4) "Credit Facilities and Loans Agreements" of Section (9) "Legal Information").**

If the Company is unable to fulfill its obligations to repay the financing or breaches any of the covenants related to the agreements, this will grant the financing entities the right to demand immediate repayment of the financing value and initiate judicial enforcement procedures against the mortgaged assets, which may force the Company to sell some assets at less than their market value to execute immediate repayment to the financing entities, or the judicial authority may - based on the financing entity's claim - sell the asset at an auction for less than its market value. Should any of these cases occur; it will have a negative and material effect on the Company's business, financial position, results of operations, and future expectations.

2-1-20 Risks related to allocating the compensation for Jeddah and Riyadh lands to the State and the government's participation in the capital

The Company received a letter from the Public Investment Fund at the Ministry of Finance No. 3/118 dated 01/02/1435H during the year 2013G, regarding the approval to transfer two plots of land in Jeddah and Riyadh to Saudi Fisheries Company, which the Ministry of Agriculture had previously handed over to the Company, provided that their value is included within the State's share in the Company's capital.

On 07/09/2022G, a title deed was issued for the Jeddah land with an area of 11,302.25 square meters. The Company had previously been notified by the Municipality of Jeddah Province of the necessity to evacuate the site and remove the buildings erected thereon, as of 11/06/2022G, due to the land being located within the scope of the unplanned neighborhoods scheduled for demolition.

The Company recognized an outstanding amount of 9.0 million Saudi Riyals, relating to compensation for a building owned by the Company that was demolished as part of the removal procedures. This amount was approved by an accredited valuer from the Saudi Authority for Accredited Valuers. On 26/01/2025G, the Company announced the completion of the transfer procedures in favor of the State Properties, in exchange for a compensation amount of 36,332,754.50 Saudi Riyals. The Company continues its follow-up with the

State Properties General Authority to determine the compensation value due for the land and the value of buildings and constructions, as the Company is entitled to the full value of the constructions and buildings. Regarding the land compensation value, the Company will add the compensation amount to its capital, provided that the full value of the land is allocated as a State-owned share, in accordance with the Royal Decree and after obtaining the necessary approvals.

It should be noted that the Government transferred the ownership of the land located in Riyadh city, on which the Company's head office building is situated, to the Company's ownership. The Company has received the title deed, and the land valuation process is still ongoing as of this date.

The inclusion of the land compensation value within the Company's capital will lead to the State being classified among the substantial shareholders, a classification that grants, pursuant to the Companies Law and the Capital Market Law, a set of rights and privileges granted to all substantial shareholders without necessarily entailing sole control over the Company's decisions, as material decisions remain subject to governance procedures, General Assembly voting, and the balance of voting power among various shareholders.

Moreover, the influence of the State - as a substantial shareholder - remains governed by its actual ownership percentage, and does not automatically entail the status of a controlling shareholder unless its ownership reaches the control percentage stipulated by law. Even in the event of a future increase in the ownership percentage, the exercise of voting rights remains restricted by the relevant regulations, in a manner that ensures the protection of minority shareholders' rights and limits conflicts of interest.

It should be noted that increasing the Company's capital by adding the compensation value requires, in principle, the approval of the General Assembly of shareholders in accordance with the provisions of the Companies Law, and shareholders retain the right to express their views and vote in a manner that reflects their investment interests. At the same time, the implementation of High Orders is carried out within a regulatory framework that balances the public interest with governance requirements and shareholder rights, without this being considered an annulment of the shareholders' will or a detraction from their legally guaranteed rights.

In the event that the General Assembly of shareholders approves the entry of the State as a partner in exchange for the lands referred to above, this would mean a decrease in the ownership percentage of the current shareholders in the Company. Should the General Assembly of shareholders reject this, the Company would be obliged to return the value of the cash compensation for the Jeddah land in addition to the Riyadh land to the State, which would affect the Company’s liquidity position as well as lead to the loss of assets currently used by the Company, represented by the Riyadh land, which would have a material adverse effect on the Company’s business, financial position, results of operations, and future expectations.

2-1-21 Risks related to Zakat and Zakat assessments

The Company, like other establishments and companies registered and operating in the Kingdom, is obliged to submit its Zakat and tax returns within 120 days from the end of the fiscal year for the purpose of renewing the certificate issued by the Zakat, Tax and Customs Authority. The Company paid the Zakat due, amounting to (2,507,022), (1,618,344), and (500,000) for the fiscal years ended 31 December 2022G, 2023G, and 2024G, respectively. It obtained a certificate to that effect under number (1116055807), which is valid until 13/11/1447H (30/04/2026G).

It is worth noting that on 25 October 2018G, the Zakat, Tax and Customs Authority issued a Zakat assessment for the years from 2011G to 2016G in the amount of 8.8 million Saudi Riyals. The Company has appealed this assessment.

On 30 September 2020G, the Zakat, Tax and Customs Authority issued Zakat assessments for the years 2017G and 2018G in the value of 2.4 million Saudi Riyals. The Company filed an appeal.

On 22 July 2024G, the Zakat, Tax and Customs Authority issued Zakat assessments for the years 2021G and 2022G in the amount of (0.15) million Saudi Riyals, and the Company has made a full provision for this amount.

On 3 October 2024G, the Zakat, Tax and Customs Authority issued a Zakat assessment for the year 2023G in the amount of 2.27 million Saudi Riyals, and the Company has also recorded a full provision for the same value. In addition to the above, the Company paid a Zakat assessment difference for the year 2020G in the amount of 0.33 million Saudi Riyals.

During August 2025G, the company reached an agreement with the Zakat, Tax and Customs Authority on the final value of the zakat due from the company, which is as follows:

Assessment Period	Amount (in Saudi Riyals)
The period from 2011G to 2016G	8,803,439
The period from 2017G to 2018G	1,412,627
The period from 2021G to 2022G	2,735,487
2023G	3,589,319
2024G	533
Total	**16,541,405**

On August 6, 2025G, the company reached an agreement with the Zakat, Tax and Customs Authority regarding the outstanding zakat assessments and scheduled them for monthly installments of 417,801 Saudi Riyals until August 1, 2028G. As of January 8, 2026G, the outstanding zakat balance amounted to 13,369,656 Saudi Riyals. The company then rescheduled these payments with the Zakat, Tax and Customs Authority to be made quarterly, starting in February 2026G and continuing until November 2028G, in 12 installments of 1,114,138 Saudi Riyals each.

It should be noted that the Company has a provision in the value of (13.7) million Saudi Riyals as of 31 December 2025G. The provision made may not be sufficient for the amounts due from the Company in the event that any future assessments arise. The Company cannot predict the Zakat, Tax and Customs Authority's acceptance of its Zakat and tax estimates for each future fiscal year, and the Zakat, Tax and Customs Authority may impose material Zakat differences on the Company that exceed the paid value, which will have a negative effect on the Company's business, financial position, and results of operations.

It is worth noting that if the taxpayer does not pay the Zakat due within the legally specified deadlines, the Authority may request the seizure of its movable and immovable assets in accordance with the procedures and controls specified in Articles (123 and 124) of the Executive Regulations for Zakat Collection, based on Article (122) of the Regulations. Furthermore, in the event of failure to submit returns within the statutory deadlines and renew the certificate, the Company will not be able to finalize all its transactions, including the disbursement of its final entitlements for contracts, dealing with government entities, bidding for tenders, renewing other licenses, and the inability to issue operational licenses. Some government services may also be suspended (such as the services of the Ministry of Human Resources and Social Development, the Ministry of Commerce, and others), and it will be subject to accountability by the Zakat, Tax and Customs Authority, which may negatively affect the Company's business, results of operations, and financial position.

The Zakat, Tax and Customs Authority may also demand the Company to pay additional Zakat differences or delay fines if a delay in submitting the return is found, or if there is a discrepancy between the submitted return and the final assessments of the Zakat Authority. The Zakat Authority may issue payment invoices for Zakat differences in unexpected amounts that exceed the Company's ability or result in its inability to pay within the deadlines specified in the claim, which entails fines and additional amounts on the Company, thereby negatively affecting its financial position.

2-1-22 Risks related to changes or amendments in International Financial Reporting Standards (IFRS)

The Company's financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia and other pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants (SOCPA), and the Company is obliged to apply them and any amendments or changes that occur thereto from time to time.

During the fiscal year ended 31 December 2024G, there are a number of amendments to International Financial Reporting Standards, but they do not materially affect the Company's financial statements except as mentioned in the following table:

Table (26): Amendments to International Standards

Amendments to Standards	Description	Starting from the date	Amendment Summary
IAS 1	Classifying liabilities as current or non-current liabilities	January 1, 2024G	The right to postpone payment is meant to be, The right to postponement must be available at the end of the reporting period. The classification is not affected by the likelihood of the entity exercising its right to defer payment, and The conditions of the obligation will only affect its classification if the derivative embedded in the convertible obligation is itself an equity instrument.
IFRS 16	Lease agreements in sale and leaseback transactions	January 1, 2024G	These amendments include the requirements for sale-leaseback transactions in IFRS 16 to explain how an entity should account for a transaction after the transaction date. Sale-leaseback transactions where some or all of the lease payments are variable and not based on an index or rate are likely to be affected.
IAS 7 and IFRS 7	Supplier financing arrangements	January 1, 2024G	These amendments require the addition of disclosure requirements to enhance transparency in supplier financing arrangements, and "signals" within existing disclosure requirements, which require entities to provide qualitative and quantitative information about supplier financing arrangements.

Source: Audited financial statements for the fiscal year ended December 31, 2024G.

There are also some new modifications that the company has not yet adopted, and the following table shows these modifications:

Table (27): New amendments that the company has not yet adopted

Amendments to Standards	Description	Starting from the date	Amendment Summary
IAS 21	Non-interchangeability	January 1, 2025G	The amendments include guidelines for determining when a currency is interchangeable and how to determine the exchange rate if it is not interchangeable. The amendments also provide new disclosures to help users of financial statements assess the impact of using an estimated exchange rate.
IFRS 19	Subsidiaries without general liability	January 1, 2027G	The International Financial Reporting Standard (IFRS) allows a qualifying subsidiary to provide reduced disclosures when applying International Accounting Standards in its financial statements. A subsidiary qualifies for reduced disclosures if it has no general liability and its ultimate parent entity or any parent or intermediary entity prepares consolidated financial statements that are publicly available and compliant with International Accounting Standards.

Amendments to Standards	Description	Starting from the date	Amendment Summary
IFRS 7 and 9	Classification and measurement of financial instruments	January 1, 2026G	These amendments clarify that financial assets and liabilities are recognized and derecognized at the settlement date, with the exception of ordinary purchases or sales of financial assets and liabilities that meet the criteria of the new exception. The new exception allows companies to choose to derecognize certain financial liabilities settled through electronic payment systems before the settlement date. The amendments also provide guidance for assessing the contractual cash flow characteristics of financial assets, which applies to all conditional cash flows, including those arising from environmental, social, and governance features. In addition, these amendments introduce new disclosure requirements and update existing ones.
IFRS 18	Presentation and disclosure in financial statements	January 1, 2027G	IFRS 18 replaces IAS 1, setting out the basic presentation and disclosure requirements for financial statements. Changes that primarily affect the statement of income include the requirement to classify revenues and expenses into three new categories: operating, investing, and financing, with subtotals for operating profit or loss, as well as profit or loss before finance and taxes, being presented. In addition, operating expenses are presented directly in the statement of income, categorized either by nature (e.g., employee compensation), by function (e.g., cost of sales), or using a mixed presentation. Expenses presented by function require more detailed disclosure of their nature. IFRS 18 also provides enhanced guidance on the compilation and detailing of information in financial statements, introduces new disclosure requirements for management-defined performance measures, and eliminates the options for classifying interest and dividends in the statement of cash flows.

Source: Audited financial statements for the fiscal year ended December 31, 2024G.

There are no assurances about any developments that may occur to accounting standards from time to time, and therefore any changes to these standards or the mandatory application of some new standards may negatively affect the financial statements and, consequently, the company's financial results and financial position.

2-1-23 Risks related to the existence of previous Preemptive Rights Share issuances

The Company increased its capital in 2020G through a Preemptive Rights Shares issuance of (29,890,000) shares at a price of (10) Saudi Riyals, with total offering proceeds amounting to (298,900,000) Saudi Riyals. The Company disclosed in the relevant Prospectus that the offering proceeds would be used to finance the rehabilitation and operation of the Al-Haridah aquaculture project, loan repayment, incorporation expenses, and supporting working capital, in addition to offering expenses. The following table shows the changes made to the offering proceeds disclosed in the previous Prospectus and the deviation percentage for each item. **For further details and information, please refer to (Offering Summary) sub-paragraph (Total Proceeds Previously Obtained in the Last Preemptive Rights Shares Issuance, Their Analysis, Description, and Explanation of Their Use) of this Prospectus.**

Table (28): Use of proceeds from the offering as disclosed in the relevant prospectus

Item (Saudi Riyals)	Planned use	Actual use	The difference between actual and planned use	Actual spending versus planned spending percentage
Capital expenditures	190,000,000	50,300,000	(139,700,000)	26.5%
Set-up and working capital expenses	25,000,000	96,900,000	71,900,000	387.6%
Repayment of existing loan	80,000,000	147,500,000	67,500,000	184.4%
Offering expenses	3,900,000	4,200,000	300,000	107.7%
Total	**298,900,000**	**298,900,000**	-	-

Source: Company Management.

In accordance with paragraph (F) of Article Fifty-Seven (57) of the Rules on the Offer of Securities and Continuing Obligations issued by the Board of the Capital Market Authority pursuant to 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, as amended by the Board of the Capital Market Authority Resolution No. (3-6-2026) dated 30/07/1447H (corresponding to 19/01/2026G). (The issuer must disclose to the public any difference of 5% or more between the actual use of the proceeds of the preemptive rights shares issuance or the issuance of shares with the suspension of preemptive rights versus what was disclosed in the relevant Prospectus immediately upon becoming aware thereof).

On 20/06/1445H (corresponding to 02/01/2024G), the Company announced on Tadawul website the latest developments regarding the use of the previous offering proceeds, which included the Company's disclosure to the public of a difference of (5%) or more between the actual use of the offering proceeds versus what was disclosed in the Prospectus. Furthermore, on 24/12/1445H (corresponding to 30/06/2024G), the Company obtained the approval of the Extraordinary General Assembly to change the spending channels for the use of the Company's 2020G capital increase offering proceeds.

The Company's Board of Directors recommended in its resolution dated 10/08/1446H (corresponding to 09/02/2025G) to increase the Company's capital through a Preemptive Rights Shares offering with a value of three hundred thirty-four million, nine hundred thirty thousand, two hundred (334,930,200) Saudi Riyals, by offering thirty-three million, four hundred ninety-three thousand, and twenty (33,493,020) new ordinary shares, representing an increase in the Company's capital by (500%), so that the Company's capital after the increase becomes four hundred one million, nine hundred sixteen thousand, two hundred forty (401,916,240) Saudi Riyals.

In the event that the Company fails to obtain the necessary regulatory approvals for the issuance of the new Preemptive Rights Shares, or if it is unable to effectively use the future offering proceeds to support expansion plans and the implementation of the operational strategy, this may weaken the Company's ability to achieve its financing and operational goals, which could materially and negatively reflect on its financial position, operational efficiency, and future expectations.

2-1-24 Risks related to creditors of the Preemptive Rights subscription

As of the date of this Prospectus, the Company has outstanding obligations towards some of its shareholders amounting to 13.4 million Saudi Riyals, as shown in the Company's financial statements as of 31 December 2024G. These amounts represent compensation due to shareholders who did not exercise their rights to subscribe to new shares during the capital increase that took place in 2011G.

And these shareholders have not claimed these compensations to date; however, the Company continues to recognize these obligations in commitment to the opinion of its legal advisors, who indicated that the shareholders' right to obtain compensation is a fixed right that is not forfeited by non-claim or the difficulty of communicating with the concerned parties.

Accordingly, the continuation of these obligations increases the volume of the Company's financial liabilities and may lead at any time to claims from shareholders or their heirs. Furthermore, any future claim may directly affect the Company's cash flows, especially since the timing of reimbursement is not predetermined, which increases the degree of financial uncertainty and enhances the risks related to liquidity and the Company's future financial planning.

If these amounts are requested, it will directly affect the company's cash flows, and therefore its overall financial position and ability to finance its future operating and investment activities.

2-1-25 Risks related to operation and unexpected business shutdowns

Due to the company ceasing its farming and wholesale activities during the second half of 2024G, the company's operations during 2025G relied mainly on retail sales through a limited number of branches, which numbered (5) branches.

The company's management closed all 20 retail branches during the fiscal years 2022G, 2023G, 2024G and 2025G, with 5 branches closed during 2022G, 9 branches during 2023G, one branch during 2024G and 5 branches during 2025G.

As of the date of this prospectus, there are no active retail branches, pending a reassessment of its operational strategy and a study on restarting the aquaculture farms in the new partnership with Sara National Trading Company (**for further details please refer to Section (9) "Legal Information", Paragraph (9.7.5) "Other Material Contracts Related to the Group's Activity").**

In the event that the Company decides in the future to resume aquaculture activities or expand the operation of its production facilities, it will remain exposed to operational risks that may affect business continuity and the quality of execution.

These risks include, but are not limited to, natural disasters, sudden failures in critical equipment, performance deficiencies or sudden shutdowns in computer systems, interruptions in power and electricity supplies, or supply chain issues. These risks may lead to the disruption of production operations or services, affecting the Company's ability to deliver products or provide its services regularly, or incurring asset damages or direct financial losses.

The suspension of aquaculture and wholesale activities in 2024G has previously led to the dissatisfaction of some wholesale customers and their cessation of payment of the recent receivables, which amount to 8.5 million Saudi Riyals, representing 96.8% of the total trade receivables, thereby contributing to the accumulation of trade receivables overdue for more than 90 days. **(For further details, please refer to subsection No. 2.1.11 "Risks related to credit" of this section).**

In the event that any of such operational events occur in the future, whether due to internal failures or external factors, or if the Company decides to resume complex operations without the availability of appropriate operational and technical capabilities, there is no guarantee that the Company will not experience a sudden disruption or shutdown of its business, which could materially and adversely affect its operations, financial results, profitability, competitive position, and future expectations.

2-1-26 Risks related to the Company's entry into the date production sector

Saudi Fisheries Company plans to enter a new sector involving the trade and industry of dates and the establishment of a specialized factory for date processing industries and associated logistics services, by investing an amount of (250 million Saudi Riyals) from the offering proceeds **(for further details, please refer to Section (6) " Use of the Offering Proceeds and Future Projects", Paragraph (6.2) "Investment in the Establishment of a Date Factory and Related Logistics Services").** In this context, the Company announced on 21 August 2025G (27/02/1447H) via Tadawul website the Board of Directors' approval on 20 August 2025G to incorporate a limited liability company, (100%) owned by Saudi Fisheries Company, headquartered in Al-Qassim region, with a capital of (100,000 Saudi Riyals), specialized in the trade and industry of dates and logistics services, following the obtainment of necessary approvals and licenses from the relevant authorities. The announcement stated that this direction is in line with the Company's strategy to restructure its activities and investments.

The Company also announced on 14 September 2025G the completion of the issuance of the Bylaws and the Commercial Register for its subsidiary under the name "National Dates Company", a limited liability company (single person), wholly owned by Saudi Fisheries Company, with a capital of (100,000 Saudi Riyals).

Since the Company is entering a new sector in which it does not possess previous experience, its future success depends fundamentally on its ability to execute its new strategy and manage its investments in this sector. In the event that the Company faces challenges or is unable to achieve its planned objectives, this could have a negative impact on its results of operations, financial position, and future expectations.

The potential risks associated with this new investment manifest in a number of aspects, including operational risks, regulatory and legal risks, marketing risks, and financial risks, in addition to risks related to logistics and supply chains, as well as strategic risks associated with entering a new sector in which the Company has no prior experience.

Accordingly, the Company's failure to manage this project or achieve the desired results therefrom may have a material and adverse effect on the Company's business, financial results, cash flows, and investment future.

2-1-27 Risks related to the inability to implement the strategy

The Company's ability to increase its revenues and improve its profitability depends on the effective implementation of its business plans and the achievement of its strategy. It is worth noting that in 2022G, the Company adopted a strategy to shift from retail to wholesale and local aquaculture with the aim of maximizing profitability. However, this strategy did not achieve the desired results, as aquaculture and wholesale operations were suspended in the second half of 2024G due to operational losses and the lack of sufficient financing. Operational losses amounted to (58,639,047) Saudi Riyals, (107,950,040) Saudi Riyals, (34,555,101) Saudi Riyals, and (10,824,033) Saudi Riyals for the fiscal years ended 31 December 2022G, 2023G, 2024G, and the six-month period ended 30 June 2025G, respectively. These losses represented (92.5%), (90.0%), (84.3%), and (93.3%) of the net loss for the fiscal years ended 31 December 2022G, 2023G, 2024G, and the six-month period ended 30 June 2025G, respectively, leading to a significant decrease in revenues and the incurrence of idle costs resulting from unutilized assets. Idle costs resulting from unutilized assets amounted to (7.8) million Saudi Riyals, representing (40.96%) of the total revenues as of the fiscal year ended 31 December 2024G**. (For further details, please refer to sub-paragraph (2.1.1) "Risks related to business continuity" of this section.)**

It should be noted that the company has capital projects under construction, namely the establishment of a feed mill in the Al-Haridah area. This mill is dedicated to the production of shrimp and fish feed, and construction began in 2014G. The book value of the project as of December 31, 2025G, was 19.7 million Saudi Riyals. This project is not part of the share sale agreement concluded with Sara National Trading Company. The company intends to evaluate its economic viability and make an appropriate decision regarding its completion, modification, or termination at a later stage. **For further information, please refer to subsection (2-1-28) "Risks of the share sale agreement and strategic partnership related to Al-Haridah National Aquaculture Company" in this section.**

The delay in implementing the feed mill project entails several operational and financial risks, most notably the risks of obsolescence and changes in market conditions, the risk of depreciation due to the project not being operational to date, and the risk of not achieving the expected returns or recovering the invested capital. An impairment provision for the project amounted to 20.0 million Saudi Riyals as of December 31, 2025G, resulting in a reduction of its book value from 39.7 million Saudi Riyals to 19.7 million Saudi Riyals.

There is no guarantee that the company will be able to operate the project in the near term or achieve the targeted economic feasibility after it is operational, which may have a negative impact on the company's business and investment plans, and may also lead to additional losses due to future depreciation.

The company's ability to expand its business in the future is linked to its ability to continue to implement and improve operational, financial and administrative activities efficiently and in a timely manner.

Furthermore, any expansion plans the Company intends to implement in the future, including the new projects intended to be financed from the proceeds of the preemptive rights shares offering, will be subject to cost estimates and specific implementation schedules. The Company may require additional financing to complete some of these projects. **(For more information, please refer to Section No. (6): Use of the Offering Proceeds and Future Projects).** In the event that the Company is unable to implement these plans on time or within the estimated costs, or if these projects do not achieve the expected profitability - for reasons that may include changes in market conditions or flaws in feasibility studies - this will negatively affect the Company's profitability and competitive position.

2-1-28 Risks of the share sale agreement and strategic partnership related to Al-Haridah National Aquaculture Company

On October 29, 2025G, the company entered into a share sale agreement with Sara National Trading Company, enabling Sara National Trading Company to acquire a controlling stake in Al-Haridah National Aquaculture Company, which is 100% owned by the company. Under the agreement, Sara National Trading Company will acquire (5,100) shares, representing 51% of Al-Haridah Company's shares, for a total amount of 33,150,000 Saudi Riyals. This reflects a total valuation of Al-Haridah National Aquaculture Company, including the project, of 65,000,000 Saudi Riyals. The agreement also includes the transfer of the project land lease, licenses, assets, contracts, and related rights from the Saudi Fisheries Company to Al-Haridah National Aquaculture Company, and empowers Sara National Trading Company to manage the company and appoint a manager according to the agreed-upon structure.

Although the company aims to partner with a strategic operator specializing in the aquaculture sector and leverage the project's assets to achieve long-term investment returns, the completion of the transaction remains subject to several key conditions and obligations. These include: approval by the Saudi Fisheries Company's Ordinary General Assembly; transfer of the project land lease, aquaculture licenses, and project assets to Al-Haridah National Aquaculture Company; and a commitment from all parties to provide Al-Haridah National Aquaculture Company with a total of (20,000,000) Saudi Riyals in liquidity over the first five years, each according to their respective ownership percentage. The agreement also includes specific implementation timelines, such as presenting it to the Saudi Fisheries Company's General Assembly within 45 days of the agreement's signing; transferring the lease and licenses within 4 months of the signing date; and transferring the assets within four months of appointing a representative from Sara National Trading Company as the company's manager. On 01/03/2026G, the Company announced on Tadawul the extension of the period for transferring the lease agreement and licenses for an additional two months, effective from 26/02/2026G, and on 27/04/2026G, the Company announced on Tadawul the extension of the period for transferring the lease agreement and licenses once again for an additional two months, effective from 26/04/2026G.

The agreement also stipulates specific circumstances under which it may be terminated or rescinded, including: written agreement by both parties to cancel; the company's general assembly's failure to approve the transaction; Sara National Trading Company's failure to pay the initial installment according to the agreed-upon payment schedule; or the expiry of the agreement's specified period without the completion of the transfer of the aquaculture licenses, lease agreement, or project assets. Therefore, failure to meet any of the aforementioned conditions, or either party's inability to fulfill its contractual obligations, may result in the transaction becoming invalid or being canceled, potentially leading to continued uncertainty regarding the project's future.

The Company obtained the approval of its Ordinary General Assembly on 30 November 2025 to sell 51% of the Saudi Fisheries Company's stake in Al-Haridah National Aquaculture Company (a company wholly owned by the Saudi Fisheries Company by 100%) to Sara National Company, and amended the commercial registration of Al-Haridah National Aquaculture Company to reflect the new ownership structure and appointed a manager representing Sara National Company. The Company also received on 01/01/2026 the first payment from Sara National Trading Company amounting to 8,287,500 Saudi Riyals. It should be noted that, as of the date of this prospectus, work is still ongoing to complete the transfer of aquaculture licenses, the lease agreement, and the project assets to Al-Haridah Aquaculture Company.

If the transaction is completed, the company will lose control of Al-Haridah National Aquaculture Company, with its ownership decreasing from 100% to only 49%. This means that administrative and operational control of the project will transfer to Sara National Trading Company, and the company's ability to make independent strategic, operational, and financial decisions related to this asset will be diminished. The transaction also includes the transfer of a group of assets, contracts, and licenses associated with the project. These assets include (buildings and aquariums, shrimp sorting line equipment, boats and fishing equipment, vehicles, furniture, and computers), with a net book value of approximately 62,422,367 Saudi Riyals as of 31/12/2025G. This makes these assets major assets of relative importance to the company's business structure and financial position. Consequently, the loss of control over these assets or the failure to achieve the expected results and returns from the new partnership could negatively and materially impact the company's operations, financial results, profitability, and cash flows.

It should also be noted that the financial data for the activity subject to the transaction showed revenues of 21,695,105 Saudi Riyals in 2022G, 9,772,486 Saudi Riyals in 2023G, and 4,560,670 Saudi Riyals in 2024G, compared to recording net losses of (37,450,587) Saudi Riyals, (91,761,094) Saudi Riyals, and (6,924,997) Saudi Riyals for the same years respectively. The company stopped the aquaculture activity during the second half of 2024G **(for more details, please refer to paragraph (2-1-4) "Risks related to the downsizing of the Company's activities" of this section).** However, these historical results illustrate the existence of significant operational and financial challenges related to the project. Therefore, there is no guarantee that this partnership or restructuring of ownership and management will lead to improved project performance or the achievement of targeted returns, nor is there a guarantee of the project's success after the transfer of control or its continued ability to achieve positive results in the future, which may negatively affect the value of the company's remaining investment in Al-Haridah Company and its future financial results.

Therefore, any failure to implement the agreement, or failure to meet its conditions, or cancellation of it, or failure of the partnership after its entry into force to achieve its operational and investment objectives, or any future impact on the relationship between the partners, may have a substantial negative impact on the company's business, its strategic assets, its operating results, its profitability, and its financial position.

2-1-29 Risks associated with Board members or senior executives participating in businesses competing with the Company

The regulations and bylaws in force in the Kingdom, including the Companies Law and the Corporate Governance Regulations issued by the Capital Market Authority, stipulate that a member of the Board of Directors must obtain the approval of the General Assembly of shareholders if he wishes to participate in a business that competes with the Company's business, whether directly or indirectly. The Extraordinary General Assembly of Saudi Fisheries Company, held on 24/12/1445H (corresponding to 30/06/2024G), voted to approve granting permission to the Board Member, Mr. Ahmed AlBallaa, to participate in a business that is considered competitive to the Company's business.

Although this procedure was carried out in accordance with the regulatory frameworks, and despite the fact that the Board of Directors in its current term does not include any member engaged in a business competing with the Company, the participation of a Board member in a competing business is considered a factor that may raise a conflict of interest, or may affect the member's focus in performing his duties within the Board of Directors, or grant him commercial insight into information that could be used in a manner that might affect the Company's interest. Furthermore, this situation may affect the confidence of some investors or regulatory authorities in the degree of independence and neutrality in the Board's decisions, especially in matters related to strategy, competition, or commercial contracts.

Therefore, despite the regulatory commitment to disclosure and obtaining approval, the presence of a Board member practicing a competing business remains an existing legal and commercial risk factor that should be monitored and controlled through conflict of interest and governance policies; otherwise, this will have a negative impact on the Company's business and financial results.

2-1-30 Risks related to the Company’s reputation

The reputation of Saudi Fisheries Company is one of the most prominent intangible assets that directly affect its ability to attract new customers, maintain its current customer base, and establish sustainable commercial relationships and strategic partnerships with suppliers, distributors, and regulatory authorities. Since the Company operates in the fish production and distribution sector, which is considered a sensitive sector related to consumer health and safety, any decline in the Company’s reputation could have widespread consequences.

Potential sources of risk to the company's reputation include the following:

- Detecting health or environmental violations in production facilities or distribution centers.
- Failure to comply with locally or internationally approved food quality and safety standards.
- Legal cases or claims related to contamination or corruption in products.
- Irresponsible individual conduct by an employee or executive that results in a regulatory violation or societal harm.
- Publishing negative media reports or circulating false information about the company in the media or on social media platforms.
- Delay or failure to respond effectively to crises related to the product or supply chain.

On 21/12/2023G, the company was subjected to some violations by the Saudi Food and Drug Authority as a result of the following:

- Lack of a license from the Saudi Food and Drug Authority.
- The site needs a number of maintenance works such as removing rust and cracks in the floor and raising the level of cleanliness.
- The absence of some required health certificates.

This resulted in the closure of the production line as of 21/12/2023G and a review by the Saudi Food and Drug Authority. Although the Company subsequently issued the necessary licenses and the production line was reopened on 13/03/2024G, there is no guarantee that the Company's reputation will not be subject to any deterioration in the future as a result of one of the factors mentioned above or others. This may have a direct negative impact on its sales volume, the confidence of consumers and investors, and its ability to obtain regulatory licenses and permits, and it may also lead to the imposition of regulatory penalties or financial fines, or the loss of some key contracts or commercial partners.

Consequently, any damage to the reputation may adversely reflect on the Company’s financial position, results of operations, and profitability, as well as its share performance and valuation in the capital market, in addition to affecting its expansion plans and future expectations.

2-1-31 Risks related to the outbreak of infectious or malignant diseases, epidemics, or pandemics in general

The outbreak of infectious diseases, epidemics, or pandemics, such as COVID-19 previously, or the emergence of other public health concerns, whether in the Kingdom of Saudi Arabia or elsewhere, may have an impact. In the event of an outbreak of any such diseases, the Company will have to take the precautionary measures decided by the health and government authorities, which may lead to disruptions in the conduct of its business and commercial activity. The spread of the COVID-19 virus in late 2019G led to an impact on global economies, financial markets, global oil demand and prices, and the public measures taken to prevent the spread of the virus. Strict decisions were imposed regarding social distancing, the closure of businesses and companies, and the restriction of movement within and between countries throughout the world, which led to a decrease in aggregate demand, a decline in production, a decrease in travel and tourism movement, and a significant impact on many industries and economic sectors. This caused an impact on almost all businesses, reduced working hours, and mandatory closures. In general, these events affected all economic sectors and, consequently, affected our fulfillment of our customers' requirements from the expected activities.

Since there is no guarantee that this virus or another disease or epidemic will not re-emerge, the Company cannot estimate the extent of losses resulting therefrom should it occur. The Company does not guarantee that there will be no material adverse effect on the Company's business, financial position, results of operations, and future expectations.

2-1-32 Risks related to the spread of diseases in the Company's projects

There are many diseases that fish or shrimp farms may be exposed to. On 04/08/2015G, Al-Haridah farm suffered a viral infection with the White Spot Syndrome Virus (WSSV). As the Company announced on 09/08/2015G on Tadawul website, Al-Haridah farm was exposed to a viral infection with the White Spot Syndrome Virus, which resulted in the loss of approximately 700 tons of shrimp, equivalent to about 17.5 million Saudi Riyals. The losses amounted to 17.2 million Saudi Riyals, representing 33.6% of the total losses for the 2015G fiscal year. The Company suspended production at this farm following this incident, which increased fixed operating costs by 14.5 million Saudi Riyals and 9.8 million Saudi Riyals, representing 28% and 23% during the fiscal years 2015G and 2016G, respectively. This negatively affected the Company and its profitability margin during that period.

Infection of these farms with diseases may also lead to a negative impact on their financial performance and competitive position. The shrimp and fish farm in Al-Haridah – Asir region is considered susceptible to the disease risks listed below, the most important of which are:

- **Parasitic diseases**

  There are two main types of parasitic diseases: protozoa (such as ciliates, flagellates, and sporozoans) and worms (such as flatworms, tapeworms, and thorny-headed worms), which can lead to death if not treated in time.

- **Bacterial diseases**

  Fish and crustaceans are susceptible to a number of bacterial diseases, which can be internal or external, and the bacteria can be either Gram-negative or Gram-positive. Infections with Gram-negative bacteria are more common in fish and can lead to death if left untreated.

- **Fungal diseases**

  There are some fungi that infect the external parts of the aquatic organism, causing damage to the skin or damage to the eggs, and then death if not treated in time.

- **Viral diseases**

  Viral diseases are considered the most dangerous of all diseases because they are very difficult to treat. Proper supervision and monitoring are the only available means to ensure that no virus carriers enter shrimp and fish farms.

- **Other diseases**

  Insufficient nutrition weakens fish and crustaceans, making them less resistant to disease. Changes in water chemistry or high temperatures can also lead to illnesses that reduce their growth and survival rates. Any of these factors will negatively impact the company's operations, financial position, performance, and future expectations.

2-1-33 Risks of employee errors or misconduct

The Company has a work organization regulation approved by the Labor Office under No. (643204) dated 01/08/2021G. The Company cannot guarantee the avoidance of employee misconduct or errors such as fraud, intentional errors, embezzlement, misappropriation, theft, forgery, misuse of its property, and acting on its behalf without obtaining the required administrative authorizations. Consequently, such actions may result in consequences and liabilities borne by the Company, regulatory penalties, or financial liability, which will negatively affect the Company's reputation. Therefore, the Company cannot guarantee that its employees' misconduct or errors will not lead to material damage to its financial position or results of operations and future expectations.

2-1-34 Risks of reliance on key personnel and executive management

The success of the Company and its future plans depend on the expertise and competencies of its senior management and key personnel. The Company aims to attract and recruit qualified individuals to ensure the efficiency and quality of business through effective management and proper operation. There is no assurance that the Company will be able to guarantee the continuity of its employees' services; furthermore, the Company will need to increase its employees' salaries to ensure their retention or to attract new cadres with appropriate qualifications and experience. Accordingly, if the Company loses any of its senior executives or qualified employees and is unable to recruit replacements with the same level of experience and qualifications and at a cost suitable for the Company, this will have a material adverse effect on the Company's business, profitability, results of operations, and future expectations.

2-1-35 Risks related to reliance on non-Saudi employees

Non-Saudi employees constitute approximately (78%) of the Company’s total workforce as of the date of this Prospectus, reflecting a significant reliance on foreign labor in carrying out daily operational activities. This reliance involves a number of material risks, most notably the following:

- Operational Risks: The Company may face difficulties in maintaining its non-Saudi cadres or replacing them with competencies possessing the same skills and expertise, especially in the event of sudden changes in regulations or difficulties in recruiting qualified labor. The loss of these cadres may lead to disruptions in the conduct of operational processes and the Company’s productivity.
- Regulatory Risks: Any change in the policies of the Ministry of Human Resources and Social Development aimed at increasing localization rates more stringently may restrict the Company’s ability to recruit or retain a large number of non-Saudi employees.
- Financial Risks: The Company bears additional financial burdens associated with employing non-Saudi labor, including work permit fees, residency (Iqama) fees, and other government costs imposed on companies that rely on a high percentage of expatriate labor. These costs constitute a burden on the Company’s operating expenses and may negatively affect its profitability and financial results, especially in the event of fee increases or the implementation of new policies that increase costs in the future.

Accordingly, the continued heavy reliance on non-Saudi labor represents a source of risk for the Company from operational, regulatory, and financial perspectives, especially in light of the changing regulatory environment and increasing localization trends in the Kingdom. In the event of any additional adverse changes as referred to above, it will negatively affect the Company's future business, financial performance, and results of operations.

2-1-36 Risks of job vacancies and their impact on operational efficiency

The company's ability to execute its operations and achieve its expansion strategy depends on the availability of qualified personnel. The company currently has several job vacancies across a number of key departments, and the following table outlines the most significant vacancies:

Table (29): Job Vacancies

Job Vacancy	Department	Reason	Expected period to fill the vacancy
Director of Compliance and Governance	Compliance and Governance Department	Employee resignation	First half of 2026G
Aquaculture Director	Aquaculture Department	Activity suspension	First half of 2026G
Technical-Shrimp	Aquaculture Department	Activity suspension	First half of 2026G
Technical-Salmon	Aquaculture Department	Activity suspension	First half of 2026G
Manufacturing Sales Manager	Sales Department	Activity suspension	First half of 2026G
Fishing Sales Manager	Sales Department	Activity suspension	First half of 2026G
Aquaculture Sales Manager	Sales Department	Activity suspension	First half of 2026G
Business Development and Marketing Manager	Sales Department	Activity suspension	First half of 2026G

Source: Company Management.

(For more details, please refer to sub-paragraph (9.2.5.4) "Executive Management" of section (9) "Legal Information"), which directly affects operational efficiency and performance effectiveness, as follows:

Job vacancies within the aquaculture department

The aquaculture department was affected by the workforce reduction implemented across the Company during the fiscal years 2022G and 2023G. This department was established in late 2021G, after which the Company reviewed its functional structure and took a decision to reduce the number of employees in this department and other administrations with the aim of cutting costs. As a result, there are vacancies in key positions such as the aquaculture manager and technical staff, which negatively affects the efficiency of the department's operations and performance.

It is worth noting that the lack of technical supervision and qualified cadres at the Company's main farm in the Al-Haridah region contributed to an increase in the Feed Conversion Ratio (FCR) and a decrease in fish survival rates during previous periods, which exacerbated the losses of the Company's internal aquaculture activity. The following table illustrates details regarding the key performance indicators for fish and shrimp for the Company for the fiscal years ended 31 December 2022G, 2023G, and 2024G:

Table (30): Key Performance Indicators for Fish and Shrimp

Cycle	Feed conversion ratio	Survival rate
Key Performance Indicators for Fish		
Cycle (1) 2023G	4.6	63%
Cycle (2) 2024G	2.7	88%
Key Performance Indicators for Shrimp		
Cycle (1) 2021G-2022G	2.6	70%
Cycle (2) 2022G	2.6	48%
Cycle (2) 2022G-2023G	2.0	60%
Cycle (4) 2023G	2.1	80%

Source: Company Management.

This contributed to the company's decision to suspend fish farming operations in the second half of 2024G. It should be noted that resuming these operations in the future will depend on the company's ability to provide the necessary technical and administrative expertise to operate the farm efficiently and ensure stable production results.

Sales Team

The sales team suffers from a clear shortage in a number of positions. The CEO has been tasked with assuming the duties of the Retail Sales Manager on a temporary basis due to the absence of the position holder. Furthermore, five out of six leadership positions within the team remain vacant, including the officials for retail sales, manufacturing sales, fishing sales, and aquaculture sales, in addition to the business development and marketing management.

This functional shortage affects the Company's ability to maintain revenue growth, which was actually reflected in the decrease in revenues during the last twelve-month period (LTM), as revenues declined from 15.7 million Saudi Riyals on 30 June 2024G to 2.1 million Saudi Riyals on 30 June 2025G, representing a total decrease of 86.5%. Furthermore, the lack of leadership in these areas has weakened the implementation of the sales strategy, disrupted operations, and undermined overall performance, thereby weakening the Company's competitive ability and future profitability.

Despite the vacancies referred to above, which led to a decrease in employee costs to (17.7) million Saudi Riyals in the 2024G fiscal year as a result of the layoffs of some workers by the Company, there remains an amount of 2.3 million Saudi Riyals in employee costs that the Company continues to incur as idle costs for the maintenance of the unutilized farm. **(For more information, refer to sub-paragraph (2.1.1) "Risks related to business continuity" of this section).**

While total salary costs decreased during the historical period, dropping from 39.5 million Saudi Riyals in 2022G to 17.7 million Saudi Riyals during 2024G, there has been an increase in the average cost per employee, particularly in the general administrative departments, where the average cost rose from 163 thousand Saudi Riyals in the fiscal year 2022G to 285.4 thousand Saudi Riyals in the fiscal year 2024G.

The loss of the Company's key human elements or its inability to retain them will reflect negatively on the Company's business, and the Company's profitability may be affected if the Company is forced to pay higher salaries and benefits to retain them, which will reflect negatively on the Company's performance, results of operations, and profitability.

2-1-37 Risks related to localization requirements

Compliance with localization requirements is a statutory requirement in the Kingdom of Saudi Arabia, under which all operating companies are committed to employing a specific percentage of Saudi employees out of the total number of their employees and maintaining that percentage. According to the Nitaqat program issued by the Ministry of Human Resources and Social Development, the company's localization rate as of the date of this Prospectus is (28%), and it is classified within the Platinum category. However, if the company does not continue to maintain this localization rate by retaining its Saudi employees, or if the Ministry of Human Resources and Social Development decides to impose stricter Saudization policies in the future, and if the company is unable to comply with the requirements of the Ministry of Human Resources and Social Development, this may lead to an impact on the company's category and a drop to a lower category or the red category, whereby the company will be deprived of the advantages and services provided by the current category, and these will be suspended for the company, which are as follows:

1. Not allowing the change of professions for expatriate labor working for the Company.
2. Not allowing the transfer of expatriate labor services to the Company.
3. Not allowing the request for new visas.
4. Not allowing the issuance of work permits for new expatriate labor.
5. Not allowing the issuance or renewal of work permits for the current expatriate labor.

(For more information, please refer to subsection (3.10) "Employees" of Section (3) "Background of the Company and the Nature of its Business" in this Prospectus.)

2-1-38 Risks related to the adequacy of insurance coverage

As of the date of this Prospectus, the company holds a number of valid insurance policies, including the following:

- Health insurance policy for employees: It should be noted that, pursuant to Article (14) of the Health Insurance Law, in the event that the employer does not subscribe to the insurance or fails to pay the cooperative health insurance premiums, the employer shall be obligated to pay all due premiums, in addition to a financial fine not exceeding the value of the annual subscription for each individual, with the possibility of being barred from recruiting labor for a permanent or temporary period. Accordingly, the Company's inability to enter into new insurance policies or renew expired policies may expose it to regulatory penalties and fines, which may have a material adverse effect on the Company's performance and results of operations.
- Vehicle insurance policy: The insurance coverage extends to compensate the insured Company for any loss or damage to the insured vehicle, including the spare parts installed therein. The maximum liability of the insurance company per single incident toward third parties, whether for bodily injury, property damage, or both, shall be an amount of ten million (10,000,000) Saudi Riyals.
- Professional Indemnity Insurance policy: The coverage extends to provide protection against claims arising from negative financial consequences resulting from management decisions taken by the Company. The maximum liability of the insurance company per single incident toward third parties, whether for bodily or material damages or both, shall not exceed the amount of five million (5,000,000) Saudi Riyals.

However, as of the date of this Prospectus, the Company does not maintain an insurance policy against all risks and fire, as it does not have, as of the date of this Prospectus, an insurance policy covering all risks, including fire that may affect its headquarters, properties, equipment, or furniture.

In addition, insurance has not been placed on crops or aquatic organisms to protect fish, shellfish, and aquatic plants from risks such as diseases, parasites, and unexpected mortality, nor is there insurance for farm infrastructure such as cages, aeration equipment, and feeding equipment. Furthermore, there is no liability insurance to protect the farms from legal claims resulting from pollution or damages that lead to environmental or social impacts, which contributes to reducing financial risks resulting from unexpected losses.

In the event that the Company is unable to issue such policies or renew those that may expire in the future, this may lead to the unavailability of adequate insurance coverage in the event of an accident, which may expose the Company to the loss of invested capital in the damaged or destroyed properties, in addition to the loss of expected future revenues therefrom.

Accordingly, any deficiency in insurance policies, whether in terms of coverage, renewal, or obtaining the necessary policies, may result in material financial and operational impacts that put the Company's assets at risk and weaken its ability to recover from incidents, which adversely reflects on its financial position, profitability, and future expectations.

2-1-39 Risks related to the failure to obtain or renew licenses and certificates

In order to carry out and expand its business, the Company must obtain a number of licenses, certificates, permits, and approvals from regulatory, legal, administrative, and tax government bodies and authorities and others in the Kingdom, specifically the municipal license to practice commercial activities, the civil defense license for its facilities in the Kingdom, and licenses to practice agricultural and food activities for some of its facilities concerned with practicing agricultural and food activities, such as farms and warehouses. The procedures for obtaining these licenses, certificates, permits, and approvals often require a long time, and most of them are subject to conditions under which they may be suspended or halted in the event that the licensee fails to comply with certain requirements. As of the date of this Prospectus, the Company has a number of expired licenses, and the Company may be subject to violations and penalties if these branches are operated without obtaining those licenses or renewing the expired ones; for example, there may be financial penalties or the closure of the violating branch. The Company may be exposed to penalties and fines if it continues to practice its activities without renewing the licenses. In addition, upon renewal or amendment of the scope of the license, certificate, or permit, the competent authority may not approve such renewal or amendment, and may impose conditions that would negatively affect the Company's performance if it agrees to renew or amend those documents. In the event that the Company is unable to maintain the relevant licenses, permits, and approvals, or obtain them in the first place, or renew them, its ability to achieve its strategic objectives may weaken, and it may be forced to close its facilities and installations that lack operational licenses or be subject to financial fines, which would have a material adverse effect on the Company's business, financial position, results of operations, and future expectations.

Furthermore, the Company has not obtained a commercial activity license (municipal license) for the premises through which it conducts its activities, due to the fact that the building in which the head office is located needs to rectify its status and undergo some updates, and the license cannot be issued until the completion of the improvement works. The Company's failure to comply with the requirements of the Ministry of Municipalities and Housing regarding the renewal/issuance of municipal licenses for the site through which it practices its commercial activity is considered a violation of the Municipal Licensing Procedures Law issued by Royal Decree No. (M/59) dated 23/09/1435H (corresponding to 20/07/2014G). The company may be subject to the penalties stipulated in the municipal violations regulations. (issued by Cabinet Resolution No. (92) dated 05/02/1442H (corresponding to 22/09/2020G) and its executive rules issued by Ministerial Resolution No. (4300204526) dated 12/03/1443H (corresponding to 18/10/2021G), which may reach five hundred thousand (500,000) Saudi Riyals, and may also reach the point of closing the Company's offices, which may negatively affect the Company's operations, results of operations, and financial position.

In addition, it has not obtained a safety certificate (Civil Defense) for the premises through which it conducts its activities, due to the fact that the building in which the head office is located needs to rectify its status and undergo some updates, and the license cannot be issued until the completion of the improvement works. Non-compliance will expose the Company to the penalties and fines stipulated in Article (30) of the Civil Defense Law issued by Royal Decree No. (M/10) dated 10/05/1406H (corresponding to 21/01/1986G) and its amendments, which provides for the imposition of a penalty on the violator of any provision of this law, its regulations, or the resolutions issued pursuant thereto, with imprisonment for a period not exceeding six months, or a fine not exceeding 30 thousand Saudi Riyals, or both. Furthermore, the Company’s failure to obtain Civil Defense licenses will lead to the Company’s inability to obtain new municipal licenses or renew current licenses. In the event that it is unable to obtain safety licenses from the Civil Defense, this may lead to the closure of the headquarters until the regulatory procedures for obtaining Civil Defense licenses are completed. **(Please refer to paragraph (9.5) “Material Licenses, Certificates, and Approvals” of Section (9) “Legal Information” of this Prospectus).**

Furthermore, some of the work licenses for marine units and navigation licenses have expired (due to some ships and boats being under maintenance procedures). Noting that, according to the regulation governing the issuance of navigation licenses and work licenses, a marine unit is not permitted to sail after its work license has expired. As all licenses have expired, (the Company cannot practice sailing and fishing activities); consequently, this will negatively affect the Company's business, results of operations, and financial position. It may be penalized with a financial fine of up to (20,000) Saudi Riyals in the event of operating the vessel with an expired or canceled navigation license, or without obtaining a license. It may also be penalized with a financial fine of up to (30,000) Saudi Riyals in the event of operating the marine unit without obtaining a work license or with an expired or canceled work license.

Accordingly, the Company's failure to comply with regulatory licensing requirements and their renewal within the specified times, whether related to the headquarters, marine units, or other operational facilities, may expose the Company to financial fines, the suspension of some of its activities, or the closure of its branches and facilities. This could have a material adverse effect on the Company's ability to conduct its business in the usual manner and directly affect its operational processes, financial results, financial position, and future prospects.

2-1-40 Risks related to trademark protection

The Company owns a logo that it uses in its commercial dealings, and it has been registered as a trademark with the Ministry of Commerce and Investment (Trademark Department), prior to the transfer of trademark registration authority to the Saudi Authority for Intellectual Property.

The trademark has been registered under category (29), which is one of the trademark categories that includes: (meats, fish, poultry and game, meat extracts, preserved, frozen, dried and cooked fruits and vegetables, jellies, jams, compotes, eggs, milk and milk products, edible oils and fats, preserved foods, and pickles.)

The registration of the trademark grants the Company the right to use its name and logo on the external facades of buildings, offices, and stores it operates, while providing the necessary legal protection under the Trademark Law applicable in the Kingdom. **(For more information, please refer to paragraph (9.8) “Trademarks and Intellectual Property Rights” of Section (9) “Legal Information” of this Prospectus).**

In addition, the Company may be required from time to time to renew the registration of those trademarks, register new trademarks, or file a lawsuit to protect its rights to its trademarks and other intellectual property rights belonging to it. The Company may also be subject to accusations and allegations from third parties that it has infringed their intellectual property rights or that the Company has misused those rights, which may result in judicial proceedings. The results of lawsuits related to the Company's rights regarding its intellectual property cannot be guaranteed, and this may be a reason for the Company to incur significant costs and allocate financial resources to cover the expenses of those lawsuits; this will negatively affect the Company's income and profits regardless of whether the Company is able to prove its intellectual property rights or defend them successfully or not. Any of the aforementioned factors will have a material adverse effect on the Company's business, financial position, results of operations, and future expectations.

2-1-41 Risks related to litigation and legal claims

In the context of its business activities, the Company and its subsidiaries may be exposed to cases and lawsuits related to its operations. The Company does not guarantee that no disputes will arise between it and internal parties (such as employees or directors) or external parties with whom it deals, such as customers, suppliers, distributors, and others, which may lead to filing cases (such as labor lawsuits, financial claims, or lawsuits to terminate existing contracts due to a breach by one of the contracting parties of its obligations or undertakings) before the competent judicial authorities. As a result, the Company may be subject to legal claims from government bodies and departments and investigations. Naturally, the Company cannot predict the results of such claims if they occur, nor does it guarantee that these claims will not have a material impact on its business, financial position, and results of operations. Furthermore, the Company cannot accurately predict the volume of the cost of lawsuits or judicial proceedings that may be filed by or against it, or the final results of those lawsuits or the judgments issued therein and the compensation and penalties they may include. As of the date of publication of this Prospectus, the Company has (9) pending legal cases in its capacity as "Plaintiff" with a value of 4,158,641.74 Saudi Riyals. These cases are still pending or are subject to non-final judgments.

The company also has (6) pending cases as a "Defendant" with a value of 385,594 Saudi Riyals, which are still under consideration. It is possible that the Company may not be able to collect the claimed amounts or that the judgment may not be in its favor, and in the latter case, it will be forced to use the recorded credit loss provision to cover the value of these claims, and consequently, this will have a negative impact on the Company's business, future prospects, results of operations, and financial position. **(For more details on the cases, refer to Section No. (9) "Legal Information", sub-paragraph (9.10) "Disputes and Litigations" of this Prospectus).**

The number of execution requests filed by the Company to collect various financial entitlements reached (8) requests, and the total claims related to them amounted to 3,891,630.83 Saudi Riyals, of which no debts have been collected to date. **(For more details on the cases, refer to Section No. (9) "Legal Information", sub-paragraph (9.10) "Disputes and Litigations" of this Prospectus).** The possibility of additional claims or lawsuits arising in the future that may materially and adversely affect the Company's financial position, profitability, results of operations, and future expectations cannot be excluded.

Furthermore, the continuation of judicial proceedings for a long period, or the failure to collect on judicial judgments won by the Company, may affect the expected cash flows or reflect challenges in contract management and collection. Although the Company monitors these cases through its legal representatives and takes the appropriate regulatory measures, and despite setting aside provisions to cover the value of these lawsuits in the event that judgments are issued obligating it to pay financial amounts to other parties in the cases, the existence of pending legal disputes constitutes a legal and financial risk factor that must be taken into account, especially in light of the difficulty of predicting the results of some lawsuits or the duration of execution procedures.

2-1-42 Risks related to transactions with related parties

In the ordinary course of its business, the Company enters into transactions with a number of related parties, including companies in which some Board members are also members of the board. Transactions with related parties are recognized and recorded in the financial statements in accordance with International Financial Reporting Standards (IFRS) and the standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA). The total transactions with related parties amounted to (17,777,381) Saudi Riyals for the fiscal year ended 31 December 2022G, (9,259,021) Saudi Riyals for the fiscal year ended 31 December 2023G, (4,801,401) Saudi Riyals for the fiscal year ended 31 December 2024G, and (3,946,625) Saudi Riyals for the financial period ended 30 June 2025G.

- **Transactions with related parties during the fiscal year ending December 31, 2022G:**

Table (31): Transactions with related parties during the fiscal year ending December 31, 2022G

Related party	Nature of relationship	Type of interest	Nature of transactions	Balance as of 2022G (Saudi Riyals)
Due from a related party				
Head management employees	Board members	Direct	Board members' remuneration	1,429,286
	Executive staff	Direct	Salaries, wages, and other due allowances	3,833,210
	Head	Direct	Post-employment benefits for employees	167,082
Bank of Bahrain	The bank's CEO is a member of the Board of Directors*	Indirect	Short-term loan	10,073,467
National Aquaculture Group (NAQUA)	The CEO of NAQUA is a member of the Board of Directors**	Indirect	Purchases	2,274,336
Total				**17,777,381**

Source: The Company.

*Mr. Mansour AlSaghayer served as CEO of Bank of Bahrain and a member of the Board of Directors of the Saudi Fisheries Company (The Board term begins on 25/10/2020G and ends on 24/10/2023G).

**In compliance with International Accounting Standard ("IAS 1" "Presentation of Financial Statements" "paragraphs 38 – 38C" "regarding presentation of comparative information") and Standard ("IAS 24" "Related Party Disclosures"), the Company is committed to disclosing comparative information for prior periods whenever necessary and materially relevant to enable users of the financial statements to form a sound and fair understanding of the financial position, results of operations, and cash flows of the Company, including the disclosure of any previous transactions or balances with related parties – if any. Accordingly, the Company did not enter into any transactions with related parties during the year 2022G when preparing its financial statements; however, when preparing the financial statements for the year 2023G, it was disclosed within the 2022G comparative year for presentation and comparison purposes in accordance with the requirements of International Accounting Standards, the existence of a related party with the CEO of NAQUA, Ahmad Rasheed Mohammad AlBallaa (one of the members of the Company's Board of Directors for the term that started on 10/04/1445H (corresponding to 25/10/2023G) and ends on 13/05/1448H (corresponding to 24/10/2026G). On 30/02/1446H (corresponding to 03/09/2024G), the Company's Board of Directors decided to accept the resignation of the member Ahmad Rasheed Mohammad AlBallaa from his position as a Board member), and the nature of the relationship consisted of purchasing larvae for aquaculture in the Company's farms.

- **Transactions with related parties during the fiscal year ending December 31, 2023G:**

Table (32): Transactions with related parties during the fiscal year ending December 31, 2023G

Related party	Nature of relationship	Type of interest	Nature of transactions	Balance as of 2023G (Saudi Riyals)
National Aquaculture Group (NAQUA)	Affiliated company*	Indirect	Purchases	5,389,719
Senior management employees	Board of Directors	Direct	Board members' remuneration	3,416,898
	Key executives	Direct	Salaries, wages, and other due allowances	222,400
		Direct	Work benefits	230,004
Total				**9,259,021**

Source: The Company.

*Eng. Ahmad Rasheed Mohammad AlBallaa held the position of Board Member of the National Aquaculture Group (NAQUA) and Board Member of the Saudi Fisheries Company. The Board's term begins as of 10/04/1445H (corresponding to 25/10/2023G) for a period of three years and ends on 13/05/1448H (corresponding to 24/10/2026G). On 30/02/1446H (corresponding to 03/09/2024G), the Company's Board of Directors decided to accept the resignation of Mr. Ahmad Rasheed Mohammad AlBallaa from his position as a Board Member.

- **Transactions with related parties during the fiscal year ending December 31, 2024G:**

Table (33): Transactions with related parties during the fiscal year ending December 31, 2024G

Related party	Nature of relationship	Type of interest	Nature of transactions	Balance as of 2024G (Saudi Riyals)
Due to related party				
Senior management employees	Board of Directors	Direct	Board members' remuneration	4,682,999
	Key executives	Direct	Work benefits	118,402
Total				**4,801,401**

Source: The Company.

- **Transactions with related parties during the financial period ending June 30, 2025G:**

Table (34): Transactions with related parties during the financial period ending June 30, 2025G

Related party	Nature of relationship	Type of interest	Nature of transactions	Balance as of June 30, 2025G (Saudi Riyals)
Due to related party				
Senior management employees	Board of Directors	Direct	Board members' remuneration	3,788,362
	Key executives	Direct	Employee benefits	158,263
Total				**3,946,625**

Source: The Company.

General Assembly approval was obtained for transactions in which a Board member has an indirect interest, during its meeting held on 24/12/1446H (corresponding to 30/06/2024G). General Assembly approval was also obtained for the business and contracts entered into between the Company and National Bank of Bahrain in 2022G, in which a Board member has an indirect interest **(For more information, please refer to subsection (9.7.2) "Agreements and Transactions with Related Parties" of Section (9) "Legal Information").** The failure to document contracts and transactions with related parties under written agreements, or in the event they are not concluded on purely commercial bases, or the failure to obtain General Assembly approval for them (in the event of a direct or indirect interest for any Board member), will have a negative impact on the Company's business, financial position, results of operations, and future expectations.

2-1-43 Risks related to the new Companies Law and the amended Corporate Governance Regulations

On 29/11/1443H corresponding to (28/06/2022G), the Council of Ministers approved the Companies Law issued by Royal Decree No. (M/132) dated 01/12/1443H (corresponding to 30/06/2022G), which aims to facilitate procedures and regulatory requirements to stimulate the business environment and support investment. It also aims to achieve balance between stakeholders, provide an effective and fair corporate governance framework, establish institutional work, and contribute to the sustainability of economic entities, including family businesses, and attract local and foreign investments, provide sustainable financing sources, meet the needs and requirements of the entrepreneurship sector, and stimulate the growth of small and medium enterprises. Noting that following the issuance of the new Companies Law, the Corporate Governance Regulations issued by the Board of the Capital Market Authority were amended by

Resolution No. (8-16-2017) dated 16/05/1438H (corresponding to 13/02/2017G) based on the Companies Law issued by Royal Decree No. (M/3) dated 28/01/1437H (corresponding to 10/11/2015G), as amended by the Capital Market Authority Board Resolution No. (8-5-2023) dated 25/06/1444H (corresponding to 18/01/2023G) based on the Companies Law issued by Royal Decree No. (M/132) dated 01/12/1443H (corresponding to 30/06/2022G). **(For more details, please refer to subsection (9.6.5) "Ongoing obligations as per the requirements of the Capital Market Authority" of Section (9) "Legal Information" of this Prospectus).**

It is worth noting that some positions in the first line of executive management are held by employees in an acting capacity, such as the Sales Director position, in addition to the presence of a number of vacant leadership positions in the senior executive management. The failure to appoint permanent, qualified persons to these positions may affect the effectiveness of the executive management, and weaken job stability and institutional capacity to execute strategic tasks efficiently, which constitutes a point of weakness in the internal governance structure. **(For more details, please refer to subsection No. (2.1.34) "Risks of reliance on key personnel and executive management" of this section).**

Furthermore, there is no guarantee that no additional future amendments will be issued to the Companies Law or the governance regulations that may impose additional requirements on the Company, whether at the level of disclosure, administrative composition, or compliance, which may lead to additional costs or regulatory challenges affecting the governance structure and stability of operations. The Company's failure to implement the governance regulations approved by the Authority or to keep pace with new regulatory requirements may lead to the imposition of fines or the taking of regulatory actions against the Company, which may reflect materially and adversely on its financial position, performance, and future expectations.

2-1-44 Risks associated with non-compliance or breach of rules imposed by the Capital Market Authority (CMA)

The Saudi Fisheries Company, in its capacity as a listed joint stock company, is subject to direct supervision by the Capital Market Authority, and is committed to a number of strict laws and regulations, including the Rules on the Offer of Securities and Continuing Obligations, the Instructions for Companies' Announcements, Corporate Governance Regulations, and International Financial Reporting Standards approved in the Kingdom. During the recent fiscal years, a number of regulatory and accounting violations were monitored by the Authority, which included:

- On 05/07/2023G, the Capital Market Authority addressed the representatives of Saudi Fisheries Company regarding an accounting violation related to the annual financial statements for the year 2022G. The Authority indicated that the Company did not comply with paragraph (D) of Article (66) of the Rules on the Offer of Securities and Continuing Obligations, and paragraph (12) of International Accounting Standard No. 41 "Agriculture," as biological assets (fish) were not measured at fair value less costs to sell as required by the standards. The Authority requested the Company to: correct the violation in future financial statements, take measures to avoid its recurrence and inform the Board of Directors thereof, while emphasizing compliance with the Capital Market Law and its Executive Regulations.
- On 04/12/2024G, the Capital Market Authority addressed the Board of Directors of Saudi Fisheries Company regarding the Board's non-compliance with the requirements of Article (21) paragraph (9) of the Corporate Governance Regulations, which obligates the Board to prepare and approve the interim and annual financial statements before their publication. The Authority referred to the Company's announcement on 14/08/2023G regarding its inability to publish the financial results for the period ended 30/06/2023G within the specified time, which constitutes a regulatory violation. Accordingly, the Authority emphasized: the necessity of taking urgent corrective measures to prepare and approve the financial statements and the importance of complying with the statutory provisions in the future, in accordance with the Companies Law, the Capital Market Law, and the relevant regulations. The Authority requested confirmation of receipt of the letter due to its importance.

For the preliminary financial statements for the period ending June 30, 2023G

- On 04/12/2024G, the Capital Market Authority addressed the representatives of Saudi Fisheries Company regarding an accounting violation related to the interim financial statements for the period ended 30 June 2023G, where the Company changed the accounting policy for measuring investment properties from the cost model to the fair value model, without full compliance with the adopted accounting standards, and the following violations were monitored:

1. Failure to restate the financial statements for the previous period (first quarter 2023G) in accordance with the requirements of paragraph 43(A) of International Accounting Standard 34.
2. Absence of disclosures related to the inputs used to perform such measurements, which violates paragraph 91 (A) of International Financial Reporting Standard.

Accordingly, the Authority requested the correction of the violation in future financial statements, avoiding its recurrence in the future and informing the Board of Directors of the violation, in addition to taking the auditor's notes related to the valuation of investment properties into account when preparing the financial statements for the year ended 31 December 2023G. The Authority also emphasized the necessity of full compliance with the Capital Market Law and its Executive Regulations.

For the annual financial statements ending on December 31, 2023G

- On 16/09/2024G, the Capital Market Authority pointed to an accounting violation related to the annual financial statements of Saudi Fisheries Company for the year ended 31 December 2023G, as a result of non-compliance with paragraph (D) of Article 66 of the Rules on the Offer of Securities and Continuing Obligations, which obligates the preparation and audit of financial statements in accordance with the standards of the Saudi Organization for Chartered and Professional Accountants.

The independent auditor's observations showed the following:

First: Incorrect measurement of fair value
Paragraphs 22 and 67 of International Financial Reporting Standard 13, The company used optimistic valuation assumptions, not supported by historical data, when measuring the fair value of the fish farming land (Al-Haridah).

Second: Inaccurate calculation of the amount that can be refunded
Paragraph 18 of International Accounting Standard 36 states that the company did not deduct the costs of disposal from fair value when calculating the recoverable amount of assets, which is contrary to the standard for impairment of assets.

Third: Inconsistent accounting disclosure
Paragraph 117 of International Accounting Standard 1 states that there is a discrepancy between the company's declared policy for measuring biological assets and what was actually implemented; the disclosures state that fish were measured at cost, while in reality they were measured at fair value in later periods (September 30 and December 31, 2023G).

The actions required of the company: Correcting the accounting violations in the future financial statements, informing the Board of Directors and the Audit Committee of the violation, taking the necessary measures to prevent its recurrence, and full compliance with the Capital Market Law and its Executive Regulations.

The authority noted that these observations do not negate the existence of other observations on the asset valuation reports submitted by the company.

The company has addressed all the comments and pledged not to repeat them.

On 31/03/2024G, the Saudi Fisheries Company announced its inability to publish the financial results for the year ending 31-12-2023G, which resulted in the company violating paragraph (D) of Article Sixty-Six (66) of the Rules for Offering Securities and Continuing Obligations, as well as violating Article Sixty-Seven (67) of the Rules for Offering Securities and Continuing Obligations with regard to publishing the Board of Directors' report in the time specified for that, due to the non-completion of the audit work.

On 23/04/1447H (corresponding to 15/10/2025G), the Capital Market Authority issued a number of financial penalties against the company's Board members at that time, totaling 320,000 Saudi Riyals, for violating Article (132) and paragraphs (B), (E), and (Q) of the Companies Law and paragraphs (9) and (10) of Article (21) of the Corporate Governance Regulations, based on paragraph (2) of Article (267) of the Companies Law. These penalties were imposed for failing to prepare and approve the company's annual financial statements for the period ending 31/12/2023G within the legally mandated publication period ending 31/03/2024G, for failing to convene an extraordinary general assembly within (180) days of the date the company's accumulated losses reached (52.89%) of its capital, and for failing to prepare and approve the board of directors' report for the fiscal year ending 31/12/2023G, to publish it within the specified regulatory period.

The company must correct the accounting irregularities in its future financial statements, report the irregularities to the board of directors and the audit committee, take the necessary measures to prevent recurrence, and fully comply with the Capital Market Law and its implementing regulations. Furthermore, according to the Authority, these observations do not preclude the existence of other observations on the asset valuation reports submitted by the company.

Although the company has responded to the Authority's communications and begun to take the necessary corrective measures, the repetition of such observations represents a real regulatory risk factor that may lead to the imposition of future fines or regulatory penalties, weakens the credibility of financial reports and public disclosures, and consequently affects investor confidence and the stability of the share price in the financial market, which poses real risks to the company's business, its operating results, and its financial position.

2-1-45 Risks related to leased assets

The Company's ability to implement its strategic plan and achieve its future expectations depends significantly on the assets and properties it manages. The Company possesses a number of leased assets, including aquaculture farms, commercial shops, and residential real estate. Its future operational plans depend on resuming aquaculture operations in some of the leased sites under fixed-term lease contracts **(For more details, please refer to subsection (9.7.3) "Lease Contracts" within Section (9) "Legal Information" of this Prospectus).** The Company's ability to implement those plans remains contingent upon the continuation of those contracts and their renewal on appropriate terms, or obtaining alternative contracts upon their expiration. In the event of an inability to renew or amend the terms in a way that serves the operational interest, the Company may be forced to stop or postpone its activities in those locations, which may reflect negatively on its operational plans and expected revenues.

In addition, the limited duration of some current lease contracts may expose the Company to risks related to operational instability and the difficulty of long-term planning. In the event of termination or non-renewal of those contracts, the Company may lose strategic sites for aquaculture operations, which may negatively affect its ability to implement its expansion plans and increase its production, and consequently reflect negatively on its financial position and future operational results.

2-1-46 Risks related to the deviation in the use of offering proceeds

The total proceeds obtained by the Company in the last Rights Issue amounted to two hundred and ninety-eight million nine hundred thousand (298,900,000) Saudi Riyals. The Extraordinary General Assembly of the Company's shareholders agreed on 21/09/1441H (corresponding to 14/05/2020G), to increase its capital from one hundred and one million one hundred thousand (101,100,000) Saudi Riyals to four hundred million (400,000,000) Saudi Riyals by issuing twenty-nine million eight hundred and ninety thousand (29,890,000) new Preemptive Rights Shares with a nominal value of ten (10) Saudi Riyals per share, and with a total value of two hundred and ninety-eight million nine hundred thousand (298,900,000) Saudi Riyals, for the purpose of settling obligations, operating its projects, and developing its business.

The Company has experienced material differences between the actual use of offering proceeds compared to what was disclosed in the relevant Prospectus. This resulted in material deviations exceeding (5%) in the main use items, particularly the capital expenditure item, the pre-operating expenses and working capital item, and the repayment of outstanding loans item**. (For more details, please refer to sub-paragraph (Total Proceeds Previously Obtained in the Last Preemptive Rights Shares Issuance, Their Analysis, Description, and Explanation of Their Use) within the (Offering Summary) section of this Prospectus).**

These differences were mainly represented by the Company redirecting a large portion of the amounts allocated for capital expenditures, which were intended for the construction and development of fish and shrimp hatchery and nursery facilities toward settling outstanding financing obligations and supporting working capital. This occurred as a result of subsequent operational and financial circumstances, including an unexpected increase in feed costs following the removal of subsidies, and the failure of some production cycles to achieve the desired results, in addition to the need to improve the financial position and liquidity through the repayment of outstanding loans.

The following table shows the use of the proceeds from the offering as disclosed in the relevant prospectus:

Table (35): Use of proceeds from the offering as disclosed in the relevant prospectus

Item (Saudi Riyals)	Planned use	Actual use	The difference between actual and planned use*	Actual spending versus planned spending percentage	Deviation percentage
Capital expenditures	190,000,000	50,300,000	(139,700,000)	26.5%	(73.5%)
Set-up and working capital expenses	25,000,000	96,900,000	71,900,000	387.6%	287.6%
Repayment of existing loan	80,000,000	147,500,000	67,500,000	184.4%	84.4%
Offering expenses	3,900,000	4,200,000	300,000	107.7%	7.7%
Total	**298,900,000**	**298,900,000**	-	-	

*Pursuant to Paragraph (F) of Article (57) of the Rules on the Offer of Securities and Continuing Obligations issued by the Board of the Capital Market Authority under 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, as amended by CMA Board Resolution No. (3-6-2026) dated 30/07/1447H (corresponding to 19/01/2026G). (The issuer must disclose to the public any variance of 5% or more between the actual use of proceeds from a preemptive rights issuance, or a share issuance with the suspension of preemptive rights, compared to what was disclosed in the relevant prospectus, immediately upon becoming aware of such variance).

On 20/06/1445H (corresponding to 02/01/2024G), the Company announced on the Tadawul website the latest developments regarding the use of proceeds from the previous offering. This included a disclosure to the public of a variance of (5%) or more between the actual use of the offering proceeds and what was disclosed in the Prospectus. At the time of disclosure, the actual amounts utilized from the offering proceeds amounted to 247.9 million Saudi Riyals out of the total offering proceeds of 298.9 million Saudi Riyals, resulting in a variance of 51.0 million Saudi Riyals.

During the period from 20/06/1445H (corresponding to 02/01/2024G), when the Company announced on the Tadawul website the latest developments regarding the use of the previous offering proceeds - which included a public disclosure of a variance of five percent (5%) or more between the actual use of the offering proceeds and what was disclosed in the Prospectus - until the date the Extraordinary General Assembly's approval was obtained to change the use of proceeds on 24/12/1445H (corresponding to 30/06/2024G), the Company utilized an amount of 6 million Saudi Riyals to finance working capital without obtaining the Extraordinary General Assembly's approval for such action. Consequently, a balance of 45 million Saudi Riyals remained from the offering proceeds.

On 24/12/1445H (corresponding to 30/06/2024G), the company obtained the approval of the Extraordinary General Assembly to change the avenues of expenditure for the use of the proceeds from the company's capital increase offering for the year 2020G, by reallocating the unused amounts referred to above to be as follows:

- The company is settling a loan of 40 million Saudi Riyals due to its desire to release a restricted deposit of 45 million Saudi Riyals used as collateral for the loan.
- Directing an amount of 5 million Saudi Riyals towards establishment expenses and working capital.

Accordingly, the Company has directed a total amount of (139.7) million Saudi Riyals from the amounts allocated for capital expenditures related to shrimp and fish farms towards the repayment of loans in the amount of (67.5) million Saudi Riyals, establishment expenses and working capital support in the amount of (71.9) million Saudi Riyals, and offering expenses in the amount of (0.3) million Saudi Riyals, as of the date of this Prospectus according to the details shown below.

- The allocated capital expenditure decreased from 190,000,000 Saudi Riyals to 50,300,000 Saudi Riyals, representing a negative 73.5%. This is because the fish hatchery and nursery facilities were not constructed as planned.
- The amounts allocated for incorporation expenses and working capital increased from 25,000,000 Saudi Riyals to 96,900,000 Saudi Riyals, an increase of 71,900,000 Saudi Riyals, with a variance rate of 287.6% of the amount allocated for incorporation expenses and working capital, due to the unexpected increase in fodder prices as a result of the removal of fodder subsidies, as well as the production cycles not yielding the desired results.

- The amounts allocated for the repayment of existing loans increased from 80,000,000 Saudi Riyals to 147,500,000 Saudi Riyals, an increase of 67,500,000 Saudi Riyals, with a variance rate of 84.4% of the amount allocated for the repayment of loans, due to the Company's repayment of an additional loan in the amount of 25 million Saudi Riyals that the Company had obtained during the year 2020G from Banque Saudi Fransi, in addition to the loan interests in the amount of approximately 2,500,000 Saudi Riyals, which was repaid on 28/07/2020G. Furthermore, the Company repaid an amount of 40,000,000 Saudi Riyals, being a loan due to Al Rajhi Bank, on 07/07/2024G.
- The amounts allocated for offering expenses increased by 300,000 Saudi Riyals from 3,900,000 Saudi Riyals as planned to 4,200,000 Saudi Riyals, with a variance rate of 7.7% of the amount allocated for offering expenses, due to an increase of 300,000 Saudi Riyals paid as financial advisor expenses over what was estimated.

The Company disclosed to the public on 20/06/1445H (corresponding to 02/01/2024G) the existence of a difference of (5%) or more between the actual use of the offering proceeds against what was disclosed in the Prospectus, regarding the same items disclosed in the Prospectus related to these proceeds.

In addition to the Company's obtaining the approval of the Extraordinary General Assembly on 24/12/1445H (corresponding to 30/06/2024G) to change the objects of expenditure for an amount of 45,000,000 Saudi Riyals from the proceeds of the Company's capital increase offering for the year 2020G from the capital expenditure item to repay a long-term loan of 40,000,000 Saudi Riyals to Al Rajhi Bank and direct an amount of 5,000,000 Saudi Riyals to support the working capital.

Although the Company disclosed these differences to the public in a timely manner in accordance with the requirements of relevant laws and instructions, and obtained the approval of the Extraordinary General Assembly to change the objects of expenditure for the unused amounts; however, during the period from 20/06/1445H (corresponding to 02/01/2024G), in which the Company announced on Tadawul website the latest developments regarding the use of previous offering proceeds which included the Company's disclosure to the public of a difference of (5%) or more between the actual use of the offering proceeds against what was disclosed in the Prospectus, and the date of obtaining the approval of the Extraordinary General Assembly to change the objects of expenditure on 24/12/1445H (corresponding to 30/06/2024G), the Company used an amount of 6 million Saudi Riyals to finance the working capital without obtaining the approval of the Extraordinary General Assembly for such action, which may expose the Company to regulatory risks, including legal accountability and the adoption of measures and penalties as the competent authority deems appropriate on the Company. The continuation or recurrence of such differences in the future may lead to the failure to achieve the operational or investment objectives announced in the current Prospectus, or may result in the postponement or reduction of some expansion or development plans that the Company intends to implement.

Moreover, the difference in the use of the offering proceeds from what was planned may adversely affect investors' confidence in the Company's ability to comply with its announced plans for managing the offering proceeds, which could reflect on the valuation of the investment in the Company's shares, the level of demand for the subscription, or the trading of the Company's shares in the market.

There is no guarantee that the Company will not need in the future to redirect or adjust the objects of use of the offering proceeds, whether as a result of changes in operational, economic, or regulatory conditions, or due to liquidity requirements or financing structure, which could have a material adverse effect on the Company's business, financial results, and financial position.

2-2 Risks Related to the Market and the Sector in Which the Issuer Operates

2-2-1 Risks related to the economic performance of the Kingdom

The expected future performance of the Company depends on a number of factors related to the economic conditions in the Kingdom in general, including, but not limited to, inflation factors, GDP growth, average per capita income, and so on. The Kingdom's macro and micro economy depends mainly on oil and oil industries, which still dominate a large share of the Gross Domestic Product; accordingly, any unfavorable fluctuations occurring in oil prices will have a direct and material impact on the plans and growth of the Kingdom's economy in general and on government spending rates, which would negatively affect the Company's financial performance, given its operation within the Kingdom's economic system and its susceptibility to government spending rates.

Furthermore, the continued growth of the Kingdom's economy depends on several other factors, including continued population growth and government and private sector investments in infrastructure. Therefore, any negative change in any of these factors will have a significant impact on the economy and will consequently have a material adverse effect on the Company's business, financial results, and future expectations.

2-2-2 Risks related to growth opportunities

The Company's ability to develop its business depends on the level of competition in the market, the availability of material and human resources, the capability of its management team, legal systems, and other factors. There is no guarantee that the Company will achieve growth in its activity and achieve the Company's strategic plan referred to in the financial organization, as the Company may face difficulties in attracting skilled labor capable of advancing the Company, expanding its activity, growing its market share, and increasing its sales. Accordingly, in the event that the Company is unable to implement its strategic plan, its ability to develop its activity, increase its market share, increase its business profits, and enhance returns for its shareholders may be affected, which means the Company's financial position would be negatively affected.

2-2-3 Risks related to the competitive environment

The Company operates in a competitive environment and faces strong competition, and there is no guarantee of the Company's continued ability to compete effectively with other companies in the market. The Company's competitiveness depends on differentiating the Company's products from other products offered in the market, by providing high-quality products at reasonable prices. In the event that current or potential competitors offer products of higher quality or with better competitive prices than those offered by the Company, the Company does not guarantee its ability to keep pace and adapt quickly to evolving industry trends or changing market requirements, which will have a negative impact on the Company's financial results and profitability.

2-2-4 Risks related to non-compliance with current regulations and laws and/or the issuance of new regulations and laws

The Company and its subsidiaries (within the Kingdom) are subject to the supervision of a number of government agencies in the Kingdom of Saudi Arabia, and therefore the Company and its subsidiary are exposed to the risks of changes in laws, regulations, circulars, and policies in the Kingdom. The costs of compliance with these regulations are considered high. In the event that changes are introduced to current laws or regulations, or new laws or regulations are issued, this will lead to the Company incurring additional unexpected financial expenses for purposes related to compliance with those regulations and meeting the requirements of these laws, or it may be subject to penalties and fines imposed by the competent supervisory authorities in the event of its non-compliance with these regulations and laws on a continuous basis, on its business, results of operations, financial position, and future expectations.

2-2-5 Risks related to political and economic instability in the Middle East

Some countries in the Middle East region suffer from economic, political, or security instability at the present time. There are no guarantees that those economic, political, and security conditions in those countries or any other countries will not have a negative impact on the Company's business, results of operations, financial position, and future expectations.

2-2-6 Risks related to the imposition of new fees or taxes

Although the Company is not currently subject to any type of taxes other than Sharia Zakat and Value Added Tax, which is currently 15% of the sales price, it is possible that other fees or taxes will be imposed on companies by the government in the future. Accordingly, in the event that new taxes or fees are imposed on companies other than those currently applied, this will negatively affect the Company's net profits.

2-2-7 Risks related to the increase in energy and water prices

The Council of Ministers issued its Resolution No. (95) dated 17/03/1437H (corresponding to 28/12/2015G) increasing the prices of energy products, electricity consumption tariffs, and the selling prices of water and sewage services for the residential, commercial, and industrial sectors, as part of the policies related to rationalizing energy consumption and reducing government subsidies in the Kingdom. The Ministry of Energy also issued a statement on 24/03/1439H (corresponding to 12/12/2017G) regarding the Fiscal Balance Program plan to correct energy product prices starting from 14/04/1439H (corresponding to 01/01/2018G). The Company's operational processes depend on the availability of energy products and electricity; therefore, any interruption or reduction in the supplies of these products, or any increase in their prices, would significantly affect the Company's profitability, results of operations, and future expectations.

2-2-8 Environment, Safety and Occupational Health

The Company's operations, like other companies in the same sector, are subject to a wide range of laws and regulations related to the protection of the environment, health, and safety in the Kingdom, which increasingly impose strict standards that the Company must comply with on a continuous basis. The costs of compliance with those laws and regulations and the resulting fines may be significant; furthermore, compliance with new and strict standards may require incurring additional capital expenditures or the emergence of adjustments in operational practices. Accidents related to the environment, health, and safety may arise beyond the Company's control. For example, the Company's operations may result in a number of waste materials and pollutants which, if not properly controlled and managed, or if left without proper treatment or management, could lead to a risk of environmental pollution. Failure to comply and fully adhere to environmental legislation and regulations could lead to the closure of the Company's industrial facilities, and will expose the Company to violations, fines, or penalties that may be imposed by regulatory authorities, which will negatively affect its operations by limiting its revenue growth or suspending its work or license, and this will affect its ability to conduct its business and, consequently, negatively affect its financial results and profitability.

2-3 Risks Related to the Securities Offered

2-3-1 Risks related to low shareholder awareness of the trading mechanism and the exercise of their rights

In 2013G, the Capital Market Authority, in cooperation with Tadawul, developed a mechanism for offering, registering, and trading rights as securities that allow registered shareholders to subscribe to or sell their rights, in whole or in part, or to purchase or trade in the rights during the rights trading period. This mechanism allows investors (non-shareholders) to purchase rights from eligible shareholders during the rights trading period. Although the Authority has published educational materials and held workshops to familiarize investors with Preemptive Rights, the method of increasing capital through the issuance of Preemptive Rights Shares, how to subscribe and trade, and other matters, some shareholders and investors may find it difficult to understand the mechanism for trading Preemptive Rights, especially the method of calculating the final price, which may cause shareholders to miss the opportunity to make an appropriate decision at the right time. It should be noted that an investor who purchases a right and then does not subscribe to the shares may lose their entire investment paid for the right if institutional investors subscribe to the new shares during the Rump Offering Period at the offering price.

2-3-2 Risks associated with potential fluctuations in the price of Preemptive Rights

The market price of Preemptive Rights may be subject to significant fluctuations due to changes in factors affecting the Company's shares. This fluctuation may be large due to the difference between the permitted daily fluctuation limit (which is 10% upward and downward from the previous day's closing price) for the rights, compared to the permitted daily fluctuation limit for the Company's shares. The trading price of the rights depends on the trading price of the Company's shares and the market's view of the fair price of the rights. These factors may negatively affect the trading price of the rights.

2-3-3 Risks related to potential fluctuations in the share price

The market price of the rights during the trading period may not be an indicator of the market price of the Company's shares after the offering. Similarly, the Company's share price may not be stable and may be significantly affected by fluctuations resulting from market conditions related to the rights or the Company's existing shares. These fluctuations may also result from many factors, including but not limited to: stock market conditions, the Company's poor performance, inability to implement the Company's future plans, the entry of new competitors into the market, changes in the vision or estimates of experts and analysts for the securities market, and any announcement by the Company or any of its competitors regarding mergers and acquisitions or strategic alliances.

The sale of a large number of shares by shareholders, or the belief that such a sale is likely to occur, will negatively affect the market price of the Company's shares. In addition, shareholders may not be able to sell their shares in the market without negatively affecting the share price. There is no guarantee that the market price of the Company's shares will not be lower than the offering price, and if this occurs after investors have subscribed for the new shares, the subscription cannot be canceled or amended. Accordingly, investors may incur losses as a result. Furthermore, there is no guarantee that a shareholder will be able to sell their shares at a price equal to or greater than the offering price after subscribing for the new shares.

2-3-4 Risks related to the non-profitability or inability to sell Preemptive Rights

There is no guarantee of the share's profitability through trading it at a higher price. Added to this is the lack of guarantee of being able to sell it at all, which indicates that there is no guarantee of sufficient market demand to exercise Preemptive Rights or receive compensation from the Company, noting that investors who did not subscribe or sell their rights, as well as fractional share owners, may not receive any consideration if the sale is made during the Rump Offering Period at the offering price.

2-3-5 Risks related to forward-looking statements

The future results and performance data of the Company cannot be actually predicted and may differ from those contained in this Prospectus. As the achievements and the Company's ability to develop are what determine the actual results, which cannot be predicted or determined. The inaccuracy of data and results is considered one of the risks that the shareholder must recognize so that it does not affect their investment decision. Whereas, in the event that future results and performance data differ materially from what is stated in this Prospectus, this will lead to shareholders losing part or all of their investments in the Company's shares.

2-3-6 Risks related to the potential issuance of new shares

In the event that the Company decides to issue new shares (other than the Preemptive Rights Shares mentioned in this Prospectus), and the current shareholders do not exercise their rights upon the issuance of new Preemptive Rights, the shareholding will decrease proportionately, in addition to the associated voting rights and the right to receive dividends. Any additional offering may have a material impact on the market price of the share.

2-3-7 Risks related to a decline in demand for Preemptive Rights and the Company’s shares

There is no guarantee that there will be sufficient demand for Preemptive Rights during the trading period to enable the Preemptive Rights holder (whether a registered shareholder or a new investor) to sell the Preemptive Rights and achieve a profit from them, or to enable them to sell the rights at all. Furthermore, there is no guarantee that there will be sufficient demand for the Company's shares by institutional investors during the Rump Offering Period. In the event that institutional investors do not submit bids for the Rump Shares at a high price, there may not be sufficient compensation to be distributed to Preemptive Rights holders who did not exercise their right to subscribe and to fractional share owners. Moreover, there is no guarantee of sufficient market demand for the shares obtained by a subscriber either through exercising Preemptive Rights for these shares, or through the Rump Offering or through the open market.

2-3-8 Risks of dilution of ownership percentages

If Preemptive Rights holders do not subscribe to their full entitlement in the new shares, their ownership and the associated voting rights will decrease. Furthermore, there is no guarantee, should a registered Preemptive Rights holder wish to sell their Preemptive Rights during the trading period, that the proceeds received will be sufficient to fully compensate them for the decrease in their ownership percentage in the Company's capital as a result of the capital increase. There is also no guarantee that there will be a compensation amount to be distributed to eligible shareholders who did not exercise their right to subscribe or to fractional share owners in the event that institutional investors do not submit bids for the Rump Shares during the Rump Offering Period at a high price, or that the compensation amount (if any) will be sufficient to compensate for the decrease in the ownership percentage in the Company's capital.

2-3-9 Risks of failure to exercise Preemptive Rights in a timely manner

The subscription period begins (3) three business days after the approval of the Extraordinary General Assembly regarding the capital increase, on **/**/****H (corresponding to **/**/****G) and will end on **/**/****H (corresponding to **/**/****G). Rights holders and the financial intermediaries representing them must take appropriate measures to follow all necessary instructions before the expiration of the subscription period. If eligible shareholders are unable to properly exercise their subscription rights by the end of the subscription period, based on the Preemptive Rights they hold, there is no guarantee that there will be a compensation amount distributed to non-participating eligible shareholders, those who did not properly perform the subscription exercise procedures, or fractional share owners.

2-3-10 Risks related to dividend distributions to shareholders

Future earnings per share depend on a number of factors, including the Company's profitability, the maintenance of its sound financial position, capital requirements, its distributable reserves, the credit strength available to the Company, and general economic conditions. The increase in the Company's capital may lead to a decrease in future earnings per share on the basis that the Company's profits will be distributed over a larger number of shares as a result of its capital increase.

The Company does not guarantee that any dividends on shares will actually be distributed, nor does it guarantee the amount that will be distributed in any given year. The distribution of dividends is subject to certain restrictions and conditions set forth in the Company's Bylaws.

2-3-11 Risks related to speculation in Preemptive Rights

Speculation in Preemptive Rights is subject to risks that may cause material losses. The permitted daily fluctuation limit for the trading price of Preemptive Rights exceeds the permitted daily fluctuation limit for the market price (which is 10% upward and downward from the previous day's closing price). There is also a direct relationship between the Company's share price and the Right's Indicative Value, as the Right's Indicative Value reflects the difference between the market value of the Company's share during the trading period and the offering price. Accordingly, the daily price limits (i.e., the daily fluctuation range) for trading rights will be affected by the daily price limits for trading shares. In the event that a speculator does not sell the rights before the end of the trading period and does not exercise these rights to subscribe for the new shares, they may incur some losses. Therefore, investors must review the full details of the mechanism for listing and trading rights and new shares and how it works, and be familiar with all factors affecting them, to ensure that any investment decision is based on full awareness and understanding. **(Please refer to Section (12) "Information Related to Shares and Offering Terms and Conditions" in this Prospectus).**

2-3-12 Risks related to the suspension of trading or delisting of the Company's shares due to failure to publish financial statements within the statutory period

In the event that the Company is unable to publish its financial information within the statutory period (thirty days from the end of the financial period for preliminary financial statements and three months from the end of the financial period for annual financial statements), procedures for suspending listed securities shall be applied in accordance with the Listing Rules - approved by the Capital Market Authority Board Resolution No. (3-123-2017) dated 09/04/1439H (corresponding to 27/12/2017G) and amended by its Resolution No. (1-46-2026) dated 13/10/1447H (corresponding to 01/04/2026G) - which state that the Exchange shall suspend the trading of securities for one trading session following the expiration of the statutory deadline. In the event that the financial information is not published within twenty trading sessions following the first suspended trading session, Saudi Exchange Company shall announce the re-suspension of the Company's securities until it announces its financial results. If the suspension of trading the Company's shares continues for a period of six months without the Company taking appropriate measures to rectify that suspension, the Authority may cancel the listing of the Company's securities based on Article Thirty-Eight (38), sub-paragraph (G) of the Listing Rules. Saudi Exchange Company shall lift the suspension after one trading session has passed following the announcement of the Company's financial results. However, if the Company delays the announcement of its financial results, this will negatively and materially affect the interests of the Company's shareholders, the Company's reputation, and its results of operations. If it is unable to publish them within the statutory period referred to above, it will result in the suspension of the Company's shares or the cancellation of their listing, which will negatively and materially affect the interests of the Company's shareholders, the Company's reputation, and its results of operations. In addition, the Authority may cancel the Company's Preemptive Rights Shares offering if it deems that the offering may not be in the interest of the shareholders.

3

Background of the Company and the Nature of its Business

3- Background of the Company and the Nature of its Business

3-1 About the Company

Saudi Fisheries Company (hereinafter referred to as “SFICO” or the “Company”) is a Saudi joint stock company established pursuant to Royal Decree No. (M/7) dated 08/05/1400H (corresponding to 25/03/1980G) authorizing its establishment, registered with the Ministry of Commerce under Commercial Registration No. (1010042732) issued in Riyadh dated 22/03/1402H (corresponding to 17/01/1982G). The head office is located in Riyadh – Al Malaz District, Building No. 8705, Riyadh 12641, Kingdom of Saudi Arabia. The Company’s current capital is sixty-six million nine hundred eighty-six thousand and forty (66,986,040) Saudi Riyals divided into six million six hundred ninety-eight thousand six hundred and four (6,698,604) ordinary shares with a nominal value of ten (10) Saudi Riyals per share, fully paid (individually referred to as the (Current Share) and collectively as the (Current Shares). As of the date of publishing this Prospectus, the substantial shareholders (who own 5% or more of the Company’s shares) is Abdulaziz Abdullah Alhumaid who owns six hundred eighty-four thousand six hundred fifty-one (684,651) shares, representing approximately (10.221%) of the Company’s shares before the offering.

3-2 Company history and key developments in its capital structure

The Company was established as a Saudi public joint stock company pursuant to Royal Decree No. (M/7) dated 08/05/1400H (corresponding to 25/03/1980G) authorizing its establishment. The Company’s capital upon establishment amounted to 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. On 26/01/1422H (corresponding to 20/04/2001G), the Company's shares were listed and offered for public subscription on the Saudi Exchange. On 12/11/1426H (corresponding to 14/12/2005G), the Extraordinary General Assembly approved the Board of Directors' recommendation to increase its capital from one hundred million (100,000,000) Saudi Riyals to two hundred million (200,000,000) Saudi Riyals through the issuance of Preemptive Rights Shares in the amount of two million (2,000,000) ordinary shares and a nominal value of fifty (50) Saudi Riyals. On 16/10/1432H (corresponding to 14/09/2011G), the Extraordinary General Assembly approved the Board of Directors' recommendation to increase its capital from two hundred million (200,000,000) Saudi Riyals to five hundred thirty-five million three hundred seventy-five thousand (535,375,000) Saudi Riyals through the issuance of Preemptive Rights Shares in the amount of thirty-three million five hundred thirty-seven thousand and five hundred (33,537,500) shares and a nominal value of ten (10) Saudi Riyals per share. On 22/07/1438H (corresponding to 19/04/2017G), the Extraordinary General Assembly approved the Board of Directors' recommendation to reduce the Company's capital from five hundred thirty-five million three hundred seventy-five thousand (535,375,000) Saudi Riyals to two hundred million (200,000,000) Saudi Riyals at a reduction rate of (62.64%) of the Company's capital through the cancellation of thirty-three million five hundred thirty-seven thousand and five hundred (33,537,500) ordinary shares. On 19/04/1440H (corresponding to 26/12/2018G), the Extraordinary General Assembly approved the Board of Directors' recommendation to reduce the Company's capital from two hundred million (200,000,000) Saudi Riyals to one hundred one million one hundred thousand (101,100,000) Saudi Riyals at a reduction rate of (49.45%) of the Company's capital through the cancellation of nine million eight hundred ninety thousand (9,890,000) ordinary shares. On 21/09/1441H (corresponding to 14/05/2020G), the Extraordinary General Assembly approved the Board of Directors' recommendation to increase the Company's capital from one hundred one million one hundred thousand (101,100,000) Saudi Riyals to four hundred million (400,000,000) Saudi Riyals through the issuance of Preemptive Rights Shares in the amount of twenty-nine million eight hundred ninety thousand (29,890,000) shares and a nominal value of ten (10) Saudi Riyals per share. On 26/07/1446H (corresponding to 26/01/2025G), the Extraordinary General Assembly approved the Company's Board of Directors' recommendation to reduce the capital from four hundred million (400,000,000) Saudi Riyals to sixty-six million nine hundred eighty-six thousand and forty (66,986,040) Saudi Riyals at a reduction rate of (83.25%) of the Company's capital through the cancellation of thirty-three million three hundred one thousand three hundred and ninety-six (33,301,396) ordinary shares.

The Company conducts its activities under Commercial Registration No. (1010042732) issued in Riyadh on 22/03/1402H (corresponding to 17/01/1982G). The Company's activities, as stated in the Commercial Registration, consist of:

Irrigation projects, operation of irrigation systems for agricultural projects, support activities for animal production, marine fishing, sea creatures fishing for investors, marine organism fishing, freshwater fishing, marine aquaculture, operation of freshwater fish hatcheries, marine shrimp farming, freshwater aquaculture, freshwater shrimp farming, freshwater ornamental fish breeding, fresh meat production, chilled and frozen meat production, cutting, processing, and packaging of meat and poultry, preservation of fish and fish products by chilling or freezing, production of fresh and frozen fish fillets and roe, production of caviar and its substitutes, manufacturing of fish products for human consumption, manufacturing of fish products for animal feed, cutting and cleaning of fish and aquatic organisms, cutting and packaging of fruits and vegetables, chilling and freezing of fruits, chilling and freezing of vegetables, drying and packaging of dates and manufacturing of date products, production and refining of olive oil, production and refining of sesame oil, production and refining of sunflower oil, production and refining of margarine, extraction and refining of animal fats, extraction and refining of oils from fish and marine organisms, manufacturing of lifting and handling machinery used in ports, factories, warehouses, etc., manufacturing and assembly of center pivot irrigation machinery and equipment, manufacturing of non-navigational vessels including dredgers, floating docks, and ponds, manufacturing of fishing boats, manufacturing of ships incorporating fish processing factories, manufacturing of fixtures for shops and restaurants including decorative installations and the like, routine repair and maintenance of ships, wholesale of fish and aquatic organisms, wholesale of feed and non-medicinal feed additives, wholesale of fruits, wholesale of vegetables, wholesale of dates, wholesale of animal oils and fats, wholesale of fish products, wholesale of frozen meat and poultry, road transport of goods, transport of chilled and frozen goods, chilled food stores, animal food and feed stores, frozen food stores, general warehouses containing a variety of goods, full-service restaurants, fish and seafood grilling shops, buying, selling, and subdividing of land and real estate, off-plan sales activities, management and leasing of owned or leased residential real estate, management and leasing of owned or leased non-residential real estate, real estate development of residential buildings using modern construction methods, and real estate development of commercial buildings using modern construction methods.

The company's activities, as stated in its Bylaws, are as follows:

Poultry farming activities, support activities for crop production, support activities for animal production, marine fishing, freshwater fishing, marine aquaculture, freshwater aquaculture, meat processing and preservation, processing and preservation of fish, crustaceans, and mollusks, processing and preservation of fruit and vegetables, manufacture of vegetable and animal oils and fats, manufacture of lifting and handling equipment, manufacture of agricultural and forestry machinery, building of ships and floating structures, manufacture of furniture, repair of transport equipment excluding motor vehicles, wholesale of agricultural raw materials and live animals, wholesale of food, beverages, and tobacco, retail sale of other new goods in specialized stores, road transport of goods, warehousing, service activities related to land transport, restaurant and mobile food service activities, and real estate activities involving owned or leased property.

The Company conducts its activities in accordance with applicable regulations and after obtaining the necessary licenses from the competent authorities, if any. The Company has obtained the necessary licenses from the relevant authorities to conduct its **business (for more information, please refer to subsection (9.5) "Material Licenses, Certificates, and Approvals" in Section (9) "Legal Information").**

3-3 Vision, Mission, and Strategy

The Company's Vision

To be a successful economic enterprise in achieving the goals of investors and maximizing their wealth, by maintaining our leading position in the seafood sector, expanding our business to include the promising date sector, contributing to achieving the goals and pillars of food security, and improving the level and pattern of healthy food consumption, with a focus on enhancing the position of the Kingdom of Saudi Arabia as a major source of high-quality dates and their products globally.

Issuer's Mission

To contribute effectively and tangibly to enhancing initiatives to improve the level of food security in the Kingdom of Saudi Arabia, primarily by raising the level of healthy food consumption, through providing a range of diverse seafood products with high nutritional value and quality levels according to the highest international standards, in addition to expanding the production and manufacturing of dates and their innovative processed products, to ensure the complete satisfaction of our customers and to achieve our long-term vision.

Issuer's Objectives

- Building a successful and positively influential economic entity in the sectors in which the company operates and deals.
- Achieving an appropriate level of growth in shareholder return on investment, coupled with balanced growth in equity.
- Improving and developing the business model in line with external variables and the company's internal capabilities.
- To enhance and utilize expertise to achieve positive and sustainable growth in the marine wealth investment sector and the date sector locally and regionally.
- Applying the latest technologies in date production and processing and logistics services
- Establishing strategic alliances locally, regionally and internationally with successful establishments in related sectors, with the aim of transferring successful experiences and exchanging technical expertise in various fields.
- Achieving integration with the Kingdom's Vision 2030 and its implementation programs, especially with regard to developing marine resource investments, enhancing food security, improving quality of life, and increasing the percentage of Saudi date exports.
- Strengthening national industries and increasing job opportunities in the region through expansion in the date sector.

Strategic Directions

- Maintenance and operation of the marine fishing fleet will be carried out gradually after the boats have been fully equipped and trained sailors have been provided.
- Operating value-added product factories by outsourcing or partnership with others locally and internationally, and operating sorting, cleaning and canning facilities, supporting the commercial sector on its own.
- Completing the maintenance and modernization of refrigerated warehouses, upgrading the transport fleet, and expanding the geographical coverage of the logistics sector.
- Vertical expansion in the wholesale sector in the currently covered areas, in parallel with horizontal expansion in geographical coverage, primarily in the wholesale sector, primarily in retail, and secondarily in retail, to serve areas where the brand (SFICO) is not available.
- Working to develop existing products and services to gain a larger market share. This will be done in conjunction with developing sales and branch control systems and working to improve margins by diversifying purchasing sources.
- Basic maintenance of the aquaculture farm in Al-Haridah (shrimp farming sector) and the start of trial operation and gradual expansion of operation.
- Maintenance and completion of the installation of floating cages in the aquaculture farm in Al-Haridah and their operation in the cultivation of marine tilapia fish.
- Redeveloping the franchise system for the (SFICO) brand for greater reach, geographical coverage, and diversification of income sources.
- Establishing an integrated factory for the production and processing of dates in Al-Qassim, with a focus on meeting local and international demand.
- Developing modern and advanced production lines to transform fresh dates into various high-quality products, such as packaged dates, date syrup, date paste, date powder, stuffed and chocolate-coated dates, and date cookies.
- Strengthening the food supply chain from producer to consumer, while adhering to quality and food safety standards in the dates sector.

Strengths and Competitive Advantages of the Company

- The company has a long history of more than 40 years in the fields of fishing, aquaculture and trading in marine products.
- The existence of a network of shops specializing in selling seafood products across the Kingdom's regions facilitates access for customers.
- The company owns a land transport fleet, which facilitates the transport of products across the Kingdom.

- The company owns factories and plants for seafood and cold storage warehouses.
- The company owning its own fishing boats contributes to obtaining aquatic life at a competitive price.
- The company has projects for aquaculture in saltwater at a competitive price.
- The company owns marine life farms for shrimp production.
- Taking advantage of the project's location in Al-Qassim, which is one of the most important agricultural and productive areas for dates in the Kingdom of Saudi Arabia.
- The possibility of applying the latest technologies in production and logistics processes to increase quality and efficiency in the date sector.
- The ability to produce and manufacture a variety of high-quality date products that meet local and international demand.

3-4 Company Branches

In addition to the company's main branch in Riyadh, the company has one branch within the Kingdom of Saudi Arabia.

- The company branch has obtained several regulatory and operational licenses and certificates from the competent authorities necessary to conduct its business in accordance with the regulations in force in the Kingdom of Saudi Arabia, and these licenses are renewed periodically.
- Failure to renew or obtain material certificates and licenses may result in penalties against the company branch, such as warnings, financial fines, closure of the sites it occupies, suspension of the electronic government services it benefits from, or prohibition from engaging in a specific activity **(For more details on the risks of not obtaining or renewing certificates, please refer to sub-paragraph (2.1.39) "Risks related to the failure to obtain or renew licenses and certificates" of section (2) "Risk Factors" of this Prospectus).**

Table (36): Commercial Register

License Type	Purpose	License Holder	Unified National Number	Establishment Number	Issue/Registration Date	Annual Commercial Registry Confirmation Date	Issuing Authority
Commercial Registry Certificate	Company registration in the Commercial Register (Companies)	Saudi Fisheries Company	7012298142	2050010531	09/05/1401H (corresponding to 15/03/1981G)	29/08/1447H (corresponding to 17/02/2026G)	Ministry of Commerce - Commercial Registry

Source: Company Management.

3-5 Subsidiaries

Table (37): Subsidiaries

Company Name	Capital (Saudi Riyal)	Place of Establishment	Legal Entity	Commercial Registration Number	Activity	Ownership Percentage
Al-Haridah National Aquaculture Company*	100,000	Al-Haridah City (Rijal Almaa)	Limited Liability	7012235615	Fishing for marine life in international waters - Fishing for marine life for the investor - Aquaculture in marine waters - Operation of fish hatcheries in the seas - Shrimp farming in the seas - Operation of fish hatcheries in freshwater - Shrimp farming in freshwater - Wholesale of fish and aquatic life.	100%

Source: Company Management.

*According to Article Six (6) of the Bylaws, the Company may establish companies solely after fulfilling the requirements of the followed laws and instructions in this regard. It may also own shares and stakes in other existing companies or merge with them and has the right to participate with others in establishing companies after fulfilling the requirements of the followed laws and instructions in this regard. The Company may also dispose of these shares or stakes, provided that this does not include brokerage in their trading. As of the date of issuance of this Prospectus, the Company has one subsidiary within the Kingdom of Saudi Arabia, as the Board of Directors decided on 08/10/2024G to approve the conversion of the Company's branch registered in the Commercial Registry in Al-Haridah under No. (5861023704) into a limited liability company wholly owned by Saudi Fisheries Company with a capital of one hundred thousand (100,000) Saudi Riyals.

3-6 Investments in Other Companies

As of the date of this Prospectus, the company has no investments in other companies in the Kingdom of Saudi Arabia.

3-7 Trademarks

The company relies on its Trademark to market its services, which supports its business and competitive position, and gives it a clear advantage in the market among customers. The company has registered its Trademark with the Ministry of Commerce and Industry according to the table below:

Table (38): Trademarks

Trademark	The company that owns the trademark	Country	Category	Certificate number	Registration date	Status	Protection expiry date
الشركة السعودية للأسماك SAUDI FISHERIES COMPANY	Saudi Fisheries Company	Kingdom of Saudi Arabia	29	1439021300	21/03/1440H (corresponding to 29/11/2018G)	Valid	14/09/1449H (corresponding to 10/02/2028G)

Source: Company Management.

3-8 Company's Activity

- **The company operates under Commercial Registration No. (1010042732) issued in Riyadh on 22/03/1402H (corresponding to 17/01/1982G). The company's activities, as stated in the Commercial Registration, are as follows:**

  Irrigation projects, operation of irrigation systems for agricultural projects, support activities for animal production, marine fishing, sea creatures fishing for investors, marine organism fishing, freshwater fishing, marine aquaculture, operation of freshwater fish hatcheries, marine shrimp farming, freshwater aquaculture, freshwater shrimp farming, freshwater ornamental fish breeding, fresh meat production, chilled and frozen meat production, cutting, processing, and packaging of meat and poultry, preservation of fish and fish products by chilling or freezing, production of fresh and frozen fish fillets and roe, production of caviar and its substitutes, manufacturing of fish products for human consumption, manufacturing of fish products for animal feed, cutting and cleaning of fish and aquatic organisms, cutting and packaging of fruits and vegetables, chilling and freezing of fruits, chilling and freezing of vegetables, drying and packaging of dates and manufacturing of date products, production and refining of olive oil, production and refining of sesame oil, production and refining of sunflower oil, production and refining of margarine, extraction and refining of animal fats, extraction and refining of oils from fish and marine organisms, manufacturing of lifting and handling machinery used in ports, factories, warehouses, etc., manufacturing and assembly of center pivot irrigation machinery and equipment, manufacturing of non-navigational vessels including dredgers, floating docks, and ponds, manufacturing of fishing boats, manufacturing of ships incorporating fish processing factories, manufacturing of fixtures for shops and restaurants including decorative installations and the like, routine repair and maintenance of ships, wholesale of fish and aquatic organisms, wholesale of feed and non-medicinal feed additives, wholesale of fruits, wholesale of vegetables, wholesale of dates, wholesale of animal oils and fats, wholesale of fish products, wholesale of frozen meat and poultry, road transport of goods, transport of chilled and frozen goods, chilled food stores, animal food and feed stores, frozen food stores, general warehouses containing a variety of goods, full-service restaurants, fish and seafood grilling shops, buying, selling, and subdividing of land and real estate, off-plan sales activities, management and leasing of owned or leased residential real estate, management and leasing of owned or leased non-residential real estate, real estate development of residential buildings using modern construction methods, and real estate development of commercial buildings using modern construction methods.

- **As stated in Article (4) of the Articles of Association, the company's objectives have been defined as follows:**

  Poultry farming activities, support activities for crop production, support activities for animal production, marine fishing, freshwater fishing, marine aquaculture, freshwater aquaculture, meat processing and preservation, processing and preservation of fish, crustaceans, and mollusks, processing and preservation of fruit and vegetables, manufacture of vegetable and animal oils and fats, manufacture of lifting and handling equipment, manufacture of agricultural and forestry machinery, building of ships and floating structures, manufacture of furniture, repair of transport equipment excluding motor vehicles, wholesale of agricultural raw materials and live animals, wholesale of food, beverages, and tobacco, retail sale of other new goods in specialized stores, road transport of goods, warehousing, service activities related to land transport, restaurant and mobile food service activities, and real estate activities involving owned or leased property.

3-9 Business Interruption

The Company incurred losses as a result of the interruption of commercial activities during 2024G. Aquaculture operations were suspended after the completion of production cycles in the second half of 2024G. In addition, wholesale operations were suspended in the second half of 2024G due to incurring losses. These events had a material impact on the Issuer's financial position.

3-10 Employees

Company employees and localization rate

The company falls under the (Platinum) category of the localization program as of the date of this Prospectus. The following table shows the number of employees and the localization rate in the company as of the fiscal years 2022G, 2023G, and 2024G.

Table (39): Employees

Item	2022G		2023G		2024G	
	Number	Rate%	Number	Rate%	Number	Rate%
Saudis	104	26%	53	24%	14	21%
Non-Saudis	302	74%	166	76%	54	79%
Total	**406**	**100%**	**219**	**100%**	**68**	**100%**

Source: Company Management.

3-11 Employee Stock Program - Existing Prior to Submitting Registration Application and Offering of Securities Subject to this Prospectus:

As of the date of this Prospectus, the company does not have any employee stock allocation programs.

3-12 Arrangements that involve employees in capital

As of the date of this Prospectus, there are no arrangements involving employees in the company's capital.

4

The Company's Organizational Structure

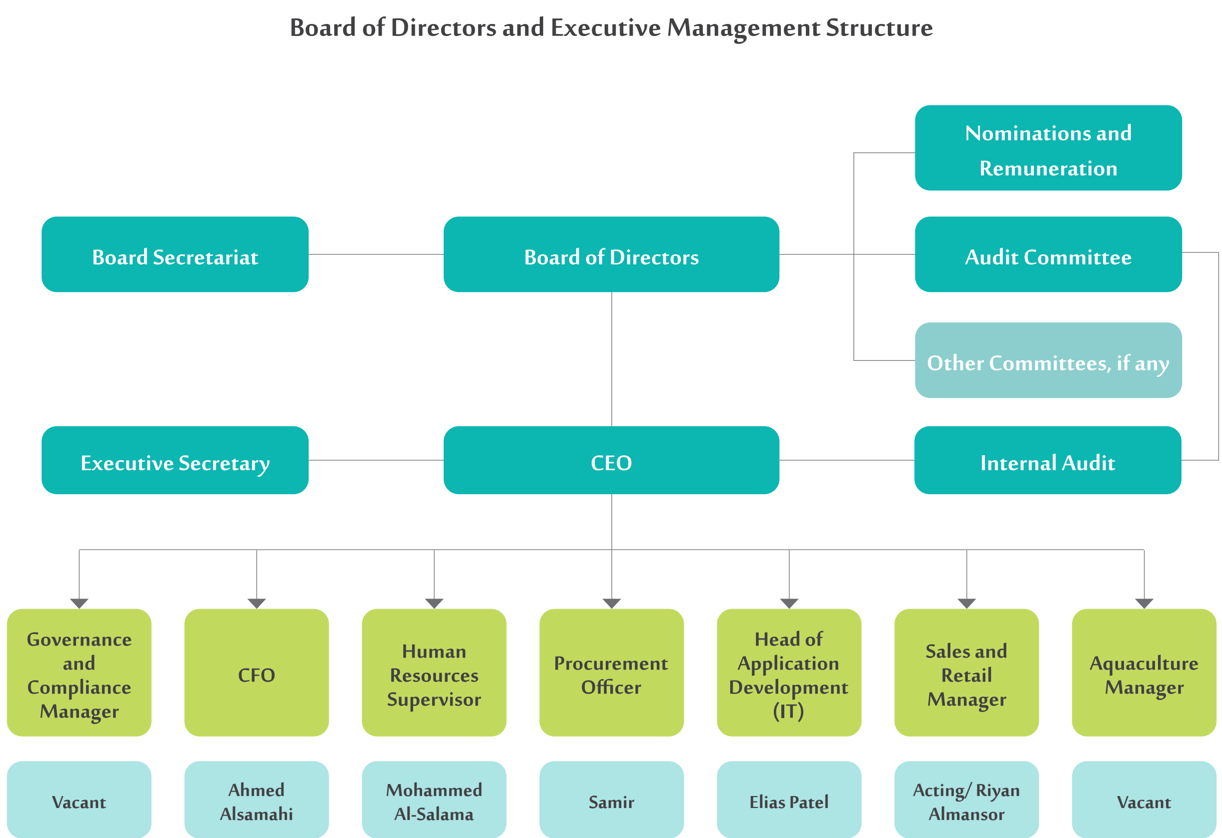
4- The Company's Organizational Structure

4-1 Organizational Structure

The following is an illustration showing the company's organizational structure as of the date of this prospectus.

The Company's organizational structure was approved on 25/04/1442H (corresponding to 09/12/2020G), and the organizational structure was amended based on the recommendation of the Remuneration and Nominations Committee, which was approved by the CEO pursuant to his powers specified in the authority matrix, and the amended organizational structure was approved by the Board of Directors on 26/03/1447H (corresponding to 18/09/2025G):

Figure (1): Organizational Structure



Source: Company Management.

4-2 Board of Directors and Secretary

The following table lists the members of the Board of Directors as of the date of this Prospectus:

Table (40): Board Members

Name	Position*	Nationality	Age	Attribute	Shares Owned***				Membership Date
					Direct	Indirect	Total	Percentage %	
Abdulaziz Abdullah Alhumaid**	Board Chairman	Saudi	55	Non-Executive	684,651	-	684,651	10.2208012%	03/09/2024G
Mansour Abdulaziz AlSaghayer**	Board Deputy Chairman	Saudi	55	Independent	669	-	669	0.0099872%	25/10/2023G
Abdulmajed Abdulmohsen Al Alshikh	Board Member	Saudi	43	Independent	-	-	-	-	25/10/2023G
Abdulelah Mohammed Alwabel	Board Member	Saudi	25	Independent	2	-	2	0.0000299%	25/10/2023G
Riyan Mohammed Almansor****	Board Member	Saudi	44	Executive	-	-	-	-	30/11/2025G
Board Secretary									
Mohammed Aldawsari	Board Secretary	Saudi	38	-	-	-	-	-	18/08/2024G

Source: The Company.

*On 07/04/1444H (corresponding to 22/10/2023G), the Ordinary General Assembly approved the election of the aforementioned Board of Directors members for the current term, which commenced on 25/10/2023G and ends on 24/10/2026G.

**On 01/03/1446H (corresponding to 04/09/2024G), the Company announced the appointment of the Chairman of the Board of Directors, Mr. Abdulaziz Abdullah Alhumaid, effective from 03/09/2024G. The Company also announced the appointment of Mr. Mansour Abdulaziz AlSaghayer as Deputy Chairman of the Board of Directors, from 03/09/2024G until the end of the current Board term.

***It means shares owned by members of the Board of Directors, whether directly or indirectly, in the Company through their ownership in companies that own shares in the Company, or shares owned by relatives of the Board members, whether directly or through their ownership in companies that own shares in the Company.

****On 28/01/1447H (corresponding to 23/07/2025G), the Board of Directors appointed Eng. Riyan Mohammed Almansor as a member of the Board of Directors in the vacant seat to complete the current Board term. The Ordinary General Assembly approved, on 30/11/2025G, the appointment of Eng. Riyan Mohammed Almansor as a member of the Board of Directors to complete the Board term until the end of the current term on 24/10/2026G, succeeding the former member, Eng. Saeed bin Abdullah Al-Mu'aythir.

4-3 Board Committees

The Board has three (3) subcommittees: (1) the Audit Committee, (2) the Remuneration and Nominations Committee, and (3) the Investment Committee. These committees support the Board of Directors in monitoring the company's activities and providing the company's management with necessary guidance and direction. The committees are structured as follows:

Table (41): Number of Board of Directors meetings

Administrative Authority	2022G	2023G	2024G	2025G*
Board of Directors Members	8	11	18	1

Source: The Company.

*Up to the date of this Prospectus.

4-3-1 Audit Committee

In accordance with paragraph (A) of Article Fifty-One (51) of the Corporate Governance Regulations, an audit committee shall be formed by a resolution of the Board of Directors, consisting of at least three (3) members and at most five members, from non-executive Board members, whether from shareholders or others. The resolution shall specify the committee's tasks, work rules, and the remuneration of its members. The audit committee is responsible for monitoring the Company's business and verifying the integrity and soundness of the financial reports and internal control systems therein. To this end, it has the right to access its records and documents and request any clarification or statement from the Board members or the Executive Management. It may also request the Board of Directors to convene the Company's General Assembly if the Board of Directors obstructs its work or if the Company suffers significant damages or losses, in addition to the powers delegated to it under the Corporate Governance Regulations.

The Company has an audit committee consisting of three (3) members, which was reconstituted by the Board of Directors in its meeting held on 11/03/1446H (corresponding to 14/09/2024G), and the Board has recommended to the General Assembly of shareholders to approve this formation.

The audit committee consists of the following members:

Table (42): Audit Committee Members

Name	Position	Membership Date
Rasheed Sulaiman Alrasheed	Chairman	10/09/2024G
Abdulelah Mohammed Alwabel	Member	18/08/2024G
Mansour Abdulaziz AlSaghayer	Member	15/09/2024G

Source: The Company.

As of the date of preparation of this Prospectus, the Company has a separate charter for the Audit Committee, which was approved by the (Extraordinary) General Assembly of shareholders in its meeting held on 07/04/1445H (corresponding to 22/10/2023G) based on the recommendation of the Board of Directors on 13/02/1445H (corresponding to 29/08/2023G).

The annual report of the Audit Committee for 2023G was reviewed, as was the report of the audit committee for 2024G.

On 07/12/1446H (corresponding to 03/06/2025G), the Audit Committee's report was published on the market's website when the invitation to convene the General Assembly was published.

On 29/12/1446H (corresponding to 25/06/2025G), a summary of the Audit Committee's report for 2024G was read during the General Assembly of Shareholders meeting.

According to paragraph (4.2) of the Audit Committee's Rules of Procedure, the Committee shall hold at least four (4) meetings per year.

As of the date of this Prospectus, the Audit Committee held a number of meetings as follows:

Table (43): Number of meetings of the Audit Committee members

Administrative Authority	2022G	2023G	2024G	2025G*
Audit Committee	4	18	16	3

Source: The Company.

*Up to the date of this Prospectus.

Powers of the Audit Committee:

The audit committee has the following powers in order to perform its duties:

- The right to access the company's records and documents.
- Request any clarification or statement from members of the Board of Directors or the Executive Management.
- To request the Board of Directors to call for a general assembly meeting of the company if the Board of Directors obstructs its work or if the company suffers significant damage or losses.
- Adopting the criteria for nominating the external auditor.
- Adoption of the internal audit charter.
- Adoption of the annual audit plan and budget for the internal audit department.
- Adopting the organizational structure for internal auditing.
- Recommending to the Board of Directors the appointment or termination of the work of the Head of Internal Audit of the company, whether due to resignation, incapacity or dismissal, and approving the monthly salary, allowances and other benefits allocated to him.
- Approval of the annual performance evaluation of the Head of Internal Audit, and the annual bonus and allowances.
- The committee has the right to seek assistance, contract, or directly assign consultants or advisory bodies from within or outside the company to carry out its duties, provided that the company bears the costs of those studies or consultations and that its report includes the name of the consultants and advisory bodies and their relationship to the company or the executive management, and they have the right to access the company's records and documents.
- To request any clarification or statement from members of the Board of Directors or the Executive Management.

4-3-2 Remuneration and Nominations Committee

The Company has a remuneration and nomination committee consisting of three (3) members, which was formed and its members appointed by the Board of Directors in its meeting held on 10/04/1445H (corresponding to 25/10/2023G) for a period of three years starting from 25/10/2023G and ending on the date of the end of the Board's term on 13/05/1448H (corresponding to 24/10/2026G), and it consists of the following members:

Table (44): Remuneration and Nominations Committee Members

Name	Position	Membership Date
Abdulmajed Abdulmohsen Al Alshikh	Chairman	25/10/2023G
Mansour Abdulaziz AlSaghayer*	Member	10/09/2024G
Abdulelah Mohammed Alwabel**	Member	08/10/2024G

Source: The Company.

*On 03/09/2024G, Mr. Ahmad Rasheed AlBallaa resigned, and on 10/09/2024G, Mr. Mansour Abdulaziz AlSaghayer was appointed.

**On 08/10/2024G, the membership of Mr. Fahad Mohammed Aldrees ended, and on 08/10/2024G, Mr. Abdulelah Mohammed Alwabel was appointed.

In accordance with paragraph (4.2) of the committee's charter, the committee meets at least twice (2) a year, and dates for holding additional meetings may be determined as the members or the committee chairman deem appropriate when necessary. The committee submits its reports to the Board, and as of the date of preparation of this Prospectus, the Remuneration and Nominations Committee held a number of meetings as follows:

Table (45): Number of meetings of the Remuneration and Nominations Committee members

Administrative Authority	2022G	2023G	2024G	2025G*
Remuneration and Nominations Committee	13	4	6	4

Source: The Company.

*Up to the date of this Prospectus.

Powers of the Remuneration and Nominations Committee:

- The committee has the authority to make recommendations regarding the remuneration policy for Board members and senior executives.
- The committee has the authority and responsibility to appoint or terminate the services of any external consultant to assist it in performing its tasks and to approve the terms of any such appointment, and the fees of any consultant providing consulting and support services to the committee, after written approval from the Chairman of the Board.
- The committee may, in coordination with the CEO, request any other company official or employee, external consultants, or any other person to meet with any member or consultant of the committee or to provide other assistance to the committee in the performance of its duties.

4-3-3 Investment Committee

The Company has an Investment Committee consisting of four (4) members, which was formed and its members appointed by the Board of Directors in its meeting held on 10/08/1446H (corresponding to 09/02/2025G) for a period ending on 31/08/2025G, and the committee's term of office shall be extended by approval of the Board of Directors, and it consists of the following members:

Table (46): Investment Committee Members

Name	Position	Membership Date
Abdulaziz Abdullah Alhumaid	Chairman	09/02/2025G
Abdulmajed Abdulmohsen Al Alshikh	Member	09/02/2025G
Mohammed Fahad Aldawsari	Secretary	09/02/2025G
Vacant	-	-

Source: The Company.

According to Article (6) of the Committee's charter, the Committee shall meet at least once (1) a year, and additional meetings may be scheduled as deemed appropriate by the members or the Chairman of the Committee when necessary. The Committee shall submit its reports to the Board. As of the date of this Prospectus, the Investment Committee held one meeting as follows:

Table (47): Number of meetings of the Investment Committee members

Administrative Authority	2022G	2023G	2024G	2025G*
Investment Committee	-	-	-	1

Source: The Company.

*Up to the date of this Prospectus.

4-4 Executive Management

The table below lists the names of the members of the Executive Management team as listed in this Prospectus:

Table (48): Executive Management Team Members

Name	Position	Nationality	Age	Number of Shares Owned		Ownership Percentage		Date of Appointment
				Direct	Indirect	Direct	Indirect	
Eng. Riyan Mohammed Almansor	CEO	Saudi	44	0	0	0	0	01/05/2025G
Mr. Ahmed Emad El-Din Ibrahim Alsamahi	CFO	Egyptian	47	0	0	0	0	20/01/2026G
Vacant	Aquaculture Manager	-	-	-	-	-	-	-
Eng. Riyan Mohammed Almansor*	Sales and Retail Manager	Saudi	44	0	0	0	0	10/09/2025G
Elias Patel	Head of Application Development (IT)	Indian	41	0	0	0	0	28/02/2019G
Samir Fido	Procurement Officer	Indian	52	0	0	0	0	22/09/2025G
Mohammed Saleh Al-Salama	Human Resources Supervisor	Saudi	27	0	0	0	0	20/01/2026G
Vacant	Governance and Compliance Manager	-	-	-	-	-	-	-
External Entity**	Internal Audit	-	-	-	-	-	-	-

Source: Company Management.

*Eng. Riyan Mohammed Almansor was assigned the duties of Sales and Retail Manager by administrative resolution dated 10/09/2025G.

** Saad Saleh Al-Sabti & Partners were appointed to perform the duties of the internal auditor on 14/06/1446H (corresponding to 15/12/2024G).

- The Executive Management is subject to the oversight of the Board of Directors, which must verify its performance and the extent to which it achieves the company's goals and objectives.

4-5 Board Members and Senior Executive Remuneration

The responsibility for proposing compensation for Board Members and Senior Executives lies with the Remuneration and Nominations Committee. The following table shows the salaries, remuneration, and allowances paid to Board Members over the past three years:

The following table shows the remuneration and compensation of Board Members for their membership on the Board:

Table (49): Board Member and Senior Executive Remuneration

Saudi Riyals	2022G	2023G	2024G
Board Members – Annual bonus and meeting attendance allowance	875,480	1,304,716	1,238,630.13
Senior Executives (including the CEO and CFO)	2,941,559	2,020,800	1,962,556
Total	**3,817,039**	**3,325,516**	**3,201,186.13**

Source: Company Management.

5

Financial Information and Management's Discussion and Analysis

5- Financial Information and Management's Discussion and Analysis

5-1 Introduction

This section, "Management's Discussion and Analysis of Financial Position and Results of Operations" ("MD&A"), presents an analysis of the financial results of Saudi Fisheries Company (the "Company") based on the audited financial statements for the fiscal years ended 31 December 2022G ("FY2022G"), 2023G ("FY2023G"), and 2024G ("FY2024G"), which are collectively referred to as the ("Company's Financial Statements"). Information not directly included in the Company's financial statements has been extracted from the Company's records.

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA). The financial statements have also been prepared in accordance with the Companies Law and the Company's Bylaws. The financial statements for the fiscal year 2022G were audited by PKF Al-Bassam Company. As for the audit of the fiscal year 2023G, it was conducted by Crowe Solutions for Professional Consulting Company. PKF Al-Bassam Company was reappointed to audit the financial statements for the fiscal year 2024G based on a Board of Directors resolution. Both PKF Al-Bassam Company and Crowe Solutions for Professional Consulting Company have provided their written consent regarding the publication of their names, logos, and statements without withdrawal as of the date of this Prospectus. Neither PKF Al-Bassam Company nor Crowe Solutions for Professional Consulting Company, nor any of their subsidiaries or relatives, hold any stake or interest of any kind in the Company or any of its subsidiaries that may affect their independence as of the date of this Prospectus.

The audited consolidated financial statements for the fiscal years 2022G, 2023G, and 2024G constitute an integral part of this Prospectus, and this section should be read in conjunction with the financial statements and the notes and supplementary disclosures attached thereto.

Numbers in this section have been rounded to the nearest million Saudi Riyals unless otherwise stated, and all figures and percentages have been rounded to the nearest decimal place. The abbreviation "CAGR" refers to the Compound Annual Growth Rate during the period. Therefore, if these numbers are aggregated, they may differ from those mentioned in the tables. Percentages, margins, and annual expenses have been calculated based on the rounded figures.

This section may include forward-looking statements based on the Company's management plans and current expectations regarding growth, results of operations, and financial position. The Company's actual results may differ materially from those anticipated or included in such statements as a result of several factors, including those reviewed in this section and elsewhere in this Prospectus, particularly the **"Important Notice" section** and **Section (2) "Risk Factors".**

5-2 Board of Directors' declarations regarding the financial statements

The members of the Company's Board of Directors acknowledge the following:

1. The financial information contained in this Prospectus has been extracted from the audited consolidated financial statements for the fiscal years ended 31 December 2022G, 2023G, and 2024G and the notes attached thereto without any material adjustments thereto, and that they include financial information presented on a consolidated basis in a form consistent with the Company's annual financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia.
2. Except as disclosed in this Prospectus in **Section (5) "Financial Information and Management's Discussion and Analysis", subsection (5.8) "Statement of Profit or Loss and Other Comprehensive Income"**, and **subsection (2.1.1) "Risks Related to Business Continuity" of Section No. (2) "Risk Factors"**, no material adverse change has occurred in the financial and commercial position of the Company during the three fiscal years ended 31 December 2022G, 2023G, and 2024G preceding the date of filing the application for registration and offering of the securities subject to this Prospectus directly, in addition to the end of the period covered by the auditor's report until the approval of the Prospectus.

3. The Company has no information regarding any government, economic, financial, monetary, or political policies or any other factors that have affected or could materially affect (directly or indirectly) the Company's operations.
4. The Board members declare that the Company has not granted any commissions, discounts, brokerage fees, or any non-cash compensation by the Company or any of its subsidiaries to any of the Board members, proposed Board members, senior executives, or persons offering or issuing securities or experts during the three fiscal years ended 31 December 2022G, 2023G, and 2024G preceding the date of filing the application for the issuance of Preemptive Rights Shares subject to this Prospectus directly in connection with the issuance or offering of any securities.
5. The Board members declare that the Company does not own any properties, including contractual securities or other assets whose value is subject to fluctuations or whose value is difficult to ascertain, which may significantly affect the assessment of the financial position.
6. The Company does not have any significant fixed assets planned to be purchased or leased, except as disclosed in **Section (6) "Use of the Offering Proceeds and Future Projects" of this Prospectus.**
7. The Company does not have any loans or other indebtedness, including bank overdrafts, liabilities under acceptances, acceptance credits, or hire purchase obligations, or loans and debts covered by personal guarantees or those not covered by personal guarantees, or secured by a mortgage or unsecured by a mortgage, except as disclosed in **subsection (5.9.3) "Non-current Liabilities"** and **subsection (5.9.4) "Current Liabilities" of this section.**
8. There are no mortgages, rights, or encumbrances on the Company's properties or any of its subsidiaries as of the date of this Prospectus, except as disclosed in **subsection (2.1.16) "Risks related to the depreciation and impairment of fixed assets" of Section No. (2) "Risk Factors".**
9. Except as disclosed in **subsection No. (2.1.21) "Risks Related to Zakat and Zakat Assessments"** and **subsection No. (2.1.16) "Risks related to the depreciation and impairment of fixed assets" of Section No. (2) "Risk Factors" of this Prospectus**, the Company does not have any contingent liabilities or guarantees.
10. The company acknowledges that the company's capital is not subject to any option contract.
11. Except as mentioned in **subsection (5.12) "Subsequent Events" of this section**, the Company has not undergone any capital adjustments during the three years immediately preceding the date of filing the application for registration and offering of the securities subject to this Prospectus.
12. The company is not aware of any seasonal or economic cycle-related factors that may have an impact on the business and financial position of the company.
13. The Board members declare that the Company does not have any issued or outstanding debt instruments, or approved but unissued debt instruments, nor does it have any term loans covered by personal guarantees or secured by a mortgage (whether the Issuer or others provided a mortgage therefor) or unsecured by a mortgage, except as mentioned in **subsection (5.9.3) "Non-current Liabilities"** and **subsection (5.9.4) "Current Liabilities" of this section.**

5-3 About the Saudi Fisheries Company

Saudi Fisheries Company, a Saudi joint stock company (the "Company"), was established in accordance with the provisions of the Companies Law issued by Royal Decree No. (M/6) dated 22/03/1385H and its amendments, and in accordance with Ministerial Resolution No. (67) dated 30/04/1400H, after being licensed pursuant to Ministerial Order dated 10/09/1398H, which included the establishment of a fishing company (a joint stock company) in which the State owns 39.99% of its capital, and Ministerial Resolution No. (35) dated 03/02/1399H, which provided for the formation of the Company's first Board of Directors. The Company has been listed on Saudi Exchange since the year 2001G.

The Company, in accordance with its internal bylaws, carries out marine fishing activities in international waters, fish farming in seas, and other activities for processing and preserving shrimp and other marine life and selling them to seafood restaurants. These activities require obtaining a license from the competent authorities such as the Ministry of Environment, Water and Agriculture and the Ministry of Energy, Industry and Mineral Resources.

The Company is registered in the Kingdom of Saudi Arabia ("Saudi Arabia") and is headquartered in Riyadh under Commercial License No. 1010042732 and Unified Number 7000677091 dated 22/03/1402H (corresponding to 17/01/1982G).

5-4 Summary of Accounting Policies of Saudi Fisheries Company

Basis of Preparation

The company's financial statements consist only of the company's audited financial statements, excluding any subsidiaries or investments in affiliated companies.

The company's financial statements include the company's branches as follows:

Table (50): Company Branches as per its Financial Statements

Branch name	Commercial Registration No.	Place of issue	Date
Jizan	5900001712	Jizan	22/12/1401H
Riyadh	1010042732	Riyadh	22/03/1402H
Jeddah	4030041385	Jeddah	13/03/1404H
Rijal Almaa- Al-Haridah	5861023704	Abha- Al-Haridah	18/03/1424H
Jizan 2	5900129772	Jizan	15/01/1443H
Dammam	2050145614	Dammam	21/10/1442H

Statement of Compliance

The company's financial statements were prepared in accordance with the International Financial Reporting Standards adopted in the Kingdom of Saudi Arabia and other standards and pronouncements adopted by the Saudi Organization for Chartered and Professional Accountants (collectively referred to as "International Financial Reporting Standards adopted in the Kingdom").

Basis of Measurement

These financial statements have been prepared in accordance with the historical cost standard, except in the following cases:

A. Measuring investment in equity instruments at fair value.

B. Measuring investment properties at fair value.

C. Employee benefits after termination of service are recognized at the present value of future liabilities using the expected credit unit method.

Functional and Presentation Currency

These financial statements are presented in Saudi Riyals, which is the company's functional and presentation currency. All financial information presented in Saudi Riyals has been rounded to the nearest Saudi Riyal unless otherwise indicated.

Significant Accounting Judgements, Estimates and Assumptions

In preparing these financial statements, management has used judgments, if any, and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which are the basis for making judgments about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. A revision of accounting estimates is recognized in the period in which the estimates are revised if the revision affects only that period, or in the revision period and future periods if the revision affects both current and future periods.

Going Concern

The Company recorded a net loss for the fiscal year ended 31 December 2024G amounting to 40.99 million Saudi Riyals (31 December 2023G - restated: 119.95 million Saudi Riyals), and its accumulated losses as of the same date reached 325.54 million Saudi Riyals (31

December 2023G - restated: 284.54 million Saudi Riyals), representing 81.38% (31 December 2023G: 71.14%) of the capital, which indicates the existence of a material uncertainty regarding the Company's ability to continue as a going concern. The Company has taken various measures to enhance its business model and address the uncertainty. Management has taken several strategic steps to increase its commercial business, improve operational efficiency, and ensure the Company's sustainability.

Key Initiatives Undertaken by the Company Include:

Capital Restructuring

The Company has taken key initiatives to strengthen its financial position and ensure long-term sustainability. A capital restructuring plan was implemented, resulting in a reduction of the Company's capital by 333.01 million Saudi Riyals to absorb accumulated losses and improve financial solvency. Furthermore, the Company is in the process of completing the issuance of new shares after the end of the year to improve its liquidity and fund its new initiatives. The comprehensive transformation strategy focuses on cost reduction, revenue enhancement, and asset optimization.

Comprehensive Turnaround Plan

The turnaround strategy, overseen by the Board of Directors, focuses on the following:

- Reducing operating costs
- Enhancing revenue generation
- Improving asset utilization

Liquidity Management

Liquidity was boosted by temporary financing and compensation of 36 million Saudi Riyals through the government's acquisition of the Jeddah building, with ongoing efforts to secure additional financing through strategic investments and partnerships.

Restructuring the Company's Activities

To expand its market presence, the company established a wholly-owned aquaculture subsidiary after the end of the year and is currently exploring partnerships with seafood retail chains. The strategic alliance with Aqua Bridge will provide targeted investment, operational efficiency, and industry expertise, enhancing its aquaculture operations. The company has signed a memorandum of understanding with Aqua Bridge and is finalizing the contract/agreement. Operations under this partnership are planned to commence by April 2025G.

In addition, the Saudi Fisheries Company continues to evaluate its investments in the feed mill to drive growth, expand its market reach, and improve its operational efficiency.

Conclusion

Management remains confident in the company's ability to meet its obligations and continue operating as a going concern. This confidence is underpinned by ongoing strategic initiatives, continued access to financial resources, and the support of key stakeholders. While challenges persist, these measures are designed to ensure the company's long-term sustainability and growth, enabling it to overcome current difficulties and emerge from them on a stronger financial footing.

The following is a presentation of the key future-related assumptions and other key sources of uncertainty in the estimates for the financial years covered in this section that may involve significant risks causing a material adjustment in the carrying values of assets and liabilities during the following financial year.

Assumption and Estimation Uncertainties

Impairment of Non-Financial Assets

A non-financial asset is considered undervalued when its carrying amount exceeds its recoverable amount, which is determined by fair value less costs to sell or value in use, whichever is higher. The fair value of an asset is primarily determined using the market approach, which considers recent market transactions of similar assets conducted on a purely commercial basis, adjusted for any directly attributed costs to sell. Where notifiable market prices are unavailable, the cost approach may be applied, taking into account the asset's replacement after adjusting for depreciation and obsolescence.

The recoverable amount is particularly affected by key assumptions, including the availability of comparable market data and the assessment of asset-specific factors that affect fair value. Any significant estimates and assumptions applied in determining impairment are disclosed, where applicable, in **sub-paragraphs (5.9.1.1) "Property, Plant and Equipment"** and **(5.9.1.2) "Capital Work in Progress" of this section.**

Fair Value Measurement and Valuation Process

Some of the company's assets and liabilities are measured at fair value for financial reporting purposes. The company's management determines the appropriate valuation methods and inputs for measuring fair value.

To estimate the fair value of any asset or liability, the Company uses observable market data as much as possible. In the absence of Level 1 inputs, the Company engages qualified external valuers to perform the valuation. Management works closely with the qualified external valuers to establish appropriate valuation methods and inputs for the model. Relevant estimates and assumptions, if any, have been disclosed in **subsection 5.9.1.1 (Property, Plant and Equipment)**, **subsection 5.9.1.2 (Capital Work in Progress)**, **subsection 5.9.1.3 (Investment properties),** and **subsection 5.9.1.4 (Right-of-use assets)** of this section.

Calculation of loss Provision

Determining expected credit losses involves key estimates by management. Management exercises these estimates in assessing the impact of current and future economic conditions, as well as other relevant factors that may affect the recoverability of financial assets. Key estimates include credit risk, probability of default, exposure to default, and loss in the event of default.

Management continuously monitors changes in economic conditions and adjusts its projected credit loss estimates as necessary. Given the inherent uncertainty in forecasting economic conditions, the company conducts sensitivity analyses to assess the potential impact of changes in key assumptions on projected credit losses **(please refer to paragraph 5.9.2.3).**

New Standards, Amendments to Standards, and Interpretations

There are a number of new amendments to the standards listed below, which have come into effect this year, but do not materially affect the company's financial statements except as noted below:

Table (51): New amendments to the standards that were issued and implemented as of January 1, 2024G.

Amendments to the standards	Description	Valid for annual periods starting from or after the date	Amendment Summary
IAS 1	Classifying liabilities as current or non-current liabilities	January 1, 2024G	The amendment clarified the following: - The right to postpone payment is meant to be, - The right to postponement must be available at the end of the reporting period. - The classification is not affected by the likelihood of the entity exercising its right to defer payment, and - The conditions of the obligation will only affect its classification if the derivative embedded in the convertible obligation is itself an equity instrument.
IFRS 16	Lease agreements in sale and leaseback transactions	January 1, 2024G	These amendments incorporate the sale-leaseback transaction requirements of IFRS 16 to explain how an entity should account for a sale-leaseback after the transaction date. Sale-leaseback transactions where some or all of the lease payments are variable lease payments that are not based on an index or rate are likely to be affected.
IAS 7 and IFRS 7	Supplier financing arrangements	January 1, 2024G	These amendments require the addition of disclosure requirements to enhance transparency in supplier financing arrangements, and "signals" within existing disclosure requirements, which require entities to provide qualitative and quantitative information about supplier financing arrangements.

New standards, amendments, and revised International Financial Reporting Standards (IFRS) have been issued but have not yet entered into force.

Table (52): New standards, amendments, and revised International Financial Reporting Standards (IFRS) have been issued but have not yet entered into force

Amendments to the standards	Description	Valid for annual periods starting from or after the date	Amendment Summary
IAS 21	Non-interchangeability	January 1, 2025G	The amendments include guidelines for determining when a currency is interchangeable and how to determine the exchange rate if it is not interchangeable. The amendments also provide new disclosures to help users of financial statements assess the impact of using an estimated exchange rate.
IFRS 19	Subsidiaries without general liability	January 1, 2027G	The International Financial Reporting Standard (IFRS) allows a qualifying subsidiary to provide reduced disclosures when applying International Accounting Standards in its financial statements. A subsidiary qualifies for reduced disclosures if it has no general liability and its ultimate parent entity or any parent or intermediary entity prepares consolidated financial statements that are publicly available and compliant with International Accounting Standards.
IFRS 9 and 7	Classification and measurement of financial instruments	January 1, 2026G	These amendments clarify that financial assets and liabilities are recognized and derecognized at the settlement date, with the exception of ordinary purchases or sales of financial assets and liabilities that meet the criteria of the new exception. The new exception allows companies to choose to derecognize certain financial liabilities settled through electronic payment systems before the settlement date. The amendments also provide guidance for assessing the contractual cash flow characteristics of financial assets, which applies to all conditional cash flows, including those arising from environmental, social, and governance features. In addition, these amendments introduce new disclosure requirements and update existing ones.
IFRS 18	Presentation and disclosure in financial statements	January 1, 2027G	IFRS 18 replaces IAS 1, setting out the basic presentation and disclosure requirements for financial statements. Changes that primarily affect the statement of income include the requirement to classify revenues and expenses into three new categories: operating, investing, and financing, with subtotals for operating profit or loss, as well as profit or loss before finance and taxes, being presented. In addition, operating expenses are presented directly in the statement of income, categorized either by nature (e.g., employee compensation), by function (e.g., cost of sales), or using a mixed presentation. Expenses presented by function require more detailed disclosure of their nature. IFRS 18 also provides enhanced guidance on the compilation and detailing of information in financial statements, introduces new disclosure requirements for management-defined performance measures, and eliminates the options for classifying interest and dividends in the statement of cash flows.

5-5 Material Accounting Information

Property, Plant and Equipment and Intangible Assets

Property, plant, and equipment are recognized in principle at cost, including any costs directly attributable to restoring the assets to the location and conditions necessary to enable them to operate as determined by company management. These assets are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, if any.

When the principal components of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the statement of profit or loss and other comprehensive income and is calculated on a straight-line basis over the estimated useful lives of each item of property, plant and equipment (excluding land) as follows. Management is not expected to change these policies:

Table (53): Depreciation charged to the statement of profit or loss and other comprehensive income

Description	Years
Buildings and Docks	5 to 30
Factory Equipment	5 to 20
Boats and Fishing Equipment	20
Vehicles	4 to 10
Furniture and Furnishings	5 to 10
Software, Computers, and Accessories	10

If there is an indication of a material change in the useful life or residual value of an item, future depreciation is revised to reflect the new estimates.

Property, plant, and equipment, and any material part initially recognized, are excluded when they are disposed of or when no future economic benefits are expected from their use. Any gain or loss resulting from the non-recognition of the asset (calculated as the difference between the net proceeds from the disposal and the carrying amount of the asset) is included in the statement of profit or loss.

Items such as spare parts, auxiliary equipment, and service equipment, if any, are recognized under this International Financial Reporting Standard when they meet the definition of property, plant, and equipment. Otherwise, these items are classified as inventory.

Intangible assets other than goodwill are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Intangible assets are amortized on a straight-line basis. Subsequent expenditures are capitalized only if future economic benefits associated with the expenditure are probable and can be reliably measured. Residual values, useful lives, and impairment indicators for intangible assets are reviewed at the end of each financial year and adjusted in the future, if necessary.

Capital Work in Progress

Capital work in progress is recorded at its purchase price plus all direct costs incurred to bring it to the site and condition necessary to make it ready for its intended use. This asset is then transferred to the relevant asset classes and depreciated once it is ready for its intended use.

Investment Properties

An investment property, which is property held to generate rental income and/or capital appreciation (including properties under construction for these purposes), is initially measured at cost, including transaction costs. After initial recognition, the investment property is measured at fair value. Gains or losses arising from changes in the fair value of the investment property are recognized in profit or loss in the period in which they arise.

Investment property is derecognized when it is disposed of or permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss resulting from derecognition (calculated as the difference between the net proceeds from disposal and the carrying amount of the asset) is included in profit or loss for the period in which the property is derecognized. **For further details on the provisions and assumptions made, please refer to sub-paragraph (5.9.1.3) "Investment Properties" of this section.**

Impairment of Non-Financial Assets

At each reporting date, non-financial assets are reviewed to determine if there is any indication that those assets have incurred an impairment loss. If there is an indication of a potential impairment loss, the recoverable amount of any affected asset (or similar asset group) is estimated and compared to its carrying amount. If the estimated recoverable amount is less, the carrying amount is reduced to its estimated recoverable amount, and the impairment loss is immediately recognized in the statement of profit or loss.

Impairment occurs when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, which is more than its fair value less disposal costs and value in use.

The recoverable amount is affected by the discount rate used for the (Discounted Cash Flow) model, in addition to the expected future cash flows and the growth rate used for extrapolation purposes.

Similarly, at each reporting date, inventory is assessed to detect any impairment by comparing the carrying amount of each inventory asset (or group of similar assets) with its selling price less costs of completion and sale. If there is an impairment in one of the inventory assets (or a group of similar assets), the carrying amount is reduced to the selling price less the costs necessary for completion and sale, and the impairment loss is recognized immediately in the statement of profit or loss.

When a reversal of an impairment loss is subsequently recorded, the carrying amount of the assets (or the group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs of completion and sale, in the case of inventory), provided that the carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for those assets in the previous year. The reversal of an impairment loss is recognized directly in the statement of comprehensive income or loss.

Lease Contracts

The company assesses whether a contract constitutes or includes a lease at the contract's inception. The company recognizes the right of use and corresponding lease liability in all lease arrangements where it is the lessee, with the exception of short-term leases (defined as leases of 12 months or less) and leases of low-value assets (such as tablets, personal computers, small office furniture items, and telephones). For these leases, the company recognizes lease payments as operating expenses on a straight-line basis over the lease term unless another regular basis more representative of the time pattern in which the economic benefits of the leased assets are consumed is established.

The lease liability is initially measured at the present value of the outstanding lease payments as of the start date, discounted using the rate included in the lease agreement. If this rate cannot be easily determined, the company uses an additional borrowing rate.

Lease payments included in measuring the rental obligation consist of the following:

- Fixed rent payments (including substantial fixed payments) less any outstanding rent incentives;
- Variable rent payments that are based on an index or rate are initially measured using the index or price at the start date of the contract;
- The amount expected to be paid by the tenant under the residual value guarantees.
- The price at which purchase options are exercised, if the tenant is reasonably certain that these options will be exercised.
- Payments of penalties for termination of the lease if the lease term reflects the exercise of the option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest rate method) and reducing the carrying amount to reflect the lease payments made.

The company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asse) if:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the statement of financial position.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, plant and equipment' policy.

Inventory

Inventory includes finished goods, work-in-process goods, raw materials, warehouse supplies, and spare parts, and is valued at the lower of cost or net realizable value. The cost of materials includes all expenses directly related to the manufacturing process, plus an appropriate amount for other costs, based on normal operating capacity. The cost of finished goods includes the cost of raw materials, labor, and appropriate general production expenses. Inventory costing is determined using the weighted average method.

Net realizable value consists of the estimated selling price during the normal course of business after deducting the additional costs of production to complete it and the selling and marketing expenses.

The company regularly reviews the carrying value of inventory and, when necessary, reduces inventory to net realizable value.

Biological products harvested from biological assets are measured at fair value less cost of sale at the point of harvest.

Biological Assets

The company's biological assets consist of shrimp and fish at all stages of their life cycle. They are classified as immature shrimp and fish, representing the pre-harvest and ready-to-harvest stages, respectively.

Biological assets are measured at fair value less cost of sale except where fair value cannot be reliably measured.

When fair value cannot be reliably measured, biological assets are recognized at their purchase cost or the cost of raising or growing them to the point of commercial production (called biological assets appreciation), less accumulated depreciation and accumulated impairment loss, if any. The costs of immature biological assets are determined by the cost of raising or growing them to their lifetime. Immature biological assets are not depreciated.

Measurement of fair value of fish and shrimps are in accordance with IFRS 13. ("Fair value") refers to the price that would have been achieved on sale of the asset in an orderly transaction between market participants at the measurement date under the prevailing market conditions.

For preharvest phase (immature) the historical cost is deemed a reasonable approach to fair value, as there is little biological transformation. This assessment is based on the fact that when larvae are placed in the ponds their weight are still relatively low.

The cost is measured based on monthly weighted average cost formula, and includes cost of purchase plus transportation charges (if any), feed and medication, direct labor cost and an appropriate proportion of farm operating overheads accumulated on a project basis.

In accordance with the highest and best use principle, the Company considers shrimp and fish to have the optimum harvest weight when they have a live weight that complies with the gram standard approved by management. Fish and shrimp whose weight equals or exceeds the live weight are classified as ready for harvest, while fish and shrimp that have not achieved this weight are classified as pre-harvest. In the case of readiness for harvest, the highest and best use is defined as harvesting and selling the fish and shrimp as soon as possible. Regarding the pre-harvest stage, the highest and best use is defined in principle as growing the fish and shrimp to reach the optimum harvest weight, then harvesting and selling the fish and shrimp.

The Company uses the discount rate to present future cash flows at their present value. A significant judgment is required in determining the appropriate rate to be used, which depends on the Company's incremental borrowing rate.

Estimates are also used to determine the fair value of fish and shrimp in terms of market prices, average weight and size, number of larvae and mortality rates.

The estimated biomass (volume) is based on the actual number of individuals in the basin at the date of the statement of financial position, adjusted to cover expected mortality up to the harvest date and multiplied by the estimated weight of an individual at the time of the harvest.

The unit of measurement is individual shrimp and fish. Changes in the estimated fair value of biological assets are recorded in the statement of comprehensive income/(loss) and presented under the line for fair value adjustments relating to biological assets.

Financial Instruments

Financial Assets

Initial Measurement

Upon initial recognition, the company recognizes the financial asset at its fair value.

Subsequent Measurement

After initial recognition, financial assets may be measured at amortized cost, or at fair value through other comprehensive income ("other comprehensive income") or fair value through profit and loss, if applicable.

Financial Asset at Amortized Cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not classified at fair value through profit and loss:

- The asset is held within a business model that aims to retain assets to collect contractual cash flows;
- The contractual terms of the financial asset on specified dates result in cash flows that are only principal payments and dividends on the principal amount outstanding.

Financial Assets at Fair Value Through Other Comprehensive Income

Debt Instruments

A debt instrument is measured at fair value through other comprehensive income only if it meets the following conditions and is not classified as being measured at fair value through profit or loss:

- The asset is held within a business model whose objective is achieved through the collection of cash flows and the sale of financial assets;
- The contractual terms of the financial asset result in cash flows on specified dates that are only principal payments and dividends on the principal amount outstanding.

Equity Instruments

Upon initial recognition, for an equity investment not held for trading, the company may irrevocably choose to present subsequent changes in other comprehensive income. This choice is made for each investment individually.

Financial Assets at Fair Value Through Profit and Loss

All other financial assets measured at fair value through profit or loss are classified (e.g., equity held for trading and debt securities not classified as either amortized cost or included at fair value through other comprehensive income).

In addition, at initial recognition, a company may irrevocably identify a financial asset that meets the requirements for measurement at amortized cost or fair value through other comprehensive income and choose to measure it at fair value through profit or loss if doing so eliminates or substantially reduces an accounting mismatch that might otherwise arise.

Financial assets are not reclassified after initial recognition, except in the year following a company's change of business model for managing financial assets.

Business Model Assessment

The Company assesses the objective of a business model in which an asset is held at the portfolio level because this best reflects business management and provides information to management. Some of the information examined includes:

- The policies and objectives announced for the portfolio and the translation of those policies into practical actions. Specifically, whether the management strategy focuses on achieving contractual profit, maintaining a specific rate of return profile, matching the maturity of financial assets with the maturity of the liabilities that fund those assets, or generating cash flows through the sale of assets;
- How to evaluate portfolio performance and report on it to company management;
- Risks affecting the performance of the business model (and the financial assets held within the business model) and how to manage those risks;
- The frequency, volume, and timing of financing in previous years, the reasons for this financing, and expectations regarding future financing activity are all considered. However, information related to financing activity is not considered in isolation, but rather as part of a comprehensive assessment of how the company achieves its stated objectives for managing financial assets and generating cash flow.

The business model assessment is based on reasonably expected scenarios without taking "worst-case" or "stress-case" scenarios into account. If cash flows are realized after initial recognition in a manner that differs from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in this business model, but incorporates such information when assessing newly originated or newly purchased financial assets moving forward. For financial assets held for trading whose performance is evaluated on a fair value basis, they are measured at fair value through profit or loss since they are not held to collect contractual cash flows and are not held to collect cash flows and sell financial assets.

Assessments Whether Contractual Cash Flows are Solely Payments of Principal and Profit

For the purposes of this assessment, "Asset" is the fair value of the financial asset at initial recognition. "Profit" is the consideration for the time value of money, the credit and other basic financing risks associated with the principal amount outstanding during a particular year and other basic finance cost (such as liquidity risk and administrative costs), along with profit margin.

In assessing whether the contractual cash flows are solely payments of principal and profit, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Company considers:

- Contingent events that would change the amount and timing of cash flows.
- Leverage features.
- Prepayment and extension terms.
- Terms that limit the Company's claim to the cash flows from specified assets (such as non-recourse asset arrangements).
- Features that modify consideration of the time value of money such as periodical reset of profit rates.

De-recognition of Financial Assets

A financial asset or a part of a financial asset is de-recognized when:

- The right to receive cash flows from the asset have expired, or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement: and either:
  A. The Company has transferred substantially all the risks and rewards of the asset, or
  B. The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Modification

When the contractual cash flows of a financial asset are renegotiated or otherwise modified, and the renegotiation or modification does not eliminate that financial asset, the company recalculates the gross carrying amount of the financial asset and recognizes the modification gain or loss in the statement of comprehensive income.

The gross carrying amount of a financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows discounted at the original effective interest rate of the financial asset (or the credit-adjusted interest rate for financial assets acquired or arising from a credit impairment) or, where applicable, the revised effective interest rate. Any costs or charges incurred adjust the carrying amount of the adjusted financial asset and are amortized over the remaining term of the modified financial asset.

Reclassifications

Financial assets are reclassified when the Company changes its business model for managing financial assets. For example, when there is a change in management's intention to hold the asset for a short term or long term. Financial liabilities are not reclassified.

Impairment

The Company assesses, on a forward-looking basis, the lifetime expected credit losses associated with its financial assets recorded at amortized cost. For receivables, the Company applies the simplified approach as permitted by IFRS 9, which requires the recognition of lifetime expected losses from the initial recognition of the receivables. The Company uses a provision matrix in calculating expected credit losses on receivables to estimate the expected credit loss by applying certain provision rates to the contractual aging groups that are past due. To measure the expected credit losses, receivables have been grouped based on shared credit risk characteristics and days past due. The provision matrix was developed taking into account the probability of default and loss given default, which were derived from the Company's historical data, including credit ratings of rated financial institutions, and adjusted to reflect the expected future outcome, which includes macroeconomic factors.

Other financial assets, such as employee receivables and bank balances, have low credit risk. A company considers a financial asset to have low credit risk when the asset has an external credit rating (“investment grade”) according to the internationally accepted definition, or, if no external rating is available, an internal rating (“performance”). Performance means that the counterparty has a strong financial position, no outstanding payments, and the application of expected credit losses is immaterial.

1. Definition of Default

The company considers the following to constitute a default event for the purposes of internal credit risk management, as historical experience indicates that financial assets meeting any of the following criteria are generally unrecoverable:

- When there is a breach of financial covenants by the debtor
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking-into-account any collateral held by the Company) Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

2. Credit-Impaired Financial Assets

A financial asset is considered to have weak credit when one or more events occur that adversely affect the asset's projected future cash flows. Evidence of a financial asset's weak credit includes observable data about the following events:

- Significant financial difficulty of the issuer or the borrower.
- A breach of contract, such as a default or past due event (see (1) above).
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower’s financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider.
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization.
- The disappearance of an active market for that financial asset because of financial difficulties.

Presentation of Provision for Expected Credit Losses in the Statement of Financial Position

Provisions for expected credit losses on financial assets measured at amortized cost are shown in the statement of financial position as a deduction from the total carrying amount of the assets.

Write-off

Financial assets are written off only when:

1. There is no reasonable expectation of recovery.
2. The write-off is approved by the Board of Directors.

When writing off financial assets, the company continues to engage in enforcement activities to attempt to recover outstanding receivables. When recoveries are made after the write-off, they are recognized as other income on the statement of profit or loss.

Financial Liabilities

Classification of Financial Liabilities

The Company designates a financial liability at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistency or where a group of financial liabilities is managed, and its performance is evaluated on a fair value basis.

These amounts represent liabilities for goods and services provided to the Company prior to the end of the year which are unpaid. The amounts are unsecured and are usually paid within 12 months of recognition. Trade receivables and other receivables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

Initial Measurement

Upon initial recognition, the company recognizes the financial liability at its fair value.

Subsequent Measurement

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the amortization process.

De-recognition of Financial Liabilities

Financial liabilities are derecognized when the obligations specified in the contract is discharged, canceled or expires. A substantial change in the terms of a debt instrument is considered as an extinguishment of the original liability and the recognition of a new financial liability. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognized as part of the gain or loss on the extinguishment.

Modification

For financial liabilities, if an exchange or change in the terms of a debt instrument does not qualify for de-recognition it is accounted for as a modification of the financial liability. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortized over the remaining term of the modified liability.

Fair Value Hierarchy of Financial Instruments

Offsetting Financial Assets and Liabilities

Financial assets and liabilities are offset so that the net amount listed on the statement of financial position is equal if the company has a currently enforceable right to offset the listed amounts and intends to settle assets and liabilities on a net basis or to realize assets and pay off liabilities simultaneously. The right must not be legally enforceable pending future events and must be enforceable in the ordinary course of business and in the event of default, insolvency, or bankruptcy of the company or its counterparty.

The company classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

Level 1

The fair value of financial instruments quoted in active markets is based on their quoted closing price at the statement of financial position date. Examples include exchange-traded commodity derivatives and other financial assets such as investments in equity and debt securities.

Level 2

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable commercial transactions.

Level 3

The fair value of financial instruments that are measured on the basis of entity-specific valuations using inputs that are not based on observable market data (unobservable inputs).

Effective Interest Method

The effective interest rate method is a method for calculating the amortized cost of a financial asset and liability and allocating interest income and expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, as well as transaction costs and other premiums or discounts), over the expected life of the debt instrument, or a shorter period (where appropriate) to the net carrying amount at initial recognition.

Cash and Cash Equivalents

Cash and cash equivalents include banks and bank deposits with an original maturity of three months or less. It also includes bank overdrafts that form an integral part of the Company's cash management and are likely to fluctuate from overdrafts to positive balances.

Equity Reserves

Share capital represents the nominal value (nominal) of the issued shares. Accumulated losses include all losses for the current and prior periods. All transactions with the company's owners are recorded separately under equity.

Provisions

A provision is made if, as a result of past events, the company has a current legal or contractual obligation whose value can be reliably estimated, and the settlement of that obligation is likely to require an outflow of economic benefits. Provisions are reviewed at the date of each statement of financial position and adjusted to reflect the best current estimates.

Contingent Liabilities

All contingent liabilities arising from past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events that are not under the complete control of the company, or all current liabilities arising from past events but not created for the following reasons:

- There is no possibility that an outflow of resources included in the economic benefits will be required to settle the obligation, or
- The amount of the obligation cannot be measured with sufficient reliability; it must all be assessed in each statement of financial position and disclosed in the company's financial statements as contingent liabilities.

Borrowings

Borrowings are initially recognized at fair value less incurred transaction costs. Subsequently, loans are measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the amount recovered is recognized in profit or loss over the borrowings term using the effective interest method.

Assumptions are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expires. Borrowings are classified as current liabilities when the remaining maturity date is less than 12 months.

Employees' post-employment benefits

Short-term obligations

The liabilities relating to wages and salaries, including non-cash benefits and accumulated leaves, airfare allowance, children's education allowance, and furniture allowance expected to be settled wholly within twelve months after the end of the period in which the employees render the related service in respect of employees' services up to the end of the reporting period, are recognized and measured at the amounts expected to be paid when the liabilities are settled.

Employee' end-of-service benefits

The liability or asset recognized in the statement of financial position in respect of the defined end-of-service benefit plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the receivables obligation is determined by discounting estimated future cash flows using the interest rates of high-quality corporate bonds denominated in the currency in which the benefits will be paid, and which have terms that closely approximate the terms of the relevant obligation.

Defined benefit costs are categorized as follows:

Service Cost

Service costs include current service, and prior service is recognized directly in the statement of profit or loss. Changes in the present value of a defined benefit obligation resulting from plan amendments or curtailments are immediately recognized in the statement of profit or loss as prior service costs.

Interest Cost

Net interest costs are calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in the employee benefits expense on the statement of profit or loss.

Re-measurement Gains or Losses

Remeasurement gains or losses resulting from adjustments of expertise and changes in actuarial assumptions are recognized in the period in which they occur in the statement of comprehensive income.

Zakat

In accordance with the regulations of the General Authority for Zakat and Income Tax, the company is subject to Zakat. The company's zakat provision is recognized and recorded in the statement of profit or loss and other comprehensive income. Any additional zakat liabilities, if any, relating to prior-year valuations issued by the General Authority for Zakat and Income Tax are calculated in the period in which the final valuations are issued.

Finance Cost

Borrowing costs directly attributable to the acquisition, creation, or production of qualifying assets are capitalized over the period required to complete and prepare the asset for its intended use or sale. Other finance cost are charged as expenses in the period in which they are incurred and are recorded as "finance cost" Finance cost consist of interest and other costs incurred by the company in connection with borrowing funds.

Revenue Recognition

Revenue is recognized when a company fulfills its contractual obligations to customers in an amount that reflects the monetary consideration the company expects to receive for those goods or services. Specifically, the standard provides a five-step approach to revenue recognition:

Step one: Identify the contract(s) with customers.

Step two: Identify the performance obligations in the contract.

Step three: Determine the transaction price.

Step four: Allocate the transaction price to each performance obligation in the contract.

Step five: Recognize revenue when a performance obligation is satisfied.

Revenue is recognized when contractual obligations are fulfilled, when control of goods or services is transferred to the customer so that they can use them for the intended purpose without restrictions or benefit from the services provided under the contract.

The company's main source of revenue is from contracts concluded with customers, including wholesale and retail sales.

Retail

For merchandise sales to retail customers, revenue is recognized when control of the merchandise is transferred, specifically when the customer purchases the merchandise from the retail outlet. Payment for the transaction is due immediately upon the customer's purchase of the merchandise.

The company records sales returns and sales discounts on an incurred basis, in accordance with its policy. The company does not offer variable discounts, nor does it accept sales returns based on expiration date.

Wholesale

For seafood sales to the wholesale market, revenue is recognized when control of the goods is transferred, i.e., when the goods are shipped to the wholesaler's designated location (delivery). After delivery, the wholesaler has full discretion regarding the distribution method and selling price of the goods, bears primary responsibility for the sale, and assumes the risks of obsolescence and loss in connection with the goods. A receivable is recognized by the company when the goods are delivered to the wholesaler because this marks the point at which the right to consideration becomes unconditional; only the passage of time is required before payment becomes due.

Principal versus Agent

The judgment required is to determine whether a company acts as a principal and reports revenue on a gross basis, or as an agent and reports revenue on a net basis. The company evaluates the following indicators, among others, to determine whether it acts as a principal or an agent in transactions and reports its revenue on a gross or net basis:

1. The company is primarily responsible for fulfilling its promise to provide specific services.
2. The company must be exposed to risks before transferring the service to the customer.
3. The company has discretionary power in determining the price of the specified services.

Selling, Distribution, General and Administration Expenses

Selling and distribution expenses and general and administrative expenses include direct and indirect costs that are not specifically part of the cost of sales. Allocation between the cost of sales, selling and distribution expenses, and general and administrative expenses is made, where necessary, on a fixed basis. The company recognizes marketing support from vendors in selling and distribution expenses on an accrual basis.

Government Grant

Government grants are not recognized until there is reasonable assurance that the company will comply with the associated conditions and that the grants will be received. Government grants are recognized in profit or loss on a regular basis over the periods in which the company recognizes the costs that the grants are intended to offset as expenses.

Government grants receivable are recognized as compensation for expenses or losses already incurred or for the purpose of providing immediate financial support to the business without related future costs and are included in other revenues in the statement of profit or loss and other comprehensive income for the period in which they become receivable.

The benefit from a government loan at a lower-than-market interest rate is treated as a government grant, and is measured by the difference between the returns received and the fair value of the loan based on prevailing market interest rates.

Earnings Per Share

The company reports basic and diluted earnings per share (if applicable) for each ordinary share. Basic earnings per share are calculated by dividing the net profit or loss attributable to the company's ordinary shareholders by the weighted average number of ordinary shares outstanding during the year, adjusted for the number of shares repurchased or issued during the year. Diluted earnings per share are adjusted for the profit or loss attributable to the company's ordinary shareholders and the weighted average number of shares outstanding during the year, taking into account the effect of all ordinary shares that may be issued.

Value Added Tax

Revenues, expenses, and assets are recognized after deducting Value Added Tax, with the exception of:

When value added tax is incurred in connection with the purchase of non-refundable assets or services from the Zakat, Tax and Customs Authority, in this case, the transaction tax is recognized as part of the cost of purchasing the asset or as part of the expense items, where applicable, and the accounts receivable and payable included in the amount of the transaction tax.

The net amount of value added tax that is refundable or payable to the Zakat, Tax and Customs Authority as part of the items of purchase of assets or expenses in the statement of financial position.

Transactions and Balances in Foreign Currencies

Transactions in foreign currencies are translated into Saudi Riyals using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currencies at year-end exchange rates are recognized in the statement of profit or loss and other comprehensive income. Non-monetary items are not re-translated at the end of the year/period and are measured at historical cost (translated using the exchange rates at the date of the transaction), except for non-monetary items measured at fair value, which are translated using the exchange rates prevailing at the date when the fair value was determined.

Segmental Reporting

An operating segment is a business unit that engages in activities that generate revenue and incur expenses, including revenue and expenses related to transactions with other business units. The operating results of all operating segments are regularly reviewed by the company's CEO to determine resource allocation and performance, and separate financial information is available for each segment.

The segment results reported to the company's CEO include items that can be directly attributed to a particular segment as well as those that can be allocated on a reasonable basis.

A. Operational Segment

   The analysis of sectors by activity includes farming, wholesale, retail, and others.

B. Geographical Segment

   The company has no geographical segments, as all revenues earned from the company's activities are made within the Kingdom of Saudi Arabia, and therefore there are no geographical segments that need to be disclosed.

Dividends Distributions

Dividend distributions are recorded in the financial statements in the period in which they are approved by the general assembly.

Initial dividend distributions are recorded as liabilities in the period in which they are approved by the Board of Directors.

5-6 Key Performance Indicators

Table (54): Key Performance Indicators

Key Performance Indicators	Financial year ending 31/12/2022G Revised	Financial year ending 31/12/2023G Revised	Financial year ending 31/12/2024G Audited
Gross Profit Margin (Loss)	(43.6%)	(84.2%)	(31.2%)
Net Profit Margin (Loss)	(129.9%)	(229.8%)	(215.3%)
Current Ratio	1.01	0.44	0.30
Total Assets/Total Liabilities	317.4%	191.6%	173.6%
Total Liabilities to Total Equity	46.0%	109.2%	135.9%
Return on Total Assets	(18.4%)	(49.3%)	(23.0%)
Return on Total Shareholders' Equity	(26.9%)	(103.2%)	(54.3%)

Source: Company Management.

5-7 Financing structure as of December 31, 2022G, 2023G and 2024G

Table (55): Financing structure as of December 31, 2022G, 2023G and 2024G

Financing structure	Financial year ending 31/12/2022G Audited	Financial year ending 31/12/2023G Audited	Financial year ending 31/12/2024G Audited
Debt	34,683,445	44,511,091	23,866,219
Cash and cash equivalents	1,853,173	3,087,011	10,565,890
Capital	400,000,000	400,000,000	400,000,000
Total equity	235,800,637	116,272,169	75,557,193
Financing structure (Total debt + Equity)	270,484,082	160,783,260	99,423,412
Borrowing rate % = (Total debt / Financing structure)	12.8%	27.2%	24.0%

Source: Company Management.

5-8 Statement of Profit or Loss and Other Comprehensive Income

The following table represents the statement of profit and loss of the Saudi Fisheries Company for the fiscal years ending December 31, 2022G, 2023G and 2024G.

Table (56): Statement of Profit or Loss and Other Comprehensive Income

Million Saudi Riyals	2022G (Revised)	2023G (Revised)	2024G Audited	Change 2022G-2023G	Change 2023G-2024G	(CAGR) 2022G-2024G
Sales	48.8	52.2	19.0	6.9%	(63.5%)	(37.5%)
Cost of Sales	(66.5)	(62.4)	(24.2)	(6.2%)	(61.3%)	39.7%
Loss of Biological Assets at Fair Value	(6.3)	(33.8)	(0.8)	840.3%	(97.5%)	52.0%
Total Profit/(Loss)	**(21.3)**	**(44.0)**	**(5.9)**	**106.7%**	**(86.5%)**	**47.1%**
Selling and Distribution Expenses	(22.2)	(20.1)	(11.0)	(9.4%)	(45.3%)	29.6%
General and Administrative Expenses	(22.7)	(20.5)	(26.2)	(9.7%)	27.8%	(7.5%)
Impairment of Trade Receivables	-	-	-	N/A	N/A	N/A
Provision for Impairment of Non-Financial Assets	-	(36.0)	7.6	N/A	(121.0%)	N/A
Impairment of Capital Work in Progress	(1.2)	-	-	(100.0%)	N/A	N/A
Impairment of Inventory	(1.4)	-	-	(100.0%)	N/A	N/A
Provision for Slow-Moving Items	-	(3.4)	(2.2)	N/A	(34.5%)	N/A
Provision for Expected Credit Loss on Trade Receivables	(1.3)	(1.6)	(3.5)	21.6%	119.9%	(63.5%)
Provision for Expected Credit Loss on Advances to Suppliers	-	(1.4)	(3.2)	N/A	126.9%	N/A
Fair Value Gain on Investment Property	6.0	5.8	1.4	(3.3%)	(76.1%)	(52.0%)
Loss on Disposal of Investment Property	-	(2.6)	-	N/A	(100.0%)	N/A
Other Income, Net	5.4	15.9	8.6	194.8%	(45.9%)	26.3%
Operating Loss	**(58.6)**	**(108.0)**	**(34.6)**	**84.1%**	**(68.0%)**	**23.2%**
Finance Income	-	-	-	N/A	N/A	N/A
Finance Cost	(2.0)	(3.7)	(4.6)	87.1%	24.6%	(52.7%)
Net Loss Before Zakat	**(60.6)**	**(111.6)**	**(39.1)**	**84.2%**	**(65.0%)**	**19.7%**
Zakat	(2.8)	(8.3)	(1.9)	198.8%	(77.5%)	18.0%
Loss After Tax	**(63.4)**	**(120.0)**	**(41.0)**	**89.2%**	**(65.8%)**	**19.6%**
Other Comprehensive Income						
Items Not to be Reclassified Subsequently in the Statement of Profit or Loss:						
Actuarial Gain from Employee End-of-service Benefits	0.5	0.4	0.3	(12.0%)	(34.9%)	(24.3%)
Total Comprehensive Loss for the Year	**(62.9)**	**(119.5)**	**(40.7)**	**90.0%**	**(65.9%)**	**19.5%**
Basic and Diluted Loss per Share for the Year	(1.58)	(17.91)	(6.12)	1.033.5%	(65.8%)	(96.8%)
As a Percentage of Revenue						
Cost of Sales	(136.2%)	(119.5%)	(126.9%)			
Total Profit/(Loss)	(43.6%)	(84.2%)	(31.2%)			
Selling and Distribution Expenses	(45.4%)	(38.5%)	(57.7%)			
General and Administrative Expenses	(46.5%)	(39.3%)	(137.6%)			
Operating Loss	(120.1%)	(206.8%)	(181.5%)			
Loss After Tax	(129.9%)	(229.8%)	(215.3%)			

Source: Revised financial statements for the fiscal years ended December 31, 2022G and 2023G, and audited financial statements for the fiscal year ended December 31, 2024G.

The main activities carried out by the Company are the sale of fresh and frozen fish and shrimp products to customers in the wholesale and retail sectors through its stores and seafood auctions, in addition to selling seafood meals in its restaurants. The Company's wholesale operations were discontinued on 30 June 2024G, while retail operations continued through five retail outlets in Saudi Arabia, all of which are located in Riyadh.

The Company previously obtained its products by participating in fishing activities in international waters, but it has shifted its focus to local aquaculture and production of fish and shrimp products. The aforementioned activities require obtaining a license from competent authorities such as the Ministry of Environment, Water and Agriculture and the Ministry of Energy, Industry and Mineral Resources. The Company has been producing tilapia in its fish farm in Al-Qatif since 1992G. In 2021G, the Company opened a new fish farm in Al-Haridah to produce shrimp and sea bream. Other products are sourced from suppliers in the Gulf Cooperation Council (GCC) countries and international suppliers.

Sales decreased by a compound annual growth rate of 37.5% between 2022G and 2024G after the Company took a decision to discontinue production at local fish and shrimp farms during the second half of the year 2024G. The decline in sales was also affected by the closure of a number of the Company's retail outlets between 2022G and 2024G, as the number of retail outlets decreased from 17 during the year 2022G to 5 by the year 2024G.

Total profit decreased from a loss of (21.3) million Saudi Riyals during the fiscal year ended 31 December 2022G to a loss of (44.0) million Saudi Riyals during the fiscal year ended 31 December 2023G after the start of fish and shrimp aquaculture production at Al-Haridah farm. This decrease was due to (i) an increase in the cost of raw materials purchased, including fish and shrimp larvae and feed, (ii) an increase in the impairment loss of biological assets from (3.6) million Saudi Riyals during the fiscal year ended 31 December 2022G to (33.8) million Saudi Riyals during the fiscal year ended 31 December 2023G. Then, the total profit improved to reach a loss of (5.9) million Saudi Riyals during the fiscal year ended 31 December 2024G, driven mainly by (i) a decrease in the cost of revenue from 62.4 million Saudi Riyals during the fiscal year ended 31 December 2023G to 24.2 million Saudi Riyals during the fiscal year ended 31 December 2024G after the discontinuation of production activities, (ii) a decline in the loss of biological assets from (33.8) million Saudi Riyals during the fiscal year ended 31 December 2023G to (0.8) million Saudi Riyals during the fiscal year ended 31 December 2024G.

Loss after tax exacerbated from (63.4) million Saudi Riyals during the fiscal year ended 31 December 2022G to (120.0) million Saudi Riyals during the fiscal year ended 31 December 2023G, mainly due to the increase in the loss recognized for biological assets to reach (33.8) million Saudi Riyals and the formation of an impairment provision for non-financial assets amounting to (36.0) million Saudi Riyals. Loss after tax improved to reach (41.0) million Saudi Riyals during the fiscal year ended 31 December 2024G, driven by an increase in total profit resulting partially from the restructuring initiated by the Company.

5-8-1 Sales

The following table shows the sales of the Saudi Fisheries Company by sector and product for the fiscal years ending December 31, 2022G, 2023G and 2024G.

Table (57): Sales by Sector

Million Saudi Riyals	2022G (Revised)	2023G (Revised)	2024G Audited	Change 2022G-2023G	Change 2023G-2024G	(CAGR) 2022G-2024G
Wholesale Sales	28.7	46.5	15.0	61.7%	(67.6%)	(27.7%)
Retail Sales	23.6	12.4	6.4	(47.4%)	(48.4%)	(47.9%)
Sales Returns	(1.5)	(2.4)	-	60.5%	(100.0%)	N/A
Sales Discounts	(2.0)	(4.3)	(2.4)	109.7%	(43.9%)	(8.5%)
Total	**48.8**	**52.2**	**19.0**	**6.9%**	**(63.5%)**	**(37.5%)**
As a Percentage of Revenue						
Wholesale Sales	58.9%	89.0%	79.0%			
Retail Sales	48.4%	23.8%	33.6%			

Million Saudi Riyals	2022G (Revised)	2023G (Revised)	2024G Audited	Change 2022G-2023G	Change 2023G-2024G	(CAGR) 2022G-2024G
Sales Returns	(3.1%)	(4.6%)	-			
Sales Discounts	(4.2%)	(8.2%)	(12.6%)			
Average Number of Stores	15	10	5	(33.3%)	(50.0%)	(42.3%)
Revenue per Store	3.3	5.2	3.8	60.4%	(27.1%)	8.2%

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Sales increased from 48.8 million Saudi Riyals during the fiscal year ended 31 December 2022G to 52.2 million Saudi Riyals during the fiscal year ended 31 December 2023G as a result of the increase in wholesale production, which in turn led to an increase in wholesale sales from 28.7 million Saudi Riyals during the fiscal year ended 31 December 2022G to reach 46.5 million Saudi Riyals during the fiscal year ended 31 December 2023G. This was partially offset by a decrease in retail sales due to the closure of five stores.

Sales decreased by 63.5% from 52.2 million Saudi Riyals during the fiscal year ended 31 December 2023G to 19.0 million Saudi Riyals during the fiscal year ended 31 December 2024G after the Company took a decision to discontinue production at local fish and shrimp farms during the second half of the fiscal year ended 31 December 2024G.

Retail sales decreased by a compound annual growth rate of 47.9% between 2022G and 2024G from 23.6 million Saudi Riyals to 6.4 million Saudi Riyals, respectively, after the Company took a decision to close 12 retail outlets following a decline in profitability. This is partly due to the generation of the bulk of sales through delivery orders as a result of changing consumer shopping habits after the spread of the COVID-19 virus, which had a negative impact as those applications charge higher fees, thus negatively affecting profitability.

Wholesale sales increased from 28.7 million Saudi Riyals during the fiscal year ended 31 December 2022G to 46.5 million Saudi Riyals during the fiscal year ended 31 December 2023G, driven by the increase in production cycles during the fiscal year ended 31 December 2023G. Wholesale sales thereafter declined from 46.5 million Saudi Riyals during the fiscal year ended 31 December 2023G to 15.0 million Saudi Riyals during the fiscal year ended 2024G, driven by the discontinuation of local purchase and production of fish and shrimp during the second half of the fiscal year ended 31 December 2024G.

Sales returns are attributed to customers (particularly retail customers) returning products for a variety of reasons, while sales discounts are volume discounts provided to wholesale customers as needed.

Table (58): Sales by Product

Million Saudi Riyals	2022G (Revised)	2023G (Revised)	2024G Audited	Change 2022G-2023G	Change 2023G-2024G	(CAGR) 2022G-2024G
Fish	10.8	13.6	5.0	25.7%	(63.3%)	(32.1%)
Shrimp	23.7	32.5	10.4	37.2%	(68.0%)	(33.7%)
Meals and Side Orders	14.3	6.1	3.6	(57.5%)	(40.7%)	(49.8%)
Total	**48.8**	**52.2**	**19.0**	**7.0%**	**(63.6%)**	**(37.6%)**
As a Percentage of Revenue						
Fish	22.2%	26.1%	26.3%	17.5%	0.8%	8.9%
Shrimp	48.5%	62.3%	54.7%	28.3%	(12.1%)	6.2%
Meals and Side Orders	29.3%	11.6%	18.9%	(60.3%)	62.9%	(19.5%)

Source: Revised financial statements for 2022G and 2023G, audited financial statements for 2024G, and management information.

Fish sales increased from 10.8 million Saudi Riyals during the fiscal year ended 31 December 2022G to 13.6 million Saudi Riyals during the fiscal year ended 31 December 2023G, driven by the increase in farm product supplies to meet customer demand. Fish sales then declined from 13.6 million Saudi Riyals during the fiscal year ended 31 December 2023G to 5.0 million Saudi Riyals during the fiscal year ended 31 December 2024G, driven mainly by the closure of retail outlets and the discontinuation of fish farm production.

Shrimp sales increased by 37.2% between 2022G and 2023G, driven by an increase in farm product supplies and strong demand within the wholesale sector. Shrimp sales thereafter declined from 32.5 million Saudi Riyals during the fiscal year ended 31 December 2023G to 10.4 million Saudi Riyals during the fiscal year ended 31 December 2024G, driven mainly by the discontinuation of local purchase and production of shrimp during the second half of the fiscal year ended 31 December 2024G.

Sales of meals and side orders decreased by a compound annual growth rate of 49.8% between 2022G and 2024G due to the closure of retail outlets during the same period.

5-8-2 Cost of Sales

The following table shows the cost of sales for the Saudi Fisheries Company for the fiscal years ending December 31, 2022G, 2023G and 2024G.

Table (59): Cost of Sales

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change 2022G -2023G	Change 2023G - 2024G	(CAGR) 2022G - 2024G
Raw materials	28.1	33.7	17.1	20.0%	(49.3%)	(22.0%)
Salaries and wages	20.6	13.4	2.9	(35.1%)	(78.1%)	(62.3%)
Depreciation of property, plant, and equipment	7.3	7.6	3.2	4.2%	(58.4%)	(34.2%)
Electricity and other utilities	4.5	3.7	0.6	(16.8%)	(84.3%)	(63.9%)
Equipment rental	2.5	1.9	0.2	(23.3%)	(88.4%)	(70.2%)
Depreciation of right-of-use assets	0.7	0.9	0.2	22.7%	(79.7%)	(50.0%)
Repairs and maintenance	2.4	0.6	-	(75.3%)	(100.0%)	N/A
Other	0.4	0.6	0.0	39.2%	(98.6%)	(86.0%)
Total	**66.5**	**62.4**	**24.2**	**(6.2%)**	**(61.3%)**	**(39.7%)**
Average number of full-time employees (within the farm business) As a percentage of revenue	**230**	**168**	**57**			
Raw materials	57.5%	64.5%	89.7%			
Salaries and wages	42.2%	25.6%	15.4%			
Depreciation of property, plant, and equipment	14.9%	14.5%	16.6%			
Electricity and other utilities	9.2%	7.1%	3.1%			
Equipment rental	5.2%	3.7%	1.2%			
Depreciation of right-of-use assets	1.5%	1.7%	1.0%			
Repairs and maintenance	4.9%	1.1%	-			
Other	0.9%	1.2%	0.0%			
Total cost of sales	**136.2%**	**119.5%**	**126.9%**			

Source: Revised financial statements for 2022G and 2023G, audited financial statements for 2024G.

Cost of sales includes all costs associated with the supply of fish, shrimp, and meals. This includes raw material purchases, employee costs, and indirect costs associated with managing the Company's fish farming and packaging operations.

Cost of sales decreased by a compound annual growth rate of 39.7% from 66.5 million Saudi Riyals during the fiscal year ended 31 December 2022G to 24.2 million Saudi Riyals during the fiscal year ended 31 December 2024G, driven by the Company's decision to discontinue local production of fish and shrimp at its Al-Haridah site during the second half of the fiscal year ended 31 December 2024G, which led to a decrease in raw material costs and other indirect production expenses related to the farm.

Salaries and wages decreased by a compound annual growth rate of 62.3% from 20.6 million Saudi Riyals during the fiscal year ended 31 December 2022G to 2.9 million Saudi Riyals during the fiscal year ended 31 December 2024G after the restructuring carried out by the Company, which led to a reduction in the number of employees in several departments, including the aquaculture department at Al-Haridah farm, from an average of 230 employees during the fiscal year ended 31 December 2022G to 57 employees during the fiscal year ended 31 December 2024G.

5-8-3 Selling and Distribution Expenses

The following table shows the selling and distribution costs of the Saudi Fisheries Company for the fiscal years ending December 31, 2022G, 2023G and 2024G.

Table (60): Selling and Distribution Expenses

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change 2022G -2023G	Change 2023G - 2024G	(CAGR) 2022G - 2024G
Salaries and Wages	13.3	11.4	5.8	(13.9%)	(49.7%)	(34.2%)
Electricity and Other Utilities	2.9	2.6	0.8	(12.4%)	(68.6%)	(47.5%)
Transportation Charges	1.1	2.4	2.0	120.6%	(18.9%)	33.7%
Depreciation of Right-of-Use Assets	1.1	1.1	1.1	3.7%	2.6%	3.2%
Depreciation of Property, Plant, and Equipment	1.1	1.0	0.9	(11.1%)	(13.6%)	(12.4%)
Sales Commission	2.0	0.7	-	(63.4%)	(100.0%)	N/A
Professional Fees	0.4	0.5	-	38.7%	(100.0%)	N/A
Advertising Expenses	0.1	0.0	-	(66.7%)	(100.0%)	N/A
Sales Incentives	-	-	-	N/A	N/A	N/A
Other	0.2	0.3	0.4	32.0%	73.7%	51.4%
Total	**22.2**	**20.1**	**11.0**	**(9.4%)**	**(45.3%)**	**(29.6%)**
As a Percentage of Revenue						
Salaries and Wages	27.2%	21.9%	30.2%			
Electricity and Other Utilities	6.0%	4.9%	4.2%			
Transportation Charges	2.3%	4.7%	10.4%			
Depreciation of Right-of-Use Assets	2.2%	2.1%	6.0%			
Depreciation of Property, Plant, and Equipment	2.3%	1.9%	4.6%			
Sales Commission	4.1%	1.4%	-			
Professional Fees	0.8%	1.0%	-			
Advertising Expenses	0.2%	0.1%	-			
Sales Incentives	-	-	-			
Other	0.4%	0.5%	2.3%			
Selling and Distribution Expenses	**45.4%**	**38.5%**	**57.7%**			

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Selling and distribution costs relate to the costs associated with operating the company's retail stores and packaging and delivering products to wholesale customers.

Selling and distribution costs decreased at a compound annual growth rate of 29.6% between 2022G and 2024G due to the closure of 12 retail outlets during the period, which led to a reduction in staff costs and indirect costs.

5-8-4 General and Administrative Expenses

The following table represents the general and administrative expenses of the Saudi Fisheries Company for the fiscal years ending on December 31, 2022G, 2023G and 2024G.

Table (61): General and Administrative Expenses

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change 2022G -2023G	Change 2023G - 2024G	(CAGR) 2022G - 2024G
Salaries and Wages	10.3	10.8	6.3	5.2%	(41.3%)	(21.4%)
Board Members' Remuneration	2.6	2.4	1.3	(7.0%)	(46.8%)	(29.6%)
Indirect Costs Related to Discontinued Farming Operations	-	-	3.2	N/A	N/A	N/A
Electricity, Water, and Other Utilities	2.0	1.8	1.0	(12.8%)	(43.6%)	(29.9%)
Professional Fees	1.1	1.5	8.0	35.6%	434.8%	169.3%
Depreciation of Property, Plant, and Equipment	1.0	1.0	5.3	8.6%	408.9%	135.1%
Impairment of VAT Receivable	3.4	0.5	-	(85.3%)	(100.0%)	N/A
Subscriptions	0.4	0.4	0.4	(7.6%)	(2.8%)	(5.2%)
Legal Expenses	0.6	0.3	0.1	(52.0%)	(62.9%)	(57.8%)
Depreciation of Right-of-Use Assets	0.3	0.1	0.3	(66.7%)	179.7%	(3.5%)
Impairment of Capital Work in Progress	-	-	-	N/A	N/A	N/A
Impairment of Other Accounts Receivable	-	-	-	N/A	N/A	N/A
Other	0.9	1.7	0.2	80.0%	(87.0%)	(51.6%)
Total	**22.7**	**20.5**	**26.2**	**(9.7%)**	**27.8%**	**7.5%**
As a percentage of revenue						
Salaries and Wages	21.0%	20.7%	33.3%			
Board Members' Remuneration	5.2%	4.6%	6.6%			
Electricity, Water, and Other Utilities	4.2%	3.4%	5.3%			
Professional Fees	2.3%	2.9%	42.2%			
Depreciation of Property, Plant, and Equipment	2.0%	2.0%	27.8%			
Impairment of VAT Receivable	7.1%	1.0%	-			
Subscriptions	0.9%	0.8%	2.1%			
Legal Expenses	1.2%	0.5%	0.6%			
Depreciation of Right-of-Use Assets	0.7%	0.2%	1.7%			
Impairment of Capital Work in Progress	-	-	-			
Impairment of Other Accounts Receivable	-	-	-			
Other	1.9%	3.2%	1.2%			
General and Administrative Expenses	**46.5%**	**39.3%**	**137.6%**			

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

General and Administrative Expenses relate to the expenses incurred by the Company to support operations in general, including indirect costs of the head office. These expenses include salaries and wages of the management staff, board of directors' remuneration, depreciation of right-of-use assets (warehouse and offices), and other costs.

General and Administrative Expenses decreased by 9.7% between 2022G and 2023G due to the decrease in the value of value added tax due by an amount of 3.4 million Saudi Riyals, which was recognized during the fiscal year ended 31 December 2022G and did not recur during the fiscal year ended 31 December 2023G.

General and Administrative Expenses increased by 27.8% between 2023G and 2024G as a result of the increase in professional services fees from 1.5 million Saudi Riyals during the fiscal year ended 31 December 2023G to 8.0 million Saudi Riyals during the fiscal year ended 31 December 2024G due to the Company's appointment of a number of consultants to follow up on the issuance of equity and the reclassification of costs related to discontinued farming operations from cost of revenue to general and administrative expenses, partially offset by a decrease in salaries and wages from 10.8 million Saudi Riyals to 6.3 million Saudi Riyals as a result of restructuring at the company level. These reclassified costs included (1) indirect costs of 3.2 million Saudi Riyals, (2) impairment of 4.3 million Saudi Riyals, and (3) depreciation of 0.2 million Saudi Riyals. Other general and administrative expenses items remained generally stable between 2022G and 2023G.

5-8-5 Other Revenue

The following table represents the other revenues of the Saudi Fisheries Company for the fiscal years ending December 31, 2022G, 2023G and 2024G.

Table (62): Other Revenue

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change 2022G -2023G	Change 2023G - 2024G	(CAGR) 2022G - 2024G
Government Grant	2.3	1.8	1.0	(21.4%)	(46.3%)	(35.0%)
Income from Amortized Investments	1.5	2.8	1.3	80.4%	(51.9%)	(6.8%)
Rental Income	1.3	1.5	1.5	22.6%	(5.1%)	7.8%
Gain/(Loss) on Disposals of Property, Plant and Equipment	(0.7)	(0.8)	4.3	8.7%	(671.7%)	N/A
Gain/Loss on End-of-Service Benefits Settlement	-	0.3	0.3	N/A	(10.1%)	N/A
Compensation for the Jeddah Building	-	9.0	-	N/A	(100.0%)	N/A
Income from a Restricted Cash Deposit	-	-	-	N/A	N/A	N/A
Other	1.1	1.3	0.3	26.2%	(76.9%)	(46.1%)
Other Revenue, Net	**5.4**	**15.9**	**8.6**	**194.8%**	**(45.9%)**	**26.3%**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Other revenues relate to revenues generated from operations outside the company's core operations.

Other revenues increased by 194.8% between 2022G and 2023G, mainly driven by other revenues of 9.0 million Saudi Riyals recognized in respect of land recovered by the Jeddah Municipality, then decreased as a result of this compensation decreasing to zero by the fiscal year ending December 31, 2024G.

During 2022GG, the Jeddah Municipality expropriated the land, cleared the site, and demolished the company's administrative building located in Jeddah Governorate. The government estimated the compensation at 9.0 million Saudi Riyals, based on the fair value approved by the Saudi Authority for Accredited Valuers. The company's legal advisor confirmed the reasonableness and recoverability of this amount. Consequently, a debt owed by the government was recorded in the audited financial statements for the fiscal year ending December 31, 2023G, along with other revenues of the same value.

5-8-6 Finance Cost

The following table represents the finance cost for the Saudi Fisheries Company for the fiscal years ending December 31, 2022G, 2023G and 2024G.

Table (63): Finance Cost

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change 2022G -2023G	Change 2023G - 2024G	(CAGR) 2022G - 2024G
Murabaha Financing	1.1	2.8	3.6	153.1%	30.1%	81.4%
Lease Contract Obligations	0.7	0.7	0.6	(7.7%)	(10.8%)	(9.3%)
Interest-free Loan Repayment	-	-	0.2	N/A	N/A	N/A
Employee End-of-service Benefits	0.1	0.2	0.1	70.0%	(22.6%)	14.7%
Conventional Loan	-	-	-	N/A	N/A	N/A
Other Revenue, Net	**2.0**	**3.7**	**4.6**	**87.1%**	**24.6%**	**52.7%**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

The finance cost related to conventional loans and Murabaha financing have been grouped together under one item.

The cost of financing relates to the interest on loans obtained by the company, interest expenses on lease contract obligations, and the cost of financing employee end-of-service benefits obligations.

Finance costs increased by a compound annual growth rate of 52.7% from 2.0 million Saudi Riyals during the fiscal year ended 31 December 2022G to 4.6 million Saudi Riyals during the fiscal year ended 31 December 2024G, driven mainly by the increase in loan interests as the Company obtained loans worth 40.0 million Saudi Riyals from Al Rajhi Bank during the fiscal year ended 31 December 2022G, which were repaid before their maturity date, leading to incurring early settlement fees. Additionally, the Company obtained an additional loan worth 19.0 million Saudi Riyals from Riyad Bank in June 2024G and incurred interest costs on this loan.

5-8-7 Related Party Transactions

Key management personnel are those persons, including the Board of Directors members, the Managing Director and senior executives, who have extensive authority to plan, direct and control the Company's activities directly or indirectly. Transactions with related parties represent salaries, remunerations and allowances of members of the Board of Directors, committees and executive management that took place during the period between the Company and members of the Board of Directors, committee members and executive management. The most important transactions with related parties are shown below.

Table (64): Related Party Transactions

Million Saudi Riyals	Nature of relationship	Nature of transactions	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G-2024G
Senior management employees	Board of Directors	Board Member Remuneration	2.6	2.4	1.3	(7.0%)	(46.8%)	(29.6%)
		Disapproval/ Board Payments	(2.4)	(0.3)	(0.9)	(85.7%)	159.0%	39.1%
	Board of Directors	Salaries, Wages, and Other Allowances	3.8	3.9	2.8	2.2%	(29.0%)	(14.8%)
		Salaries, Wages, and Other Allowances Paid	-	(3.9)	(2.8)	N/A	(28.0%)	N/A
		Employee End-of-Service Benefits	0.2	0.2	0.1	(2.3%)	(59.9%)	(37.4%)
		Employee End-of-Service Benefits Paid	-	-	(0.2)	N/A	N/A	N/A
Bank of Bahrain	The bank's CEO is a member of the Board of Directors*	Loan repayment	0.1	0.1	-	-	(100.0%)	N/A
		Amount received as a loan (paid)	10.0	(10.0)	-	(200.0%)	(100.0%)	N/A
National Aquaculture Group (NAQUA)	The CEO of NAQUA is a member of the Board of Directors	Purchases	7.1	26.6	-	272.3%	(100.0%)	N/A
		Payments	-	(23.5)	-	N/A	(100.0%)	N/A
Total transactions during the year			**21.4**	**(4.6)**	**0.2**	**(121.5%)**	**(105.2%)**	**(89.4%)**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

* Mr. Mansour AlSaghayer served as CEO of Bank of Bahrain and a member of the Board of Directors of the Saudi Fisheries Company (The Board term begins on 25/10/2020G and ends on 24/10/2023G).

5-8-8 Basic and Diluted Losses per Share

Table (65): Basic and Diluted Losses per Share

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change 2022G -2023G	Change 2023G - 2024G	(CAGR) 2022G - 2024G
Net loss for the year	(63.4)	(120.0)	(41.0)	89.2%	(65.8%)	19.6%
Weighted average number of shares outstanding during the year	40.0	6.7	6.7	(83.3%)	-	(59.1%)
Earnings per share (Saudi Riyals)	**(1.6)**	**(17.9)**	**(6.1)**	**1,030.0%**	**(65.8%)**	**(96.5%)**
- Basic	**(1.6)**	**(17.9)**	**(6.1)**	**1,030.0%**	**(65.8%)**	**(96.5%)**
- Diluted	**(1.6)**	**(17.9)**	**(6.1)**	**1,030.0%**	**(65.8%)**	**(96.5%)**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Basic and diluted earnings per share are calculated by dividing the profit for the year attributable to the Company's shareholders by the weighted average number of ordinary shares outstanding at the end of the year, amounting to 40,000,000 shares (31 December 2023G: 40,000,000 shares). Subsequent to the year-end, the Company reduced its capital to offset accumulated losses. This restructuring was approved by the competent regulatory authorities and was completed prior to the issuance of these financial statements. Accordingly, the weighted average number of shares used in the calculation of earnings per share must be adjusted retrospectively for all periods presented, and the basic and diluted earnings per share for both the current and comparative periods have been recalculated using the adjusted number of outstanding shares.

5-8-9 Segment Information

Table (66): Segment Information for the financial year 2022G (Audited - Re-examined)

Million Saudi Riyals	Farm	Retail	Wholesale	Total
Revenue				
External revenues	**21.7**	**23.3**	**3.8**	**48.8**
Expenses	**(61.7)**	**(42.1)**	**(11.5)**	**(115.3)**
Net fair value gain from investment properties	6.0	-	-	6.0
Fair value loss on biological assets	(3.6)	-	-	(3.6)
Other income	2.9	2.0	0.5	5.4
Operating loss	**(34.7)**	**(16.8)**	**(7.1)**	**(58.6)**
Finance cost	(1.5)	(0.4)	(0.1)	(2.0)
Net loss before zakat	(36.2)	(17.2)	(7.2)	(60.6)
Zakat	(1.2)	(1.3)	(0.2)	(2.8)
Net loss for the year	**(37.5)**	**(18.5)**	**(7.4)**	**(63.4)**
As of December 31, 2022G				
Total Assets	**327.0**	**8.7**	**8.6**	**344.3**
Total Liabilities	**71.6**	**30.8**	**6.0**	**108.5**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

The main business activities of the Company include the breeding and wholesale and retail trading of seafood. Below is selected financial information as at 31 December 2024G and 31 December 2023G and for the years ended on that date, classified by the following business segments: (1) Farm, which includes processing and distribution of shrimp and fish products (2) Retail sales, which include restaurant and online sales of seafood and related products (3) and wholesale sales of seafood products.

Management continuously analyzes the results of its operations to make decisions regarding resource allocation and performance evaluation. The Company presents the basic financial statements by activities and products.

Table (67): Segment Information for the financial year 2023G (Audited - Re-examined)

Million Saudi Riyals	Farm	Retail	Wholesale	Total
Revenue	**9.8**	**12.1**	**30.3**	**52.2**
Expenses	**(36.4)**	**(19.9)**	**(51.5)**	**(107.8)**
Net fair value gain from investment properties	5.8	-	-	5.8
Fair value loss on biological assets	(33.8)	-	-	(33.8)
Depreciation	(11.1)	(0.1)	(0.6)	(11.8)
Loss of impairment of non-financial assets	(26.8)	(0.3)	(1.4)	(28.5)
Other revenue	2.9	3.6	9.4	15.9
Operating loss	**(89.5)**	**(4.7)**	**(13.8)**	**(108.0)**
Finance cost	(0.7)	(0.9)	(2.1)	(3.7)
Net loss before zakat	**(90.2)**	**(5.5)**	**(15.9)**	**(111.6)**
Zakat	(1.6)	(1.9)	(4.8)	(8.3)
Net loss for the year	**(91.8)**	**(7.4)**	**(20.8)**	**(120.0)**
As of December 2023G				
Total Assets	**228.7**	**2.8**	**11.7**	**243.2**
Total Liabilities	**83.2**	**12.4**	**31.3**	**126.9**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Table (68): Segment Information for the financial year 2024G (Audited)

Million Saudi Riyals	Farm	Retail	Wholesale	Total
Revenue	**4.6**	**5.8**	**8.7**	**19.0**
Expenses	**(17.5)**	**(15.4)**	**(26.5)**	**(59.4)**
Net fair value gain from investment properties	1.4	-	-	1.4
Fair value loss on biological assets	(0.8)	-	-	(0.8)
Depreciation	(2.6)	(3.3)	(5.0)	(11.0)
Reversal for impairment loss	7.6	-	-	7.6
Other revenue	2.1	2.6	3.9	8.6
Operating loss	**(5.4)**	**(10.3)**	**(18.9)**	**(34.6)**
Finance cost	(1.1)	(1.4)	(2.1)	(4.6)
Net loss before zakat	**(6.5)**	**(11.7)**	**(21.0)**	**(39.1)**
Zakat	(0.4)	(0.6)	(0.9)	(1.9)
Net loss for the year	**(6.9)**	**(12.2)**	**(21.8)**	**(41.0)**
As of December 2024G				
Total Assets	**162.0**	**4.3**	**11.9**	**178.2**
Total Liabilities	**75.5**	**10.9**	**16.3**	**102.7**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

5-9 Statement of Financial Position

The following table represents the statement of financial position of the Saudi Fisheries Company for the financial years ending as of December 31, 2022G, 2023G and 2024G.

Table (69): Statement of Financial Position

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Property, Plant and Equipment	123.1	90.6	78.2	(26.4%)	(13.7%)	(20.3%)
Capital Work in Progress	32.7	21.9	23.6	(33.0%)	7.5%	(15.1%)
Investment Properties	40.6	40.3	41.7	(0.7%)	3.4%	1.4%
Right-of-Use Assets	14.9	10.4	8.4	(29.9%)	(19.4%)	(24.9%)
Investments Carried at Amortized Cost	64.5	45.4	-	(29.6%)	(100.0%)	N/A
Total Non-Current Assets	**275.8**	**208.7**	**151.9**	**(24.3%)**	**(27.2%)**	**(25.8%)**
Inventory	22.8	9.1	1.2	(60.2%)	(86.8%)	(77.1%)
Biological Assets	20.7	2.0	-	(90.2%)	(100.0%)	N/A
Trade Receivables	3.4	4.8	0.2	40.9%	(95.3%)	(74.3%)
Prepaid Expenses and Other Receivables	8.6	15.5	14.3	80.6%	(7.7%)	29.1%
Investments Carried at Fair Value Through Profit or Loss	0.0	0.0	0.0	(39.9%)	-	(22.5%)
Investments Carried at Amortized Cost	11.1	-	-	(100.0%)	N/A	N/A
Cash and Cash Equivalents	1.9	3.1	10.6	66.6%	242.3%	138.8%
Total Current Assets	**68.5**	**34.5**	**26.3**	**(49.6%)**	**(23.8%)**	**(38.0%)**
Total Assets	**344.3**	**243.2**	**178.2**	**(29.3%)**	**(26.7%)**	**(28.0%)**
Capital	400.0	400.0	400.0	-	-	-
Accumulated Losses	(164.6)	(284.5)	(325.5)	72.9%	14.4%	(40.6%)
Remeasurement of Employees' Benefit Plan	0.4	0.8	1.1	111.6%	34.3%	68.6%
Total Equity	**235.8**	**116.3**	**75.6**	**(50.7%)**	**(35.0%)**	**(43.4%)**
Lease Liabilities – Non-Current Portion	12.4	11.2	10.5	(9.8%)	(6.3%)	(5.5%)
Long-Term Borrowings – Non-Current Portion	22.3	32.2	2.7	45.7%	(91.7%)	(50.7%)
Employees' End-of-Service Benefits	5.8	4.9	2.7	(16.4%)	(43.9%)	(31.5%)
Total Non-Current Liabilities	**40.5**	**48.3**	**15.9**	**19.1%**	**(67.1%)**	**(37.4%)**
Long-Term Borrowings – Current Portion	2.3	12.3	21.2	427.3%	72.4%	201.5%
Short-Term Borrowings	10.1	-	-	(100.0%)	N/A	N/A
Trade Payables and Other Payables	28.8	32.6	30.7	13.2%	(6.0%)	3.2%
Compensation to Shareholder for Preemptive Rights in Shares	13.4	13.4	13.4	-	(0.1%)	(0.1%)
Lease Liabilities – Current Portion	5.4	5.7	5.5	5.9%	(3.6%)	1.0%
Zakat Provision	7.9	14.6	16.0	85.6%	9.4%	42.5%
Total Current Liabilities	**67.9**	**78.6**	**86.8**	**15.8%**	**10.3%**	**13.0%**
Total Liabilities	**108.5**	**126.9**	**102.7**	**17.0%**	**(19.1%)**	**(2.7%)**
Total Equity and Liabilities	**344.3**	**243.2**	**178.2**	**(29.3%)**	**(26.7%)**	**(28.0%)**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Non-current assets decreased from 275.8 million Saudi Riyals as of 31 December 2022G to 151.9 million Saudi Riyals as of 31 December 2024G. During the fiscal year ended 31 December 2023G, the Company changed its accounting policy for recognizing investment properties from amortized cost to fair value and adjusted the carrying value of investment properties in the fiscal year ended 31 December 2022G.

Non-current assets decreased to 208.7 million Saudi Riyals as of 31 December 2023G from 275.8 million Saudi Riyals as of 31 December 2022G, driven by a decrease in property, plant and equipment from 123.1 million Saudi Riyals as of 31 December 2022G to 90.6 million Saudi Riyals as of 31 December 2023G and the maturity of a long-term deposit worth 20.1 million Saudi Riyals during the fiscal year ended 31 December 2023G.

Non-current assets decreased further to 151.9 million Saudi Riyals as of 31 December 2024G, driven by a 21.8 million Saudi Riyals impairment in property, plant and equipment recognized by the auditors during the fiscal year ended 31 December 2023G. The remaining decrease in the property, plant and equipment balance was due to depreciation. The Company has suspended capital expenditure since the third quarter of the fiscal year ended 31 December 2023G due to tight cash flows.

Current assets decreased from 68.5 million Saudi Riyals as of 31 December 2022G to 34.5 million Saudi Riyals as of 31 December 2023G, driven mainly by a decrease in inventory from 22.8 million Saudi Riyals as of 31 December 2022G to 9.1 million Saudi Riyals as of 31 December 2023G and a decrease in biological assets from 20.7 million Saudi Riyals as of 31 December 2022G to 2.0 million Saudi Riyals as of 31 December 2023G.

Current assets also further decreased to reach 26.3 million Saudi Riyals as of 31 December 2024G, driven by a further decrease in inventory from 9.1 million Saudi Riyals as of 31 December 2023G to 1.2 million Saudi Riyals as of 31 December 2024G as a result of the discontinuation of production activities and the closure of several retail stores, which in turn led to a decrease in required inventory. Additionally, and as a result of the Company's short-term cash shortage, the Company maintained a lower inventory level to improve its working capital. Biological assets decreased from 20.7 million Saudi Riyals as of 31 December 2022G to zero million Saudi Riyals as of 31 December 2024G, as no fish or shrimp were harvested during the second half of the fiscal year ended 31 December 2024G.

Non-current liabilities increased from 40.5 million Saudi Riyals as at 31 December 2022G to 48.3 million Saudi Riyals as of 31 December 2023G, driven by an increase in the Company's long-term loans from 12.4 million Saudi Riyals as of 31 December 2022G to 32.2 million Saudi Riyals as of 31 December 2023G and the extension of the Company's lease for Al-Haridah farm, which led to an increase in non-current liabilities from 5.8 million Saudi Riyals as of 31 December 2022G to 11.2 million Saudi Riyals as of 31 December 2023G. Non-current liabilities decreased to reach 15.9 million Saudi Riyals as of 31 December 2024G due to the Company's settlement of a long-term loan from Al Rajhi Bank.

Current liabilities increased from 67.9 million Saudi Riyals as of 31 December 2022G to 78.6 million Saudi Riyals as of 31 December 2023G, then to 86.8 million Saudi Riyals as of 31 December 2024G. This increase was due to the maturity of certain loans during those periods, in addition to the increase in Zakat provision from 7.9 million Saudi Riyals as of 31 December 2022G to 14.6 million and 16.0 million Saudi Riyals as of 31 December 2023G and 31 December 2024G, respectively.

Equity decreased from 235.8 million Saudi Riyals as of 31 December 2022G to 75.6 million Saudi Riyals of 31 December 2024G, as a result of the increase in accumulated losses from (164.6) million Saudi Riyals as of 31 December 2022G to (325.5) million Saudi Riyals as of 31 December 2024G. The **Capital** remained constant at 400 million Saudi Riyals without change.

It is worth noting that the Company has not witnessed any adjustments in its capital during the three previous fiscal years 2022G, 2023G and 2024G immediately preceding the date of filing the application for registration and offering of the securities subject to this Prospectus; however, on 26/01/2025G, the Extraordinary General Assembly approved reducing the Company's capital from 400 million Saudi Riyals to 66.99 million Saudi Riyals **(for further details, please refer to paragraph (5.12) "Subsequent Events" of this section).**

5-9-1 Non-current Assets

The following table represents the non-current assets of the Saudi Fisheries Company for the fiscal years ending as of December 31, 2022G, 2023G and 2024G.

Table (70): Non-current assets

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Property, plant, and equipment	123.1	90.6	78.2	(26.4%)	(13.7%)	(20.3%)
Capital work in progress	32.7	21.9	23.6	(33.0%)	7.5%	(15.1%)
Investment properties	40.6	40.3	41.7	(0.7%)	3.4%	1.4%
Rights-of-use assets	14.9	10.4	8.4	(29.9%)	(19.4%)	(24.9%)
Investments carried at amortized value	64.5	45.4	-	(29.6%)	(100.0%)	N/A
Total non-current assets	**275.8**	**208.7**	**151.9**	**(24.3%)**	**(27.2%)**	**(25.8%)**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

5-9-1-1 Property, Plant and Equipment

Table (71): Property, Plant and Equipment

Million Saudi Riyals	Land, Buildings and ponds	Factory equipment	Vessels and fishing equipment	Vehicles	Furniture and fixtures	Software and computer accessories	Total
Cost							
January 1, 2022G	184.0	143.2	30.4	11.2	8.8	1.2	378.7
Reclassification	(0.2)	0.0	-	2.0	(0.4)	0.3	1.8
Additions for the year	0.2	1.8	0.3	0.1	0.0	0.1	2.5
Transfer from Capital Work in Progress	22.1	0.5	0.3	-	0.2	1.5	24.7
Disposal during the year	(1.4)	(0.4)	-	(0.2)	-	-	(2.0)
December 31, 2022G	**204.7**	**145.1**	**31.0**	**13.1**	**8.6**	**3.1**	**405.6**
Cost							
January 1, 2023G	204.7	145.1	31.0	13.1	8.6	3.1	405.6
Additions for the year	0.0	0.3	0.2	-	0.1	-	0.6
Disposal during the year	(8.7)	(8.9)	-	(4.4)	(0.1)	-	(22.1)
Debt Cancellation	(2.0)	-	-	-	-	-	(2.0)
December 31, 2023G	**194.0**	**136.5**	**31.2**	**8.7**	**8.6**	**3.1**	**382.1**

Million Saudi Riyals	Land, Buildings and ponds	Factory equipment	Vessels and fishing equipment	Vehicles	Furniture and fixtures	Software and computer accessories	Total
Cost							
January 1, 2024G	194.0	136.5	31.2	8.7	8.6	3.1	382.1
Additions for the year	-	0.1	0.0	-	-	0.0	0.1
Disposal during the year	(12.4)	(24.7)	(13.7)	(2.1)	(1.1)	-	(53.9)
Debt Cancellation	(28.7)	(70.5)	-	(2.2)	(4.0)	-	(105.4)
December 31, 2024G	**152.9**	**41.4**	**17.5**	**4.3**	**3.5**	**3.1**	**222.9**
Accumulated depreciation							
January 1, 2022G	129.1	115.5	12.0	8.9	7.0	0.2	272.6
Reclassification	(11.1)	10.7	0.0	2.6	(0.8)	0.3	1.8
Depreciation during the year	4.6	2.1	1.1	0.5	0.7	0.4	9.4
Disposal during the year	(0.9)	(0.2)	-	(0.2)	-	-	(1.3)
December 31, 2022G	121.6	128.1	13.0	11.7	7.0	1.0	282.5
January 1, 2023G	121.6	128.1	13.0	11.7	7.0	1.0	282.5
Depreciation during the year	4.8	2.3	1.1	0.4	0.6	0.4	9.6
Disposal during the year	(8.5)	(8.8)	-	(4.4)	(0.1)	-	(21.8)
Debt Cancellation	(0.7)	-	-	-	-	-	(0.7)
December 31, 2023G	**117.3**	**121.6**	**14.1**	**7.7**	**7.5**	**1.5**	**269.6**
January 1, 2024G	117.3	121.6	14.1	7.7	7.5	1.5	269.6
Depreciation during the year	5.5	2.2	0.2	0.4	0.6	0.5	9.3
Disposal during the year	(13.4)	(22.9)	(3.3)	(2.1)	(0.9)	(0.4)	(42.9)
Debt Cancellation	(28.7)	(70.5)	-	(2.2)	(4.0)	-	(105.4)
December 31, 2024G	**80.7**	**30.3**	**11.0**	**3.8**	**3.1**	**1.6**	**130.7**
Accumulated Impairment							
Less: Accumulated Impairment	18.7	1.8	0.6	0.2	0.0	0.5	21.8
December 31, 2023G	**18.7**	**1.8**	**0.6**	**0.2**	**0.0**	**0.5**	**21.8**
Less: Accumulated Impairment	13.2	0.7	0.0	0.0	0.0	0.0	14.0
December 31, 2024G	**13.2**	**0.7**	**0.0**	**0.0**	**0.0**	**0.0**	**14.0**
Net book Value							
December 31, 2022G	**83.1**	**17.0**	**17.9**	**1.3**	**1.6**	**2.1**	**123.1**
December 31, 2023G	**58.0**	**13.2**	**16.4**	**0.7**	**1.1**	**1.2**	**90.6**
December 31, 2024G	**58.97**	**10.37**	**6.49**	**0.48**	**0.40**	**1.51**	**78.2**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Table (72): Depreciation provisions during the year

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Cost of Sales	7.3	7.6	3.2	4.2%	(58.4%)	(34.2%)
Selling Expenses and General and Administrative Expenses	1.1	1.0	0.9	(11.1%)	(13.6%)	(12.4%)
General and Administrative Expenses	1.0	1.0	5.3	8.6%	408.9%	135.1%
Total	**9.4**	**9.6**	**9.3**	**2.8%**	**(3.2%)**	**(0.3%)**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Property, plant and equipment, valued at 78.2 million Saudi Riyals as of 31 December 2024G, consisted mainly of land, buildings and ponds (59.0 million Saudi Riyals), equipment and machinery (10.4 million Saudi Riyals), and marine cages (6.5 million Saudi Riyals). The value of ponds is depreciated over a period of 30 years, while buildings are depreciated over 5-10 years. The accumulated impairment of property, plant and equipment as of December 2024G amounted to (14.0) million Saudi Riyals in relation to land, buildings and ponds.

The Company's buildings, factory and facilities were built on land leased from the Government of the Kingdom of Saudi Arabia.

Depreciation is allocated based on the assets indicated by the relevant cost centers at their actual value.

Property, machinery and equipment include assets with a total book value of 42.8 million Saudi Riyals that have been fully depreciated but are still in use.

The company's assets include assets with a net book value of 84.4 million Saudi Riyals (total amount of 194.9 million Saudi Riyals) that are currently unused as a result of the farm ceasing operations.

The land, buildings and ponds include land in Al-Qatif with a book value of 8,341,030 Saudi Riyals as of December 31, 2023G, and were mortgaged on December 31, 2024G to the Saudi Agricultural Development Fund in exchange for loans granted to finance the shrimp farming and breeding project.

During the year 2024G, the Jazan Municipality demolished the company's facilities located in Jazan, which led to the cancellation of assets with a net book value of zero (total value equivalent to 105.4 million Saudi Riyals) based on the approval of the Board of Directors.

During 2024G, indicators of impairment were observed as a result of the suspension of the farm's operations and the demolition of facilities in Jazan, among other factors. This prompted management to perform impairment tests to estimate the recoverable amount of the assets, leading to the recording of an impairment reversal for those assets. These assets were used in the Company's reportable "Farm" segment. The review resulted in the recognition of an impairment loss reversal amounting to 5.9 million Saudi Riyals, which was included in profit or loss. The Company also estimated the fair value less costs of disposal for property, plant and equipment based on recent market prices for assets of similar age and depreciation or according to the cost method in the absence of market prices. Subtracting the costs of disposal from the fair value results in the recoverable amount for the relevant assets. The value of property, plant and equipment was reduced to its recoverable amount based on fair value less costs of disposal, which equals 78.2 million Saudi Riyals.

5-9-1-2 Capital Work in Progress

Table (73): Capital Work in Progress

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Cost						
Balance at the beginning of the year	61.7	38.3	39.7	(37.8%)	3.6%	(19.7%)
Additions during the year	1.3	1.4	-	5.3%	(100.0%)	N/A
Transfer to property, plant, and equipment	(24.7)	-	-	(100.0%)	N/A	N/A
Total balance	**38.3**	**39.7**	**39.7**	**3.6%**	**-**	**1.8%**
Less: Impairment provision	(5.6)	(17.8)	(16.1)	216.3%	(9.3%)	(69.4%)
Net balance	**32.7**	**21.9**	**23.6**	**(33.0%)**	**7.5%**	**(15.1%)**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Capital work in progress refers to the costs incurred by the company regarding projects that are under construction or development and have not yet been completed or commissioned.

Capital work in progress as of 31 December 2024G, valued at 23.6 million Saudi Riyals, relates mainly to the feed farm and building (25.8 million Saudi Riyals) and machinery and spare parts (9.4 million Saudi Riyals). Capital work in progress has been suspended since the second half of the fiscal year ended 31 December 2023G due to cash flow constraints, which led to a decrease in capital work in progress to 21.9 million Saudi Riyals as of 31 December 2023G.

The feed mill project is a long-standing project. The Company has maintained an impairment provision in this regard based on the latest impairment estimates as of 31 December 2023G. During the year 2024G, the Company commissioned an external party to conduct an impairment assessment to determine the fair value of all feed farm projects, the feed building, and other projects as of 31 December 2023G; consequently, the balances for the year ended 31 December 2023G were adjusted.

Subsequently, during the year ended 31 December 2024G, the Company conducted impairment tests to estimate the recoverable amount of those assets, which resulted in the recording of a net impairment loss reversal related to those assets.

These assets were used in the Company's reportable "Farm" segment. The review resulted in the recognition of a net impairment loss reversal amounting to 1.6 million Saudi Riyals, which was included in profit or loss. Capital work in progress was recorded at its recoverable amount based on fair value less costs of disposal at 23.6 million Saudi Riyals, which is its carrying value at year-end.

Table (74): Capital Work in Progress

Properties	Valuation methodology	Purpose	Key inputs	Carrying value as of December 31, 2024G	Recoverable amount as of December 31, 2024G	Impairment / (Reversal) of provision for 2024G
Feed Farm	Market Value / Cost Approach	Impairment assessment	Data collection, interviews with relevant personnel, Valuation Analysis, Market research etc.	8.0	6.1	(2.0)
Building	Cost Approach	Impairment assessment	Condition and current status of building (inspection)	6.5	10.4	
Machinery and Spare Parts	Cost Approach	Impairment assessment	Replacement cost	7.5	7.1	0.4

Source: Audited financial statements for the fiscal year 2024G.

The name and qualifications of the valuer who carried out the evaluation of the property, machinery and plant are as follows:

Name of the valuers: Ejadah Saudia (For Building)

Rqeem (For Equipment and Spare Parts)

Valuer's qualifications Licensed (TAQEEM).

The valuer is independent of the company, and the valuation complies with Saudi valuation standards. When determining the fair value of real estate, the best and most optimal use of the property is its current use.

Taking into account the valuation method and the main inputs used by the valuer, the valuation is classified as Level 2 (market approach) and Level 3 (cost approach) of the fair value sequence according to International Financial Reporting Standard 13.

During 2023G, indicators of impairment amounting to 17.8 million Saudi Riyals were observed in the farm development project and the processing plant; consequently, management performed impairment tests to estimate the recoverable amounts of those assets, which led to the recording of impairment losses for these projects.

5-9-1-3 Investment Properties

Table (75): Investment Properties

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Fair value at the beginning of the year	34.6	40.6	40.3	17.4%	(0.7%)	8.0%
Net fair value gain on investments properties	6.0	5.8	1.4	(3.3%)	(76.1%)	(52.0%)
Disposal of Riyadh land	-	(6.1)	-	N/A	(100.0%)	N/A
Fair value at the end of the year	**40.6**	**40.3**	**41.7**	**(0.7%)**	**3.4%**	**1.4%**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Investment properties are real estate assets owned by the Company for the purpose of generating rental income and capital appreciation or both. These properties typically include land, buildings and other facilities not used for the purposes of the Company's operations but are leased to external parties or held to achieve long-term investment profits.

Investment properties as of 31 December 2024G, valued at 41.7 million Saudi Riyals, relate to three lands in Saudi Arabia, the largest of which is Abu Arish land (34.4 million Saudi Riyals) as shown in the table below.

Despite the net profit of 5.8 million Saudi Riyals calculated by external valuers, investment properties decreased to 40.3 million Saudi Riyals as a result of the loss recognized from the disposal of land in Riyadh.

Investment lands included a plot of land in Dammam region previously purchased by the Company on 25 January 2012G from the Saudi Railways Organization for 39.25 million Saudi Riyals, until the purchase was rejected by the Real Estate General Authority on the grounds of violating the approved Railway Protection System.

The Company derecognized the land from its records and submitted all required documents to the Saudi Railways Organization. The Company received a check for 24.38 million Saudi Riyals after deducting the accumulated dues to the Zakat, Tax and Customs Authority amounting to 11.32 million Saudi Riyals, in addition to the deduction of 0.16 million Saudi Riyals for warehouse rent. Subsequently, the Company submitted the required documents to recover the remaining amount of 3.37 million Saudi Riyals. The impairment of other receivables includes a provision for the full value.

The increase in the balance from 40.3 million Saudi Riyals as of 31 December 2023G to 41.7 million Saudi Riyals as of 31 December 2024G was driven by an increase in fair value of 1.4 million Saudi Riyals based on external valuers' calculations.

Table (76): Fair Values of Land

Million Saudi Riyals	Purpose	Valuation methodology	Key inputs and ratios	Fair value 2023G	Fair value 2024G
			As of December 31		
Al-Khobar Land	Rental	Income Approach	Occupancy Ratio (%) - 90%	6.9	7.0
			Return Ratio (%) - 9%		
			Operating and Maintenance Ratio (%) - 5%		
Unaizah Land	Capital Increase	Market Approach	Price Average (Saudi Riyals / square meter) - 10 - 75.5	0.3	0.3
			Reconciliation Average (%) - 6.1% - 21.2%		
			Density - 4980		
Abu Arish Land	Rental	Income Approach	Discount Rate (%) - 12.05%	33.1	34.4
			Market Risk Rate - 3%		
			Risk Premium for Property (%) - 2.5%		
			Systematic Risk Premium (%) - 1.65%		
			Local Government Sukuk for Next 7 years - 5.10%		
Total				**40.3**	**41.7**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Taking into consideration the valuation technique and key inputs utilized by the valuators, thew valuations are categorized at Level 2 (for market approach) and Level 3 (for income approach) of the fair value hierarchy of IFRS 13.

The land includes land in Al-Khobar with a book value of 2.1 million Saudi Riyals that was mortgaged to the Saudi Agricultural Development Fund in exchange for borrowings granted to finance a shrimp cultivation and breeding project.

The company appointed two different valuers firms to evaluate the investment properties and adopted the lower fair value valuation.

The company's real estate rental income from its real estate investments amounted to 0.45 million Saudi Riyals during the fiscal year ending December 31, 2023G.

The company did not incur any direct operating expenses on its real estate investments as of December 31, 2024G.

5-9-1-4 Right-of-Use Assets

Table (77): Right-of-Use Assets

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Land and Buildings						
Cost						
Balance at the Beginning of the Year	19.0	21.4	20.7	12.6%	(3.2%)	4.4%
Additions During the Year	1.9	-	0.5	(100.0%)	N/A	(50.3%)
Remeasurement of Right-of-Use Assets	1.0	-	-	(100.0%)	N/A	N/A
Derecognition of Right-of-Use Assets	(0.5)	(0.7)	(2.0)	27.6%	183.3%	(90.2%)

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Adjustments During the Year	-		-	N/A	N/A	N/A
Balance at the End of the Year	**21.4**	**20.7**	**19.3**	**(3.2%)**	**(7.2%)**	**(5.2%)**
Accumulated Depreciation				N/A	N/A	N/A
Balance at the Beginning of the Year	4.8	6.5	8.2	36.0%	26.1%	30.9%
Depreciation Recorded During the Year	2.2	2.1	1.7	(1.1%)	(22.6%)	(12.5%)
Derecognition	(0.4)	(0.4)	(1.1)	0.0%	157.1%	(60.4%)
Balance at the End of the Year	**6.5**	**8.2**	**8.8**	**26.1%**	**6.5%**	**15.9%**
Net Book Value Before Impairment	**14.9**	**12.5**	**10.5**	**(16.1%)**	**(16.2%)**	**(16.1%)**
Impairment Provision	-	(2.1)	(2.1)	N/A	-	N/A
Net Book Value After Impairment	**14.9**	**10.4**	**8.4**	**(29.9%)**	**(19.4%)**	**(24.9%)**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Right-of-use assets and lease liabilities relate mainly to the leased land in Al-Haridah farm and the Company's fish and shrimp farm site. The decrease in right-of-use assets from 14.9 million Saudi Riyals as of 31 December 2022G to 8.4 million Saudi Riyals as of 31 December 2024G was due to the expiration of the asset lease.

The Company leases several assets, including land and buildings. The average lease term was 5.8 years as of 31 December 2024G (2023G: 3.7 years).

5-9-1-5 Investments Carried at amortized value, non-current portion

Table (78): Investments carried at amortized value, non-current portion

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Restricted Cash Deposits						N/A
Non-Current Portion	20.0	45.0	-	125.0%	(100.0%)	N/A
Accrued Profits - Non-Current Portion	0.1	0.4	-	202.6%	(100.0%)	N/A
Total	**20.1**	**45.4**	**-**	**125.5%**	**(100.0%)**	**N/A**
Financial Assets at Amortized Cost - With Collateral						
Term Deposit						
Original Term - Less than 3 months	-	-	-	N/A	N/A	N/A
Original Term - More than 3 months	44.0	-	-	(100.0%)	N/A	N/A
Accrued Interest Income	0.4	-	-	(100.0%)	N/A	N/A
Balance at the end of the year	**64.5**	**45.4**	**-**	**(29.6%)**	**(100.0%)**	**N/A**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Investments carried at amortized value (non-current portion) refer to financial assets that a company intends to hold until maturity, which are measured at their amortized cost rather than fair value.

The **investments carried at amortized value** consist of restricted cash deposits and time deposits measured at amortized cost. The company deposited these funds in restricted bank accounts as margin against loans obtained. The company earns a profit margin on these deposits, with an average return ranging from 4.9% to 5.2% (as of December 31, 2023G: 4%–5.25%).

During the year 2024G, the company opted for early repayment of the loan against which the deposit was listed, and the value of the deposit was returned after payment of the early settlement fees in July 2024G, resulting in a balance of zero as of December 31, 2024G.

5-9-2 Current Assets

The following table represents the current assets of the Saudi Fisheries Company for the financial years ending as of December 31, 2022G, 2023G and 2024G.

Table (79): Current Assets

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Inventory	22.8	9.1	1.2	(60.2%)	(86.8%)	(77.1%)
Biological Assets	20.7	2.0	-	(90.2%)	(100.0%)	N/A
Trade Receivables	3.4	4.8	0.2	40.9%	(95.3%)	(74.3%)
Prepaid Expenses and Other Receivables	8.6	15.5	14.3	80.6%	(7.7%)	29.1%
Investments Carried at Fair Value Through Profit or Loss	0.0	0.0	0.0	(39.9%)	-	(22.5%)
Investments Carried at Amortized Value	11.1	-	-	(100.0%)	N/A	N/A
Cash and Cash Equivalents	1.9	3.1	10.6	66.6%	242.3%	138.8%
Total Current Assets	**68.5**	**34.5**	**26.3**	**(49.6%)**	**(23.8%)**	**(38.0%)**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

5-9-2-1 Inventory

Table (80): Inventory

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Packaging and Consumables	3.5	2.4	2.9	(32.0%)	21.0%	(9.3%)
Finished Goods	12.1	3.2	1.1	(73.6%)	(66.9%)	(70.4%)
Raw Materials	5.5	5.3	1.3	(3.8%)	(75.3%)	(51.3%)
Spare Parts	1.7	1.6	1.6	(3.3%)	(2.0%)	(2.7%)
Obsolete Inventory Provision	-	(3.4)	(5.6)	N/A	65.5%	N/A
Total	**22.8**	**9.1**	**1.2**	**(60.2%)**	**(86.8%)**	**(77.1%)**
Number of Days for Inventory Payment	125	53	18	(57.6%)	(66.0%)	(62.0%)

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Inventory, valued at 1.2 million Saudi Riyals as of 31 December 2024G, consists mainly of finished goods (fish and shrimp products), feed and spare parts. Inventory is stated at cost or net realizable value, whichever is lower.

The company has implemented two fish production cycles and four shrimp production cycles since the beginning of 2022G. Consequently, the inventory balance since 2022G has been primarily driven by the timing of harvesting and transferring finished fish and shrimp products from the biological assets to the inventory.

Inventory decreased from 22.8 million Saudi Riyals as of 31 December 2022G to 9.1 million Saudi Riyals as of 31 December 2023G, driven mainly by a decrease in the net realizable value of inventories transferred from biological assets during the year, where a fair value loss of (33.8) million Saudi Riyals was recognized. Additionally, there was an accumulation of shrimp inventory during the second half of the fiscal year ended 31 December 2022G from two shrimp harvest cycles, which led to an increase in the inventory balance as of 31 December 2022G. The Company maintained lower inventory amounts during recent periods as a result of short-term cash constraints.

As of 31 December 2024G, inventory further declined to reach 1.2 million Saudi Riyals as a result of the suspension of aquaculture activity and the suspension of wholesale operations during the second half of the fiscal year ended 31 December 2024G. Inventory as of 31 December 2024G was mainly related to the restaurant business and is replenished upon request from the stores.

5-9-2-2 Biological Assets

Table (81): Biological Assets

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Shrimp	3.0	-	-	(100.0%)	N/A	N/A
Fish	12.9	2.0	-	(84.2%)	(100.0%)	N/A
Raw Materials	4.7	-	-	(100.0%)	N/A	N/A
Total	**20.7**	**2.0**	-	**(90.2%)**	**(100.0%)**	**N/A**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Table (82): Biological Assets

Million Saudi Riyals	December, 2022G		December, 2023G		December, 2024G	
	Shrimp (Fair Value)	Fish (Cost)	Shrimp (Fair Value)	Fish (Fair Value)	Shrimp (Fair Value)	Fish (Fair Value)
Book value as of January 1	21.9	-	3.0	12.9	-	2.0
Additions resulting from purchases during the year	28.4	9.9	4.5	3.7	-	0.4
Common indirect expenses	23.8	7.2	13.7	12.0	-	0.8
Transfer to inventory	(67.5)	(4.2)	(8.6)	(5.3)	-	(2.4)
Loss due to changes in fair value less cost of sale	(3.6)	-	(12.5)	(21.2)	-	(0.8)
Book value	**3.0**	**12.9**	-	**2.0**	-	-

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

The Company has estimated the biological assets of fish at their fair value starting from the third quarter of the fiscal year ended 31 December 2023G in accordance with accounting standards. The Company was unable to perform a physical count of the fish as of 31

December 2022G due to the lack of a mechanism to verify the number of fish in the sea. Consequently, the Company was unable to reach a fair value for the fish that could be reliably measured as at that date; therefore, they were included at cost in the amount of 12.9 million Saudi Riyals.

The Company takes into account market prices, average weight, shrimp tails, shrimp quality and mortality rates to reach the fair value of biological assets. There is no active market for shrimp; therefore, the market price was derived through observed prices in the market, including contract sales, which are considered Level 3 of the fair value hierarchy in accordance with International Financial Reporting Standard 13.

Biological assets reached zero as of 31 December 2024G, as the last production cycle for shrimp or fish ended in April 2024G and the remaining assets were transferred to inventory. Assets are measured and recorded in accordance with International Accounting Standard 41.

Biological assets are measured at fair value at each harvest for both fish and shrimp, and then re-measured at the end of each year. Any gain or loss in the fair value of biological assets is recorded in the statement of income above the gross margin.

During the historical period, 4 shrimp harvests and 2 fish harvests were completed respectively. Biological assets are transferred to inventory after harvest at the lower of cost or net realizable value in accordance with International Accounting Standard 2.

5-9-2-3 Trade Receivables

Table (83): Trade Receivables

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Trade Receivables	7.5	10.6	8.8	39.9%	(16.3%)	8.2%
Less: Impairment of trade receivable	(4.1)	(5.7)	(8.6)	39.0%	49.8%	(44.3%)
Total	**3.4**	**4.8**	**0.2**	**40.9%**	**(95.3%)**	**(74.3%)**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Trade receivables decreased from 3.4 million Saudi Riyals as of 31 December 2022G to 0.2 million Saudi Riyals as of 31 December 2024G as a result of an increase in the expected credit loss provision from 4.1 million Saudi Riyals to 8.6 million Saudi Riyals during the same period. This was driven by an increase in the aging of trade receivables from customers who were affected by the suspension of the Company's wholesale operations. These customers delayed payment due to the suspension of their supply chains. A provision has been made against the full amount of those receivables.

Total trade receivables increased between 31 December 2022G and 31 December 2023G from 7.5 million Saudi Riyals to 10.6 million Saudi Riyals respectively, driven by the shift to wholesale sales instead of retail sales.

The expected credit loss provision increased from (5.7) million Saudi Riyals as of 31 December 2023G to (8.6) million Saudi Riyals as of 31 December 2024G, as the Company established a provision against certain outstanding receivables with prolonged litigation.

Receivables amounting to 8.5 million Saudi Riyals (96.2%) as of 31 December 2024G aged over 90 days, and management applied an expected credit loss model to the provision it established against bad debts. In general, a provision was established for the full amount of receivables under litigation and those exceeding 90 days, while a provision equivalent to 60% was established for receivables exceeding 61 days. The remaining balances range between provisions of 26% and 43% depending on aging.

Table (84): Trade Receivables - Aging Analysis as of December 2024G

	Number of Days of Delay						
Million Saudi Riyals	Current	1-30	31-60	61-90	91-120	<120	Total
Client 1	-	-	-	-	-	1.9	1.9
Client 2	-	-	-	-	-	1.0	1.0
Client 3	-	-	-	-	-	0.6	0.6
Client 4	0.0	0.1	0.1	0.0	0.1	0.0	0.2
Client 5	-	-	-	-	-	0.2	0.2
Top 5 Clients	**0.0**	**0.1**	**0.1**	**0.0**	**0.1**	**3.8**	**4.0**
Other Clients	**0.1**	**0.1**	**(0.1)**	**(0.0)**	**(0.0)**	**4.8**	**4.8**
Trade Receivables	**0.1**	**0.1**	**(0.0)**	**0.0**	**0.0**	**8.5**	**8.8**
Provision for Expected Credit Losses							(8.6)
Net Trade Receivables							0.2
As a Percentage of Total	**1%**	**1%**	**(1%)**	**0%**	**1%**	**97%**	**100%**

Source: Management Information.

In accordance with IFRS 9, the company has calculated a provision for expected credit losses on bad debts arising from trade receivables. The company makes a provision for the full amount of the trade receivables subject to litigation, and the remaining balance is provided for based on the debt's maturity.

Table (85): Credit Risk Specifications

Million Saudi Riyals	December 31, 2022G Revised			December 31, 2023G Revised			December 31, 2024G Audited		
	Book value before expected credit loss	Expected credit loss	%	Book value before expected credit loss	Expected credit loss	%	Book value before expected credit loss	Expected credit loss	%
0-30 days	1.2	0.1	5%	3.8	0.0	1%	0.1	0.0	5%
31-90 days	0.7	0.1	11%	0.6	0.1	21%	0.2	0.0	23%
Low credit									
91 and above	5.6	4.0	50%-100%	6.1	5.6	50%-100%	8.6	8.6	100%
Total	**7.5**	**4.1**		**10.6**	**5.7**		**8.8**	**8.6**	

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Calculation of loss provision

When measuring expected credit loss, the Company uses reasonable and verifiable forecasting information based on assumptions about the future movement of several different economic stimuli and how these stimuli will affect each other.

The loss-based default is an estimate of the loss caused by the default. It is based on the difference between the contractual cash flows due and those the lender expects to receive, taking into account cash flows from collateral and implied credit enhancements. The probability of default is a key input when measuring expected credit loss. It is an estimate of the likelihood of default over a specific period, and its calculations incorporate historical data, assumptions, and projections of future conditions.

If the expected credit loss rates on overdue trade receivables between 0 and 30 days had been 3% higher (lower) as of December 31, 2024G, the provision for loss on trade receivables would have been higher/lower by zero million Saudi Riyals (December 31, 2022G: zero million Saudi Riyals).

If the expected credit loss rates on trade receivables overdue between 31 and 90 days had been 3% higher/ (lower) as of 31 December 2024G, the loss provision on trade receivables would have been zero million Saudi Riyals higher/ (lower) (31 December 2022G: zero million Saudi Riyals). The following is the credit rating of the banks the Company deals with and their balances as of 31 December 2024G.

5-9-2-4 Prepaid Expenses and Other Receivables

Table (86): Prepaid Expenses and Other Receivables

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
VAT due	5.7	4.8	3.1	(15.1%)	(35.8%)	(26.2%)
Advance payments to suppliers	3.7	5.0	4.9	34.0%	(2.4%)	14.4%
Prepaid expenses (medical, insurance, and services)	1.5	0.8	0.7	(46.5%)	(13.0%)	(31.8%)
Expected government subsidy receivable	0.5	0.5	-	(3.3%)	(100.0%)	N/A
Less: Impairment	(3.4)	(5.4)	(7.7)	55.8%	44.1%	(49.8%)
	8.0	**5.8**	**1.0**	**(27.7%)**	**(83.2%)**	**(65.1%)**
Financial assets at amortized cost - unsecured						
Government receivable for Jeddah building	-	9.0	9.0	N/A	-	N/A
Receivables related to the land	3.4	3.4	3.4	-	-	-
Receivables for rent	1.3	0.4	0.4	(71.0%)	(5.0%)	(47.5%)
Receivables from employees	0.3	0.1	0.1	(54.4%)	(52.6%)	(53.5%)
Margin guarantees	0.2	0.2	0.2	0.0%	-	0.0%
Receivables from scrap sales	-	-	3.8	N/A	N/A	N/A
Other	0.1	0.2	0.7	60.6%	355.4%	170.4%
Less: Impairment in the value of financial assets	**(4.6)**	**(3.5)**	**(4.1)**	**(25.0%)**	**19.6%**	**5.2%**
Total	**8.6**	**15.5**	**14.3**	**80.6%**	**(7.7%)**	**29.1%**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Prepayments and other current assets as of 31 December 2024G, valued at 14.3 million Saudi Riyals, consisted mainly of an amount of 9.0 million Saudi Riyals related to the Jeddah building receivable, an amount of 4.9 million Saudi Riyals related to advance payments to suppliers, a receivable of 3.8 million Saudi Riyals from scrap sales, and an amount of 3.4 million Saudi Riyals related to land balances. This was offset by impairment provisions amounting to (11.9) million Saudi Riyals.

During 2022G, Jeddah Municipality expropriated the land, evacuated the site, and demolished the administrative building located in Jeddah Governorate. The accredited valuers approved by the Saudi Authority for Accredited Valuers confirmed that the recoverable amount from the government is 9.0 million Saudi Riyals, and the legal advisor confirmed the reasonableness and recoverability of that amount. Accordingly, and based on general inquiries with the Saudi Organization for Chartered and Professional Accountants, a government receivable was recorded in the books during the fiscal year ended 31 December 2023G based on the requirements of the applicable accounting standard.

Management recognized a receivable in the amount of 9.0 million Saudi Riyals regarding the Jeddah land expropriated by Jeddah Municipality during the fiscal year ended 31 December 2023G.

5-9-2-5 Investments Carried at Amortized Value - Current Portion

Table (87): Investments Carried at Amortized Value - Current Portion

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Restricted Cash Deposits						
Current Portion	11.0	-	-	(100.0%)	N/A	N/A
Outstanding Dividend - Current Portion	0.1	-	-	(100.0%)	N/A	N/A
Total	**11.1**	**-**		**(100.0%)**	**N/A**	**N/A**
Financial Assets at Amortized Cost - With Collateral						
Term Deposit						
Original Term - Less than 3 months	-	-	-	N/A	N/A	N/A
Original Term - More than 3 months	-	-	-	N/A	N/A	N/A
Accrued Interest Income	-	-	-	N/A	N/A	N/A
Balance at the End of the Year	**11.1**	**-**	**-**	**(100.0%)**	**N/A**	**N/A**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Investments Carried at Amortized Value relates to excess cash held by the company that was included in the fixed-term deposit during the financial year ending December 31, 2022G.

5-9-2-6 Cash and Cash Equivalents

Table (88): Cash and Cash Equivalents

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Cash in hand	0.1	0.2	0.1	172.0%	(39.6%)	28.2%
Cash in the bank	1.8	2.9	10.4	61.6%	264.6%	142.7%
Total	**1.9**	**3.1**	**10.6**	**66.6%**	**242.3%**	**138.8%**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Cash and Cash Equivalents, valued at 10.6 million Saudi Riyals as of 31 December 2024G, increased from 3.1 million Saudi Riyals as of 31 December 2023G, driven mainly by the sale of fixed assets amounting to 14.0 million Saudi Riyals during the period.

5-9-3 Non-current Liabilities

The following table represents the non-current liabilities of the Saudi Fisheries Company for the financial years ending as of December 31, 2022G, 2023G and 2024G.

Table (89): Non-current Liabilities

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Lease liabilities - non-current portion	12.4	11.2	10.5	(9.8%)	(6.3%)	(5.5%)
Long-term loans - non-current portion	22.3	32.2	2.7	45.7%	(91.7%)	(50.7%)
Employee end-of-service benefits	5.8	4.9	2.7	(16.4%)	(43.9%)	(31.5%)
Total non-current liabilities	**40.5**	**48.3**	**15.9**	**19.1%**	**(67.1%)**	**(37.4%)**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Non-current liabilities increased from 40.5 million Saudi Riyals as of 31 December 2022G to 48.3 million Saudi Riyals as of 31 December 2023G, driven by an increase in long-term borrowings, partially offset by a decrease in employee benefit obligations driven by restructuring that led to a material decrease in the number of employees.

Non-current liabilities decreased to 15.9 million Saudi Riyals as of 31 December 2024G, driven by a decrease in long-term borrowings from 32.2 million Saudi Riyals as of 31 December 2023G to 2.7 million Saudi Riyals as of 31 December 2024G.

5-9-3-1 Lease Liabilities

Table (90): Lease Liabilities

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Lease liabilities at the beginning of the year	15.6	17.8	16.9	14.6%	(5.1%)	4.3%
Additions during the year	1.9	-	0.5	(100.0%)	N/A	(50.3%)
Remeasurement of right-of-use assets	1.0	-	-	(100.0%)	N/A	N/A
Derecognition	(0.1)	(0.3)	(0.8)	113.9%	215.7%	(159.9%)
Finance cost	0.7	0.7	0.6	(7.7%)	(10.8%)	(9.3%)
Paid during the year	(1.3)	(1.3)	(1.2)	3.1%	(11.6%)	4.6%
Balance at the end of the year	**17.8**	**16.9**	**16.0**	**(5.1%)**	**(5.4%)**	**(5.2%)**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Table (91): Lease Liabilities - Non-current Portion

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Lease liabilities - non-current portion	(12.4)	(11.2)	(10.5)	(9.9%)	(6.3%)	8.1%
Balance at the end of the year	**(12.4)**	**(11.2)**	**(10.5)**	**(9.9%)**	**(6.3%)**	**8.1%**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Table (92): Lease Liabilities

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Year 1	2.7	5.7	5.5	110.1%	(3.6%)	42.3%
Year 2	1.8	1.1	0.8	(39.8%)	(30.6%)	(35.4%)
Year 3	1.1	0.9	0.8	(13.7%)	(19.6%)	(16.7%)
Year 4	0.9	0.9	0.8	-	(19.6%)	(10.3%)
Year 5 and beyond	18.5	17.6	17.3	(5.1%)	(1.6%)	(3.4%)
Total Lease Liabilities	**25.1**	**26.3**	**25.1**	**4.7%**	**(4.5%)**	**(0.0%)**
Less: Finance Cost	(7.3)	(9.4)	(9.1)	28.8%	(3.1%)	(11.7%)
Total	**17.8**	**16.9**	**16.0**	**(5.1%)**	**(5.4%)**	**(5.2%)**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Lease liabilities relate mainly to the lease of Al-Haridah farm, the Company's main site for fish farming. In 2022G, the Company extended the farm lease agreement to 2025G.

The incremental borrowing rate applied is 5% (2023G: 5%) for all the Company's leases based on the various lease terms.

Total cash payments for leases amounted to 1.2 million Saudi Riyals during 2024G (2023G: 1.3 million Saudi Riyals). As of 31 December 2024G, the Company has no short-term lease liabilities.

The Company faces high liquidity risks regarding its lease liabilities. Lease liabilities are monitored by the Company's finance department. As of 31 December 2024G, the Company has lease liabilities from previous years amounting to 4.6 million Saudi Riyals (31 December 2023G: 3.9 million Saudi Riyals). The Company is conducting negotiations with the authorities to defer the lease payments for Al-Haridah land until the Company's cash position stabilizes.

5-9-3-2 Long-term Borrowings - Non-current Portion

Table (93): Borrowings

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Murabaha Financing	20.0	39.8	19.0	99.1%	(52.4%)	(2.7%)
Interest-Free Loan Repayment	3.7	3.8	4.1	3.4%	6.9%	5.2%
Outstanding Finance Costs	0.9	0.9	0.8	(4.2%)	(5.8%)	(5.0%)
Total	**24.6**	**44.5**	**23.9**	**80.9%**	**(46.4%)**	**(1.5%)**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Table (94): Long-term Borrowings - Non-current Portion

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Non-current portion	22.3	32.2	2.7	44.6%	(91.7%)	(65.4%)
Total	**22.3**	**32.2**	**2.7**	**44.6%**	**(91.7%)**	**(65.4%)**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Long-term borrowings decreased from 22.3 million Saudi Riyals as of 31 December 2022G to 2.7 million Saudi Riyals as of 31 December 2024G, driven by the repayment of Al Rajhi Bank borrowings in July 2024G.

The Company obtained credit facilities from a local Islamic bank to finance working capital requirements. The facility carries profits at prevailing market prices, and repayment was scheduled to begin on 31 March 2024G, with the final installment due on 31 December 2026G. The loan was secured by a restricted cash deposit (refer to Note 11). However, during the period, the Company opted for early repayment of the loan, and the loan was repaid early, and the restricted cash deposit was returned after adjusting for early repayment fees.

During the period, the Company obtained additional financing in the amount of 19 million Saudi Riyals from Riyad Bank. The loan carries a profit margin at prevailing market prices. The contract term is two years, and repayment is scheduled to begin on 8 June 2025G. The grace period for repayment is one year, and repayment will commence after the end of the grace period. The facility agreements include covenants requiring the Company to pay salaries through Riyad Bank. As of 31 December 2024G, the Company did not comply with this covenant, and therefore the outstanding facility balances were classified within the current portion of borrowing facilities.

The Company has a long-term interest-free loan from the Saudi Agricultural Development Fund for agricultural activities. The loan is repayable by 2026G. These loans are discounted according to the prevailing market rate. The difference between the received loan value and the present value is recorded as a deferred government grant within trade receivables and other receivables. The same amount is amortized over the life of the loan in accordance with IFRS requirements. Furthermore, these loans are secured by a mortgage on land owned by the Company in Al-Qatif and Al-Khobar at its carrying value of 1 million Saudi Riyals (within property, plant and equipment) and 6.97 million Saudi Riyals at its fair value (within investment properties), respectively.

5-9-3-3 End-of-Service Bonus

Table (95): Movement of Employee Benefits

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Present value at the beginning of the year	6.9	5.8	4.9	(15.8%)	(16.4%)	(16.1%)
Service costs	1.7	1.3	0.8	(21.3%)	(37.8%)	(30.0%)
Finance cost	0.1	0.2	0.1	70.0%	(22.6%)	14.7%
Payments during the year	(2.4)	(1.7)	(2.6)	(28.1%)	47.7%	(3.0%)
Settlements	-	(0.3)	(0.3)	N/A	(10.1%)	N/A
Prior service costs (resulting from a change in net realizable value)	-	-	0	N/A	N/A	N/A
Actuarial gains through other comprehensive income	(0.5)	(0.4)	(0.3)	(12.0%)	(34.9%)	24.3%
Present value at the end of the year	**5.8**	**4.9**	**2.7**	**(16.4%)**	**(43.9%)**	**(31.5%)**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

The **benefit provision** amounting to 2.7 million Saudi Riyals as of 31 December 2024G relates to employee end-of-service benefits which are usually unfunded. These liabilities are calculated by calculating the basic salary for a specific number of months depending on the employee's length of service. The balance is subject to an actuarial re-evaluation at the end of each year. The balance declined as of 31 December 2023G (4.9 million Saudi Riyals) and 31 December 2024G to 2.7 million Saudi Riyals, driven by the decrease in the number of employees. The average number of employees also decreased from 449 in 2022G to 136 in 2024G.

5-9-4 Current Liabilities

The following table represents the current liabilities of the Saudi Fisheries Company for the financial years ending as of December 31, 2022G, 2023G and 2024G.

Table (96): Statement of the Company's Current Liabilities

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Long-term borrowings - current portion	2.3	12.3	21.2	427.3%	72.4%	201.5%
Short-term borrowings	10.1	-	-	(100.0%)	N/A	N/A
Trade receivables and other receivables	28.8	32.6	30.7	13.2%	(6.0%)	3.2%
Compensation for creditors subscribing to preemptive rights shares	13.4	13.4	13.4	-	(0.1%)	(0.1%)
Lease liabilities - current portion	5.4	5.7	5.5	5.9%	(3.6%)	1.0%
Zakat provision	7.9	14.6	16.0	85.6%	9.4%	42.5%
Total current liabilities	**67.9**	**78.6**	**86.8**	**15.8%**	**10.3%**	**13.0%**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Current liabilities increased from 78.6 million Saudi Riyals as of 31 December 2023G to 86.8 million Saudi Riyals as of 31 December 2024G after the Company obtained a loan in the amount of 19.0 million Saudi Riyals to finance operations, in addition to increasing the Zakat provision to 16.0 million Saudi Riyals as of 31 December 2024G.

5-9-4-1 Long-Term Borrowings - Current Portion

Table (97): Long-Term Borrowings - Current Portion

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G
Current Portion	2.3	12.3	21.2	427.3%	72.4%
Total	**2.3**	**12.3**	**21.2**	**427.3%**	**72.4%**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

5-9-4-2 Short-Term Borrowings

Table (98): Short-Term Borrowings

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited
Conventional loan	10.0	-	-
Outstanding finance costs	0.1	-	-
Total	**10.1**	**-**	**-**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

5-9-4-3 Trade receivables and other receivables

Table (99): Trade receivables and other receivables

Million Saudi Riyals	December 31, 2022G Audited	December 31, 2023G Audited	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Trade receivables	13.6	13.0	15.2	(4.4%)	16.7%	5.6%
Due to related parties	2.3	5.4	-	137.0%	(100.0%)	N/A
Accrued salaries and wages	5.8	4.9	1.5	(16.5%)	(69.2%)	(49.3%)
Accrued unclaimed dividends	2.9	2.9	2.9	-	(0.0%)	(0.0%)
Board members' remuneration	1.4	3.4	4.7	139.1%	37.1%	81.0%
Accrued rent	0.4	0.7	0.2	70.1%	(75.6%)	(35.5%)
Deferred government grant	-	0.2	0.2	N/A	(32.8%)	N/A
Customer advances	0.3	0.2	0.0	(36.3%)	(77.8%)	(62.4%)
Provision for litigation	0.6	0.4	0.3	(27.0%)	(41.0%)	(34.3%)
VAT payable	-	-	0.8	N/A	N/A	N/A
Accrual professional fees	-	0.0	2.6	N/A	28.247%	N/A
Other	1.5	1.4	2.4	(3.0%)	64.0%	26.2%
Total	**28.8**	**32.6**	**30.7**	**13.2%**	**(6.0%)**	**3.2%**
Number of days for receivables payable	74.6	76.0	229.3	1.9%	201.5%	75.2%

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Trade receivables and other receivables increased to 32.6 million Saudi Riyals as at 31 December 2023G, driven mainly by an increase in amounts due to related parties and accrued amounts due to the Board of Directors, then decreased to 30.7 million Saudi Riyals as at 31 December 2024G, mainly due to the decrease in accrued salaries and wages to 1.5 million Saudi Riyals as at 31 December 2024G given the decrease in the number of employees.

Receivables turnover days remained stable between 31 December 2022G (75 days) and 31 December 2023G (76 days) but increased to 230 days as of 31 December 2024G as the Company negotiated for longer payment terms with some suppliers and extended payment terms with others due to the Company's restricted cash flows.

Related party payables relate mainly to trade receivables due to the National Aquaculture Group (NAQUA) regarding the purchase of raw materials and finished goods. This balance declined to zero as of 31 December 2024G as the supplier is no longer classified as a related party.

Unclaimed dividends relate to dividends declared but not claimed by shareholders. The balance did not change between 31 December 2022G and 31 December 2024G.

Board of Directors' remuneration liabilities increased from 1.4 million Saudi Riyals as of 31 December 2022G to 4.7 million Saudi Riyals as of 31 December 2024G, as the Board of Directors agreed to defer the payment of Board remunerations to support the Company's cash flow position.

5-9-4-4 Zakat Provision

Table (100): Zakat Provision

Million Saudi Riyals	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
Balance at the beginning of the year	**7.6**	**7.9**	**14.6**	**3.8%**	**85.6%**	**38.8%**
Charged during the year	1.9	2.3	1.5	18.3%	(35.0%)	(12.3%)
Provision for excess from the previous year	-	-	(1.9)	N/A	N/A	N/A
Adjustments from the previous year	0.9	6.0	2.3	611.3%	(62.4%)	63.5%
Payments during the year	(2.5)	(1.6)	(0.5)	(35.4%)	(69.1%)	55.3%
Balance at the end of the year	**7.9**	**14.6**	**16.0**	**85.6%**	**9.4%**	**42.5%**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

The Zakat, Tax and Customs Authority and the Ministry of Finance issued Ministerial Resolution No. 2216 dated 07/07/1440H regarding the new Zakat and Income Tax regulations that came into force as of 1 January 2019G.

The Zakat returns for the fiscal year ended 31/12/2024G have been submitted, and the Company has obtained the Zakat certificate stating so, which enables the Company to finalize all its transactions, including the collection of its final dues for the contracts.

On 25 October 2018G, the Zakat, Tax and Customs Authority issued a Zakat assessment for the years from 2011G to 2016G in the amount of 8.8 million Saudi Riyals. The Company filed an objection against the Zakat assessment, and the objection is still under study by the General Secretariat of Tax Committees. The Company has formed a full provision of 8.8 million Saudi Riyals for this assessment based on the consultant's advice.

On 30 September 2020G, the Zakat, Tax and Customs Authority issued Zakat assessments for the years from 2017G to 2018G, amounting to 2.4 million Saudi Riyals. The Company has objected to the assessments, and the objection is still under study by the General Secretariat of Tax Committees. The Company has formed a full provision of 2.4 million Saudi Riyals for this assessment based on the consultant's advice.

On 22 July 2024G, the Zakat, Tax and Customs Authority issued Zakat assessments for the years 2021G-2022G, amounting to 0.15 million Saudi Riyals. The Company has recorded a full provision of 0.15 million Saudi Riyals for this assessment based on the consultant's recommendation.

On 3 October 2024G, the Authority issued a Zakat assessment for the year 2023G in the amount of 2.27 million Saudi Riyals. The Company has formed a full provision of 2.27 million Saudi Riyals for this assessment based on the consultant's advice.

The Company paid the Zakat assessment difference of 0.33 million Saudi Riyals for the year 2020G.

5-9-4-5 Balances with Related Parties

Table (101): Balances with Related Parties

Million Saudi Riyals	Nature of relationship	Nature of transactions	December 31, 2022G Revised	December 31, 2023G Revised	December 31, 2024G Audited	Change in December 2022G - December 2023G	Change in December 2023G - December 2024G	(CAGR) 2022G - 2024G
National Bank of Bahrain	The bank's CEO is a member of the Board of Directors*	Short-term loan	10.1	-		(100.0%)	N/A	N/A
National Aquaculture Group (NAQUA)	The CEO of NAQUA is a member of the Board of Directors	Purchases	2.3	5.4	-	137.0%	(100.0%)	N/A
Senior management employees	Board members	Board members' remuneration	-	3.4	4.7	N/A	37.1%	N/A
	Key executives	Salaries, wages, and other due allowances	-	0.2	-	N/A	(100.0%)	N/A
		Employees Benefits	-	0.2	0.1	N/A	(48.5%)	N/A
			12.3	**9.3**	**4.8**	**(25.0%)**	**(48.1%)**	**(37.6%)**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

*Mr. Mansour AlSaghayer served as CEO of Bank of Bahrain and a member of the Board of Directors of the Saudi Fisheries Company (The Board term begins on 25/10/2020G and ends on 24/10/2023G).

Balances with related parties as of December 31, 2024G, consisted primarily of Board member remuneration. These balances decreased from 4.8 million Saudi Riyals to zero as of December 31, 2024G, due to the declassification of the National Aquaculture Group (NAQUA) as a related party.

5-10 Statement of Cash Flow

The following table represents the statement of cash flow of the Saudi Fisheries Company for the fiscal years ending December 31, 2022G, 2023G and 2024G.

Table (102): Statement of Cash Flow

Million Saudi Riyals	2022G (Revised)	2023G (Revised)	2024G Audited	Change 2022G - 2023G	Change 2023G - 2024G	(CAGR) 2022G - 2024G
Loss for the year before zakat	(60.6)	(111.6)	(39.1)	84.2%	(65.0%)	19.7%
Adjustments for non-cash items	**15.8**	**87.2**	**10.7**	**450.0%**	**(87.7%)**	**(17.8%)**
Change in working capital						
Inventories	(2.0)	10.3	5.6	(613.7%)	(45.3%)	N/A
Biological assets	(2.4)	(14.7)	1.2	515.5%	(108.2%)	N/A
Trade receivables	0.3	(3.0)	1.7	(1,063%)	(157.3%)	135.0%
Prepayments and other receivables	6.1	(8.3)	(2.0)	(236.7%)	(75.8%)	N/A
Trade receivables and other receivables	(0.1)	3.8	(1.9)	(2,995%)	(151.2%)	(285.2%)

Million Saudi Riyals	2022G (Revised)	2023G (Revised)	2024G Audited	Change 2022G - 2023G	Change 2023G - 2024G	(CAGR) 2022G - 2024G
Cash used in operating activities	**(42.9)**	**(36.4)**	**(23.8)**	**(15.1%)**	**(34.6%)**	**25.5%**
Zakat paid	(2.5)	(1.6)	(0.5)	(35.4%)	(69.1%)	55.3%
Employee end-of-service benefits paid	(2.4)	(1.7)	(2.6)	(28.1%)	47.7%	(3.0%)
Net cash flows used in operating activities	**(47.8)**	**(39.8)**	**(26.9)**	**(16.8%)**	**(32.4%)**	**25.0%**
Purchase of property, plant, and equipment	(2.5)	(0.6)	(0.1)	(77.8%)	(75.0%)	76.5%
Additions to capital work in progress	(1.3)	(1.4)	-	5.3%	(100.0%)	N/A
Income received on investments carried at amortized value	1.0	2.4	1.3	136.5%	(45.0%)	14.1%
Returns from the sale of property and equipment	-	0.8	13.4	N/A	1,519.5%	N/A
Returns from the sale of investment properties	-	3.4	-	N/A	(100.0%)	N/A
Recovery of investments carried at amortized value	20.0	30.6	44.3	53.0%	44.8%	48.9%
Returns on restricted cash	-	-	-	N/A	N/A	N/A
Cash flows generated from investing activities	**17.2**	**35.3**	**58.9**	**105.6%**	**67.0%**	**85.3%**
Proceeds from borrowings	30.0	20.1	19.0	(33.1%)	(5.4%)	(20.4%)
Long-term borrowings repayments	(1.4)	(10.0)	(40.0)	605.0%	300.0%	(431.0%)
Finance costs paid	(0.2)	(3.0)	(2.4)	1,268.8%	(21.9%)	(227.0%)
Compensation to shareholders for paid preemptive rights shares	(0.0)	-	(0.0)	(100.0%)	N/A	(40.0%)
Lease liabilities paid	(1.3)	(1.3)	(1.2)	3.1%	(11.6%)	4.6%
Interest income from restricted cash deposits	-	-	-	N/A	N/A	N/A
Cash flows generated from financing activities	27.0	5.7	(24.6)	(79.0%)	(532.0%)	N/A
Net change in cash and cash equivalents during the year	**(3.6)**	**1.2**	**7.5**	**(134.0%)**	**512.8%**	**N/A**
Cash and cash equivalents at the beginning of the year	5.3	1.9	3.1	(65.3%)	66.6%	(23.9%)
Cash and cash equivalents at the end of the year	**1.7**	**3.1**	**10.6**	**75.9%**	**243.8%**	**145.9%**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

Net cash flows used in operating activities increased during the period from the fiscal year ended 31 December 2022G ((47.8) million Saudi Riyals) to ((39.8) million Saudi Riyals) during the fiscal year ended 31 December 2023G. This was mainly driven by the positive impact of non-cash item adjustments from 15.8 million Saudi Riyals during the fiscal year ended 31 December 2022G to 87.2 million Saudi Riyals during the fiscal year ended 31 December 2023G. Net operating cash flows increased again to (26.9) million Saudi Riyals during the fiscal year ended 31 December 2024G, driven mainly by the positive impact of changes in net working capital amounting to 4.6 million Saudi Riyals.

Net operating cash flows increased during the fiscal year ended 31 December 2023G to (39.8) million Saudi Riyals as a result of the decrease in net losses (less the add-back of fair value loss on biological assets) after non-cash item adjustments.

Net cash flows generated from investing activities during the historical period were mainly driven by the timing of cash inflows invested in fixed-term deposits and, recently, by positive cash flows from the sale of investment properties, which were offset by cash outflows related to capital work in progress and the purchase of property, plant, and equipment.

Investing cash flows increased from 17.2 million Saudi Riyals during the fiscal year ended 31 December 2022G to 35.3 million Saudi Riyals during the fiscal year ended 31 December 2023G, mainly driven by an increase of 30.6 million Saudi Riyals in redemptions of fixed-term deposit investments.

Investing cash flows increased from 35.3 million Saudi Riyals during the fiscal year ended 31 December 2023G to 58.9 million Saudi Riyals during the fiscal year ended 31 December 2024G, driven by an increase of 13.7 million Saudi Riyals in redemptions of fixed-term deposit investments and an increase of 12.6 million Saudi Riyals in proceeds from the sale of property, plant and equipment.

Net cash flows from financing decreased from 27.2 million Saudi Riyals during the fiscal year ended 31 December 2022G to 5.7 million Saudi Riyals during the fiscal year ended 31 December 2023G after the Company obtained a lower loan in the amount of 20.1 million Saudi Riyals during the period (compared to 30.0 million Saudi Riyals during the fiscal year ended 31 December 2022G) and its repayment of loans in the amount of (10.0) million Saudi Riyals. As a result of the increase in the borrowings, the Company's financing cash outflows increased by (2.9) million Saudi Riyals to reach (14.3) million Saudi Riyals.

Financing cash flows decreased to (24.6) million Saudi Riyals during the fiscal year ended 31 December 2024G, driven mainly by cash outflows in the amount of 40 million Saudi Riyals as a result of the repayment of a long-term borrowing, and this was partially offset by the receipt of a borrowing in the amount of 19 million Saudi Riyals from Riyad Bank.

Table (103): Statement of Cash Flow - Adjustments for Non-Cash Items

Million Saudi Riyals	2022G (Revised)	2023G (Revised)	2024G Audited	Change 2022G - 2023G	Change 2023G - 2024G	(CAGR) 2022G - 2024G
Loss for the year before zakat	(60.6)	(111.6)	(39.1)	84.2%	(65.0%)	19.7%
Adjustments						
Depreciation of property, plant, and equipment	9.4	9.6	9.3	2.8%	(3.2%)	(0.3%)
Fair value loss on biological assets	3.6	33.4	0.8	829.2%	(97.5%)	(52.0%)
Depreciation of right-of-use assets	2.2	2.1	1.7	(1.1%)	(22.6%)	(12.5%)
Provision for employee end-of-service benefits	1.8	1.3	0.8	(25.9%)	(37.5%)	(32.0%)
Finance cost	1.9	3.7	4.6	97.9%	24.6%	57.0%
Impairment of inventory	1.4	3.4	2.2	145.2%	(34.5%)	26.8%
Inventory provision	-	-	-	N/A	N/A	N/A
Provision for expected credit losses on trade receivables	1.3	1.6	2.9	21.6%	77.7%	47.0%
Provision for expected credit losses on advance payments to suppliers	-	1.4	3.2	N/A	126.9%	N/A
Provision for value-added tax	-	-	-	N/A	N/A	N/A
Income from investments carried at amortized value	(1.5)	(2.8)	(1.3)	80.4%	(51.9%)	6.8%
Gain (loss) from changes in the fair value of investment property	(6.0)	(5.8)	(1.4)	(3.3%)	(76.1%)	52.0%
Loss on disposal of investment property	-	2.6	-	N/A	(100.0%)	N/A
Impairment of capital work in progress	1.2	-	-	(100.0%)	N/A	N/A
Gain (loss) on sale of property, plant and equipment	0.7	0.8	(4.3)	8.7%	(671.7%)	N/A
Gain from derecognition of lease liabilities	(0.0)	0.0	0.0	(124.7%)	1,327.7%	N/A
Changes in financial assets carried at fair value through profit or loss	-	-	-	N/A	N/A	N/A
Write-off of financial assets	-	-	-	N/A	N/A	N/A
Gain from settlement of end-of-service benefits	-	(0.3)	(0.3)	N/A	(10.1%)	N/A
(Reversal)/ Provision for impairment of non-financial assets	-	36.0	(7.6)	N/A	(121.0%)	N/A
Income from restricted cash deposits	-	-	-	N/A	N/A	N/A
Adjustments to non-cash items	**15.8**	**87.2**	**10.7**	**450.0%**	**(87.7%)**	**(17.8%)**
Operating cash flows before changes in net working capital	**(44.7)**	**(24.4)**	**(28.4)**	**(45.4%)**	**16.3%**	**20.3%**

Source: Revised financial statements for the fiscal years 2022G and 2023G, and audited financial statements for the fiscal year 2024G.

5-11 Important Events

Royal Decree No. 41355 was issued on 10 Ramadan 1433H, providing for the allocation of two plots of land in the cities of Riyadh and Jeddah, and transferring their ownership from the Ministry of Agriculture to the Company in exchange for increasing the Public Investment Fund's share in the Company's capital at market value after receiving the official valuation for the Riyadh land and the Jeddah land, which has not been received to date.

After the end of the year 2024G, the Company received an amount of 36.3 million Saudi Riyals from the State Properties General Authority as compensation for the land and the building constructed thereon in the city of Jeddah. The Company is currently in discussions with the State Properties General Authority to determine the distribution of this compensation between the land and the building, as the full compensation for the building constructed on the land is due to the Company. Additionally, the Riyadh land has not been valued by the State Properties General Authority and the accredited real estate offices as of the date of this Prospectus.

The government provides the current head office land and building for the Company in Riyadh without any rent. During the fiscal year ended 31 December 2024G, ownership of the Riyadh land was transferred to the Company; however, it was not recorded in the Company's books as of 31 December 2024G, as the Company is currently awaiting the completion of procedures to include the land value within the Company's capital as stipulated in the Royal Decree, following the completion of the necessary legal procedures from the competent authorities. As the Riyadh land has not been valued by the General Authority for State Real Estate and the accredited real estate offices as of the date of this Prospectus.

5-12 Subsequent Events

The following significant events occurred after the reporting period:

- **Compensation for Jeddah land and building**

  After the end of the year, the Company received an amount of 36.33 million Saudi Riyals from the State Properties General Authority as compensation for the land and the building constructed thereon in the city of Jeddah. The Company is communicating with the State Properties General Authority to determine the distribution of the compensation between the land and the building constructed thereon, as the full compensation for the building is due to the Company. Regarding the land compensation, the Company will allocate the compensation amount to its capital in favor of the State at the market value upon receiving the official valuation, which has not been received to date, in accordance with Royal Decree No. 41355 issued on 10 Ramadan 1433H.

- **Increasing capital through the issuance of preemptive rights shares**

  In February 2025G, the company announced that its Board of Directors had recommended a capital increase through the issuance of preemptive rights shares with a target amount of 334.93 million Saudi Riyals. The company appointed a financial advisor to manage the subscription to preemptive rights shares.

- **Capital reduction to offset accumulated losses**

  On 2 March 2025G, the Company reduced its capital from 400 million Saudi Riyals to 66.99 million Saudi Riyals (a decrease of 83.25349%), to extinguish its accumulated losses. This reduction was carried out based on the approval of the Extraordinary General Assembly. Based on the Company's results as of 26 January 2025G, the Company's accumulated losses have been extinguished by 100%.

- **Establishing a new subsidiary company**

  After the end of the fiscal year 2024G, the company announced the completion of the issuance of the bylaws and commercial registration for its subsidiary, "Al-Haridah National Aquaculture Company," which is a limited liability company (one person) wholly owned by the Saudi Fisheries Company with a capital of (100,000) Saudi Riyals.

6

Use of the Offering Proceeds and Future Projects

6- Use of the Offering Proceeds and Future Projects

6-1 Net Proceeds of the Offering

The total proceeds from the Preemptive Rights Shares offering are estimated at three hundred thirty-four million nine hundred thirty thousand two hundred (334,930,200) Saudi Riyals, out of which approximately fourteen million thirty-five thousand (14,035,000) Saudi Riyals will be paid to cover the offering costs, which include the fees of the financial advisor, lead manager, legal advisor, auditor, and underwriter, in addition to printing, marketing, distribution, advertising expenses, and other costs associated with the subscription.

The net proceeds of the offering will amount to three hundred twenty million eight hundred ninety-five thousand two hundred (320,895,200) Saudi Riyals, and the Company intends to use the net proceeds of the offering to implement its investment and operational plan aimed at supporting its transformation and growth strategy, by investing in a project to establish an integrated factory for dates and associated logistics services. In addition to settling some outstanding financial obligations such as suppliers and loans, as well as supporting working capital.

The company has prepared a feasibility study to assess the financial impact and future prospects of the targeted project, the feasibility of investing in it, and its impact on the company's financial position and profitability.

The Company will disclose to the public on the website of the Saudi Exchange (Tadawul) before the start of the trading session, in the event of a variance of (5%) or more between the actual uses of the offering proceeds versus what was disclosed in this Prospectus, immediately upon becoming aware thereof in accordance with paragraph (F) of Article (57) of the Rules on the Offer of Securities and Continuing Obligations, which stipulates that "the issuer must disclose to the public when there is a variance of (5%) or more between the actual use of the proceeds from the issuance of Preemptive Rights Shares or the issuance of shares with the suspension of the preemptive right versus what was disclosed in the relevant prospectus immediately upon becoming aware thereof.

6-2 Use of Net Offering Proceeds

The net proceeds of the offering will amount to three hundred twenty million eight hundred ninety-five thousand two hundred (320,895,200) Saudi Riyals, and the Company intends to use the net proceeds of the offering to implement its investment and operational plan aimed at supporting its transformation and growth strategy, by investing in a project to establish an integrated factory for dates and associated logistics services. In addition to settling some outstanding financial obligations such as suppliers and loans, as well as supporting working capital.

Table (104): Use of Proceeds from the Offering

Item (Saudi Riyals)	Amount	Percentage of total proceeds from the offering
Investment in the date trade and establishment of a factory specializing in date processing and related logistics services	250,000,000	74.6%
Payment of Accrued expenses	20,192,458	6.0%
Loans Settlement	3,903,346	1.2%
Creditor repayment	13,838,577	4.1%
Working capital financing	32,960,819	9.8%
Offering costs	14,035,000	4.2%
Total	**334,930,200**	**100.0%**

Source: The Company.

- **Investment in the Establishment of a Date Factory and Related Logistics Services**

The Company intends to invest an amount of two hundred fifty million (250,000,000) Saudi Riyals from the net offering proceeds in establishing an integrated factory specializing in the production and manufacturing of dates, in addition to dates trading and associated logistics services. The factory is expected to be developed in Al-Qassim region, which is considered one of the most important agricultural and productive regions in the Kingdom of Saudi Arabia, as part of the Company's transformation plan aimed at diversifying income sources, maximizing the return on shareholders' equity, and achieving long-term operational sustainability.

The project idea consists of building a modern and integrated factory for processing dates and providing high-quality, value-added manufacturing products, targeting both local and international markets. The factory will include advanced production lines to convert fresh dates into various value-added final products, such as: packaged dates in different sizes and containers, date syrup, date paste, date powder, stuffed and chocolate-coated dates, and date cookies, in compliance with the highest quality and food safety standards. The factory will contain units for sorting and cleaning, automated packaging and wrapping, manufacturing industry production lines, large-capacity cooling and freezing warehouses to ensure quality during storage, as well as supporting facilities such as administrative offices, labor housing, and other service rooms.

In addition, the Company will provide integrated logistics services including warehousing, transportation, and distribution, aiming to improve the efficiency of supply chains and reduce costs. These services will be available not only to meet the needs of the factory and the Company but also to serve third parties, which represents an additional source of income and support for the sustainability of the activity.

The Company also intends to practice direct commercial activity through marketing and selling the factory's products in local and international markets, including the sale of packaged dates, which enhances revenue diversification opportunities and increases market share.

The project execution period is expected to take approximately 18 months starting in the third quarter of 2026G, including the engineering design stages, then construction and installation, followed by pilot operation, with full commercial operation of the project expected to begin by the second half of 2027G.

The following table shows the project's timeline, key phases, and estimated costs according to the project's feasibility study:

Table (105): Project Timeline and Key Phases

Period	Q3 2026G	Q4 2026G	Q1 2027G	Q2 2027G	Q3 2027G	Q4 2027G
Establishment Phases	Project studies and consultations, land purchase, contracting with contractors and engineers, in addition to obtaining the required licenses and certificates.	Execute the factory's construction operations and order machinery and equipment.	Implementing the factory's construction operations.	Executing the factory's construction operations and leasing logistics warehouses.	Executing the factory's construction, purchasing furniture and equipment, and receiving machinery and equipment. Also, purchasing the necessary means of transport.	Appointing the required personnel, purchasing and inspecting operating supplies, conducting production cycle trials and tests, advertising, marketing and promoting the products, then starting the production process.
Estimated Cost (Saudi Riyals)	31,425,000	4,331,114	6,384,171	10,124,196	28,318,871	169,416,648

Source: The Company.

The following table shows the estimated costs to cover both the fixed and operating capital of the project:

Table (106): Estimated costs for the date processing factory and logistics services

Item (Saudi Riyals)	Amount	Percentage
Land	31,250,000	12.5%
Buildings and Construction	19,152,513	7.7%
Machinery and Equipment	23,106,257	9.2%
Transportation	5,719,583	2.3%
Furniture and Furnishings	3,911,826	1.6%
Software and Applications	550,000	0.2%
Cost of Operating Supplies (Dates)*	121,393,431	48.6%
Working Capital**	29,166,476	11.7%
Establishment Expenses	11,187,672	4.5%
Other Costs***	4,562,242	1.8%
Total Invested Capital	**250,000,000**	**100%**

Source: The Company.

*Cost of Operating Supplies (Dates) represents the amounts allocated for purchasing raw dates necessary for production operations, and these purchases are usually made in large quantities during the agricultural season to ensure the availability of required quantities throughout the year. This cost may include purchasing entire crops from specific farms or entering into seasonal supply agreements with local producers, in a manner that achieves supply stability and the quality of raw materials used in manufacturing.

**Working Capital represents the initial costs necessary to operate the factory during the early periods of activity, and this includes the costs of salaries and wages, utility bills, marketing and distribution costs, and other operating expenses that ensure the continuity of production until the project reaches the stage of stability and achieving self-generated cash flows.

***Reserve amounts estimated to meet any potential increases in material prices or execution costs, ensuring sufficient flexibility in execution and preventing project disruption in the event of market fluctuations or emergency circumstances beyond the Company's control.

- **Payment of Outstanding Expenses**

The company intends to allocate an amount of twenty million one hundred ninety-two thousand four hundred fifty-eight (20,192,458) Saudi Riyals from the net offering proceeds to settle accumulated accrued expenses, within the framework of its plan to rearrange its financial obligations and improve its operational efficiency. These accrued expenses include accrued rents, accrued remuneration for Board members, accrued Zakat, accrued bonuses, and other accrued expenses in addition to other accrued expenses. The following table illustrates the details of the accrued amounts that the Company intends to settle from the net offering proceeds:

Table (107): Payment of Accrued Expenses

Item (Saudi Riyals)	Amount	Percentage
Zakat due*	11,141,380	55.2%
Rent due for Al-Haridah Farm for the period from 06/02/2018G to 05/02/2025G	1,500,000	7.4%
Remuneration due to Board members for the period from October 2022G to May 2025G**	3,618,112	17.9%
Other accrued expenses***	3,932,966	19.5%
Total	**20,192,458**	**100%**

Source: The Company.

*The total amount of zakat assessments levied on the company by the Zakat, Tax and Customs Authority amounted to 16,541,405 Saudi Riyals, and these assessments resulted as follows:

Assessment Period	Amount (Saudi Riyals)
The period from 2011G to 2016G	8,803,439
The period from 2017G to 2018G	1,412,627
The period from 2021G to 2022G	2,735,487
2023G	3,589,319
2024G	533
Total	**16,541,405**

On August 6, 2025G, the company agreed to a payment plan of 417,801 Saudi Riyals per month until August 1, 2028G. As of January 8, 2026G, the outstanding balance of zakat payments amounted to 13,369,656 Saudi Riyals. The company rescheduled these payments with the Zakat, Tax and Customs Authority to be made quarterly, starting in February 2026G and continuing until November 2028G, in 12 installments of 1,114,138 Saudi Riyals each. The company intends to pay the quarterly installments due from July 2026G to August 2028G, in 10 installments, totaling 11,141,380 Saudi Riyals, from the proceeds of the offering, as soon as these proceeds are received.

**Represent accrued annual remuneration for Board members in the amount of 484,230 Saudi Riyals for the year 2022G, and an amount of 1,036,414 Saudi Riyals accrued for the year 2023G, and an amount of 1,504,384 Saudi Riyals accrued for the year 2024G, and an amount of 593,084 Saudi Riyals accrued for the year 2025G, as follows:

Board of Directors Members for 2022G				
Name	Position	Amount (Saudi Riyals)		
		Remuneration	Attendance Allowance	Total
Omar Hamad Al-Madi	Board Chairman	113,836	9,000	122,836
Abdulrahman Saud Al-Owais	Board Chairman	61,644	18,000	79,644
Bakr Abdulrahman Al-Muhanna	Board Member	100,000	24,000	124,000
Total		**275,480**	**51,000**	**326,480**

Executive Committee Members for 2022G				
Name	Position	Amount (Saudi Riyals)		
		Remuneration	Attendance Allowance	Total
Omar Hamad Al-Madi	Executive Committee Chairman	75,000	21,000	96,000
Abdulrahman Saud Al-Owais	Executive Committee Chairman	43,750	18,000	61,750
Total		**118,750**	**39,000**	**157,750**

Board of Directors Members for 2023G				
Name	Position	Amount (Saudi Riyals)		
		Remuneration	Attendance Allowance	Total
Abdulrahman Saud Al-Owais	Board Chairman	-	36,498	36,498
Abdulaziz Hamad Al-Owaid	Board Deputy Chairman	-	15,000	15,000
Bakr Abdulrahman Al-Muhanna	Board Member	-	18,000	18,000
Samir Mahmoud Haddad	Board Member	-	28,032.60	28,032.60
Mazen Abdulsattar Al-Alami	Board Member	-	32,075.80	32,075.80
Haitham Muhammad Al-Qusaibi	Board Member	-	22,500.00	22,500
Ahmad Rasheed AlBallaa	Board Member	-	20,506.10	20,506.10
Total		**-**	**172,612.50**	**172,612.50**

Executive Committee Members for 2023G				
Name	Position	Amount (Saudi Riyals)		
		Remuneration	Attendance Allowance	Total
Abdulrahman Saud Al-Owais	Executive Committee Chairman	100,000	15,000	115,000
Ahmad Rasheed AlBallaa	Executive Committee Member	13,859	6,000	19,859
Abdulaziz Hamad Al-Owaid	Executive Committee Member	61,141	9,000	70,141
Turki Hudaif Al-Otaibi	Executive Committee Member	13,859	12,200	26,059
Abdulmajed Al Alshikh	Executive Committee Member	75,000	-	75,000
Haitham Muhammad Al-Qusaibi	Executive Committee Member	61,141	9,000	70,141
Total		**325,000**	**51,200**	**376,200**

Remuneration and Nominations Committee Members for 2023G				
Name	Position	Amount (Saudi Riyals)		
		Remuneration	Attendance Allowance	Total
Abdulmajed Al Alshikh	Remuneration and Nominations Committee Chairman	100,000	-	100,000
Abdulaziz Hamad Al-Owaid	Remuneration and Nominations Committee Member	61,141	9,000	70,141
Mazen Abdulsattar Al-Alami	Remuneration and Nominations Committee Member	61,141	9,000	70,141
Ahmad Rasheed AlBallaa	Remuneration and Nominations Committee Member	13,859	3,000	16,859
Total		**236,141**	**21,000**	**257,141**

Audit Committee Members for 2023G				
Name	Position	Amount (Saudi Riyals)		
		Remuneration	Attendance Allowance	Total
Mansour Abdulaziz AlSaghayer	Audit Committee Chairman	81,522	-	81,522
Ali Ayed Al-Qahtani	Audit Committee Member	13,859	30,000	43,859
Samir Mahmoud Haddad	Audit Committee Member	61,141	43,938.50	105,079.50
Total		**156,522**	**73,938.50**	**230,460.50**

Board of Directors Members for 2024G				
Name	Position	Amount (Saudi Riyals)		
		Remuneration	Attendance Allowance	Total
Abdulrahman Saud Al-Owais	Board Chairman	108,219.17	48,000	156,219.17
Abdulaziz Abdullah Alhumaid	Board Chairman	48,904.11	14,000	62,904.11
Mansour Abdulaziz AlSaghayer	Board Deputy Chairman	100,000	-	100,000
Ahmad Rasheed AlBallaa	Board Member	67,397.26	39,000	106,397.26
Khaled Abdelqader Al-Kaf	Board Member	44,109.59	-	44,109.59
Saeed Abdullah Al-Mu'aythir	Board Member	100,000	-	100,000
Abdulelah Mohammed Alwabel	Board Member	100,000	-	100,000
Abdulmajed Abdulmohsen Al Alshikh	Board Member	100,000	-	100,000
Total		**668,630.13**	**101,000**	**769,630.13**

Executive Committee Members for 2024G				
Name	Position	Amount (Saudi Riyals)		
		Remuneration	Attendance Allowance	Total
Abdulrahman Saud Al-Owais	Executive Committee Chairman	70,684.93	42,000	112,684.93
Ahmad Rasheed AlBallaa	Executive Committee Member	50,547.94	42,000	92,547.94
Abdulmajed Abdulmohsen Al Alshikh	Executive Committee Member	53,013.70	-	53,013.70
Turki Hudaif Al-Otaibi	Executive Committee Member	53,013.70	42,000	95,013.70
Total		**227,260.27**	**126,000**	**353,260.27**

Remuneration and Nominations Committee Members for 2024G				
Name	Position	Amount (Saudi Riyals)		
		Remuneration	Attendance Allowance	Total
Abdulmajed Abdulmohsen Al Alshikh	Remuneration and Nominations Committee Chairman	100,000	-	100,000
Ahmad Rasheed AlBallaa	Remuneration and Nominations Committee Member	50,547.95	18,000	68,547.95
Mansour Abdulaziz AlSaghayer	Remuneration and Nominations Committee Member	23,013.70	-	23,013.70
Abdulelah Mohammed Alwabel	Remuneration and Nominations Committee Member	17,260.27	-	17,260.27
Total		**190,821.9**	**18,000**	**208,821.92**

Audit Committee Members for 2024G				
Name	Position	Amount (Saudi Riyals)		
		Remuneration	Attendance Allowance	Total
Rasheed Sulaiman Alrasheed	Audit Committee Chairman	30,684.93	9,000	39,684.93
Ali Ayed Al-Qahtani	Audit Committee Member	47,260.27	36,000	83,260.27
Abdulelah Mohammed Alwabel	Audit Committee Member	27,739.73	-	27,739.73
Mansour Abdulaziz AlSaghayer	Audit Committee Member	21,986.30	-	21,986.30
Total		**127,671.23**	**45,000**	**172,671.23**

Board of Directors Members for 2025G				
Name	Position	Amount (Saudi Riyals)		
		Remuneration	Attendance Allowance	Total
Abdulaziz Abdullah Alhumaid	Board Chairman	62,500	6,000	68,500
Mansour Abdulaziz AlSaghayer	Board Deputy Chairman	41,666.65	6,000	47,666.65
Abdulmajed Abdulmohsen Al Alshikh	Board Member	41,666.65	6,000	47,666.65
Saeed Abdullah Al-Mu'aythir	Board Member	33,333.32	6,000	39,333.32
Abdulelah Mohammed Alwabel	Board Member	41,666.65	6,000	47,666.65
Total		**220,833.27**	**30,000**	**250,833.27**

Investment Committee Members for 2025G				
Name	Position	Amount (Saudi Riyals)		
		Remuneration	Attendance Allowance	Total
Abdulaziz Abdullah Alhumaid	Investment Committee Chairman	41,666.67	3,000	44,666.67
Saeed Abdullah Al-Mu'aythir	Investment Committee Member	25,000	3,000	28,000
Abdulmajed Abdulmohsen Al Alshikh	Investment Committee Member	31,250	3,000	34,250
Total		**97,916.67**	**9,000**	**106,916.67**

Remuneration and Nominations Committee Members for 2025G				
Name	Position	Amount (Saudi Riyals)		
		Remuneration	Attendance Allowance	Total
Abdulmajed Abdulmohsen Al Alshikh	Remuneration and Nominations Committee Chairman	41,666.67	3,000	44,666.67
Mansour Abdulaziz AlSaghayer	Remuneration and Nominations Committee Member	31,250	3,000	34,250
Abdulelah Mohammed Alwabel	Remuneration and Nominations Committee Member	31,250	3,000	34,250
Total		**104,166.67**	**9,000**	**113,166.67**

Audit Committee Members for 2025G				
Name	Position	Amount (Saudi Riyals)		
		Remuneration	Attendance Allowance	Total
Rasheed Sulaiman Alrasheed	Audit Committee Chairman	41,666.67	6,000	47,666.67
Abdulelah Mohammed Alwabel	Audit Committee Member	31,250	6,000	37,250
Mansour Abdulaziz AlSaghayer	Audit Committee Member	31,250	6,000	37,250
Total		**104,166.67**	**18,000**	**122,166.67**

It is worth noting that the Company obtained the approval of the Ordinary General Assembly of the Company's shareholders to pay the board members' remuneration for the fiscal year ended 31 December 2022G on 20 June 2023G. It also obtained the approval of the Ordinary General Assembly of the Company's shareholders to pay the board members' remuneration for the fiscal year ended 31 December 2023G on 30 June 2024G, while the Company obtained the approval of the Ordinary General Assembly of the Company's shareholders to pay the board members' remuneration for the fiscal year ended 31 December 2024G on 25 June 2025G.

The Company also pays remuneration for the committees emerging from the Board of Directors and attendance allowance as approved by the board members in accordance with the remuneration policy for the members of the Board of Directors, the committees emerging from the Board, and the Executive Management, issued on 30 May 2021G and approved by the General Assembly of shareholders on 30 May 2021G.

***Other accrued expenses include consultancy fees, outstanding rent, and certain other expenses as follows:

Table (108): Other accrued expenses

Statement	Amount (Saudi Riyals)	Due Date	Purpose
Consulting fees for Strategy& Company	2,583,002	September 2024G	Strategic consulting and corporate transformation plan
Consulting fees for Baker McKenzie Company	461,844	October 2024G	Legal consultation fees
Outstanding rent	528,120	July 2022G	Rent due for the company's warehouse in Dammam for the period from July 2021G to July 2025G, in addition to rent for workers' accommodation in Dammam for the period from August 2023G to August 2024G.
anb capital Company fees	360,000	October 2024G	Financial advisor fees for the capital reduction process
Total	**3,932,966**		

The settlement of these obligations comes within the company's direction to alleviate the financial pressures resulting from accumulated obligations, which contributes to improving its financial position and increasing its ability to expand and implement its investment and operational plans more efficiently, in addition to enhancing its credibility with suppliers and governmental and financial bodies, and creating a more stable financial environment in the medium and long term.

- **Loans Repayment**

The company intends to allocate an amount of Three million, nine hundred and three thousand, three hundred and forty-six (3,903,346) Saudi Riyals from the net proceeds of the offering to repay existing loans, as part of its efforts to improve its financial position, reduce financing burdens, and enhance operational efficiency in the long term.

The Company has a long-term interest-free loan in the amount of 10,010,885 Saudi Riyals from the Saudi Agricultural Development Fund. The Company obtained it during the year 2009G, and the Company paid an amount of 500,000 Saudi Riyals annually during the period from 2017G to 2019G, then paid an amount of 1,418,480 Saudi Riyals annually from 2020G to 2022G, then an amount of 425,500 Saudi Riyals was paid in 2025G. Thus, the total amount paid to date reaches a value of 6,180,940 Saudi Riyals.

The total amount due from the loan is three million nine hundred three thousand three hundred forty-six (3,903,346) Saudi Riyals including rescheduling fees.

The following table details the loan amounts that the company intends to repay:

Table (109): Loans Repayment

Item (Saudi Riyals)	Amount
Agricultural Development Fund	3,903,346
Total	**3,903,346**

Source: The Company.

The payment of this loan aims to reduce leverage levels, which grants the Company greater financial flexibility enabling it to redirect its resources towards operational investment projects with high returns. This also contributes to improving the Company's credit profile and enhancing its future ability to access more favorable financing sources in terms of conditions and cost.

- **Creditors Repayment**

The Company intends to allocate an amount of thirteen million eight hundred thirty-eight thousand five hundred seventy-seven (13,838,577) Saudi Riyals from the net offering proceeds to settle outstanding obligations due to its suppliers.

These obligations consist of payables incurred by the Company as a result of the supply of raw materials or the provision of operational and technical services associated with the Company's main activity, such as the supply of fodder and equipment, in addition to consulting service providers such as legal auditors and other accounts payable due, and the number of accounts payable due reaches 118 accounts, and their payment represents an important step towards alleviating short-term pressures on the financial position and improving liquidity ratios.

This approach contributes to strengthening the Company's negotiating position with its current and potential suppliers, in addition to supporting the stability of the supply chain and the continuity of operational processes without interruption, which will reflect positively on the Company's operational and financial performance in the short and medium term.

- **Working Capital Financing**

In light of the transformation plan adopted by the Company to diversify its revenue sources, enhance its operational capabilities, and enter into new strategic projects, the Company has allocated an amount of thirty-two million, nine hundred and sixty thousand, eight hundred and nineteen (32,960,819) Saudi Riyals from the net offering proceeds to finance working capital, and the Company expects it to be spent over eighteen (18) months, starting from the third quarter of 2026G.

This step comes in response to the Company's need to provide the operational liquidity necessary to cover a group of vital expenses, which includes enhancing the administrative and organizational structure by appointing qualified administrative and technical personnel to fill vacant positions in the first tier of the Executive Management, particularly in key sectors such as sales and operations.

Improving the efficiency of the technical infrastructure, including expenses on administrative and accounting systems software and automation systems related to the workflow. This includes:

- Covering employees' salaries for a period of eighteen (18) months, to ensure the stability of the workforce until the full resumption of operational processes.
- Payment of periodic maintenance costs for farms during the transitional period until they are operational again.
- Payment of consulting fees and professional charges to external auditors.
- Funding for operating expenses related to general management activities and administrative tasks, including a comprehensive insurance policy against all risks.

Through this allocation, the company seeks to create an integrated operating environment capable of supporting future growth plans, enhancing financial and operational stability, contributing to improved efficiency and productivity, and increasing the ability to keep pace with regulatory and supervisory requirements.

6-3 Timetable for Using Offering Proceeds

Table (110): Timetable for Using Offering Proceeds

Spending Item (Saudi Riyals)	2026G		2027G				Total
	Q3	Q4	Q1	Q2	Q3	Q4	
Investment in the date trade and establishment of a factory specializing in date processing and related logistics services	31,425,000	4,331,114	6,384,171	10,124,196	28,318,871	169,416,648	250,000,000
Payment of Accrued expenses	20,192,458						20,192,458
Loans Settlement		3,903,346					3,903,346
Creditor repayment	13,838,577						13,838,577
Working capital financing	5,493,470	5,493,470	5,493,470	5,493,470	5,493,470	5,493,469	32,960,819
Offering costs	14,035,000						14,035,000
Total	**84,984,505**	**13,727,930**	**11,877,641**	**15,617,666**	**33,812,341**	**174,910,117**	**334,930,200**

Source: The Company.

It should be noted that the timetable is approximate and the above items will be funded from the proceeds of the offering.

7

Expert Statements

7- Expert Statements

Written approval has been obtained from each of the financial advisor, legal advisor, underwriter, and lead manager of the Company whose names appear on **pages (f, g)** to include their names, logos, and statements in the form contained in this Prospectus. Written approval has also been obtained from the Company's auditors to include their names and logos, and their statement in the form contained in this Prospectus. Such approvals have not been withdrawn as of the date of this Prospectus, and none of the aforementioned persons or any of their relatives have any shares or any interest in the Company or its subsidiaries of any kind whatsoever.

8

Board Members' Declarations

8- Board Members' Declarations

The members of the Board of Directors, as of the date of this Prospectus, acknowledge the following:

1. Except as disclosed on **page (59) (Section (3) "Background of the Company and the Nature of its Business" sub-paragraph "3.9")** of this Prospectus, there has been no interruption in the business of the Issuer or any of its subsidiaries that could or may have had a significant impact on the financial position during the last (12) months.
2. No commissions, discounts, brokerage fees, or any non-cash compensation were granted by the issuer or any of its subsidiaries during the three years immediately preceding the filing of the registration and offering of securities in connection with the issuance or offering of any securities.
3. Except as disclosed on **page (85) (Section (5) "Financial Information and Management's Discussion and Analysis" subsection (5.8) "Statement of Profit or Loss and Other Comprehensive Income"**, and **page (9) subsection (2.1.1) "Risks related to business continuity" of Section (2) "Risk Factors"),** of this Prospectus, there has been no material adverse change in the financial and trading position of the Issuer or any of its subsidiaries during the three years immediately preceding the date of filing the application for registration and offering of securities subject to this Prospectus, in addition to the period covered by the auditor's report until the approval of the Prospectus.
4. Except as disclosed **on page (62), sub-paragraph (4.2) "Board of Directors and Secretary" of section (4) "The Company's Organizational Structure"** of this prospectus, the members of the Board of Directors or any of their relatives do not have any shares or interest of any kind in the source or in any of its subsidiaries.
5. The company did not hold treasury shares, and the company's extraordinary general assembly did not approve the purchase of the company's shares.
6. No approvals or non-obligations are required from any other governmental or non-governmental entities or lenders regarding the request to increase capital by issuing preemptive rights shares.

9

Legal Information

9- Legal Information

9-1 About the Company

9-1-1 Company Name

- The company was established under the trade name "Saudi Fisheries Company". This is the company's current commercial name and no changes have been made to it as of the date of this Prospectus.

9-1-2 Company Establishment and Stages of Capital Development

- Saudi Fisheries Company was established as a public joint stock company in the Kingdom of Saudi Arabia pursuant to Council of Ministers Resolution No. (545) dated 10/09/1398H (corresponding to 15/08/1978G), the Articles of Association notarized at the Ministry of Justice under No. (284) on the (fourteenth) volume, pages (11, 12, and 13) dated 30/01/1400H (corresponding to 20/12/1979G), and based on Royal Decree No. (M/7) dated 08/05/1400H (corresponding to 25/03/1980G). The Company was registered in the Commercial Register in Dammam under Commercial Registration Certificate No. (2050010531) dated 09/05/1401H (corresponding to 16/03/1981G). The Company's capital upon establishment amounted to one hundred million (100,000,000) Saudi Riyals divided into one million (1,000,000) shares of equal value, the value of each being one hundred (100) Saudi Riyals. The founding shareholders subscribed to a total of seven hundred and four thousand (704,000) shares with a value of seventy million four hundred thousand (70,400,000) Saudi Riyals representing (70.4%) of the Company's shares, where the Government of the Kingdom of Saudi Arabia subscribed to four hundred thousand (400,000) shares representing (40%) of the Company's shares, and His Royal Highness Prince Mutaib bin Abdulaziz (may Allah have mercy on him) subscribed to two hundred and fifty thousand (250,000) shares, representing (25%) of the Company's shares, in exchange for waiving the remaining term of his concession granted to him under Royal Decree No. (23/2/1/543) dated 01/05/1371H (corresponding to 28/01/1952G). The remaining nine (9) founders subscribed to a total of fifty-four thousand (54,000) shares at a rate of six thousand (6,000) shares per shareholder. The remaining shares were offered for public subscription, totaling two hundred and ninety-six thousand (296,000) shares with a value of twenty-nine million six hundred thousand (29,600,000) Saudi Riyals, representing (29.6%) of the Company's capital.
- On 26/01/1422H (corresponding to 20/04/2001G), the Company's shares were listed and offered for public subscription on the Saudi Exchange.
- On 12/11/1426H (corresponding to 14/12/2005G), the Extraordinary General Assembly of shareholders approved the increase of the Company's capital from one hundred million (100,000,000) Saudi Riyals to two hundred million (200,000,000) Saudi Riyals, and the increase of the number of shares from two million (2,000,000) to four million (4,000,000) shares with a par value of fifty (50) Saudi Riyals per share through the issuance of Preemptive Rights Shares.
- On 16/10/1432H (corresponding to 14/09/2011G), the (Extraordinary) General Assembly of shareholders approved the increase of the Company's capital from two hundred million (200,000,000) Saudi Riyals to five hundred and thirty-five million three hundred and seventy-five thousand (535,375,000) Saudi Riyals, and consequently increasing the Company's shares from twenty million (20,000,000) shares to fifty-three million five hundred and thirty-seven thousand five hundred (53,537,500) shares, through the issuance of Preemptive Rights Shares with a value of three hundred and thirty-five million three hundred and seventy-five thousand (335,375,000) Saudi Riyals. The number of shares offered for subscription amounted to thirty-three million five hundred and thirty-seven thousand five hundred (33,537,500) shares with a par value of ten (10) Saudi Riyals per share.

- On 22/07/1438H (corresponding to 19/04/2017G), the (Extraordinary) General Assembly of shareholders approved the Board's recommendation to reduce the capital from five hundred and thirty-five million three hundred and seventy-five thousand (535,375,000) Saudi Riyals to two hundred million (200,000,000) Saudi Riyals, and to reduce the number of the Company's shares from fifty-three million five hundred and thirty-seven thousand five hundred (53,537,500) shares to twenty million (20,000,000) shares by canceling thirty-three million five hundred and thirty-seven thousand five hundred (33,537,500) shares, with a reduction rate of (62.64%) and at a reduction rate of six (6) shares for every ten (10) shares. The main reason for the recommendation to reduce the capital is the restructuring of the capital to extinguish the Company's accumulated losses.
- On 19/04/1440H (corresponding to 26/12/2018G), the Extraordinary General Assembly of shareholders approved the amendment of Article (5) of the Bylaws regarding the Head Office, whereby the Head Office was moved from Dammam to Riyadh, and an amended Commercial Registration Certificate was issued under No. (1010042732), retaining the same issuance date of the registration certificate for the Riyadh branch dated 22/03/1402H (corresponding to 17/01/1982G). It also approved the Board of Directors' recommendation to reduce the capital from two hundred million (200,000,000) Saudi Riyals to one hundred and one million one hundred thousand (101,100,000) Saudi Riyals, and consequently reducing the Company's shares from twenty million (20,000,000) shares to ten million one hundred and ten thousand (10,110,000) shares. The main reason for the recommendation to reduce the capital is the restructuring of the capital to extinguish the Company's accumulated losses and the amendment of Article Seven (7) regarding the Company's capital accordingly. The General Assembly also approved the amendment of the following articles: Article (30) regarding the calling of Assemblies, Article (42) regarding the Audit Committee reports, Article (47) regarding financial documents, Article (48) regarding the distribution of dividends, and Article (52) regarding the liability claim.
- On 21/09/1441H (corresponding to 14/05/2020G), the Extraordinary General Assembly of shareholders approved the Board's recommendation to increase the Company's capital from one hundred and one million one hundred thousand (101,100,000) Saudi Riyals to four hundred million (400,000,000) Saudi Riyals, and consequently increasing the Company's shares from ten million one hundred and ten thousand (10,110,000) shares to forty million (40,000,000) shares, through the issuance of Preemptive Rights Shares with a value of two hundred and ninety-eight million nine hundred thousand (298,900,000) Saudi Riyals. The number of shares offered for subscription amounted to twenty-nine million eight hundred and ninety thousand (29,890,000) shares with a par value of ten (10) Saudi Riyals per share.
- On 18/10/1442H (corresponding to 30/05/2021G), the Extraordinary General Assembly of Shareholders of the Saudi Fisheries Company approved amendments to several articles of the company's Bylaws. These amendments included: Article (1) of the Bylaws, related to the company's establishment; Article (3) of the Bylaws, related to the company's objectives; Article (4) of the Bylaws, related to participation and ownership in other companies; Article (5) of the Bylaws, related to the company's headquarters; Article (6) of the Bylaws, related to the company's duration; Article (7) of the Bylaws, related to the company's capital; deletion of Article (8) of the Bylaws, related to share subscription; amendment of Article (12) of the Bylaws, related to share trading; deletion of Article (13) of the Bylaws, related to the shareholders' register; and approval of the addition of Article (13) to the Bylaws, related to the company's purchase, sale, and pledging of its own shares. Article (14) of the Bylaws was also amended. The following amendments were made to the company's Bylaws related to capital increases: Article (16) related to company management; Article (17) related to termination of board membership; Article (18) related to vacancies on the board; Article (19) related to the board's powers; Article (20) related to board member remuneration; Article (21) related to the powers of the chairman, deputy chairman, managing director, and secretary; Article (22) related to board meetings; Article (23) related to quorum for board meetings; Article (24) related to board deliberations; Article (25) related to attendance at general assemblies; Article (26) related to the founding assembly; and Article (27) related to the assembly's powers. The following amendments were made to the company's Bylaws: Article (28) related to the powers of the Ordinary General Assembly; Article (30) related to the convening of general assemblies; Article (32) related to the quorum for an Ordinary General Assembly meeting; Article (33) related to the quorum for an Extraordinary General Assembly meeting; Article (34) related to approval at general assemblies; Article (35) related to the resolution of general assemblies; Article (36) related to discussion at general assemblies; Article (37) related to the chairmanship of general assemblies and the preparation of minutes; Article (38) related to the board committees; Article (39) related to the formation of the audit committee; Article (40) related to the quorum for committee meetings; Article (43) related to the appointment of the auditor; and Article (46) related to the fiscal year. (47) of the company's Bylaws relating to financial documents, amending Article (48) of the company's Bylaws relating to profit distribution, amending Article (49) of the company's Bylaws related to entitlement to profit distribution, amending Article (54) of the company's Bylaws relating to final provisions.

- On 07/04/1445H (corresponding to 22/10/2023G), the Extraordinary General Assembly of Saudi Fisheries Company's shareholders approved the amendment of some of the Company's Bylaws articles in accordance with the new Companies Law, where Article (3) of the Company's Bylaws relating to the Company's objectives and Article (15) of the Company's Bylaws relating to the Board of Directors were amended pursuant to the electronic Bylaws (Request No. (577046) – Version No. 1).
- On 26/07/1446H (corresponding to 26/01/2025G), the (Extraordinary) General Assembly of shareholders approved the Board of Directors' recommendation to reduce the Company's capital from four hundred million (400,000,000) Saudi Riyals to sixty-six million nine hundred and eighty-six thousand and forty (66,986,040) Saudi Riyals, and to reduce the number of the Company's shares from forty million (40,000,000) shares to six million six hundred and ninety-eight thousand six hundred and four (6,698,604) shares by canceling thirty-three million three hundred and one thousand three hundred and ninety-six (33,301,396) shares, with a reduction rate of (83.25%). The main reason for the recommendation to reduce the capital is the restructuring of the capital to extinguish the Company's accumulated losses. The Extraordinary General Assembly also approved the amendment of some of the Company's Bylaws articles, where Article (7) of the Company's Bylaws relating to capital, Article (3) of the Company's Bylaws relating to the Company's objectives, and Article (13) of the Company's Bylaws relating to the Board of Directors were amended.

9-1-3 Capital

- Article (7) of the Bylaws set the capital of the company at sixty-six million nine hundred and eighty-six thousand and forty (66,986,040) Saudi Riyals divided into six million six hundred and ninety-eight thousand six hundred and four (6,698,604) ordinary nominal shares of equal value, the value of each of which is ten (10) Saudi Riyals fully paid up and all of them ordinary cash shares.

9-1-4 Substantial Shareholders

- As of the date of this Prospectus, the company has one substantial shareholder who owns (5%) or more of the company's shares and is classified as a substantial shareholder, namely (Abdulaziz Abdullah Mohammed Alhumaid), who owns (684,651) shares, representing approximately (10.221%) of the company's shares.

9-1-5 Headquarters

- According to Article (3) of the Bylaws, the company's headquarters is located in Riyadh, Riyadh, and it may establish branches inside or outside the Kingdom by a decision of the Board of Directors.
- According to the commercial register data, the company's current headquarters is located in Riyadh – Al Malaz District, Building No. 8705, Riyadh 12641. Tel: +966 11 416 7800.
- As of the date of this Prospectus, the company, in addition to its headquarters, has two (2) branches within the Kingdom of Saudi Arabia.

9-1-6 Company Duration

- Article (5) of the Bylaws stipulates that the duration of the company shall be (indefinite) starting from the date of its registration in the Commercial Register.

9-1-7 Company Objectives

- According to Article (4) of the Bylaws, the company's objectives are defined as follows:

Table (111): Bylaws

Chapter	Category
Agriculture, forestry and fishing	Poultry farming
Agriculture, forestry and fishing	Crop production support activities
Agriculture, forestry and fishing	Livestock production support activities
Agriculture, forestry and fishing	Marine fishing
Agriculture, forestry and fishing	Freshwater fishing
Agriculture, forestry and fishing	Marine aquaculture
Agriculture, forestry and fishing	Freshwater aquaculture
Manufacturing	Meat processing and preservation
Manufacturing	Fish, crustacean, and mollusks processing and preservation
Manufacturing	Fruit and vegetable processing and preservation
Manufacturing	Production of vegetable and animal oils and fats
Manufacturing	Manufacturing lifting and handling equipment
Manufacturing	Agricultural machinery industries, forestry machinery
Manufacturing	Shipbuilding and floating structures
Manufacturing	Furniture making
Manufacturing	Repair of transport equipment, excluding motor vehicles
Wholesale and retail trade and repair of motor vehicles and motorcycles	Wholesale trade of agricultural raw materials and live animals
Wholesale and retail trade and repair of motor vehicles and motorcycles	Wholesale of food, beverages and tobacco
Wholesale and retail trade and repair of motor vehicles and motorcycles	Other new merchandise is sold at retail in specialist stores.
Transportation and storage	Land transport of goods
Transportation and storage	Storage
Transportation and storage	Land transport-related service activities
Accommodation and food services activities	Restaurant activities and mobile food services
Real estate activities	Real estate activities in owned or leased properties

The company conducts its activities in accordance with applicable regulations and after obtaining the necessary licenses from the relevant authorities, if any. **(For further details regarding Material Licenses, Certificates, and Approvals, please refer to paragraph (9.5) of this section).**

9-1-8 Bylaws

- The current version of the Company's Bylaws was issued based on the resolution of the Ordinary General Assembly held on 09/06/1447H (corresponding to 30/11/2025G) and has been approved by the Ministry of Commerce (Saudi Business Center) under request No. (1070431). The Company is committed to publishing an updated version of its Bylaws on the Tadawul website on its dedicated page.
- Since the Company's establishment in 1978G until the date of this Prospectus, several amendments have been made to the Company's Bylaws as follows:
  - On 12/11/1426H (corresponding to 14/12/2005G), the (Extraordinary) General Assembly of shareholders approved the increase of the Company's capital from one hundred million (100,000,000) Saudi Riyals to two hundred million (200,000,000) Saudi Riyals, and the increase of the number of shares from two million (2,000,000) to four million (4,000,000) shares with a par value of fifty (50) Saudi Riyals per share through the issuance of Preemptive Rights Shares.
  - On 16/10/1432H (corresponding to 14/09/2011G), the (Extraordinary) General Assembly of shareholders approved the increase of the Company's capital from two hundred million (200,000,000) Saudi Riyals to five hundred and thirty-five million three hundred and seventy-five thousand (535,375,000) Saudi Riyals, and consequently increasing the Company's shares from twenty million (20,000,000) shares to fifty-three million five hundred and thirty-seven thousand five hundred (53,537,500) shares, through the issuance of Preemptive Rights Shares with a value of three hundred and thirty-five million three hundred and seventy-five thousand (335,375,000) Saudi Riyals. The number of shares offered for subscription amounted to thirty-three million five hundred and thirty-seven thousand five hundred (33,537,500) shares with a par value of ten (10) Saudi Riyals per share.
  - On 22/07/1438H (corresponding to 19/04/2017G), the (Extraordinary) General Assembly of shareholders approved the Board's recommendation to reduce the capital from five hundred and thirty-five million three hundred and seventy-five thousand (535,375,000) Saudi Riyals to two hundred million (200,000,000) Saudi Riyals, and to reduce the number of the Company's shares from fifty-three million five hundred and thirty-seven thousand five hundred (53,537,500) shares to twenty million (20,000,000) shares by canceling thirty-three million five hundred and thirty-seven thousand five hundred (33,537,500) shares, with a reduction rate of (62.64%) and at a reduction rate of six (6) shares for every ten (10) shares. The main reason for the recommendation to reduce the capital is the restructuring of the capital to extinguish the Company's accumulated losses.
  - On 19/04/1440H (corresponding to 26/12/2018G), the Extraordinary General Assembly of shareholders approved the amendment of Article (5) of the Bylaws regarding the Head Office, whereby the Head Office was moved from Dammam to Riyadh, and an amended Commercial Registration Certificate was issued under No. (1010042732), retaining the same issuance date of the registration certificate for the Riyadh branch dated 22/03/1402H (corresponding to 17/01/1982G). It also approved the Board of Directors' recommendation to reduce the capital from two hundred million (200,000,000) Saudi Riyals to one hundred and one million one hundred thousand (101,100,000) Saudi Riyals, and consequently reducing the Company's shares from twenty million (20,000,000) shares to ten million one hundred and ten thousand (10,110,000) shares. The main reason for the recommendation to reduce the capital is the restructuring of the capital to extinguish the Company's accumulated losses and the amendment of Article Seven (7) regarding the Company's capital accordingly. The General Assembly also approved the amendment of the following articles: Article (30) regarding the calling of Assemblies, Article (42) regarding the Audit Committee reports, Article (47) regarding financial documents, Article (48) regarding the distribution of dividends, and Article (52) regarding the liability claim.
  - On 21/09/1441H (corresponding to 14/05/2020G), the Extraordinary General Assembly of shareholders approved the Board's recommendation to increase the Company's capital from one hundred and one million one hundred thousand (101,100,000) Saudi Riyals to four hundred million (400,000,000) Saudi Riyals, and consequently increasing the Company's shares from ten million one hundred and ten thousand (10,110,000) shares to forty million (40,000,000) shares, through the issuance of Preemptive Rights Shares with a value of two hundred and ninety-eight million nine hundred thousand (298,900,000) Saudi Riyals. The number of shares offered for subscription amounted to twenty-nine million eight hundred and ninety thousand (29,890,000) shares with a par value of ten (10) Saudi Riyals per share.

- On 18/10/1442H (corresponding to 30/05/2021G), the Extraordinary General Assembly of Shareholders of the Saudi Fisheries Company approved amendments to several articles of the company's Bylaws. These amendments included: Article (1) of the Bylaws, related to the company's establishment; Article (3) of the Bylaws, related to the company's objectives; Article (4) of the Bylaws, related to participation and ownership in other companies; Article (5) of the Bylaws, related to the company's headquarters; Article (6) of the Bylaws, related to the company's duration; Article (7) of the Bylaws, related to the company's capital; deletion of Article (8) of the Bylaws, related to share subscription; amendment of Article (12) of the Bylaws, related to share trading; deletion of Article (13) of the Bylaws, related to the shareholders' register; and approval of the addition of Article (13) to the Bylaws, related to the company's purchase, sale, and pledging of its own shares. Article (14) of the Bylaws was also amended. The following amendments were made to the company's Bylaws related to capital increases: Article (16) related to company management; Article (17) related to termination of board membership; Article (18) related to vacancies on the board; Article (19) related to the board's powers; Article (20) related to board member remuneration; Article (21) related to the powers of the chairman, deputy chairman, managing director, and secretary; Article (22) related to board meetings; Article (23) related to quorum for board meetings; Article (24) related to board deliberations; Article (25) related to attendance at general assemblies; Article (26) related to the founding assembly; and Article (27) related to the assembly's powers. The following amendments were made to the company's Bylaws: Article (28) related to the powers of the Ordinary General Assembly; Article (30) related to the convening of general assemblies; Article (32) related to the quorum for an Ordinary General Assembly meeting; Article (33) related to the quorum for an Extraordinary General Assembly meeting; Article (34) related to approval at general assemblies; Article (35) related to the resolution of general assemblies; Article (36) related to discussion at general assemblies; Article (37) related to the chairmanship of general assemblies and the preparation of minutes; Article (38) related to the board committees; Article (39) related to the formation of the audit committee; Article (40) related to the quorum for committee meetings; Article (43) related to the appointment of the auditor; and Article (46) related to the fiscal year. (47) of the company's Bylaws relating to financial documents, amending Article (48) of the company's Bylaws relating to profit distribution, amending Article (49) of the company's Bylaws related to entitlement to profit distribution, amending Article (54) of the company's Bylaws relating to final provisions.
- On 07/04/1445H (corresponding to 22/10/2023G), the Extraordinary General Assembly of Saudi Fisheries Company's shareholders approved the amendment of some of the Company's Bylaws articles in accordance with the new Companies Law, where Article (3) of the Company's Bylaws relating to the Company's objectives and Article (15) of the Company's Bylaws relating to the Board of Directors were amended pursuant to the electronic Bylaws (Request No. (577046) – Version No. 1).
- On 26/07/1446H (corresponding to 26/01/2025G), the (Extraordinary) General Assembly of shareholders approved the Board of Directors' recommendation to reduce the Company's capital from four hundred million (400,000,000) Saudi Riyals to sixty-six million nine hundred and eighty-six thousand and forty (66,986,040) Saudi Riyals, and to reduce the number of the Company's shares from forty million (40,000,000) shares to six million six hundred and ninety-eight thousand six hundred and four (6,698,604) shares by canceling thirty-three million three hundred and one thousand three hundred and ninety-six (33,301,396) shares, with a reduction rate of (83.25%). The main reason for the recommendation to reduce the capital is the restructuring of the capital to extinguish the Company's accumulated losses. The Extraordinary General Assembly also approved the amendment of some of the Company's Bylaws articles, where Article (7) of the Company's Bylaws relating to capital, Article (3) of the Company's Bylaws relating to the Company's objectives, and Article (13) of the Company's Bylaws relating to the Board of Directors were amended.
- On 09/06/1447H (corresponding to 30/11/2025G), the Ordinary General Assembly of Saudi Fisheries Company's shareholders approved the amendment of one of the Company's Bylaws articles, where Article (14) of the Company's Bylaws relating to the Board of Directors was amended pursuant to the electronic contract (Request No. (1070431) – Version No. 5).
- The Company is committed to the requirements of the Capital Market Authority and the Saudi Exchange (Tadawul) regarding uploading a copy of the Bylaws on Tadawul website on the Company's dedicated page. The latest amended version of the Company's Bylaws has been approved by the Ministry of Commerce under request No. (634605), electronic version No. (3), based on the resolution of the (Extraordinary) General Assembly held on 26/07/1446H (corresponding to 26/01/2025G).

9-2 Board of Directors, Committees and Executive Management

9-2-1 Board of Directors Formation

- According to Article Fourteen (14) of the (current) Bylaws, the company shall be managed by a Board of Directors consisting of five (5) members, provided that they are natural persons elected by the Ordinary General Assembly of Shareholders for a term not exceeding three (3) years.
- On 07/04/1445H (corresponding to 22/10/2023G), the (Extraordinary) General Assembly of shareholders voted to amend Article No. (15) of the Bylaws, whereby the number of Board of Directors members was reduced from nine (9) members to seven (7) members. Furthermore, the members of the Board of Directors were elected for its current term, which begins on 10/04/1445H (corresponding to 25/10/2023G) for a period of three years and ends on 13/05/1448H (corresponding to 24/10/2026G). The following members were elected:

Table (112): Election of Board Members

No.	Name	Position
1	Abdulrahman Saud Al-Owais	Board Chairman
2	Mansour Abdulaziz AlSaghayer	Board Deputy Chairman
3	Abdulmajed Abdulmohsen Al Alshikh	Board Member
4	Khaled Abdelqader Al-Kaf	Board Member
5	Ahmad Rasheed Mohammad AlBallaa	Board Member
6	Saeed bin Abdullah Al-Mu'aythir	Board Member
7	Abdulelah Mohammed Alwabel	Board Member

Source: The Company

- On 10/04/1445H (corresponding to 25/10/2023G), the Board of Directors decided to appoint Mr. Abdulrahman Saud Al-Owais as Chairman of the Board of Directors and Mr. Mansour Abdulaziz AlSaghayer as Deputy Chairman of the Board of Directors.
- On 04/12/1445H (corresponding to 10/06/2024G), the Company's Board of Directors decided to accept the resignation of Mr. Khaled Abdelqader Al-Kaf from the position of (Member of the Company's Board of Directors).
- On 30/02/1446H (corresponding to 03/09/2024G), the Company's Board of Directors decided to accept the resignation of Mr. Ahmad Rasheed Mohammad AlBallaa from the position of (Member of the Company's Board of Directors) based on his request. The Board of Directors also approved the appointment of Mr. Abdulaziz Abdullah Alhumaid (non-executive) as his successor starting from 03/09/2024G, and the Extraordinary General Assembly voted on this appointment on 26/07/1446H (corresponding to 26/01/2025G).
- On 30/02/1446H (corresponding to 03/09/2024G), the Board of Directors decided to reconstitute the Board of Directors as follows: appointing Mr. Abdulaziz Abdullah Alhumaid as Chairman of the Board of Directors and appointing Mr. Mansour Abdulaziz AlSaghayer as Deputy Chairman of the Board of Directors.
- On 11/03/1446H (corresponding to 14/09/2024G), the Board of Directors approved the appointment of Mr. Saeed bin Abdullah Al-Mu'aythir as a Managing Director.
- On 26/03/1446H (corresponding to 29/09/2024G), the Company's Board of Directors decided to accept the resignation of Mr. Abdulrahman Saud Al-Owais from the position of (Member of the Company's Board of Directors).
- On 22/10/1446H (corresponding to 20/04/2025G), the Company's Board of Directors decided to accept the resignation of Mr. Saeed bin Abdullah Al-Mu'aythir from the position of (Member of the Company's Board of Directors).
- On 26/07/1446H (corresponding to 26/01/2025G), the (Extraordinary) General Assembly of shareholders voted to amend Article (13) of the Company's Bylaws, relating to the Company's Board of Directors, and to reduce the number of Board members from seven (7) members to five (5) members.

- On 28/01/1447H (corresponding to 23/07/2025G), the Board of Directors appointed Eng. Riyan Mohammed Almansor as a member of the Board of Directors in the vacant seat (Executive Member) to complete the current Board term, which ends on 13/05/1448H (corresponding to 24/10/2026G).
- Therefore, the current Board of Directors consists of the following members:

Table (113): Board Members

No.	Name	Position	Nationality	Age	Membership Attribute		Appointment Date	Membership Date	Shares Owned			
									Direct	Indirect	Total	Percentage
1	Abdulaziz Abdullah Alhumaid	Board Chairman	Saudi	55	Non-Executive	Non-Independent	30/02/1446H (corresponding to 03/09/2024G)	30/02/1446H (corresponding to 03/09/2024G)	684,651	-	684,651	10.2208012%
2	Mansour Abdulaziz AlSaghayer	Board Deputy Chairman	Saudi	55	Non-Executive	Independent	07/04/1445H (corresponding to 22/10/2023G)	10/04/1445H (corresponding to 25/10/2023G)	669	-	669	0.0099872%
3	Abdulmajed Abdulmohsen Al Alshikh	Board Member	Saudi	43	Non-Executive	Independent	07/04/1445H (corresponding to 22/10/2023G)	10/04/1445H (corresponding to 25/10/2023G)	-	-	-	-
4	Abdulelah Mohammed Alwabel	Board Member	Saudi	25	Non-Executive	Independent	07/04/1445H (corresponding to 22/10/2023G)	10/04/1445H (corresponding to 25/10/2023G)	2	-	2	0.0000299%
5	Riyan Mohammed Almansor	Board Member	Saudi	44	Executive	Non-Independent	28/01/1447H (corresponding to 23/07/2025G)	09/06/1447H (corresponding to 30/11/2025G)	-	-	-	-
Board Secretary												
6	Mohammed Aldawsari	Board Secretary	Saudi	38	-	-	14/02/1446H (corresponding to 18/08/2024G)	14/02/1446H (corresponding to 18/08/2024G)	-	-	-	-

Source: The Company.

- The company is committed to the Companies Law regarding the number required to form the Board, which must not be less than (3) three.
- The company is committed to Article (68) regarding adherence to the procedures required for electing the Board of Directors. In accordance with Article Five (5) of the Implementing Regulations of the Companies Law pertaining to listed companies and Article (27) of the Bylaws, the Board members were elected using the cumulative voting method, which does not permit the use of a share's voting right more than once.
- The company is committed to the membership standards stipulated in Article (16) of the Corporate Governance Regulations, which require that a majority of Board members be non-executive and that the number of independent members not be less than two or one-third of the Board members, whichever is greater. It has been determined that a majority of Board members are non-executive, and there are three (3) independent members constituting more than one-third of the Board members. **(For further information regarding the company's compliance with the Corporate Governance Regulations, please refer to paragraph (9.6.5) "Continuous Obligations under Capital Market Authority Requirements" of Section (9) "Legal Information").**

Board of Directors Report

- In accordance with Article (121) of the Companies Law and Article (41) of the Bylaws, the Board of Directors must, at the end of each fiscal year of the Company, prepare the Company's financial statements and a report on its activity and financial position for the preceding fiscal year. This report should include the proposed method for distributing dividends. The Board shall place these documents at the disposal of the auditor at least forty-five (45) days prior to the date set for the General Assembly meeting.
- As of the date of preparing this Prospectus, the Company is committed thereto, and the Board has prepared its annual report (pursuant to Article 87 of the Corporate Governance Regulations), which was presented to the (Extraordinary) General Assembly of shareholders held on 24/12/1445H (corresponding to 30/06/2024G), where the Board of Directors' report for the year 2023G was reviewed and discussed.

- Regarding the Board of Directors' report for the year 2024G, the Board of Directors reviewed the draft report at its meeting held on 25/09/1446H (corresponding to 25/03/2025G). It was presented to the General Assembly of shareholders held on 25/09/1446H (corresponding to 25/03/2025G), where the (Ordinary) General Assembly of shareholders reviewed and discussed the Board of Directors' report for the year 2024G.
- The Company is committed to disclosing the Board of Directors' report for the fiscal years 2023G and 2024G in accordance with the disclosure provisions for the Board of Directors' report set forth in the Rules on the Offer of Securities and Continuing Obligations. Furthermore, the Board of Directors' report has been uploaded to the Company's page on Tadawul website.

9-2-2 Appointment in mandatory positions

- According to Article (18) of the company's Bylaws, the Board of Directors shall appoint from among its members a Chairman and a Deputy Chairman, and may appoint from among its members a Managing Director. The Board may also appoint a Chief Executive Officer. The position of Chairman of the Board of Directors shall not be combined with any executive position in the company.
- The Board of Directors shall appoint from among its members or from outside the Board a Secretary who shall be responsible for recording the proceedings and resolutions of the Board of Directors in minutes and recording them in a special register prepared for this purpose. His remuneration shall be determined by a decision of the Board. The term of office of the Chairman of the Board, the Managing Director, and the Secretary, who is a member of the Board of Directors, shall not exceed the term of office of each of them on the Board of Directors, and they may be reappointed.
- It also appoints a chief executive officer for the company from among its members or from outside, and the appointment resolution specifies his powers and salary.
- The appointment of a deputy chairman is a mandatory position in listed joint-stock companies, and the company has been shown to be committed to this.
- The company is committed to the Bylaws and Corporate Governance Regulations regarding mandatory appointments to these positions, and the Board of Directors has approved the appointments to these positions as follows:

Table (114): Board Member Positions

Position	Resolution	Name of the appointed person
Board Chairman	Board of Directors Resolution dated 30/02/1446H (corresponding to 03/09/2024G)	Mr. Abdulaziz Abdullah Alhumaid
Deputy Chairman	Board of Directors Resolution dated 30/02/1446H (corresponding to 03/09/2024G)	Mr. Mansour Abdulaziz AlSaghayer
CEO	Board of Directors Resolution dated 03/11/1446H (corresponding to 01/05/2025G)	Eng. Riyan Mohammed Almansor
Secretary	Board of Directors Resolution dated 14/02/1446H (corresponding to 18/08/2024G)	Mr. Mohammed Aldawsari

Source: The Company.

9-2-3 Rights and Obligations of Board Members and Senior Executives

- Article (17) of the company's Bylaws states that the remuneration for members of management shall consist of a certain amount, or an attendance allowance for meetings, or a certain percentage of net profits, or in-kind benefits, provided that it is presented to the ordinary general assembly to determine the amount of those remuneration and to approve them in accordance with the controls set by the competent authority.
- The Board of Directors' report to the Ordinary General Assembly must include a comprehensive statement of all remuneration, expense allowances, and other benefits received or due to each Board member during the fiscal year. It must also include a statement of any payments received by Board members in their capacity as employees or administrators, or for technical, administrative, or consulting services. Furthermore, it must include a statement of the number of Board meetings and the number of meetings attended by each member since the date of the last General Assembly meeting. The Board must also disclose in its annual report details of its policies regarding remuneration and how it is determined.

- The following table shows the value of the remuneration received by the company's managers and senior executives over the past three years:

Table (115): Remuneration Distribution

Statement	2022G	2023G	2024G
	Saudi Riyals	Saudi Riyals	Saudi Riyals
Board members - Annual remuneration and meeting attendance allowance	875,480	1,304,716	1,238,630.13
Senior executives (including the CEO and CFO)	2,941,559	2,020,800	1,962,556
Total	**3,817,039**	**3,325,516**	**3,201,186.13**
Audit Committee members	286,000	412,000	394,000
Remuneration and Nominations Committee members	352,000	286,000	302,561.64
Executive Committee members	525,250	398,859	449,342,47

Source: The Company.

- On 02/12/1444H (corresponding to 20/06/2023G), the (Ordinary) General Assembly of shareholders voted to pay an amount of (875,480) Saudi Riyals as remuneration to the members of the Board of Directors for the fiscal year ended 31/12/2022G.
- On 24/12/1445H (corresponding to 30/06/2024G), the (Extraordinary) General Assembly of shareholders voted not to approve the payment of an amount of (893,716) Saudi Riyals as remuneration and allowances to the members of the Board of Directors and its committees for the fiscal year ended 31 December 2023G.
- On 29/12/1446H (corresponding to 25/06/2025G), the (Ordinary) General Assembly of shareholders voted to pay an amount of (668,630.13) Saudi Riyals as remuneration to the members of the Board of Directors for the fiscal year ended 31/12/2024G.

9-2-4 Attending Board Meetings

- A member of the Board of Directors must participate in the meetings of the Board of Directors and vote on resolutions in accordance with the Companies Law, its regulations and the company's Bylaws. The General Assembly may – based on the recommendation of the Board of Directors – terminate the membership of any member who is absent from attending three (3) consecutive meetings or five (5) separate meetings during his term of membership without a legitimate excuse accepted by the Board of Directors.

According to the minutes of the Board of Directors that were reviewed, it was found that the members of the Board were committed to attending the minimum number of meetings.

Table (116): Number of Board Meetings During Previous Years

Year	2022G	2023G	2024G	2025G*
Number of Board of Directors Meetings	8	11	18	1

Source: The Company.

*Up to the date of this Prospectus.

9-2-5 Board Committees

9-2-5-1 Audit Committees

- In accordance with paragraph (A) of Article Fifty-One (51) of the Corporate Governance Regulations, an audit committee shall be formed by a resolution of the Board of Directors, consisting of at least three (3) members and no more than five members, from non-executive Board members, whether from shareholders or others. The resolution shall specify the committee's duties, working procedures, and the remuneration of its members. The audit committee is responsible for monitoring the Company's business and verifying the integrity and soundness of its financial reports and internal control systems. For this purpose, it has the right to access the Company's records and documents and to request any clarification or statement from members of the Board of Directors or the Executive Management. It may also request the Board of Directors to convene the Company's General Assembly if the Board of Directors obstructs its work or if the Company sustains significant damages or losses, in addition to the powers delegated to it under the Corporate Governance Regulations.
- The Company has an audit committee consisting of three (3) members appointed by the Board of Directors in its meeting held on 11/03/1446H (corresponding to 14/09/2024G), and the Board has recommended to the General Assembly of shareholders to approve this appointment.
- The audit committee consists of the following members:
  1. Mr. Rasheed Sulaiman Alrasheed - Committee Chairman
  2. Mr. Abdulelah Mohammed Alwabel - Member
  3. Mr. Mansour Abdulaziz AlSaghayer – Member
- As of the date of preparing this Prospectus, the Company has independent working regulations for the Audit Committee, which were approved by the (Extraordinary) General Assembly of shareholders in its meeting held on 07/04/1445H (corresponding to 22/10/2023G) based on the Board of Directors' recommendation dated 13/02/1445H (corresponding to 29/08/2023G).
- The annual report of the Audit Committee for 2023G was reviewed, as was the report of the Audit Committee for 2024G.
- On 07/12/1446H (corresponding to 03/06/2025G), the Audit Committee's report was published on the exchange's website when the invitation to convene the General Assembly was published.
- On 29/12/1446H (corresponding to 25/06/2025G), a summary of the Audit Committee's report for 2024G was read during the General Assembly of Shareholders meeting.
- According to paragraph (4.2) of the Audit Committee's Rules of Procedure, the Committee shall hold at least four (4) meetings per year.
- As of the date of this Prospectus, the Audit Committee held a number of meetings as follows:

Table (117): Number of meetings of the Audit Committee

Year	2022G	2023G	2024G	2025G*
Number of meetings	4	18	16	3

Source: The Company.

*Up to the date of this Prospectus.

Powers of the Audit Committee:

The audit committee has the following powers in order to perform its duties:

1. The right to access the company's records and documents.
2. Request any clarification or statement from members of the Board of Directors or the Executive Management.
3. To request the Board of Directors to call for a general assembly meeting of the company if the Board of Directors obstructs its work or if the company suffers significant damage or losses.
4. Adopting the criteria for nominating the external auditor.
5. Adoption of the internal audit charter.
6. Adoption of the annual audit plan and budget for the internal audit department.
7. Adopting the organizational structure for internal auditing.
8. Recommending to the Board of Directors the appointment or termination of the work of the Head of Internal Audit of the company, whether due to resignation, incapacity or dismissal, and approving the monthly salary, allowances and other benefits allocated to him.
9. Approval of the annual performance evaluation of the Head of Internal Audit, and the annual bonus and allowances.
10. The committee has the right to seek assistance, contract, or directly assign consultants or advisory bodies from within or outside the company to carry out its duties, provided that the company bears the costs of those studies or consultations and that its report includes the name of the consultants and advisory bodies and their relationship to the company or the executive management, and they have the right to access the company's records and documents.
11. To request any clarification or statement from members of the Board of Directors or the Executive Management.

9-2-5-2 Remuneration and Nomination Committee

- The Company has a remuneration and nomination committee consisting of three (3) members, which was formed and its members appointed by the Board of Directors in its meeting held on 10/04/1445H (corresponding to 25/10/2023G) for a period of three years starting from 25/10/2023G and ending on the date of the end of the Board's term on 13/05/1448H (corresponding to 24/10/2026G), and it consists of the following members:
    1. Mr. Abdulmajed Abdulmohsen Al Alshikh - Committee Chairman
    2. Mr. Ahmad Rasheed AlBallaa - Committee Member
    3. Mr. Fahad Mohammed Aldrees - Committee Member
- On 03/09/2024G, Mr. Ahmad Rasheed AlBallaa resigned from the membership of the Remuneration and Nominations Committee, and on 08/10/2024G, the membership of Mr. Fahad Mohammed Aldrees as member of the Remuneration and Nominations Committee ended.
- On 10/09/2024G, Mr. Mansour Abdulaziz AlSaghayer was appointed, and on 08/10/2024G, Mr. Abdulelah Mohammed Alwabel was appointed as members of the Remuneration and Nominations Committee, with the committee's composition to be as follows:
    1. Mr. Abdulmajed Abdulmohsen Al Alshikh - Committee Chairman
    2. Mr. Mansour Abdulaziz AlSaghayer- Committee Member
    3. Mr. Abdulelah Mohammed Alwabel- Committee Member

- In accordance with paragraph (4.2) of the committee's charter, the committee meets at least twice (2) a year, and dates for holding additional meetings may be determined as the members or the committee chairman deem appropriate when necessary. The committee submits its reports to the Board, and as of the date of preparation of this Prospectus, the Remuneration and Nominations Committee held a number of meetings as follows:

Table (118): Number of meetings of the Remuneration and Nominations Committee

Year	2022G	2023G	2024G	2025G*
Number of meetings	13	4	6	4

Source: The Company.

*Up to the date of this Prospectus.

Powers of the Remuneration and Nominations Committee:

- The committee has the authority to make recommendations regarding the remuneration policy for Board members and senior executives.
- The committee has the authority and responsibility to appoint or terminate the services of any external consultant to assist it in performing its tasks and to approve the terms of any such appointment, and the fees of any consultant providing consulting and support services to the committee, after written approval from the Chairman of the Board.
- The committee may, in coordination with the CEO, request any other company official or employee, external consultants, or any other person to meet with any member or consultant of the committee or to provide other assistance to the committee in the performance of its duties.

9-2-5-3 Investment Committee

- The Company has an investment committee consisting of four (4) members formed and its members appointed by the Board of Directors in its meeting held on 10/08/1446H (corresponding to 09/02/2025G) for a period ending on 31/08/2025G, and the committee's term of office is extended with the approval of the Board of Directors, and it consists of the following members:

    1. Mr. Abdulaziz Abdullah Alhumaid - Committee Chairman
    2. Eng. Abdulmajed Abdulmohsen Al Alshikh - Committee Member
    3. Mr. Mohammed Fahad Aldawsari - Committee Secretary
    4. Vacant

- According to Article (6) of the Committee's Rules of Procedure, the Committee shall meet at least once (1) a year, and additional meetings may be scheduled as deemed appropriate by the members or the Chairman of the Committee when necessary. The Committee shall submit its reports to the Board. As of the date of this Prospectus, the Investment Committee has held one meeting.

9-2-5-4 Executive Management

- In accordance with company policies and relevant Board resolutions, the company's executive management is entrusted to the CEO and the CFO.
- The current CEO is Mr. Riyan Mohammed Almansor, and the CFO is Mr. Mr. Ahmed Emad El-Din Ibrahim Alsamahi.

Table (119): Executive Management

No.	Name	Position	Nationality	Age	Date of Appointment	Owned Shares "Direct"		Owned Shares " Indirect "	
						Amount	Percentage	Amount	Percentage
1	Eng. Riyan Mohammed Almansor	CEO	Saudi	44	03/11/1446H (corresponding to 01/05/2025G)	-	-	-	-
2	Mr. Ahmed Emad El-Din Ibrahim Alsamahi	CFO	Egyptian	47	20/01/2026G	-	-	-	-
3	Vacant	Aquaculture Manager	-	-	-	-	-	-	-
4	Eng. Riyan Mohammed Almansor*	Sales and Retail Manager	Saudi	44	10/09/2025G	-	-	-	-
5	Elias Patel	Head of Application Development (IT)	Indian	41	28/02/2019G				
6	Samir Fido	Procurement Officer	Indian	52	22/09/2025G	-	-	-	-
7	Mohammed Saleh Al-Salama	Human Resources Supervisor	Saudi	27	20/01/2026G	-	-	-	-
8	Vacant	Governance and Compliance Manager	-	-	-	-	-	-	-
9	External Entity**	Internal Audit	-	-	-				

Source: The Company.

*Eng. Riyan Mohammed Almansor was assigned the duties of Sales and Retail Manager by administrative resolution dated 10/09/2025G.

**Saad Saleh Al-Sabti & Partners were appointed to perform the duties of the internal auditor on 14/06/1446H (corresponding to 15/12/2024G).

- The Executive Management is subject to the oversight of the Board of Directors, which must verify its performance and the extent to which it achieves the company's goals and objectives.

9-3 Corporate Governance

In accordance with the laws, regulations, and instructions issued by the Capital Market Authority, specifically the Corporate Governance Regulations, and as of the date of this Prospectus, the Company has a governance manual that was approved by the Board of Directors in its meeting on 12/09/1441H (corresponding to 05/05/2020G).

In addition to the governance manual, the Company has a number of internal regulations and policies as follows:

Table (120): Internal Regulations and Policies

Regulations / Policy	Adoption by the Board of Directors	Adoption by the General Assembly
Governance Guidelines	12/09/1441H (corresponding to 05/05/2020G)	-
Audit Committee Charter	13/02/1445H (corresponding to 29/08/2023G)	07/04/1445H (corresponding to 22/10/2023G)
Remuneration and Nomination Committee Charter	26/07/1442H (corresponding to 10/03/2021G)	18/10/1442H (corresponding to 30/05/2021G)
Remuneration Policy for Board Members, Subcommittees, and Senior Executives	26/07/1442H (corresponding to 10/03/2021G)	18/10/1442H (corresponding to 30/05/2021G)
Board Membership Policies, Standards, and Procedures	-	12/06/1439H (corresponding to 28/02/2018G)
Dividend Distribution Policy	16/12/1446H (corresponding to 12/06/2025G)	-
Conflict of Interest Policy	09/08/1440H (corresponding to 14/04/2019G)	20/11/1440H (corresponding to 23/07/2019G)
Professional Conduct and Ethics Policy	12/09/1441H (corresponding to 05/05/2020G)	-
Disclosure, Transparency, and Compliance Policy	12/09/1441H (corresponding to 05/05/2020G)	-
Board of Directors' Rules of Procedure	09/08/1440H (corresponding to 14/04/2019G)	20/11/1440H (corresponding to 23/07/2019G)
Violations Reporting Policy	26/07/1442H (corresponding to 10/03/2021G)	-
Balance Between Corporate and Community Objectives Policy	12/09/1441H (corresponding to 05/05/2020G)	-
Policy for regulating the relationship with stakeholders	12/09/1441H (corresponding to 05/05/2020G)	-
Competitive Business Standards	04/08/1442H (corresponding to 17/03/2021G)	18/10/1442H (corresponding to 30/05/2021G)

Source: The Company.

9-4 Subsidiaries

- In accordance with Article (6) of the Bylaws, the Company may establish, on its own, limited liability companies, closed joint-stock companies, simplified joint-stock companies, or any other legal entity or form. It may also own shares and stakes in other existing companies, merge them, or merge with them. It further has the right to participate with others in establishing joint-stock companies, limited liability companies, or any other legal entity or form, whether within or outside the Kingdom or in free zones, after fulfilling the requirements of the applicable laws and instructions in this regard. The Company may also dispose of these shares or stakes, provided that this does not include brokerage in their trading.
- As of the date of this Prospectus, the Company has one subsidiary within the Kingdom of Saudi Arabia, which is Al-Haridah National Aquaculture Company, a one-person company (100%) owned directly by Saudi Fisheries Company. The following is a brief overview of this company.
  - Al-Haridah National Aquaculture Company: Al-Haridah National Aquaculture Company was initially established as a branch of Saudi Fisheries Company under certificate No. (5861023704) and was registered in the Commercial Register with the Unified National Number (7012235615) dated 18/03/1424H (corresponding to 19/05/2003G). On 08/10/2024G, the Board of Directors decided to convert the aforementioned branch into a one-person limited liability company wholly owned by Saudi Fisheries Company, with all its rights, obligations, labor, classification, licenses, and all its financial, technical, and administrative elements, while retaining the branch's commercial registration number and date as the company's head office. As of the date of this Prospectus, the capital of Al-Haridah National Aquaculture Company is one hundred thousand (100,000) Saudi Riyals, divided into ten thousand (10,000) shares of equal value, the value of each share is ten (10) Saudi Riyals, wholly owned by Saudi Fisheries Company.

9-5 Material Licenses, Certificates, and Approvals

9-5-1 Material Licenses, Certificates, and Approvals Related to the Parent Company

- The company has obtained several regulatory and operational licenses and certificates from the competent authorities necessary to conduct its business in accordance with the regulations in force in the Kingdom of Saudi Arabia, and these licenses are renewed periodically.

9-5-1-1 Material Licenses, Certificates, and Approvals for the Head Office

- The company has obtained several regulatory and operational licenses and certificates from the competent authorities necessary to conduct its business in accordance with the regulations in force in the Kingdom of Saudi Arabia, and these licenses are renewed periodically.
- Failure to renew or obtain material certificates and licenses may result in penalties against the company, such as warnings, financial fines, closure of the sites it operates, suspension of the electronic government services it benefits from, or prohibition from engaging in a specific activity **(For more details on the risks of not obtaining or renewing certificates, please refer to sub-paragraph (2.1.39) "Risks related to the failure to obtain or renew licenses and certificates" of section (2) "Risk Factors" of this Prospectus).**
- The following table shows the current licenses and approvals obtained by the company and related to its main registry:

Commercial Register

Table (121): Material Licenses and Certificates for the Company's Head Office

License Type	Purpose	License Holder	Unified National Number	Establishment Number	Issue/ Registration Date	Annual Commercial Registry Confirmation Date	Issuing Authority
Commercial Registry Certificate	Company registration in the Commercial Register (Companies)	Saudi Fisheries Company	7000677091	1010042732	22/03/1402H (corresponding to 17/01/1982G)	10/06/1448H (corresponding to 20/11/2026G)	Ministry of Commerce - Commercial Registry

Licenses and Other Certifications

License Type	Purpose	License Holder	License Number	Issue/Renewal Date	Expiry Date	Issuing Authority
Chamber of Commerce and Industry Membership Certificate	In compliance with the provisions of the Commercial Registry Law - the company is a joint venture of the (first) degree.	Saudi Fisheries Company	30163	08/01/1405H (corresponding to 03/10/1984G)	11/06/1448H (corresponding to 21/11/2026G)	Eastern Province Chamber of Commerce and Industry
Zakat and Income Tax Certificate	To confirm that the company has submitted its annual declaration and has committed to paying Zakat	Saudi Fisheries Company	1116055807	23/11/1446H (corresponding to 21/05/2025G)	13/11/1447H (corresponding to 30/04/2026G)	Zakat, Tax and Customs Authority
VAT Registration Certificate	To confirm that the company is registered for VAT	Saudi Fisheries Company	300531087100003	07/01/1442H (corresponding to 26/08/2020G)	-	Zakat, Tax and Customs Authority

License Type	Purpose	License Holder	License Number	Issue/Renewal Date	Expiry Date	Issuing Authority
Certificate of Social Insurance Enrollment*	In compliance with the Social Insurance Law	Saudi Fisheries Company	109435060	24/08/1447H (corresponding to 12/02/2026G)	25/11/1447H (corresponding to 12/05/2026G)	General Organization for Social Insurance
Certificate of Compliance with the Wage Protection System**	In compliance with the Wage Protection System	Saudi Fisheries Company	187658-15778941	19/10/1447H (corresponding to 07/04/2026G)	20/11/1447H (corresponding to 07/05/2026G)	Wage Protection System – Ministry of Human Resources and Social Development
Localization Certificate***	To confirm that the company is committed to the required Localization rate according to Nitaqat program	Saudi Fisheries Company	928378-17464088	19/10/1447H (corresponding to 07/04/2026G)	21/01/1448H (corresponding to 06/07/2026G)	Ministry of Human Resources and Social Development
Municipality license****	Commercial activity license	Saudi Fisheries Company	-	-	-	-
Safety Certificate*****	To confirm that the company is committed to the field safety standards and requirements of the Civil Defense		-	-	-	General Directorate of Civil Defense
Saudi GAP Certificate	To confirm that the company's products comply with Saudi Good Agricultural Practices	Saudi Fisheries Company	SG/2021/17/000002	11/08/1445H (corresponding to 11/02/2024G)	12/08/1446H (corresponding to 11/02/2025G)	Ministry of Environment, Water and Agriculture - NAAMA Platform

Source: The Company.

*A certificate of commitment valid for a maximum of three months and renewable electronically upon request.

**A certificate of commitment valid for a maximum of one month and renewable electronically upon request.

***A certificate of commitment valid for a maximum of three months and renewable electronically upon request.

****The company currently does not have a municipal license due to ongoing building renovations. The license will be issued upon completion.

*****The company currently does not have safety certificate due to ongoing building renovations. The license will be issued upon completion

9-5-1-2 Material Licenses, Certificates, and Approvals Related to Branches

- The company's branches have obtained several regulatory and operational licenses and certificates from the competent authorities necessary to conduct their business in accordance with the regulations in force in the Kingdom of Saudi Arabia, and these licenses are renewed periodically.
- Failure to renew or obtain material certificates and licenses may result in penalties against the company branch, such as warnings, financial fines, closure of the sites it occupies, suspension of the electronic government services it benefits from, or prohibition from engaging in a specific activity **(For more details on the risks of not obtaining or renewing certificates, please refer to sub-paragraph (2.1.39) "Risks related to the failure to obtain or renew licenses and certificates" of section (2) "Risk Factors" of this Prospectus).**

The Company's Branch in Dammam:

Commercial Register

Table (122): Licenses and Approvals for Company Branches

License Type	Purpose	License Holder	Unified National Number	Establishment Number	Issue/ Registration Date	Annual Commercial Registry Confirmation Date	Issuing Authority
Commercial Registry Certificate	Company registration in the Commercial Register (Companies)	Saudi Fisheries Company	7012298142	2050010531	09/05/1401H (corresponding to 15/03/1981G)	10/09/1448H (corresponding to 17/02/2027G)	Ministry of Commerce - Commercial Registry

Licenses and Other Certifications

Table (123): Licenses and Other Certifications

License Type	Purpose	License Holder	License Number	Issue/Renewal Date	Expiry Date	Issuing Authority
Certificate of Social Insurance Enrollment	In compliance with the Social Insurance Law	Saudi Fisheries Company	111846400	19/10/1447H (corresponding to 07/04/2026G)	21/01/1448H (corresponding to 06/07/2026G)	General Organization for Social Insurance
Certificate of Compliance with the Wage Protection System	In compliance with the Wage Protection System	Saudi Fisheries Company	188030-86768491	19/10/1447H (corresponding to 07/04/2026G)	20/11/1447H (corresponding to 07/05/2026G)	Wage Protection System – Ministry of Human Resources and Social Development
Localization Certificate	To confirm that the company is committed to the required Localization rate according to Nitaqat program	Saudi Fisheries Company	164017-14309373	19/10/1447H (corresponding to 07/04/2026G)	21/01/1448H (corresponding to 06/07/2026G)	Ministry of Human Resources and Social Development

Source: The Company.

The Company's Branch in Jazan City*:

Table (124): Licenses and Approvals for Company Branches

License Type	Purpose	License Holder	Unified National Number	Establishment Number	Issue/ Registration Date	Annual Commercial Registry Confirmation Date	Issuing Authority
Commercial Registry Certificate	Company registration in the Commercial Register (Companies)	Saudi Fisheries Company	7012384678	5900001712	22/12/1401H (corresponding to 20/10/1981G)	10/06/1448H (corresponding to 20/11/2026G)	Ministry of Commerce - Commercial Registry

*This branch is not operating and does not have any other licenses or certificates besides the commercial registration.

- The company and its branches/points of sale have obtained periodic verification certificates for the calibration of non-automatic scales (Standardization Certificates) in accordance with the provisions of the Measurement and Calibration System and its executive regulations and annexes approved by the Saudi Standards, Metrology and Quality Organization. The following table shows the standardization certificates obtained by the company:

Table (125): Standardization Certificates

License Type	Purpose	License Holder	License Number	Issue/Renewal Date	Expiry Date	Issuing Authority
Standardization Certificates	For periodic verification of the calibration of non-automatic scales	Saudi Fisheries Company	TQ-VPC25-019634	16/04/1447H (corresponding to 08/10/2025G)	26/04/1448H (corresponding to 07/10/2026G)	Saudi Standards SASO - Taqyees
Standardization Certificates	For periodic verification of the calibration of non-automatic scales	Saudi Fisheries Company	TQ-VPC25-019632	11/04/1447H (corresponding to 03/10/2025G)	21/04/1448H (corresponding to 02/10/2026G)	Saudi Standards SASO - Taqyees
Standardization Certificates	For periodic verification of the calibration of non-automatic scales	Saudi Fisheries Company	TQ-VPC25-019631	11/04/1447H (corresponding to 03/10/2025G)	21/04/1448H (corresponding to 02/10/2026G)	Saudi Standards SASO - Taqyees
Standardization Certificates	For periodic verification of the calibration of non-automatic scales	Saudi Fisheries Company	TQ-VPC25-0196313	15/04/1447H (corresponding to 07/10/2025G)	25/04/1448H (corresponding to 06/10/2026G)	Saudi Standards SASO - Taqyees

Source: The Company.

- The company has (51) ships and boats, most of which are undergoing maintenance, renovation and sale:

Licenses for Ships and Marine Units (Boats)

Table (126): Licenses for Ships and Marine Units (Boats)

Name of Ships /Marine Unit (Boat)	Type	License Number	License Type	Issue/Renewal Date	Expiry Date	Issuing Authority	Notes
Aqua Pharm 1	Ship	239200	Navigation License	17/08/1444H (corresponding to 09/03/2023G)	20/07/1445H (corresponding to 01/02/2024G)	Public Transport Authority	Expired and Under maintenance and renovation.
Aqua Pharm 2	Marine Unit	212525	Work Permit	13/08/1447H (corresponding to 01/02/2026G)	24/08/1448H (corresponding to 01/02/2027G)	Public Transport Authority	Renewed
Amalh 5	Marine Unit	41064	Work permit	11/07/1447H (corresponding to 31/12/2025G)	22/07/1448H (corresponding to 31/12/2026G)	Public Transport Authority	Renewed
Amalh	Marine Unit	41066	Work permit	11/07/1447H (corresponding to 31/12/2025G)	22/07/1448H (corresponding to 31/12/2026G)	Public Transport Authority	Renewed
Amalh 6	Marine Unit	41063	Work permit	11/07/1447H (corresponding to 31/12/2025G)	22/07/1448H (corresponding to 31/12/2026G)	Public Transport Authority	Renewed
Amalh 2	Marine Unit	41067	Work permit	11/07/1447H (corresponding to 31/12/2025G)	22/07/1448H (corresponding to 31/12/2026G)	Public Transport Authority	Renewed
Amalh 4	Marine Unit	41057	Work permit	11/07/1447H (corresponding to 31/12/2025G)	22/07/1448H (corresponding to 31/12/2026G)	Public Transport Authority	Renewed

Name of Ships /Marine Unit (Boat)	Type	License Number	License Type	Issue/Renewal Date	Expiry Date	Issuing Authority	Notes
Diriyah 1	Marine Unit	56799	Work permit	23/02/1446H (corresponding to 27/08/2024G)	01/11/1446H (corresponding to 29/04/2025G)	Public Transport Authority	Maintenance and technical inspection work has been completed, along with the renewal of correspondence, installation of tracking devices, and renewal of the wireless license. The license renewal application has been submitted to the Transport Authority and is awaiting their approval.
Diriyah 3	Marine Unit	56847	Work permit	23/02/1446H (corresponding to 27/08/2024G)	01/11/1446H (corresponding to 29/04/2025G)	Public Transport Authority	Maintenance and technical inspection work has been completed, along with the renewal of correspondence, installation of tracking devices, and renewal of the wireless license. The license renewal application has been submitted to the Transport Authority and is awaiting their approval.
Diriyah 2	Marine Unit	56894	Work permit	23/02/1446H (corresponding to 27/08/2024G)	01/11/1446H (corresponding to 29/04/2025G)	Public Transport Authority	Maintenance and technical inspection work has been completed, along with the renewal of correspondence, installation of tracking devices, and renewal of the wireless license. The license renewal application has been submitted to the Transport Authority and is awaiting their approval.
Tihama	Marine Unit	37832	Operating License	11/07/1447H (corresponding to 31/12/2025G)	22/07/1448H (corresponding to 31/12/2026G)	Public Transport Authority	Renewed
Ras Al Tarfa	Marine Unit	41607	Work permit	11/07/1447H (corresponding to 31/12/2025G)	22/07/1448H (corresponding to 31/12/2026G)	Public Transport Authority	Renewed
Fursan 3	Marine Unit	41060	Work permit	11/07/1447H (corresponding to 31/12/2025G)	22/07/1448H (corresponding to 31/12/2026G)	Public Transport Authority	Renewed
Fursan 1	Marine Unit	41499	Work permit	11/07/1447H (corresponding to 31/12/2025G)	22/07/1448H (corresponding to 31/12/2026G)	Public Transport Authority	Renewed
Hamour 16	Fishing Boat	3156	Work permit	02/06/1441H (corresponding to 27/01/2020G)	14/06/1442H (corresponding to 27/01/2021G)	03/07/1444H (corresponding to 25/01/2023G)	The boat is out of port for maintenance.

Name of Ships /Marine Unit (Boat)	Type	License Number	License Type	Issue/Renewal Date	Expiry Date	Issuing Authority	Notes
Hamour 8	Marine Unit	37836	Work permit	11/07/1447H (corresponding to 31/12/2025G)	22/07/1448H (corresponding to 31/12/2026G)	Public Transport Authority	Renewed
Hamour 17	Fishing Boat	3157	Work permit	14/06/1442H (corresponding to 27/01/2021G)	03/07/1444H (corresponding to 25/01/2023G)	Public Transport Authority	The boat is out of port for maintenance.
Fursan 2	Marine Unit	37835	Work permit	11/07/1447H (corresponding to 31/12/2025G)	22/07/1448H (corresponding to 31/12/2026G)	Public Transport Authority	Renewed
Faris 4	Marine Unit	41062	Work permit	11/07/1447H (corresponding to 31/12/2025G)	22/07/1448H (corresponding to 31/12/2026G)	Public Transport Authority	Renewed
Faris Al Salam	Marine Unit	41074	Work permit	06/06/1442H (corresponding to 19/01/2021G)	04/06/1445H (corresponding to 17/12/2023G)	Public Transport Authority	License without a body, so it can't be renewed, but the licenses can still be used.

Source: The Company.

9-5-2 Material Licenses, Certifications, and Approvals Related to the Subsidiary

- The subsidiary has obtained several regulatory and operational licenses and certificates from the competent authorities necessary to conduct its business in accordance with the regulations in force in the Kingdom of Saudi Arabia, and these licenses are renewed periodically.
- Failure to renew or obtain basic certificates and licenses may result in penalties against the subsidiary, such as warnings, financial fines, closure of the sites it operates, suspension of the electronic government services it benefits from, or prohibition from engaging in a specific activity **(For more details on the risks of not obtaining or renewing certificates, please refer to sub-paragraph (2.1.39) "Risks related to the failure to obtain or renew licenses and certificates" of section (2) "Risk Factors" of this Prospectus).**

Commercial Register

Table (127): Licenses, approvals and certificates obtained by the subsidiary

License Type	Purpose	License Holder	Unified National Number	Establishment Number	Issue/ Registration Date	Annual Commercial Registry Confirmation Date	Issuing Authority
Commercial Registry Certificate	Company registration in the Commercial Register (Companies)	Al-Haridah National Aquaculture Company	7012235615	5861023704	18/03/1424H (corresponding to 19/05/2003G)	27/03/1448H (corresponding to 09/09/2026G)	Ministry of Commerce - Commercial Registry

Licenses and Other Certifications:

Table (128): Licenses and Other Certifications

License Type	Purpose	License Holder	License Number	Issue/Renewal Date	Expiry Date	Issuing Authority
Chamber of Commerce and Industry Membership Certificate (First Class)	The company's commitment to the commercial register system	Al-Haridah National Aquaculture Company	701000119623	07/05/1447H (corresponding to 29/10/2025G)	27/03/1448H (corresponding to 09/09/2026G)	Abha Chamber of Commerce and Industry
Social Insurance Certificate	The company's commitment to the regulations of the General Organization for Social Insurance	Al-Haridah National Aquaculture Company	109435242	24/08/1447H (corresponding to 12/02/2026G)	25/11/1447H (corresponding to 12/05/2026G)	General Organization for Social Insurance
Localization Certificate	To confirm that the company is committed to the required Localization rate according to Nitaqat program	Al-Haridah National Aquaculture Company	418864-20400333	19/10/1447H (corresponding to 07/04/2026G)	21/01/1448H (corresponding to 06/07/2026G)	Ministry of Human Resources and Social Development
Certificate of Compliance with the Wage Protection System	To confirm that the company is committed to depositing employee wages through local banks and regularly uploading the payroll file.	Al-Haridah National Aquaculture Company	272855-56543883	19/10/1447H (corresponding to 07/04/2026G)	20/11/1447H (corresponding to 07/05/2026G)	Ministry of Human Resources and Social Development
Environmental permit for operation	In compliance with the National Center for Environmental Compliance	Al-Haridah National Aquaculture Company	10238	16/08/1444H (corresponding to 08/03/2023G)	21/07/1447H (corresponding to 01/01/2026G)	National Center for Environmental Compliance
Environmental permit for operation	In compliance with the National Center for Environmental Compliance	Al-Haridah National Aquaculture Company	10237	16/08/1444H (corresponding to 08/03/2023G)	21/07/1447H (corresponding to 01/01/2026G)	National Center for Environmental Compliance
Aquaculture project license	To confirm that the company is licensed to operate a Aquaculture project	Saudi Fisheries Company	213185	19/01/1445H (corresponding to 06/08/2023G)	30/12/1447H (corresponding to 16/06/2026G)	General Directorate of Fisheries – Ministry of Environment, Water and Agriculture

Source: The Company.

9-6 Ongoing obligations imposed by government entities on the company in its capacity as "license holder"

The company is required to comply with ongoing obligations imposed by government entities as a license holder. Failure to comply may result in penalties such as warnings or fines, as well as the potential closure of its premises or suspension of e-government services. The following are the most prominent ongoing obligations imposed by government entities in the Kingdom of Saudi Arabia on the company and its subsidiaries as a license holder:

9-6-1 Ongoing obligations as per the requirements of the Ministry of Commerce

The Company is compliant with the Commercial Register Law regarding registration with the Commercial Register Department in Riyadh, where its head office is located, under certificate No. (1010042732) dated 22/03/1402H (corresponding to 17/01/1982G) and Unified National Number (7000677091), and the annual confirmation date of the commercial register is 10/06/1448H (corresponding to 20/11/2026G).

It is also compliant with the Chambers of Commerce Law regarding the issuance of a membership certificate in the Eastern Province Chamber of Commerce and Industry under membership No. (30163) dated 08/01/1405H (corresponding to 03/10/1984G), and expires on 11/06/1448H (corresponding to 21/11/2026G).

As of the date of this Prospectus, the Company has committed to aligning and updating the Company's Bylaws in accordance with the Companies Law issued by Royal Decree No. (M/132) dated 01/12/1443H (corresponding to 30/06/2022G). On 07/04/1445H (corresponding to 22/10/2023G), the Extraordinary General Assembly approved the amendment of the Bylaws, and the procedures for issuing the Bylaws were completed with the Ministry of Commerce. The procedures have been finalized, and the Bylaws have been issued and published on (Tadawul) website as of the date of this Prospectus.

The latest version of the Bylaws was issued based on the resolution of the (Extraordinary) General Assembly of shareholders held on 26/07/1446H (corresponding to 26/01/2025G). The Company has complied with the requirements of the Capital Market Authority and Saudi Exchange Company (Tadawul) regarding the publication of an electronic copy of the Bylaws on Tadawul website on the Company's dedicated page.

The Company is compliant with the provisions of Article (88) of the Companies Law, which requires the General Assembly of shareholders to convene at least once during the six months following the end of the Company's fiscal year, as the Company held its Extraordinary General Assembly for the year on 29/12/1445H (corresponding to 25/06/2024G).

9-6-2 Ongoing obligations as per the requirements of the Zakat, Tax and Customs Authority

The Company, like other registered establishments and companies operating in the Kingdom, is obligated to submit its Zakat and tax returns within (120) days from the end of the fiscal year for the purpose of renewing the certificate issued by the Zakat, Tax and Customs Authority. The Company has been registered as a taxpayer under the Tax Identification Number (3005310871). The Company has submitted its Zakat return for the fiscal year ended 31 December 2024G and obtained a certificate to that effect under No. (1116055807) dated 23/11/1446H (corresponding to 21/05/2025G).

The Company is compliant with the Value Added Tax Law and its Executive Regulations, and is registered with the Zakat, Tax and Customs Authority under Tax Number (30053108710003) dated 07/01/1442H (corresponding to 26/08/2020G), noting that the Company has been registered since 14/04/1439H (corresponding to 01/01/2018G).

The Company's Zakat and Tax Status:

- The company submitted Zakat assessment and consolidated financial statements to the Zakat, Tax and Customs Authority up to the year 2024G and obtained a zakat certificate for the year 2024G.
- On 25/10/2018G, the Zakat, Tax and Customs Authority issued a Zakat assessment for the years from 2011G to 2016G in the amount of 8.8 million Saudi Riyals. The Company has filed an objection against the Zakat assessment, and the objection is still under review by the General Secretariat of Tax Committees. The Company has created a full provision in the amount of 8.8 million Saudi Riyals for this assessment based on the consultant's advice.

- On 30/09/2020G, the Zakat, Tax and Customs Authority issued Zakat assessments for the years from 2017G to 2018G in the amount of 2.4 million Saudi Riyals. The Company has objected to the assessments, and the objection is still under review by the General Secretariat of Tax Committees. The Company has created a provision for this assessment for the full amount of 2.4 million Saudi Riyals.
- On 22/07/2024G, the Zakat, Tax and Customs Authority issued Zakat assessments for the years 2021G – 2022G in the amount of 0.15 million Saudi Riyals. The Company has recorded a full provision of 0.15 million Saudi Riyals for this assessment.
- On 03/10/2024G, the Authority issued a Zakat assessment for the year 2023G in the amount of 2.27 million Saudi Riyals. The Company has created a full provision in the amount of 2.27 million Saudi Riyals for this assessment.

9-6-3 Ongoing obligations as per the requirements of the Ministry of Human Resources and Social Development

The Company has opened a file with the Ministry of Human Resources and Social Development (Labor Office) under unified number (1-67317) according to the localization certificate. As of the date of this Prospectus, the Company benefits from the electronic services of the Ministry of Human Resources and Social Development, and a localization certificate has been issued stating that the localization rate in the Company according to the developed Nitaqat program is (21%), and it falls within the Platinum category according to certificate No. (211508-20344566) dated 05/03/1447H (corresponding to 28/08/2025G), which expires on 05/06/1447H (corresponding to 26/11/2025G).

The company has an internal work organization regulation approved by the Ministry of Human Resources and Social Development under number (643204) and date of approval 22/12/1442H (corresponding to 01/08/2021G).

The Company is compliant with the Wages Protection System and the regular uploading of its employees' wages under compliance certificate No. (203541-43633252) dated 04/05/1447H (corresponding to 26/10/2025G), and this certificate remains valid until 05/06/1447H (corresponding to 26/11/2025G).

The Company is also committed to documenting the employment contracts of its employees electronically, and the compliance rate reached (100%) as of August 2025G, according to a report issued by the (Qiwa) platform.

9-6-4 Ongoing obligations as per the requirements of the General Organization for Social Insurance

The Company has opened a file with the General Organization for Social Insurance under registration number (13201269). It is subscribed to the Annuities and Occupational Hazards branches for Saudi subscribers, and for non-Saudis, the subscription is to the Occupational Hazards branch, according to the Social Insurance certificate No. (102136945) dated 26/03/1447H (corresponding to 18/09/2025G).

The value of contributions paid by the Company for the year 2024G amounted to (1,012,266) Saudi Riyals according to the Company's statement.

9-6-5 Ongoing obligations as per the requirements of the Capital Market Authority

The Authority requires listed companies to comply with the rules for offering securities, ongoing obligations, and special instructions issued by the Authority, particularly the obligation to periodically disclose material and financial developments and the Board of Directors' report.

The annual financial results announced on (Tadawul) website must be derived from the audited financial statements approved by the company's external auditor appointed by the General Assembly and approved by the Board of Directors. The company must adhere to the announcement templates included in the instructions for companies announcing their financial results. The company must also provide a statement of all the reasons and factors for the change in the financial results for the current fiscal year and the comparative period, so that the reasons include all items in the financial results announcement.

The Authority has also required companies listed on the financial market to disclose the stages of their transition to International Financial Reporting Standards (IFRS). On 02/06/1438H (corresponding to 01/03/2017G), the Company announced on Tadawul website its commitment thereto.

The Authority also required companies listed on the financial market to follow the regulations of instructions regarding announcements by joint-stock companies whose shares are listed on the financial market, issued pursuant to the Authority's Board Resolution No. (1-199-2006) dated 18/07/1427H (corresponding to 12/08/2006G) and amended by Resolution No. (3-79-2023) dated 19/02/1445H (corresponding to 04/09/2023G).

The Authority has required companies listed on the financial market to appoint representatives to the Capital Market Authority for all purposes related to the application of the Capital Market Law and its Executive Regulations. The Company is compliant with this, as the Board of Directors appointed on 29/10/1446H (corresponding to 27/04/2025G) Mr. Abdulaziz Abdullah Alhumaid (Board Member) and on 06/11/1446H (corresponding to 04/05/2025G) Eng. Riyan Mohammed Almansor (CEO) as representatives of the Company before the Capital Market Authority.

The Authority has also required listed companies, in application of the conditions set forth in the Implementing Regulation of the Companies Law for Listed Joint Stock Companies issued by the Board of the Authority 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, and amended by the Board of the Authority Resolution No. (3-44-2026) dated 11/10/1447H (corresponding to 30/03/2026G) based on the Companies Law issued by Royal Decree No. (M/132) dated 01/12/1443H, to disclose in the Board of Directors' report details of policies related to remunerations, their determination mechanisms, and the amounts and financial and in-kind benefits paid to each member of the Board of Directors in exchange for any executive, technical, administrative, or advisory work or positions. The Company has complied with disclosing the remunerations received by the Board of Directors members for the fiscal years 2022G, 2023G, and 2024G.

On 23/01/1438H (corresponding to 24/10/2016G), the Board of the Authority Resolution No. (1-130-2016) was issued amending the Procedures and Instructions Related to Listed Companies with Accumulated Losses of (20%) or More of their Capital in light of the old Companies Law, whose name was amended to become "Procedures and Instructions Related to Listed Companies with Accumulated Losses of (50%) or More of their Capital", and amended by the Board of the Capital Market Authority Resolution No. (1-77-2018) dated 05/11/1439H (18/07/2018G), and these procedures and instructions were amended by the Board of the Capital Market Authority Resolution No. (8-5-2023) dated 25/06/1444H (corresponding to 18/01/2023G). In conjunction with the announcement of the interim financial results for the period ended 30 September 2024G, the Company disclosed that accumulated losses reached (333,000,000) Saudi Riyals representing (83.25%) of the capital. To offset these losses, the Company has complied with the Procedures and Instructions Related to Listed Companies with Accumulated Losses of (20%) or More of their Capital, and the Company announced on 31 March 2024G the date the Company's Board of Directors was notified that losses had reached this level.

Regarding corporate governance, the table below includes a summary of the company's compliance with the Corporate Governance Regulations issued by the Capital Market Authority Board:

9-6-6 Company's commitment to corporate governance regulations

Table (129): Company's commitment to corporate governance regulations

Article from the Corporate Governance Regulations	Details	Responsible Entity	Comment
8/A	Provide a copy of the information about the candidates for membership on the Board of Directors at the company's headquarters on the company's website.	Board of Directors	Compliant
9/B	The Board of Directors must establish a clear policy regarding the distribution of dividends that serves the interests of the shareholders and the company in accordance with the company's Bylaws.	Board of Directors	Compliant - The company has a dividend policy
12/5	Review and discuss the financial statements for 2024G.	Shareholders General Assembly	The financial statements for the fiscal year ended 31 December 2024G were reviewed and discussed during the (Ordinary) General Assembly meeting of shareholders scheduled to be held on 29/12/1446H (corresponding to 25/06/2025G)

Article from the Corporate Governance Regulations	Details	Responsible Entity	Comment
12/6	Review and discuss the Board of Directors' annual report for 2024G.	Shareholders General Assembly	The Board of Directors' report for the fiscal year ended 31/12/2024G was reviewed and discussed during the (Ordinary) General Assembly meeting of shareholders scheduled to be held on 29/12/1446H (corresponding to 25/06/2025G)
12/8 and 78	Appointing the company's auditors, determining their fees, reappointing them, removing them, discussing their report, and making a decision regarding them.	Shareholders General Assembly	Compliant – The Ordinary General Assembly held on 25/12/1445H (corresponding to 01/07/2024G) voted to appoint Ibrahim Ahmed Al-Bassam & Co. Company" as the auditor to audit and examine the interim and annual financial statements for the fiscal year ended 31/12/2024G, and the first quarter of the year 2025G.
13/D	The announcement of the date, location, and agenda of the General Assembly shall be published at least twenty-one days in advance on the market's website and the company's website.	Board of Directors	Compliant – through Tadawul website
14/C	Making it possible for shareholders, through the company's website – and the market's website when the invitation to convene the general assembly is published – to obtain information relating to the items on the general assembly's agenda, in particular the Board of Directors' report, the auditors' report, the financial statements, and the audit committee's report.	Board of Directors	Compliant – through Tadawul website
21/1	Developing the company's main plans, policies, strategies, and objectives	Board of Directors	Compliant - in accordance with the governance regulations
21/2	Establishing internal control systems and procedures, including: developing a written policy for addressing actual and potential conflicts of interest for board members, executive management, and shareholders, encompassing misuse of company assets and facilities, and misconduct arising from related-party transactions; ensuring the integrity of financial and accounting systems, including those related to financial reporting; ensuring the implementation of appropriate risk measurement and management systems by developing a comprehensive understanding of potential risks to the company, fostering a corporate risk management culture, and communicating this understanding transparently to stakeholders; and conducting annual reviews of the effectiveness of the company's internal control procedures.	Board of Directors	Compliant – The Company has a Conflict of Interest Policy approved by the Board of Directors on 12/08/1440H (corresponding to 17/04/2019G)
21/3	Establishing clear and specific policies, standards and procedures for membership in the Board of Directors, and putting them into effect after their approval by the General Assembly.	Shareholders General Assembly	Compliant – The Company has Policies, Standards, and Procedures for Membership in the Company's Board of Directors, which were approved by the Ordinary General Assembly of shareholders on 12/06/1439H (corresponding to 28/02/2018G)
21/4	Establishing a written policy to regulate the relationship with stakeholders in accordance with the provisions of the governance regulations, and it should specifically cover the following: Mechanisms for compensating stakeholders in the event of a violation of their rights as recognized by regulations and protected by contracts. And mechanisms for settling complaints or disputes that may arise between the company and stakeholders. Appropriate mechanisms for establishing good relationships with customers and suppliers and maintaining the confidentiality of information related to them.	Board of Directors	Compliant – The Company has a Stakeholder Relationship Regulation Policy approved by the Board of Directors on 12/09/1441H (corresponding to 05/05/2020G)

Article from the Corporate Governance Regulations	Details	Responsible Entity	Comment
21/5	Establishing policies and procedures that ensure the company's compliance with regulations and its commitment to disclosing material information to shareholders and stakeholders, and verifying that the executive management adheres to them.	Board of Directors	Compliant – The Company has a Disclosure and Transparency and Regulatory Compliance Policy approved by the Board of Directors on 12/09/1441H (corresponding to 05/05/2020G)
21/13, 47, 57, 57/A and 61	The Board of Directors shall form specialized committees by resolutions specifying the committee's term, powers, responsibilities, and how the Board will oversee it. The formation resolution shall include the appointment of members, defining their roles, rights, and duties, along with an evaluation of the performance and work of these committees and their members.	Board of Directors	Compliant – The Audit Committee has been formed
22/1	Adopting internal policies related to the company's work and development, including defining the tasks, competencies, and responsibilities assigned to different organizational levels.	Board of Directors	Compliant - in accordance with the governance regulations
21/2	Adopt a written and detailed policy specifying the powers delegated to the executive management, a schedule outlining those powers, the method of implementation, and the duration of the delegation. The Board of Directors may request the executive management to submit periodic reports on its exercise of the delegated powers.	Board of Directors	Compliant - The company has a power of attorney approved by the Board of Directors on 12/04/1443H (corresponding to 17/11/2021G)
24	Appointing the CEO	Board of Directors	Compliant - Eng/ Riyan Mohammed Almansor was appointed by a resolution of the Board of Directors dated 06/11/1446H (corresponding to 04/05/2025G)
25/5	Proposing organizational and functional structures for the company and submitting them to the Board of Directors for consideration and approval.	Board of Directors	Non-compliant
25/10	Propose a policy and types of rewards to be given to employees, such as fixed rewards, performance-related rewards, and rewards in the form of shares.	Board of Directors	Compliant - in accordance with the governance regulations
41	A clear, written policy for dealing with actual or potential conflicts of interest that could affect the performance of board members, executive management, or other company employees when dealing with the company or other stakeholders.	Board of Directors	Compliant – The Company has a Conflict of Interest Policy approved by the Board of Directors on 12/08/1440H (corresponding to 17/04/2019G)
51/H	The company's general assembly shall issue – based on a proposal from the board of directors – the rules of procedure for the audit committee, which shall include the controls and procedures for the committee's work, its tasks, the rules for selecting its members, how they are nominated, the duration of their membership, their remuneration, and the mechanism for appointing its members temporarily in the event of a vacancy in one of the committee's seats.	Shareholders General Assembly	Compliant – The Audit Committee charter was approved by the (Extraordinary) General Assembly held on 07/04/1445H (corresponding to 22/10/2023G)
51 and 54	Formation of the Audit Committee	Board of Directors	Compliant – The Audit Committee was appointed by the Board of Directors in its meeting held on 11/03/1446H (corresponding to 14/09/2024G)
52/B/4 and 71	Appointing the manager of the internal audit unit or department or the internal auditor and proposing their remuneration.	Board of Directors	Compliant – Saad Saleh Al-Sabti & Partners was appointed to perform the internal auditor duties on 14/06/1446H (corresponding to 15/12/2024G)

Article from the Corporate Governance Regulations	Details	Responsible Entity	Comment
57/B and 61/B	The company's general assembly shall issue – based on a proposal from the board of directors – the rules of procedure for the Remuneration and Nominations Committee, which shall include the controls, procedures and work of the committee, its tasks, rules for selecting its members, the duration of their membership, and their remuneration.	Shareholders General Assembly	Compliant – The Remuneration and Nominations Committee charter was approved by the Extraordinary General Assembly on 18/10/1442H (corresponding to 30/05/2021G)
58/1	The Remuneration and Nominations Committee shall prepare a clear policy for the remuneration of members of the Board of Directors, the committees emanating from the Board and the executive management, and submit it to the Board of Directors for consideration in preparation for its adoption by the General Assembly, provided that this policy takes into account the following standards related to performance, disclosure of them and verification of their implementation.	Shareholders General Assembly	Compliant – The remuneration policy for members of the Board of Directors, its sub-committees, and senior executives was approved by the (Extraordinary) General Assembly held on 18/10/1442H (corresponding to 30/05/2021G)
62/3	Preparing a description of the skills and qualifications required for membership on the Board of Directors and for holding executive management positions.	Remuneration and Nominations Committee	Compliant – Through the Board of Directors charter, which was approved by the General Assembly on 23/07/2019G
65	The nomination announcement for membership on the Board of Directors was published on the company's website and the market.	Board of Directors	Compliant
81	Policies or procedures followed by stakeholders in submitting their complaints or reporting violations.	Board of Directors	Compliant – Through the Violations Reporting Policy, which was approved on 26/07/1442H (corresponding to 10/03/2021G) by the Board of Directors
83	Professional conduct policy and ethical values	Board of Directors	Compliant – The Company has a Professional conduct policy and ethical values, which was approved on 12/09/1441H (corresponding to 05/05/2020G) by the Board of Directors
86	Written disclosure policies, procedures, and supervisory systems in accordance with the disclosure requirements stipulated in the Companies Law and the Capital Market Law.	Board of Directors	Compliant – The Company has a Disclosure and Transparency and Regulatory Compliance Policy, which was approved on 12/09/1441H (corresponding to 05/05/2020G) by the Board of Directors
88/B	The audit committee's report was published on the company's website.	Board of Directors	Compliant – The committee's report was attached to the invitation to convene the Annual General Assembly via the Company's page on Tadawul website, which is scheduled to be held on 29/12/1446H (corresponding to 25/06/2025G).
91	Company-specific governance rules that do not conflict with the mandatory provisions of the governance rules issued by the Authority	Board of Directors	Compliant – A Corporate Governance Manual was approved by the Board of Directors on 12/09/1441H (corresponding to 05/05/2020G)

Source: The Company.

The total proceeds received by the Company in the last Preemptive Rights Shares issuance amounted to two hundred and ninety-eight million nine hundred thousand (298,900,000) Saudi Riyals. The Extraordinary General Assembly of the Company's shareholders agreed on 21/09/1441H (corresponding to 14/05/2020G) to increase its capital from one hundred and one million one hundred thousand (101,100,000) Saudi Riyals to four hundred million (400,000,000) Saudi Riyals through the issuance of twenty-nine million eight hundred and ninety thousand (29,890,000) new Preemptive Rights Shares with a nominal value of ten (10) Saudi Riyals per share, and a total value of two hundred and ninety-eight million nine hundred thousand (298,900,000) Saudi Riyals, for the purpose of settling obligations, operating its projects, and developing its business.

The following table shows the use of the proceeds from the offering as disclosed in the relevant prospectus:

Table (130): Use of proceeds from the offering as disclosed in the relevant prospectus

Item (Saudi Riyals)	Planned use	Actual use	The difference between actual and planned use*	Actual spending versus planned spending percentage
Capital expenditures	190,000,000	50,300,000	(139,700,000)	26.5%
Set-up and working capital expenses	25,000,000	96,900,000	71,900,000	387.6%
Repayment of existing loan	80,000,000	147,500,000	67,500,000	184.4%
Offering expenses	3,900,000	4,200,000	300,000	107.7%
Total	**298,900,000**	**298,900,000**	-	-

*Pursuant to Paragraph (F) of Article (57) of the Rules on the Offer of Securities and Continuing Obligations issued by the Board of the Capital Market Authority under 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, as amended by CMA Board Resolution No. (3-6-2026) dated 30/07/1447H (corresponding to 19/01/2026G). (The issuer must disclose to the public any variance of 5% or more between the actual use of proceeds from a preemptive rights issuance, or a share issuance with the suspension of preemptive rights, compared to what was disclosed in the relevant prospectus, immediately upon becoming aware of such variance).

Accordingly, the Company has directed a total amount of (139.7) million Saudi Riyals from the funds allocated for capital expenditures related to shrimp and fish farms to repayment of loans worth (67.5) million Saudi Riyals, and to incorporation expenses and working capital support worth (71.9) million Saudi Riyals. This followed the Company's public disclosure on 20/06/1445H (corresponding to 02/01/2024G) regarding a difference of (5%) or more between the actual use of offering proceeds versus what was disclosed in the Prospectus, as well as the Company obtaining the approval of the Extraordinary General Assembly on 24/12/1445H (corresponding to 30/06/2024G) to change the expenditure channels for the use of the 2020G Company's capital increase offering proceeds.

According to the company's statement, the company was subject to violations by the Capital Market Authority as follows:

- On 05/07/2023G, the Capital Market Authority addressed the representatives of Saudi Fisheries Company regarding an accounting violation related to the annual financial statements for the year 2022G. The Authority indicated that the Company did not comply with paragraph (D) of Article (66) of the Rules on the Offer of Securities and Continuing Obligations, and paragraph (12) of International Accounting Standard No. 41 "Agriculture," as biological assets (fish) were not measured at fair value less costs to sell as required by the standards. The Authority requested the Company to: correct the violation in future financial statements, take measures to avoid its recurrence and inform the Board of Directors thereof, while emphasizing compliance with the Capital Market Law and its Executive Regulations.
- On 04/12/2024G, the Capital Market Authority addressed the Board of Directors of Saudi Fisheries Company regarding the Board's non-compliance with the requirements of Article (21) paragraph (9) of the Corporate Governance Regulations, which obligates the Board to prepare and approve the interim and annual financial statements before their publication. The Authority referred to the Company's announcement on 14/08/2023G regarding its inability to publish the financial results for the period ended 30/06/2023G within the specified time, which constitutes a regulatory violation. Accordingly, the Authority emphasized: the necessity of taking urgent corrective measures to prepare and approve the financial statements and the importance of complying with the statutory provisions in the future, in accordance with the Companies Law, the Capital Market Law, and the relevant regulations. The Authority requested confirmation of receipt of the letter due to its importance.
- **Subject: Comments on the Interim Financial Statements for the period ending June 30, 2023G**

  On 04/12/2024G, the Capital Market Authority addressed the representatives of Saudi Fisheries Company regarding an accounting violation related to the interim financial statements for the period ended 30 June 2023G, where the Company changed the accounting policy for measuring investment properties from the cost model to the fair value model, without full compliance with the adopted accounting standards, and the following violations were monitored:

  a. Failure to restate the financial statements for the previous period (first quarter 2023G) in accordance with the requirements of paragraph 43(A) of International Accounting Standard 34.

b. Absence of disclosures related to the inputs used to perform such measurements, which violates paragraph 91 (A) of International Financial Reporting Standard.

Accordingly, the Authority requested the correction of the violation in future financial statements, avoiding its recurrence in the future and informing the Board of Directors of the violation, in addition to taking the auditor's notes related to the valuation of investment properties into account when preparing the financial statements for the year ended 31 December 2023G. The Authority also emphasized the necessity of full compliance with the Capital Market Law and its Executive Regulations.

- **Subject: Comments on the annual financial statements ended December 31, 2023G**

  On 16/09/2024G, the Capital Market Authority pointed to an accounting violation related to the annual financial statements of Saudi Fisheries Company for the year ended 31 December 2023G, as a result of non-compliance with paragraph (D) of Article (66) of the Rules on the Offer of Securities and Continuing Obligations, which obligates the preparation and audit of financial statements in accordance with the standards of the Saudi Organization for Chartered and Professional Accountants.

  The independent auditor's observations showed the following:

  - **First: Incorrect measurement of fair value**
    Paragraphs 22 and 67 of International Financial Reporting Standard 13, The company used optimistic valuation assumptions, not supported by historical data, when measuring the fair value of the fish farming land (Al-Haridah).
  - **Second: Inaccurate calculation of the amount that can be refunded**
    Paragraph 18 of International Accounting Standard 36 states that the company did not deduct the costs of disposal from fair value when calculating the recoverable amount of assets, which is contrary to the standard for impairment of assets.
  - **Third: Inconsistent accounting disclosure**
    Paragraph 117 of International Accounting Standard 1 states that there is a discrepancy between the company's declared policy for measuring biological assets and what was actually implemented; the disclosures state that fish were measured at cost, while in reality they were measured at fair value in later periods (September 30 and December 31, 2023G).

The actions required of the company: Correcting the accounting violations in the future financial statements, informing the Board of Directors and the Audit Committee of the violation, taking the necessary measures to prevent its recurrence, and full compliance with the Capital Market Law and its Executive Regulations.

The authority noted that these observations do not negate the existence of other observations on the asset valuation reports submitted by the company.

The company has addressed all the comments and pledged not to repeat them.

9-6-7 Ongoing obligations as per the requirements of the Ministry of Municipalities and Housing

A municipal license must be obtained for administrative offices, branches, and points of sale to enable the Company and its subsidiary to operate them, taking into account that the municipality or the secretariat requires the following documents: a copy of the commercial register, a copy of the articles of association (bylaws), a copy of the lease agreement, a copy of the building permit for the building, warehouse, commercial shop (showroom), store, or point of sale in which the lease was made, a copy of the real estate office license, and a photograph of the building from a distance including the signage (with a copy of the signage invoice and the registration of the Company's trademark ownership to be used on the facade) in addition to the civil defense license.

The Company has (2) leased sites for the purpose of conducting its activities, including warehouses, offices, and shops, and municipal licenses and safety certificates have been obtained for these sites. Additionally, the Company is committed to obtaining health certificates for employees at points of sale that provide food services.

Except as mentioned in sub-paragraph (2.1.39) "Risks related to the failure to obtain or renew licenses and certificates" of section (2) "Risk Factors", the Company is committed to obtaining or renewing municipal licenses and safety certificates for all sites.

9-6-8 Ongoing obligations as per the requirements of the Ministry of Environment, Water and Agriculture – General Directorate of Fisheries:

The company has an aquaculture license issued by the Ministry of Environment, Water and Agriculture - General Directorate of Fisheries, and therefore the licensee is obligated to maintain the license to fulfill the following obligations:

1. Renewal of the aquaculture project license after verifying that the project complies with the objectives specified in the environmental study and the technical and economic feasibility study.
2. The project shall be implemented and operated in accordance with the technical and economic study approved by the Ministry, and no changes shall be made to it except with its written approval.
3. The project may not be transferred, sold, or have partners brought in without obtaining written approval from the Ministry.
4. Providing the relevant department in the ministry with information and data about the project every three months and allowing its representatives to inspect the progress of the work on it, and informing the ministry in case the project stops for any reason.
5. The investor must comply with all licensing regulations and requirements, and demonstrate their technical and financial ability to continue the production program as stated in the studies and operational license.
6. Ensuring that there are no negative environmental impacts resulting from the project.

The competent authority may refuse to renew the license if it is proven that the investor has not complied with the regulations, or has provided incorrect or misleading information, or has engaged in practices that may harm the aquaculture industry, such as operating without a license. In this case, he may be penalized with a fine of up to 3,000 Saudi Riyals, the value of which is determined according to the number of times repeated.

The company is committed to the regulations and instructions of the Ministry of Environment, Water and Agriculture as of the date of this Prospectus.

9-6-9 Ongoing obligations as per the requirements of the Ministry of Industry and Mineral Resources:

- The Company’s branch in Jazan has an industrial facility license issued by the Ministry of Industry and Mineral Resources under No. (431105119013) dated 07/11/1443H (corresponding to 06/06/2022G), which is valid until 01/01/1449H (corresponding to 06/06/2027G), to practice aquaculture using the floating cages system in the Red Sea waters with a production capacity of (3,000) tons of fish per year. The Company's branch is committed to the requirements imposed by the Ministry of Industry and Mineral Resources to maintain the industrial license, which include:
    1. The provisions contained in the Unified Industrial Regulation Law (System) of the Cooperation Council for the Arab States of the Gulf and its executive regulations.
    2. Allowing ministry employees to enter the industrial project, review records, documents and accounts, monitor the production process and other project activities.
    3. Allowing the ministry to access all data related to the industrial facility and submitted to all government agencies.
    4. The factory data should be updated every six months through the ministry’s website, or whenever there are updates to it.
    5. The commitment not to expand the project, develop it, change its products, merge it with an industrial project, or stop it, except after obtaining prior approval from the Ministry.
    6. Industrial activity and actual production may not be carried out until the industrial project is completed and all safety and environmental permits for operation and requirements from the competent authorities have been obtained. This is a condition for upgrading the industrial license to “production”.
- The company is committed to the regulations and instructions of the Ministry of Industry and Mineral Resources as of the date of this Prospectus.

9-6-10 Ongoing obligations as per the requirements of the Saudi Food and Drug Authority:

The Company's business is subject to the Food Law issued by Royal Decree No. (M/1) dated 06/01/1436H (corresponding to 30/10/2014G) throughout all stages that food passes through, from primary production until it reaches the consumer, including its import, export, manufacturing, preparation, processing, packing, packaging, processing, storage, transportation, possession, distribution, offering for sale, selling, distribution, etc. No food establishment is permitted to handle food before obtaining a technical license from the Saudi Food and Drug Authority.

The Company has obtained a food facility license to conduct the following food activities (cutting and cleaning fish and aquatic organisms – preservation of fish and fish products by chilling and freezing). Accordingly, the Company must comply with the food health requirements issued by the Saudi Food and Drug Authority regarding the manufacturing and processing of fish products.

9-7 Summary of Material Contracts

9-7-1 Memoranda of Understanding and Partnership Agreements

- There are no Memoranda of Understanding regarding potential future partnerships with third parties, with the exception of the MoU concluded with the Arabian Agricultural Services Company (ARASCO) to establish a framework for cooperation between the two parties in animal feed, and a (non-binding) Memoranda of Understanding with Aqua Bridge Farms for Development and Investment Company to explore opportunities for cooperation and joint ventures in the field of aquaculture. The following is a summary of the key provisions included in these Memoranda of Understandings:

Table (131): Summary of Memoranda of Understanding

Date of Memoranda	First Party	Second Party	Subject	Duration	Notes
06/07/1446H (corresponding to 06/01/2025G)	Saudi Fisheries Company	Aqua Bridge Farms for Development and Investment Company	A general framework for cooperation between the two parties in the field of aquaculture was established, including the exchange of necessary preliminary information, discussion and definition of the scope of work, exploration of potential partnership opportunities, and the development of general frameworks that can be used as a basis for entering into binding agreements later on.	9 months	• This memorandum is not binding on either party. • The confidentiality obligations shall continue for 3 years after the expiry or termination of this memorandum. • Each party shall refrain from entering into any communication, discussions, or negotiations related to this memorandum with any company that is a competitor of the other party, unless they wish to do so and obtain prior written consent from the other party.
04/08/1446H (corresponding to 03/02/2025G)	Saudi Fisheries Company	Arabian Agricultural Services Company (ARASCO)	A general framework for cooperation between the two parties in the field of animal feed was established, the scope of work was discussed and defined, potential partnerships for cooperation were explored, and general frameworks were established upon which binding agreements could be based later.	12 months	• This memorandum is not binding on either party. • The confidentiality obligations shall continue for 3 years after the expiry or termination of this memorandum. • Each party shall refrain from entering into any communication, discussions, or negotiations related to this memorandum with any company that is a competitor of the other party, unless they wish to do so and obtain prior written consent from the other party.

Source: The Company.

9-7-2 Agreements and Transactions with Related Parties

According to the financial statements, transactions have taken place during the past three years and up to the date of this prospectus with related parties within the company's ordinary business and with the approval of management. The company's Board of Directors believes that the terms of these transactions are not materially different from any other transactions the company makes with any third party.

The tables below show the most important transactions with related parties that took place during the years 2022G, 2023G, 2024G and the six-month period ending on June 30, 2025G:

Table (132): Transactions with Related Parties for 2022G

Related party	Nature of relationship	Type of interest	Nature of transactions	Transaction values during 2022G (Saudi Riyal)	Balance as of 2022G (Saudi Riyals)
Head management employees	Board members	Direct	Board members' remuneration	2,556,790	1,429,286
	Executive staff	Direct	Salaries, wages, and other due allowances	3,833,210	3,833,210
	Head	Direct	Post-employment benefits for employees	167,082	167,082
Bank of Bahrain	The bank's CEO is a member of the Board of Directors*	Indirect	Short-term loan	10,073,467	10,073,467
National Aquaculture Group (NAQUA)	The CEO of NAQUA is a member of the Board of Directors**	Indirect	Purchases (purchasing larvae for rearing on the company's farms)	7,140,485	2,274,336
Total				**23,771,034**	**17,777,381**

Source: The Company.

* Mr. Mansour AlSaghayer served as CEO of Bank of Bahrain and a member of the Board of Directors of the Saudi Fisheries Company (The Board term begins on 25/10/2020G and ends on 24/10/2023G).

**In compliance with International Accounting Standard ("IAS 1" "Presentation of Financial Statements" "paragraphs 38 – 38C" "regarding presentation of comparative information") and Standard ("IAS 24" "Related Party Disclosures"), the Company is committed to disclosing comparative information for prior periods whenever necessary and materially relevant to enable users of the financial statements to form a sound and fair understanding of the financial position, results of operations, and cash flows of the Company, including the disclosure of any previous transactions or balances with related parties – if any. Accordingly, the Company did not enter into any transactions with related parties during the year 2022G when preparing its financial statements; however, when preparing the financial statements for the year 2023G, it was disclosed within the 2022G comparative year for presentation and comparison purposes in accordance with the requirements of International Accounting Standards, the existence of a related party with the CEO of NAQUA, Ahmad Rasheed Mohammad AlBallaa (one of the members of the Company's Board of Directors for the term that started on 10/04/1445H (corresponding to 25/10/2023G) and ends on 13/05/1448H (corresponding to 24/10/2026G). On 30/02/1446H (corresponding to 03/09/2024G), the Company's Board of Directors decided to accept the resignation of the member Ahmad Rasheed Mohammad AlBallaa from his position as a Board member), and the nature of the relationship consisted of purchasing larvae for aquaculture in the Company's farms.

Table (133): Transactions with Related Parties for 2023G

Related party	Nature of relationship	Type of interest	Nature of transactions	Transaction values during 2023G (Saudi Riyal)	Balance as of 2023G (Saudi Riyals)
National Aquaculture Group (NAQUA)	Affiliated company*	Indirect	Purchases	26,586,293	5,389,719
Senior management employees	Board of Directors	Direct	Board members' remuneration	2,378,417	3,416,898
	Key executives	Direct	Salaries, wages, and other due allowances	3,918,928	222,400
		Direct	Work benefits	-	230,004
Total				**32,883,638**	**9,259,021**

Source: The Company.

*Eng. Ahmad Rasheed Mohammad AlBallaa held the position of Board Member of the National Aquaculture Group (NAQUA) and Board Member of the Saudi Fisheries Company. The Board's term begins as of 10/04/1445H (corresponding to 25/10/2023G) for a period of three years and ends on 13/05/1448H (corresponding to 24/10/2026G). On 30/02/1446H (corresponding to 03/09/2024G), the Company's Board of Directors decided to accept the resignation of Mr. Ahmad Rasheed Mohammad AlBallaa from his position as a Board Member.

Table (134): Transactions with Related Parties for 2024G

Related party	Nature of relationship	Type of interest	Nature of transactions	Transaction values during 2024G (Saudi Riyal)	Balance as of 2024G (Saudi Riyals)
Senior management employees	Board of Directors	Direct	Board members' remuneration	1,266,101	4,682,999
	Key executives	Direct	Work benefits	-	118,402
Total				**1,266,101**	**4,801,401**

Source: The Company.

Table (135): Transactions with Related Parties for the Six-month Period Ending June 30, 2025G

Related party	Nature of relationship	Type of interest	Nature of transactions	Transaction values as of June 30, 2025G (Saudi Riyals)	Balance as of June 30, 2025G (Saudi Riyals)
Senior management employees	Board of Directors	Direct	Board members' remuneration	782,645	3,788,362
	Key executives	Direct	Employee benefits	-	158,263
Total				**782,645**	**3,946,625**

Source: The Company.

The company, its Board members and shareholders are committed to implementing Articles (71) and (27) of the Companies Law.

On 24/12/1445H (corresponding to 30/06/2024G), the (Extraordinary) General Assembly of shareholders approved the business and contracts conducted between the Company and the National Aquaculture Group (NAQUA), in which Board Member Ahmed AlBallaa has an indirect interest. These transactions consist of credit-based commercial exchange of aquatic organisms in return for mortgaging the equipment of the feed factory under construction for a period of two years in the amount of (100,000,000) Saudi Riyals. The value of transactions for the year 2023G amounted to 26,586,293 Saudi Riyals, and there are no preferential terms in the contract.

On 02/12/1444H (corresponding to 20/06/2023G), the (Ordinary) General Assembly of shareholders approved the business and contracts conducted between the Company and the National Bank of Bahrain during the year 2022G, in which Board Member Mr. Mansour Abdulaziz AlSaghayer (Non-Executive Member) has an indirect interest. The nature of the transaction is a financing agreement obtained on 08/08/2022G for an amount of 36 million Saudi Riyals for a period of one year, aimed at financing operational activities, in accordance with prevailing commercial terms.

9-7-3 Lease Contracts

The group entered into (2) lease agreements with private entities for commercial offices, shops, apartments, and other sites occupied by the company. These agreements include common clauses regarding the rental value, payment method, and lease term. A summary of these agreements follows:

Table (136): Lease Contracts

No.	Contract Date	Landlord	Type of Rent	Address	Lease Term	Renewal	Lease Value	Contract Status
1	-	Landlord 1	Piece of Land	Located 35 km south of Al-Qahmah in the Asir region	Starting from 21/05/1439H (corresponding to 07/02/2018G) and ending on 30/12/1447H (corresponding to 16/06/2026G)	-	(750,000) Saudi Riyals	-
2	-	Landlord 2	Piece of Land	North of Amq on the (Makkah-Amq-Jizan) road on the Red Sea coast in the Asir region	Twenty Hijri years starting from 26/08/1433H (corresponding to 16/07/2012G) and ending on 26/08/1453H (corresponding to 11/12/2031G)	-	(13,328) Saudi Riyals annually	-

Source: The Company.

9-7-4 Credit Facilities and Borrowings Agreements

- Except as stated below, and according to the company's statement, there are no outstanding borrowings, banking facilities, or financial leasing agreements with any Saudi or non-Saudi banks as of the date of this Prospectus. Furthermore, the company has not provided any cash borrowings of any kind to its board members, nor has it provided any guarantees for borrowings to its board members or employees from third parties, and it has not opened any lines of credit.
- The company also did not grant borrowings to any of the employees, with the exception of advance payments on salary, which are calculated as part of the housing and/or transportation allowance according to the employment contract.
- The following is an overview of the facilities agreement:

Table (137): Agricultural Development Fund Agreement

Funding Entity	Date of Signing the Agreement	Facility Expiry Date	Credit Limit (Saudi Riyals)	Amounts Used* (Saudi Riyals)	Amounts Paid* (Saudi Riyals)	Payment Dates	Notes
Agricultural Development Fund	21/11/1430H (corresponding to 09/11/2009G)	21/11/1432H (corresponding to 19/10/2011G)	4,255,440	4,255,440	425,495	November 2026G	Short-term borrowing

On 21/11/1430H (corresponding to 09/11/2009G), the Company entered into a borrowing agreement with the Agricultural Development Fund to finance a shrimp farming and cultivation project with a total value of (12,867,838) Saudi Riyals, interest-free, provided that the borrowing is repaid by 19/10/2011G. An amount of (2,856,958) Saudi Riyals was repaid, and as a result of the failure to pay the remaining amount according to the agreement, the Company applied on 12/04/2016G for a rescheduling of the borrowing balance amounting to (10,010,880) as of 31/12/2016G. The rescheduling of the borrowing was approved in (9) nine annual installments of (500,000) Saudi Riyals for the first three installments starting from November 2017G, and (1,418,480) Saudi Riyals for the following six installments which end on 01/11/2026G. This borrowing is secured by the mortgage of two plots of land in Al-Khobar and Al-Qatif with a book value of (8,341,030) Saudi Riyals.

The most important terms and conditions included in the agreement:

- The Second Party (the Company) undertakes that the Borrower shall maintain the mortgaged immovable property and its components and annexes by not selling them or creating any rights for third parties therein in any way. This undertaking includes everything on the land, farm, or real estate. The Second Party may not dispose of the aforementioned in any way except with the permission of the Fund. The Fund may recover the borrowing value if the Second Party fails to maintain the property mortgaged in favor of the Fund, or if its value decreases by more than 20% from the value estimated by the Fund and the Borrower does not provide any other guarantee acceptable to the Fund.
- The Borrower may not dispose of the farm or the project for which the borrowing was granted, or any of the objects secured by the Fund's borrowing, by transfer, sale, gift, assignment, or lease except after obtaining the prior written approval of the Fund.

The second party's entire debt becomes immediately due and payable, and the fund has absolute freedom to sell the mortgaged property and demand payment from the guarantors in the following cases:

- If the second party breaches any of the terms of this contract.
- When any installment due is not paid within the specified period.
- If he does not use the borrowing for the purposes for which it was granted, or misuses it, or tries to sell or transfer it, the fund has the right in these cases to confiscate the granted assets, and to hold the second party liable for all damages resulting from that.
- When providing false information to the Fund in order to obtain a borrowing, whether this information relates to the farm land, the collateral provided, the borrower's debts to others, or any other information or documents: Article Ten: - The Fund has the right to demand the deduction of any outstanding dues owed to the second party by any government entity without objection from the second party.
- If he is late in paying any installment due within the specified period.

Based on the Company's request, the bank approved the deferral of the remaining outstanding balance of 3,903,346 Saudi Riyals (including rescheduling fees) until 01/11/2026G, after the Company provided an undertaking to settle the entire debt in the event of a capital increase or the receipt of compensations.

Source: The Company.

Table (138): Payment agreement with the Saudi Agricultural and Livestock Investment Company (SALIC)

Payment Agreement	
Parties	The Saudi Agricultural and Livestock Investment Company - SALIC (Guarantor) The Saudi Fisheries Company (Debtor)
Subject of Agreement	The debtor contacted the guarantor to request financial support to cover and secure the necessary liquidity to settle financial obligations related to salaries and wages, payments due to the debtor's suppliers, and financial obligations related to the Zakat, Tax and Customs Authority. The guarantor agreed to the terms of the guarantee letter and provided a guarantee to Riyad Bank for a borrowing issued to the debtor for the original amount of (19,000,000). The bank collected the guaranteed amount from the guarantor. The debtor then undertook to issue a promissory note to the guarantor for the full amount of the guarantee. He also mortgaged the company's land in Riyadh, measuring (6,263.96) square meters, deed number (317901000456).
Date of Agreement	The agreement was concluded on 01/06/2025G.
Term of Agreement	11 months ending on (05/05/2026G).
Amount of Agreement	19,000,000
Waiver	Not specified in the agreement
Termination	Not specified in the agreement
Applicable Law	This agreement shall be implemented and interpreted in accordance with the regulations, rules, instructions, decisions and any applicable regulatory instrument in the Kingdom of Saudi Arabia. Any dispute that may arise in this regard and is not settled amicably between the two parties shall be referred to the competent authority in the Kingdom of Saudi Arabia in the city of Riyadh for final resolution.
Note	

Source: The Company.

9-7-5 Other Material Contracts Related to the Group's Activity

- The company entered into several agreements with other parties for purposes related to its business operations. The following table summarizes the agreements and contracts entered into by the company for business purposes:

Table (139): Material Agreements and Contracts

Contract Date	First Party	Second Party	Contract Subject	Contract Value	Contract Expiry Date	Renewal	Notes
Service Contracts							
24/01/1446H (corresponding to 30/07/2024G)	PKF Al-Bassam Company (Chartered Accountants)	Saudi Fisheries Company	Professional Services Contract	750,000 Saudi Riyals excluding VAT	The contract duration is 12 months from the date of signing the contract.	The contract may not be extended or renewed except by written agreement between the parties and by approving an addendum to this contract.	Each party is committed to maintaining complete confidentiality regarding the confidential information of the other parties.
10/02/1446H (corresponding to 14/08/2024G)	PKF Al-Bassam Company (Chartered Accountants)	Saudi Fisheries Company	Adding two new clauses to the previous agreement text	80,000 Saudi Riyals excluding VAT	-	-	-
03/12/1444H (corresponding to 21/06/2023G)	Empowerment Professionals Company	Saudi Fisheries Company	Providing Services Agreement	693,323.16 Saudi Riyals	According to the project plan specified in the contract	-	Both parties are committed to maintaining complete confidentiality regarding the parties' confidential information.
27/10/1445H (corresponding to 06/05/2024G)	anb capital Company	Saudi Fisheries Company	Providing Services Agreement	As agreed upon in the contract text	-	-	-
20/09/1446H (corresponding to 20/03/2025G)	Deloitte	Saudi Fisheries Company	Marine Contract	75,000 Saudi Riyals			
14/06/1446H (corresponding to 15/12/2024G)	Saad Saleh Al-Sabti & Partners	Saudi Fisheries Company	Internal Audit	According to the table agreed upon in the contract	-	-	Attachment to the letter of appointment
Other Contracts							
23/06/1444H (corresponding to 16/01/2023G)	Party (1)	Saudi Fisheries Company	Renting a storage property	189,750 Saudi Riyals	The contract is binding for the first six months, after which either party has the right to terminate the contract, provided that the other party is notified at least 60 days in advance.	-	-
09/07/1445H (corresponding to 21/01/2024G)	Party (2)	Saudi Fisheries Company	Deferred payment account opening agreement	Maximum credit limit: 140,000 Saudi Riyals	-	-	-
25/09/1445H (corresponding to 04/04/2024G)	Party (3)	Saudi Fisheries Company	Deferred payment account opening agreement	Maximum credit limit: 200,000 Saudi Riyals	-	-	-

Contract Date	First Party	Second Party	Contract Subject	Contract Value	Contract Expiry Date	Renewal	Notes
08/07/1443H (corresponding to 09/02/2022G)	Party (4)	Saudi Fisheries Company	Goods quotation	According to the agreed price list	-	-	-
17/11/1443H (corresponding to 16/06/2022G)	Saudi Fisheries Company	Party (5)	Project for the supply, installation and operation of a 10-ton capacity freezer room at Al-Haridah Farm	1,244,300 Saudi Riyals	12 weeks from the date of signing the contract	-	The second party is not entitled to subcontract the execution of the contract or assign it.
25/04/1445H (corresponding to 09/11/2023G)	Party (6)	Saudi Fisheries Company	Goods Supply Agreement	According to the agreed price list	5 years until 31/07/2028G	Renewed by prior written agreement of both parties	-
10/07/1442H (corresponding to 22/02/2021G)	Party (7)	Saudi Fisheries Company	Deferred payment account opening agreement	-	-	-	The agreement is secured by a promissory note attached to the agreement for the amount of 500,000 Saudi Riyals.
10/08/1443H (corresponding to 13/03/2022G)	Party (8)	Saudi Fisheries Company	Deferred payment account opening agreement	Maximum credit limit: 200,000 Saudi Riyals	-	-	The agreement is secured by a promissory note attached to the agreement for the amount of 200,000 Saudi Riyals.
04/03/1443H (corresponding to 10/10/2021G)	Party (9)	Saudi Fisheries Company	Feed sale contract	According to the agreed price list	One year from the date of the contract	The contract is automatically renewed unless either party notifies the other in writing of their unwillingness to renew at least 30 days before the contract expires.	--
12/09/1443H (corresponding to 13/04/2022G)	Party (10)	Saudi Fisheries Company	Deferred payment account opening agreement	Maximum credit limit: 300,000 Saudi Riyals	-	-	The agreement is secured by a promissory note for 300,000 Saudi Riyals
16/01/1444H (corresponding to 14/08/2022G)	Party (11)	Saudi Fisheries Company	Deferred payment account opening agreement	-	-	-	The agreement is secured by a promissory note for 500,000 Saudi Riyals and another for 1,200,000 Saudi Riyals
10/06/1443H (corresponding to 13/01/2022G)	Party (12)	Saudi Fisheries Company	Promissory note	Worth 300,000 Saudi Riyals	-	-	-
09/08/1444H (corresponding to 01/03/2023G)	Party (13)	Saudi Fisheries Company	Amendment to a previous contract for the supply of liquid oxygen	According to the table agreed upon in the contract	-	-	-

Contract Date	First Party	Second Party	Contract Subject	Contract Value	Contract Expiry Date	Renewal	Notes
19/09/1444H (corresponding to 10/04/2023G)	Party (14)	Saudi Fisheries Company	Sales Agreement	According to the table agreed upon in the contract	-	-	- The second party is not entitled to subcontract or assign the contract. - Both parties are bound by strict confidentiality regarding each other's confidential information.
	Party (15)	Saudi Fisheries Company	Fry Agreement	According to the table agreed upon in the contract	-	-	
19/02/1444H (corresponding to 15/09/2022G)	Party (16)	Saudi Fisheries Company	Contract for the provision of refrigerated and frozen transport vehicle rental services	According to the table agreed upon in the contract	5 years	-	The second party is not entitled to subcontract the work.
01/09/1445H (corresponding to 11/03/2024G)	Party (17)	Saudi Fisheries Company	S&_Project Rescue_ Turnaround_ Technical Proposal_	4,354,500 Saudi Riyals	-	-	Proposal|

Source: The Company.

- Based on the Board of Directors' resolution dated 26/04/1447H (corresponding to 08/10/2025G) approving to proceed with the sale of (51%) of Saudi Fisheries Company's stake in the subsidiary (Al-Haridah National Aquaculture Company) to Sara National Trading Company, the Company has signed a Share Purchase Agreement according to the following details:

Table (140): Share Purchase Agreement of Al-Haridah Aquaculture Company

Share Purchase Agreement	
Parties	- Saudi Fisheries Company. - Sara National Trading Company.
Subject of Agreement	Sara National Company's acquisition of a controlling stake of 5,100 shares, representing 51% of Al-Haridah Company's shares, along with the transfer of the project land lease agreement, licenses, assets, contracts, and rights associated with the project from the Saudi Fisheries Company to Al-Haridah National Aquaculture Company. This includes enabling Sara National Company to manage the company and appoint a manager for it in accordance with the draft Bylaws after transforming into a Simplified Joint Stock Company.
Date of Agreement	07/05/1447H (corresponding to 29/10/2025G).
Term of Agreement	-
Amount of Agreement	33,150,000 Saudi Riyals.
Waiver	Not specified in the agreement.
Termination	- If both parties agree in writing. - If the first party's assembly does not approve it. - If the second party fails to pay the first installment according to the due dates. - If the period specified in this agreement expires without the transfer of licenses or lease agreement.
Applicable Law	This agreement shall be subject to and construed in accordance with the provisions of Islamic Sharia and the regulations and laws in force in the Kingdom of Saudi Arabia.
Note	

Source: The Company.

9-8 Trademarks and Intellectual Property Rights

The Company has a logo used in its transactions, which is registered as trademarks with the Saudi Authority for Intellectual Property under category (29). This is one of the trademark classes pertaining to (meat, fish, poultry, and game; meat extracts; preserved, frozen, dried, and cooked fruits and vegetables; jellies, jams, compotes; eggs; milk and milk products; edible oils and fats; preserved foods and pickles). This registration enables the Company to place its name and logo on the exterior facades of the buildings, offices, or commercial shops it operates, as it has registered the trademark and secured the necessary legal protection in accordance with the Trademark Law.

Table (141): Trademark details of the company registered within the Kingdom of Saudi Arabia

Certificate Number	Registration Date	Date of Commencement of Protection	Protection Expiry Date	Category	Trademark
1439021300	21/03/1440H (corresponding to 29/11/2018G)	15/09/1439H (corresponding to 30/05/2018G)	14/09/1449H (corresponding to 10/02/2028G)	29	الشركة السعودية للأسماك SAUDI FISHERIES COMPANY

Source: The Company.

Website:

The Company is committed to registering its website domain **(alasmak.com.sa)**, having secured its protection and prevented its infringement or use by third parties pursuant to a certificate issued by Raqmiyat Net Information Technology Company (one of the domain name registration agents accredited by the Communications, Space and Technology Commission (formerly the Communications and Information Technology Commission) – Saudi Network Information Center). The certificate, dated 29/10/1446H (corresponding to 27/04/2025G), confirms the protection of the Company's website. Accordingly, the Company's website domain **(alasmak.com.sa)** has become protected against third-party infringement and the use of similar domains.

9-9 Insurance

The group has taken out a number of insurance policies to mitigate some of the risks it may face, as shown in the following table:

Table (142): Summary of the company's insurance documents

Insurance Company	Policy Type	Policyholder	Policy Number	Coverage Starting Date	Coverage Ending Date
The Company for Cooperative Insurance (Tawuniya)	Health Insurance Policy	Saudi Fisheries Company	1054572920	26/10/2025G	25/10/2026G
Arabian Shield Cooperative Insurance Company	Vehicle Insurance Policy	Saudi Fisheries Company	P/CRO1/2024/CV/000643/R01	29/12/2025G	28/12/2026G
Mutakamela Insurance Company	Professional Compensation Insurance Policy	Saudi Fisheries Company	DOL/41178	15/08/2025G	14/08/2026G

Source: The Company.

According to Tam report issued by the Public Security Traffic Department, the company has (96) vehicles, of which (12) vehicles have valid insurance and (84) vehicles do not have insurance as of 20/01/2026G.

It should be noted that, as of the date of this Prospectus, the company has not entered into any insurance policies against all risks or personal accidents that may affect its property.

9-10 Disputes and Litigations

- The company's management confirms that the company is not a party to any lawsuit, claim, arbitration, or administrative proceedings, whether combined or separate, that are pending or likely to be filed, that would materially affect the company's business or financial position up to the date of this Prospectus, except for those listed in the following tables:

A. Lawsuits in which the company is a party as the (Plaintiff):

Table (143): Lawsuits in which the company is a party as the (Plaintiff)

No.	Plaintiff	Defendant	Lawsuit No.	Lawsuit Subject	Lawsuit Value	Judicial Authority	Last Procedure and its Date	Lawsuit status
1	Saudi Fisheries Company	Defendant 1 (Bank)	468/2025/M	Bank lawsuit	1,425,000 Saudi Riyals	Commercial Court	A response memorandum was requested regarding Riyad Bank's appeal, dated 24/06/1447H (corresponding to 15/12/2025G)	The memorandum was submitted
2	Saudi Fisheries Company	Defendant 2 (Individual)	4772155415	Employer claims	-	Labor Court	The defendant did not attend the session and the court ruled that the case was inadmissible due to its being filed prematurely. The employee's contract was terminated via the Qiwa platform on 01/07/1447H (corresponding to 21/12/2025G).	Governed by a final ruling
3	Saudi Fisheries Company	Defendant 3 (Company)	4772060905	Sale and supply	106,432.50	Commercial Court	Exchange of memoranda / A session has been scheduled for 09/11/1447H (corresponding to 26/04/2026G)	Under consideration
4	Saudi Fisheries Company	Defendant 4 (Individual)	4771773998	Compensation for litigation expenses	521,200	Commercial Court	The defendant is ordered to pay the sum of 50,000 Saudi Riyals on 01/07/1447H (corresponding to 21/12/2025G)	Closed
5	Saudi Fisheries Company	Defendant 5 (Individual)	4771704644	Rental	1,173,720 Saudi Riyals	Commercial Court	The case was referred to the khaber platform, and it was agreed to submit a memorandum in which we adhere to and limit our claim to what the defendant admitted in the amount of (261,000) Saudi Riyals, and to claim the remaining amounts in a separate lawsuit. A session was set for 20/11/1447H (corresponding to 07/05/2026G).	Under consideration
6	Saudi Fisheries Company	Defendant 6 (Individual)	4771766375	Sale and supply	700,000 Saudi Riyals	Commercial Court	The defendant requested a postponement regarding the objection filed by the plaintiff, and a hearing was scheduled for 14/01/1448H (corresponding to 29/06/2026G).	Under consideration

No.	Plaintiff	Defendant	Lawsuit No.	Lawsuit Subject	Lawsuit Value	Judicial Authority	Last Procedure and its Date	Lawsuit status
7	Saudi Fisheries Company	Defendant 7 (Individual)	4771739373	Compensation for litigation expenses	132,236 Saudi Riyals	Court of Appeal	The court ruled to dismiss the plaintiff's case on 21/07/1447H (corresponding to 10/01/2026G).	Closed
8	Saudi Fisheries Company	Defendant 8 (Individual)	4771798415	Compensation for litigation expenses	20,028.24 Saudi Riyals	General Court	The plaintiff's case was dismissed on 12/06/1447H (corresponding to 03/12/2025G).	Final judgment
9	Saudi Fisheries Company	Defendant 9 (Individual)	4772689175	Claiming fair market rent, settling the consumption share, and obtaining financial compensation	Claiming fair market rent in the amount of (50,000.00) Saudi Riyals, settling the depreciation share in the amount of (24,025.00) Saudi Riyals, and compensation in the amount of (6,000.00) Saudi Riyals	General Court	A session was scheduled for 02/11/1447H (corresponding to 19/04/2026G)	Under consideration

Source: The Company.

B. Lawsuits in which the company is a party as the (Defendant):

Table (144): Lawsuits in which the company is a party as the (Defendant)

No.	Plaintiff	Defendant	Lawsuit No.	Lawsuit Subject	Lawsuit Value (Saudi Riyals)	Judicial Authority	Last Procedure and its Date	Lawsuit status
1	Plaintiff 1 (Individual)	Saudi Fisheries Company	4671056330	Sale and supply	106,121	Commercial Court	A ruling was issued obligating the Saudi Fisheries Company to pay the value of the claim on 25/10/1446H (corresponding to 23/04/2025G).	Final judgment
2	Plaintiff 2 (Company)	Saudi Fisheries Company	4771548010	Rental	390,715.23	Commercial Court	A payment schedule and a settlement were agreed upon between the two parties. The settlement was proven before the judicial department. The court ruled to prove the settlement between the two parties and obligate them to it on 26/03/1447H (corresponding to 18/09/2025G).	Final judgment
3	Plaintiff 3 (Company)	Saudi Fisheries Company	4771488540	Sale and supply	69,231	Commercial Court	A ruling was issued obligating the Saudi Fisheries Company to pay the amount of 62,293 Saudi Riyals on 29/04/1447H (corresponding to 21/10/2025G).	Closed

No.	Plaintiff	Defendant	Lawsuit No.	Lawsuit Subject	Lawsuit Value (Saudi Riyals)	Judicial Authority	Last Procedure and its Date	Lawsuit status
4	Plaintiff 4 (Company)	Saudi Fisheries Company	4671435445	Sale and supply	2,970,593	Commercial Court	A judgment was issued obligating the Saudi Fisheries Company to pay the plaintiff, Saudi Union Company, the sum of (2,970,593) Saudi Riyals on 08/01/1447H (corresponding to 03/07/2025G).	Closed
5	Plaintiff 5 (Individual)	Saudi Fisheries Company	4771851470	Compensation for litigation expenses	17,882	Labor Court	The ruling to dismiss the case was issued on 17/05/1447H (corresponding to 08/11/2025G).	Final judgment
6	Plaintiff 6 (Company)	Saudi Fisheries Company	4772683366	Demands that the hand be removed from the land of Amq	-	General Court	A response memorandum regarding lack of standing will be submitted. A hearing has been scheduled for 24/06/2026G.	Under consideration
7	Plaintiff 7 (Individual)	Saudi Fisheries Company	4772653700	Compensation for litigation expenses	36,052	Commercial Court	A response memorandum of non-entitlement will be submitted. A hearing has been scheduled for 09/06/2026G.	Under consideration
8	Plaintiff 8 (Company)	Saudi Fisheries Company	4772553799	Sale and supply	56,514	Commercial Court	A response memorandum is required.	Under consideration
9	Plaintiff 9 (Individual)	Saudi Fisheries Company	4772526439	Claiming fair rent in respect of a lease agreement	20,550	General Court	The court requested the plaintiff's personal appearance to take an oath regarding his non-refusal to receive the property. A hearing was scheduled for 05/07/2026G.	Under consideration
10	Plaintiff 10 (Individual)	Saudi Fisheries Company	4772482938	Damage between merchants due to tort liability	242,470.00	Commercial Court	Damage between the merchants due to the tort liability; the plaintiff appealed the ruling, and a hearing was scheduled for 13/05/2026G.	Under consideration
11	Plaintiff 11 (Individual)	Saudi Fisheries Company	4772392316	Worker's claims	30,008.00	Labor Court	A memorandum will be submitted to dismiss the case. A hearing has been scheduled for 14/04/2026G.	Under consideration

Source: The Company.

- The table below shows the execution requests that were submitted by the company in its capacity as (the executor) and all of them have been settled, as the table shows that the status of these requests is either (no payment has been made) or (payment has been made).

Table (145): Summary of Execution Requests

No.	Executor	Judgment Debtor	Execution Request No.	Execution Request Date	Bond Type	Payment Status	Amount (Saudi Riyals)
1	Saudi Fisheries Company	Judgment Debtor 1	401024300116779	27/04/1443H (corresponding to 02/12/2021G)	Commercial	No payment has been made, and the request to update bank account disclosures has been processed	1,040,000 Saudi Riyals
2	Saudi Fisheries Company	Judgment Debtor 2	401024400836505	18/02/1444H (corresponding to 14/09/2022G)	Labor	No payment has been made, and the request to update bank account disclosures has been processed	41,946.52 Saudi Riyals
3	Saudi Fisheries Company	Judgment Debtor 3	401014602904172	18/10/1446H (corresponding to 16/04/2025G)	Financial – Commercial Papers	Payment has not yet been made, and a request has been submitted to the Ministry of Commerce to inquire about and seize the shares and stocks of the party against the judgment debtor	3,831.30 Saudi Riyals
4	Saudi Fisheries Company	Judgment Debtor 4	401014501741407	30/04/1445H (corresponding to 14/11/2023G)	Customer Debts	No payment has been made, and the request to update bank account disclosures has been processed	610,000 Saudi Riyals
5	Saudi Fisheries Company	Judgment Debtor 5	401014501741502	01/05/1445H (corresponding to 15/11/2023G)	Customer Debts	No payment has been made, and the request to update bank account disclosures has been processed	72,875 Saudi Riyals
6	Saudi Fisheries Company	Judgment Debtor 6	401014501995420	09/09/1445H (corresponding to 19/03/2024G)	Customer Debts	No payment has been made, and the request to update bank account disclosures has been processed	110,933 Saudi Riyals
7	Saudi Fisheries Company	Judgment Debtor 7	401014501995489	09/09/1445H (corresponding to 19/03/2024G)	Customer Debts	No payment has been made, and the request to update bank account disclosures has been processed	230,600 S audi Riyals
8	Saudi Fisheries Company	Judgment Debtor 8	401014602834855	28/07/1446H (corresponding to 28/01/2025G)	Financial - Commercial Papers	No payment has been made, and the request to update bank account disclosures has been processed	1,781,445.01 Saudi Riyals

Source: The Company.

9-11 Material information that has changed since the Authority's approval of the latest prospectus

The following is a summary of the most important information that has changed since the Authority approved the latest issuance prospectus, which was issued on 05/06/1441H (corresponding to 30/01/2020G):

- **The Board of Directors and its Committees:** A Board of Directors was elected for a new term that began on 25/10/2020G and ended on 24/10/2023G. Additionally, a Board of Directors was elected for the current term, which began on 25/10/2023G for a period of three years ending on 14/10/2026G. Accordingly, the committees emerging from the Board were reconstitution.
- **The Chairman of the Board of Directors:** The resignation of the Chairman, Eng. Omar bin Hamad Al-Madi, and the appointment of Mr. Abdulrahman bin Saud Al-Owais in his place. The Board of Directors also appointed Mr. Abdulrahman bin Saud Al-Owais as Chairman of the Board for the term that began on 25/10/2023G. On 03/09/2024G, the Board of Directors decided to reconstitute the Board for the current term and appoint Mr. Abdulaziz Abdullah Alhumaid as Chairman of the Board.
- **Capital Increase:** On 21/09/1441H (corresponding to 14/05/2020G), the Extraordinary General Assembly of shareholders approved the Board's recommendation to increase the Company's capital from one hundred and one million, one hundred thousand (101,100,000) Saudi Riyals to four hundred million (400,000,000) Saudi Riyals; and consequently increasing the Company's shares from ten million, one hundred and ten thousand (10,110,000) shares to forty million (40,000,000) shares, through the issuance of Preemptive Rights Shares valued at two hundred and ninety-eight million, nine hundred thousand (298,900,000). The number of shares offered for subscription amounted to twenty-nine million, eight hundred and ninety thousand (29,890,000) shares with a nominal value of ten (10) Saudi Riyals per share.
- **Bylaws:** On 18/10/1442H (corresponding to 30/05/2021G), the Extraordinary General Assembly of Shareholders of the Saudi Fisheries Company approved amendments to several articles of the company's Bylaws. These amendments included: Article (1) of the Bylaws, related to the company's establishment; Article (3) of the Bylaws, related to the company's objectives; Article (4) of the Bylaws, related to participation and ownership in other companies; Article (5) of the Bylaws, related to the company's headquarters; Article (6) of the Bylaws, related to the company's duration; Article (7) of the Bylaws, related to the company's capital; deletion of Article (8) of the Bylaws, related to share subscription; amendment of Article (12) of the Bylaws, related to share trading; deletion of Article (13) of the Bylaws, related to the shareholders' register; and approval of the addition of Article (13) to the Bylaws, related to the company's purchase, sale, and pledging of its own shares. Article (14) of the Bylaws was also amended. The following amendments were made to the company's Bylaws related to capital increases: Article (16) related to company management; Article (17) related to termination of board membership; Article (18) related to vacancies on the board; Article (19) related to the board's powers; Article (20) related to board member remuneration; Article (21) related to the powers of the chairman, deputy chairman, managing director, and secretary; Article (22) related to board meetings; Article (23) related to quorum for board meetings; Article (24) related to board deliberations; Article (25) related to attendance at general assemblies; Article (26) related to the founding assembly; and Article (27) related to the assembly's powers. The following amendments were made to the company's Bylaws: Article (28) related to the powers of the Ordinary General Assembly; Article (30) related to the convening of general assemblies; Article (32) related to the quorum for an Ordinary General Assembly meeting; Article (33) related to the quorum for an Extraordinary General Assembly meeting; Article (34) related to approval at general assemblies; Article (35) related to the resolution of general assemblies; Article (36) related to discussion at general assemblies; Article (37) related to the chairmanship of general assemblies and the preparation of minutes; Article (38) related to the board committees; Article (39) related to the formation of the audit committee; Article (40) related to the quorum for committee meetings; Article (43) related to the appointment of the auditor; and Article (46) related to the fiscal year. (47) of the company's Bylaws relating to financial documents, amending Article (48) of the company's Bylaws relating to profit distribution, amending Article (49) of the company's Bylaws related to entitlement to profit distribution, amending Article (54) of the company's Bylaws relating to final provisions.

  On 07/04/1445H (corresponding to 22/10/2023G), the Extraordinary General Assembly of Saudi Fisheries Company's shareholders approved the amendment of several articles of the Company's Bylaws to comply with the new Companies Law. This included amending Article (3) of the Company's Bylaws regarding the Company's purposes, and Article (15) regarding the Board of Directors, pursuant to the Electronic Bylaws (Request No. 577046 – Version No. 1).

- **Managing Director:** Mr. Saeed Abdullah Al-Mu'aythir was appointed as Managing Director of the company effective from 15/09/2024G.
- **Company's Capital Reduction:** On 26/07/1446H (corresponding to 26/01/2025G), the (Extraordinary) General Assembly of shareholders approved the Board of Directors' recommendation to reduce the Company's 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, and to reduce the number of the Company's shares from forty million (40,000,000) shares to six million six hundred ninety-eight thousand six hundred four (6,698,604) shares, by canceling thirty-three million three hundred one thousand three hundred ninety-six (33,301,396) shares, with a reduction percentage of (83.25%). The main reason for the recommendation to reduce the capital is to restructure the capital to amortize the Company's accumulated losses.
- **Substantial Shareholders:** One of the substantial shareholders (The Saudi Agricultural and Livestock Investment Company (SALIC)) sold its entire stake in the Saudi Fisheries Company to Mr. Abdulaziz Abdullah Alhumaid.
- **Chief Executive Officer (CEO):** Resignation of the Chief Executive Officer, Eng. Waleed bin Hamad bin Sulaiman Al-Bat'hi, and the appointment of Mr. Awad Farouk Al-Desouqi. Subsequently, the Chief Executive Officer, Mr. Awad Farouk Al-Desouqi, was relieved of his duties, and the current Chief Executive Officer, Eng. Riyan Mohammed Almansor, was appointed.
- **Accumulated losses:** Its accumulated losses decreased to 0% of the capital.
- **Subsidiaries:** A subsidiary company named (Al-Haridah National Aquaculture Company) was established, 100% owned by the Saudi Fisheries Company, with a capital of one hundred thousand (100,000) Saudi Riyals.

9-12 Declarations Relating to Legal Information

In addition to the other declarations referred to in this prospectus, the members of the Board of Directors acknowledge the following:

- The issuance does not violate the relevant regulations and bylaws in the Kingdom of Saudi Arabia.
- The issuance does not affect any contracts or agreements to which the issuer is a party.
- All material legal information relating to the issuer has been disclosed in the prospectus.
- Except as stated on **page (177), sub-paragraph 9.10 "Disputes and Litigation" of this section**, the issuer and its subsidiary are not subject to any claims or legal proceedings which, individually or in whole, could materially affect the business or financial position of the issuer or the subsidiary.
- The members of the issuer's Board of Directors are not subject to any claims or legal proceedings which, individually or collectively, could materially affect the business of the issuer or its subsidiaries or its financial position.

10

Underwriter

10- Underwriter

The Company and the Underwriter (Al Wasatah Al Maliah Company (Wasatah Capital)) entered into an underwriting agreement to underwrite thirty-three million, four hundred and ninety-three thousand, and twenty (33,493,020) ordinary shares at a price of ten (10) Saudi Riyals per share, with a total value of three hundred and thirty-four million, nine hundred and thirty thousand, and two hundred (334,930,200) Saudi Riyals, representing (100%) of the Preemptive Rights Shares offered for subscription (the "Underwriting Agreement").

10-1 Underwriter

Al Wasatah Al Maliah Company (Wasatah Capital)

Riyadh – Al Olaya Street, Al Muruj District
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wasatah capital
وساطـــة كابيتـال

10-2 Key Terms of the Underwriting Agreement

According to the terms and conditions of the underwriting agreement, it follows:

1. The company undertakes to the underwriter that on the allocation date it will issue and allocate to the underwriters all Preemptive Rights Shares underwritten in this subscription that have not been subscribed for by the eligible shareholders as additional shares at the subscription price.
2. The underwriter of a company undertakes that on the allocation date, it will purchase the shares it underwrote in this offering that have not been subscribed for by eligible shareholders as additional shares at the subscription price.
3. The underwriter receives a specific financial compensation for his underwriting commitment, which will be paid from the proceeds of the subscription.
4. The underwriter's obligation to purchase all remaining shares is subject to the provisions relating to termination of the agreement, such as the occurrence of any force majeure event as defined in the agreement, or failure to meet a number of preconditions relating to the subscription.
5. The company will provide a number of guarantees, declarations and undertakings to the underwriter.

11

Exemptions

11- Exemptions

The company did not submit any exemption request to the Capital Market Authority regarding the offering.

12

Information Related to Shares and Offering Terms and Conditions

12- Information Related to Shares and Offering Terms and Conditions

The Company submitted an application to the Capital Market Authority for the registration and offering of the new shares, and to Saudi Exchange Company (Tadawul) for the listing of the new shares. All requirements pursuant to the Rules on the Offer of Securities and Continuing Obligations and the Listing Rules have been fulfilled.

All eligible shareholders, holders of acquired rights, and bidders must read the subscription terms and instructions carefully before subscribing electronically, submitting a subscription application through a broker, or filling out the Rump Offering form. The submission of a subscription application or the signing and delivery of the Rump Offering form constitutes approval and acceptance of the mentioned terms and conditions.

12-1 Offering

Under this Prospectus, thirty-three million, four hundred and ninety-three thousand, and twenty (33,493,020) ordinary shares will be offered through a rights issue at an offer price of (10) ten Saudi Riyals per share and a nominal value of (10) ten Saudi Riyals, with a total offering value of three hundred and thirty-four million, nine hundred and thirty thousand, and two hundred (334,930,200) Saudi Riyals, representing 500% of the Company's capital prior to the capital increase. This is to increase the Company's capital from sixty-six million, nine hundred and eighty-six thousand, and forty (66,986,040) Saudi Riyals, divided into six million, six hundred and ninety-eight thousand, six hundred and four (6,698,604) ordinary shares, to four hundred and one million, nine hundred and sixteen thousand, two hundred and forty (401,916,240) Saudi Riyals, divided into forty million, one hundred and ninety-one thousand, six hundred and twenty-four (40,191,624) ordinary shares.

12-2 How to Apply for Subscription of Preemptive Rights Shares (New Shares)

Registered shareholders wishing to subscribe to the preemptive rights shares must submit their subscription applications during the subscription period through the investment portfolio on the trading platforms used for entering buy and sell orders. Additionally, subscription is possible through any other means provided by the broker or the securities custodian in the Kingdom during the subscription period, provided that the eligible person has an investment account with one of the brokers offering these services. Furthermore, the eligible person's data must be updated, and no changes (such as adding or removing family members) should have occurred to their information since their participation in a recent offering, unless such modifications have been reported to and approved by the brokers. In the event of a Rump Offering Period, subscription applications for any Rump Shares may also be submitted by institutional investors only.

By participating in the subscription, the subscriber acknowledges the following:

- Approval of his subscription to the company with the number of shares specified in the subscription application.
- He has reviewed the prospectus and all its contents, studied it, and understood its contents.
- Approval of the company's bylaws and the terms contained in the prospectus.
- He has not previously applied to subscribe to the same shares for this offering through the broker, and the company has the right to reject all applications in case of a duplicate subscription request.
- His acceptance of the shares allocated under the subscription application, and his acceptance of all the terms and conditions of the subscription contained in the application and in this prospectus.
- Ensuring that the order will not be cancelled or modified after it has been submitted to the intermediary.

12-3 Subscription Request

An eligible person wishing to exercise their full right and subscribe to all the preemptive rights shares they are entitled to must subscribe through the investment portfolio on the trading platforms used for entering buy and sell orders, or through any other means provided by the broker and the securities custodian. The eligible person’s data must be updated, and no changes should have occurred to their information since their participation in a recent offering, unless such modifications have been reported to and approved by the broker.

The number of shares that an eligible person is entitled to subscribe for is calculated based on the number of preemptive rights shares they hold. As for the subscription amount that the subscriber must pay, it is calculated by multiplying the number of outstanding preemptive rights they hold before the end of the subscription period by (10) Saudi Riyals.

12-4 Trading and Subscription Phase and Rump Offering Period

Eligible shareholders wishing to subscribe to the preemptive rights shares must submit their subscription applications during the subscription period. This period begins three (3) business days after the approval of the Extraordinary General Assembly regarding the capital increase, on **/**/****H (corresponding to **/**/****G), and ends on **/**/****H (corresponding to **/**/****G), during the period from ten o’clock (10:00) a.m. until two o'clock (2:00) p.m.

Eligible shareholders wishing to trade their preemptive rights shares must submit their trading orders during the trading period. This period begins on **/**/****H (corresponding to **/**/****G) and ends on **/**/****H (corresponding to **/**/****G), during the period from ten o’clock (10:00) a.m. until three o'clock (3:00) p.m.

The Extraordinary General Assembly held on **/**/****H (corresponding to **/**/****G) approved the Board of Directors' recommendation to increase the Company’s capital through a preemptive rights shares issue. This increase aims to raise the Company’s capital from sixty-six million, nine hundred and eighty-six thousand, and forty (66,986,040) Saudi Riyals, divided into six million, six hundred and ninety-eight thousand, six hundred and four (6,698,604) ordinary shares, to four hundred and one million, nine hundred and sixteen thousand, two hundred and forty (401,916,240) Saudi Riyals, divided into forty million, one hundred and ninety-one thousand, six hundred and twenty-four (40,191,624) ordinary shares. Pursuant to this Prospectus, thirty-three million, four hundred and ninety-three thousand, and twenty (33,493,020) ordinary shares will be offered for subscription in the preemptive rights shares, representing approximately (500%) of the Company’s capital prior to the subscription. The offer price is (10) ten Saudi Riyals per share, including a nominal value of (10) ten Saudi Riyals per share, with a total offering value of three hundred and thirty-four million, nine hundred and thirty thousand, and two hundred (334,930,200) Saudi Riyals. The new shares will be issued at a ratio of one share for every one right of the preemptive rights . Subscription to the offered preemptive rights shares will be available to registered shareholders in the Company’s share registry at the end of the second trading day following the Extraordinary General Assembly meeting held on **/**/****H (corresponding to **/**/****G), which approved the capital increase, as well as to eligible persons who purchased preemptive rights during the rights trading period, including registered shareholders who purchased additional preemptive rights alongside their original holdings.

In the event that eligible persons do not exercise their preemptive right by the end of the subscription period, the Rump Shares resulting from the non-exercise or sale of such rights will be offered to institutional investors during the Rump Offering Period. Should institutional investors fail to subscribe to all the Rump Shares and fractional shares, the leftover shares will be allocated to the Underwriter, who will purchase them at the offer price.

Registered shareholders will be able to trade the preemptive rights deposited into their portfolios through the Saudi Exchange Company (Tadawul). These rights are considered an acquired right for all shareholders registered in the Company’s records at the end of the second trading day following the Extraordinary General Assembly meeting held to approve the capital increase. Each right entitles its holder to subscribe to one new share at the offer price. The preemptive rights will be deposited after the General Assembly meeting, appearing in the portfolios of registered shareholders under a new symbol specifically for preemptive rights, at which point registered shareholders will be notified of the deposit.

The timeline for the sequence and details of the Preemptive Rights Shares Issue process will be as follows:

1. **Eligibility Date:** At the end of trading on the day of the Extraordinary General Assembly meeting, on **/**/****H (corresponding to **/**/****G).
2. **Trading and Subscription Period:** The trading and subscription period will commence three (3) business days after the Extraordinary General Assembly's approval of the capital increase, on **/**/****H (corresponding to **/**/****G). Trading period will end on **/**/****H (corresponding to **/**/****G), and the subscription period will continue until the end of **/**/****H (corresponding to **/**/****G). It should be noted that trading hours for Preemptive Rights are from ten o'clock (10:00) a.m. until three o'clock (3:00) p.m., while subscription hours for Preemptive Rights are from ten o'clock (10:00) a.m. until two o'clock (2:00) p.m.
3. **Rump Offering Period:** Starts on **/**/****H (corresponding to **/**/****G) from ten o'clock a.m. until five o'clock p.m. of the following day, dated **/**/****H (corresponding to **/**/****G). During this period, the Rump Shares will be offered to a number of institutional investors (referred to as "Institutional Investors"), provided that these Institutional Investors submit purchase offers for the Rump Shares. The Rump Shares will be allocated to the Institutional Investors with the highest offer, then the next highest, and so on (provided it is not less than the offer price), with shares allocated proportionately to Institutional Investors submitting the same offer. As for fractional shares, they will be added to the Rump Shares and treated accordingly. The subscription price for the new shares not subscribed for during this period will be at least the offer price. If the sale price of the unsubscribed shares is higher than the offer price, the difference (if any) shall be distributed as compensation to the holders of the Preemptive Rights who did not exercise their rights to subscribe and to the holders of fractional shares, in proportion to the rights they hold. In the event that Institutional Investors do not subscribe to all the Rump Shares and fractional shares, the leftover shares will be allocated to the Underwriter, who will purchase them at the offering price.
4. **Final Allocation of Shares:** Shares will be allocated to each investor based on the number of rights exercised completely and correctly. As for those entitled to fractional shares, such fractions will be aggregated and offered to Institutional Investors during the Rump Offering Period. The total offer price of the Rump Shares shall be paid to the Company, provided that the Company distributes the remaining proceeds from the sale of the Rump Shares and fractional shares, without any fees or deductions (in excess of the offer price) to the entitled persons, each according to their entitlement, no later than **/**/****H (corresponding to **/**/****G).
5. **Trading New Shares in the Market:** Trading of the shares offered for subscription in (Tadawul) system will commence upon completion of all procedures related to the registration and allocation of the offered shares. The period between the end of the subscription in Preemptive Rights Shares and the deposit of the shares into the shareholders' portfolios shall be nine (9) business days.

The company has submitted an application to the Capital Market Authority to register and offer the new shares, and the company has also submitted an application to the Saudi Exchange Company (Tadawul) to accept its listing.

12-5 Eligible Persons Who did not Participate in the Subscription to the New Shares

Registered shareholders who do not participate fully or partially in the share subscription will be liable for losses and a decrease in their ownership percentage in the company, in addition to a decrease in the value of their current shares. Meanwhile, registered shareholders who did not exercise their subscription rights will retain the same number of shares they owned before the capital increase. Those entitled to the shares who did not participate in the subscription for the new shares will not receive any advantages or benefits in exchange for the Preemptive Rights Shares to which they are entitled, except for receiving cash compensation from the proceeds of the sale of the shares in the Rump Offering, each according to what he is entitled to. It should be noted here that if the investment institutions proceed to purchase the Rump Shares at the offering price only, or if these investment institutions do not subscribe to the Rump Offering and consequently the underwriter purchases the Rump Shares at the offering price, the eligible persons who did not participate in the subscription will not receive any compensation for the Preemptive Rights in the new shares that they did not exercise. If the Rump Shares are sold to investment institutions at a price higher than the offering price, the compensation amount for eligible persons who did not participate in the subscription to the new shares, either wholly or partially, will be determined according to the following equation:

Compensation amount for each unsubscribed share = (Total Rump Offering Price - Total Rump Offering Proceeds) / (Number of Unsubscribed Shares)

12-6 Allocation and Refund

The company and the lead manager will open a bank account into which the subscription proceeds will be deposited.

The Preemptive Rights Shares shall be allocated to eligible persons based on the number of rights exercised completely and correctly. As for those entitled to fractional shares, such fractions will be aggregated and added to the Rump Shares not subscribed for, to be offered to Institutional Investors during the Rump Offering Period. The total offer price of the Rump Shares shall be paid to the Company, and the remaining proceeds from the sale of the Rump Shares and fractional shares (in excess of the offer price) shall be distributed to the entitled persons, each according to their entitlement, no later than **/**/****H (corresponding to **/**/****G). Should any unsubscribed shares remain thereafter, the Underwriter shall purchase those new Rump Shares, which will be allocated to the Underwriter at the offer price of ten (10) Saudi Riyals per share. In such case, no compensation shall be paid to investors who did not subscribe or sell their rights, nor to the holders of fractional shares during the Rump Offering Period.

It is expected that the final number of shares allocated to each eligible person will be announced, without any commissions or deductions by the Lead Manager, by crediting them to the subscribers' accounts. Eligible persons must contact the broker through whom the subscription application was submitted to obtain any additional information. The allocation results will be announced no later than **/**/****H (corresponding to **/**/****G).

The refund (the remaining proceeds of the offering in excess of the offer price) will be refunded to the eligible persons who did not participate, fully or partially, in the subscription for the Preemptive Rights Shares (if any) by the Saudi Fisheries Company without any deductions no later than **/**/****H (corresponding to **/**/****G). It should also be noted that bank accounts must be linked to investment portfolios to ensure the deposit of funds into the bank accounts of eligible persons who did not exercise their right to subscribe to the new shares and those entitled to fractional shares.

12-7 Supplementary Prospectus

The company must submit a supplementary prospectus to the Authority, in accordance with the requirements of Article (29) of the Rules on Offering Securities and Continuing Obligations, if the company becomes aware at any time after the date of publication of this prospectus and before the completion of the offering of any of the following:

- There is a significant change in the key matters contained in this Prospectus.
- The emergence of any important issues that should have been included in this Prospectus.

An investor who subscribed to the new shares before the publication of the supplementary prospectus may cancel or amend their subscription to these shares before the end of the offering period.

12-8 Suspension or Cancellation of the Offering

The Capital Market Authority may, at any time, issue a decision to suspend the offering if it deems that the offering could violate the Capital Market Law, its executive regulations, or market rules. Furthermore, the offering may be cancelled if the Extraordinary General Assembly does not approve any of the offering details.

Questions and Answers About Preemptive Rights

- **What are Preemptive Rights?**

These are tradable securities that grant their holder the right to subscribe to the new shares offered upon the approval of the capital increase. This is an acquired right for all shareholders owning shares on the day of the Extraordinary General Assembly meeting related to the capital increase, and who are registered in the Company's shareholders register at the Depository Center at the end of the second trading day following the date of the Extraordinary General Assembly meeting. Each right entitles its holder to subscribe to one share at the offering price.

- **To whom are Preemptive Rights granted?**

To all shareholders registered in the Company's shareholders register at the Depository Center at the end of the second trading day following the date of the Extraordinary General Assembly meeting.

- **When are Preemptive Rights deposited?**

Following the Extraordinary General Assembly's meeting and its approval to increase the capital through a preemptive rights shares offering, the preemptive rights will be deposited as securities in the shareholders' portfolios in the Company's shareholders register at the Depository Center at the end of the second trading day after the Extraordinary General Assembly meeting. The shares will appear in their portfolios under a new symbol specific to the preemptive rights, and trading or subscribing to these rights will only be permitted at the beginning of the trading and subscription periods.

- **How is the investor notified of Preemptive Rights when the Rights are deposited into the portfolio?**

Notification is made through an announcement on the trading website, as well as through the (Tadawulaty) service provided by the Securities Depository Center Company and through SMS messages sent through brokerage firms.

- **How many Preemptive Rights will a registered shareholder receive?**

The number depends on the percentage of capital owned by each shareholder according to the company's shareholder register at the Depository Center at the end of the second trading day after the Extraordinary General Assembly meeting.

- **What is the Eligibility Ratio?**

This is the factor that enables registered shareholders to determine the number of preemptive rights to which they are entitled relative to the shares they own at the end of the second trading day following the Extraordinary General Assembly meeting. This factor is calculated by dividing the number of new shares by the number of the company's existing shares. Accordingly, the entitlement factor is (5) rights for every (1) share owned by the registered shareholder on the eligibility date. Therefore, if a registered shareholder owns one thousand (1,000) shares on the eligibility date, (5,000) rights will be allocated to them against the shares they own.

- **Will the name and trading symbol of these rights differ from the name and symbol of the company's shares?**

Yes, the acquired right will be added to investors' portfolios under the name of the original share, with the addition of the word "Preemptive Rights" and a new symbol for these rights.

- **What is the value of the right at the beginning of its trading?**

The opening price of the right will be the difference between the closing price of the company's share on the day before the right is listed and the offering price (the indicative value of the right). For example, if the closing price of the company's share on the previous day was fifteen (15) Saudi Riyals, and the offering price was ten (10) Saudi Riyals, then the opening price of the right will be five (5) Saudi Riyals.

Who is a registered shareholder?

It is any shareholder that appears in the company's shareholder register at the end of the second trading day after the extraordinary general meeting for the capital increase.

Can registered shareholders subscribe to additional shares?

Yes, registered shareholders can subscribe to additional shares by purchasing new rights through the market during the trading period and then subscribing to them during the subscription period after the purchase and settlement of rights is completed.

Is it possible for a shareholder to lose his right to subscribe even if he has the right to attend the extraordinary general meeting and vote on increasing capital by offering Preemptive Rights Shares?

Yes, a shareholder loses his right to subscribe if he sells his shares on the day of the Extraordinary General Meeting or one working day before it.

How does the subscription process work?

Subscription requests are submitted through the investment portfolio on trading platforms through which buy and sell orders are entered, in addition to the possibility of subscribing through any other means provided by the broker to investors and the share custodian.

Is it possible to subscribe more than once and through more than one broker?

Yes, it is possible, but it must be taken into account that the number of shares subscribed for should not exceed the number of rights owned at the end of the rights trading period, as any increase in the number of shares subscribed for beyond the number of rights owned at the end of the rights trading period will result in the cancellation of the subscription request.

Can an eligible person subscribe for more shares than the rights they own?

Eligible person cannot subscribe in a shares more than the rights he owns.

If the company's shares are owned through more than one investment portfolio, in which portfolio the Preemptive Rights will be deposited?

Preemptive Rights will be deposited in the same portfolio as the company shares to which the rights pertain. For example, if a shareholder owns (1,000) shares in the company, with (800) shares in portfolio (A) and (200) shares in portfolio (B), the total number of rights to be deposited is (5,000), assuming (5) rights per share. Therefore, (4,000) rights will be deposited in portfolio (A) and (1,000) rights in portfolio (B).

Are holders of share certificates entitled to subscribe and trade?

Yes, holders of share certificates are entitled to subscribe, but they will not be able to trade until the certificates are deposited into electronic investment portfolios through brokers or the Securities Depository Center Company ("Edaa Center"), and the necessary documents are brought before the end of the subscription period.

Is someone who has purchased additional rights entitled to trade them again?

Yes, he is entitled to sell it and buy other rights only during the trading period.

Is it possible to sell part of the Preemptive Rights?

Yes, the investor can sell part of these rights and subscribe to the remaining part.

- **When can a shareholder subscribe to the Preemptive Rights that he purchased during the rights trading period?**

  After the settlement of the rights purchase (which is two working days), the subscription to preemptive rights will take place during the subscription period.

- **Can the holder of Preemptive Rights sell or assign the right after the trading period has expired?**

  No, that's not possible. After the trading period ends, the rights holder can only exercise their right to subscribe to the preemptive rights shares or not. If the right is not exercised, the investor may incur a loss or a decrease in the value of their investment portfolio.

- **What happens to Preemptive Rights that are not sold or exercised during the trading period and subscription phase?**

  If the new shares are not fully subscribed during the subscription period, the remaining new shares will be offered for subscription managed by the lead manager. The compensation amount (if any) for the rights holder is calculated after deducting the subscription price. Note that the investor may not receive any compensation if the sale was made in the Rump Offering Period at the offering price.

- **Who has the right to attend the extraordinary general meeting and vote on increasing the company's capital by offering Preemptive Rights Shares?**

  A shareholder registered in the company's shareholder register at the Depository Center after the end of the trading day of the Extraordinary General Assembly is entitled to attend the Extraordinary General Assembly and vote on increasing the company's capital by offering Preemptive Rights Shares.

- **When is the share price adjusted as a result of a company increasing its capital through offering Preemptive Rights Shares?**

  The share price is adjusted by the market before the start of trading on the day following the Extraordinary General Meeting.

- **If an investor buys securities on the day of the general assembly meeting, is he entitled to the Preemptive Rights resulting from the increase in the issuer's capital?**

  Yes, the investor will be registered in the company's shareholder register two business days after the share purchase date (i.e., by the end of trading on the second trading day following the Extraordinary General Meeting). preemptive rights will be granted to all shareholders registered in the company's shareholder register by the end of trading on the second trading day following the Extraordinary General Meeting. However, the investor will not be entitled to attend or vote at the Extraordinary General Meeting related to the capital increase.

- **If an investor has more than one portfolio with more than one brokerage firm, how will his rights be calculated?**

  The investor's share will be distributed among the portfolios owned by the investor, according to the percentage of ownership in each portfolio. If there are fractions, those fractions will be aggregated, and if they complete one or more whole numbers, the whole number will be added to the portfolio in which the investor owns the largest amount of rights.

- **What are the trading and subscription periods?**

  Trading and subscription to rights will begin simultaneously three (3) working days after the Extraordinary General Assembly's approval of the capital increase, and trading will continue until the end of the sixth day, while subscription will continue until the ninth day, as stated in this prospectus and the company's announcements.

- **Is it possible to subscribe during the weekend?**

  No, that's not possible.

- **Can general investors who are not registered shareholders subscribe to Preemptive Rights Shares?**

  Yes, after the purchase of preemptive rights is completed during the trading period.

- **Will any additional fees be added to Preemptive Rights trading transactions?**

  The same commissions will apply to buy and sell transactions as to stocks, but with no minimum commission amount. The maximum commission will not exceed fifteen and a half basis points (0.155%) of the total transaction value.

- **If the new shares are subscribed to and the rights are subsequently sold, what happens in this case?**

  If a registered shareholder subscribes and then sells preemptive rights, and the number of preemptive rights equal to the number of rights subscribed for is not purchased before the end of the trading period, the subscription request will be rejected entirely if all rights are sold, or partially to the extent of the rights sold. The registered shareholder will be notified, and the rejected subscription amount will be returned to him through the shareholder's broker.

- **Additional Assistance:**

  If there is any questions, please contact the company at **mohammed.aldawsari@alasmak.com.sa**. For legal reasons, the company will only be able to provide the information contained in this prospectus and will not be able to provide advice on the substantive basis for issuing rights or even provide financial, tax, legal or investment advice.

For more information on the terms and conditions of the subscription, **please refer to section (12) " Information Related to Shares and Offering Terms and Conditions" and the rest of the information contained in this prospectus.**

12-9 Resolutions and Approvals Under Which Shares Will Be Offered

- On 10/08/1446H (corresponding to 09/02/2025G), the company's board of directors recommended increasing the company's capital by offering preemptive rights shares worth three hundred and thirty-four million, nine hundred and thirty thousand, two hundred (334,930,200) Saudi Riyals to enable the company to implement its strategic plans and support its future activities.
- Saudi Exchange Company (Tadawul) has approved the request to list the new shares on the date of 02/02/1447H (corresponding to 27/07/2025G).
- The Capital Market Authority approval to increase the Company's capital through the issuance of Preemptive Rights Shares (the "Subscription"). The subscription consists of issuing thirty-three million, four hundred and ninety-three thousand, and twenty (33,493,020) new ordinary shares at an offer price of (10) ten Saudi Riyals per share, with a nominal value of (10) ten Saudi Riyals, and a total offering value of three hundred and thirty-four million, nine hundred and thirty thousand, and two hundred (334,930,200) Saudi Riyals. This is to increase the Company's capital from sixty-six million, nine hundred and eighty-six thousand, and forty (66,986,040) Saudi Riyals to four hundred and one million, nine hundred and sixteen thousand, and two hundred and forty (401,916,240) Saudi Riyals, and the publication of this Prospectus along with all supporting documents requested by the Authority on the date of its announcement on the Authority's website on 12/11/1447H (corresponding to 29/04/2026G).
- On **/**/****H (corresponding to **/**/****G), the Company's Extraordinary General Assembly approved the increase of the Company's capital through the issuance of Preemptive Rights Shares (the "Subscription"). The Offering consists of issuing thirty-three million, four hundred and ninety-three thousand, and twenty (33,493,020) new ordinary shares at an offer price of (10) ten Saudi Riyals per share, with a nominal value of (10) ten Saudi Riyals, and a total offering value of three hundred and thirty-four million, nine hundred and thirty thousand, and two hundred (334,930,200) Saudi Riyals. This is to increase the Company's capital from sixty-six million, nine hundred and eighty-six thousand, and forty (66,986,040) Saudi Riyals to four hundred and one million, nine hundred and sixteen thousand, and two hundred and forty (401,916,240) Saudi Riyals.

12-10 Miscellaneous Items

The subscription application and all related terms, conditions, and undertakings shall be binding upon and inure to the benefit of the parties thereto, their successors, permitted assigns, executors, estate administrators, and heirs. Except as specifically provided for in this Prospectus, neither the application nor any rights, interests, or obligations arising therefrom may be assigned or delegated to any of the parties referred to in this Prospectus without obtaining the prior written consent of the other party.

These instructions and terms, as well as any receipt of subscription application forms or resulting contracts, shall be governed by and construed in accordance with the laws and regulations of the Kingdom of Saudi Arabia. This Prospectus may be distributed in both Arabic and English. In the event of any conflict between the Arabic and English texts, the Arabic version of the Prospectus shall prevail.

The Capital Market Authority may, at any time, issue a resolution to suspend an offering if it deems that the offering could result in a violation of the Capital Market Law, its executive regulations, or market rules. Furthermore, the offering may be cancelled if the Extraordinary General Assembly does not approve any of the offering details.

In accordance with Article (29) of the Rules on the Offer of Securities and Continuing Obligations, the Company must submit a supplementary prospectus to the Capital Market Authority if it becomes aware, at any time after the date of publication of the Prospectus and before the completion of the Offering, of: (1) a significant change in material matters contained in the Prospectus; or (2) the emergence of any significant issues that should have been included in this Prospectus. In both cases, the Company is committed to submitting a supplementary prospectus to the Capital Market Authority in accordance with the requirements of the Rules on the Offer of Securities and Continuing Obligations, at which point the supplementary prospectus will be issued and the new subscription dates will be announced.

12-11 Statement on any existing arrangements to prevent the disposal of certain shares

There are no arrangements in place to prevent the disposal of any shares.

13

Changes in Share Price Resulting from Capital Increase

13- Changes in Share Price Resulting from Capital Increase

The closing price of the Company's shares on the day of the Extraordinary General Assembly meeting approving the capital increase was (**) Saudi Riyals, and it is expected to reach (**) Saudi Riyals at the opening of the following day, representing a decrease of (**%). In the event that any of the registered shareholders in the Company's shareholder registry at the Depositary Center at the end of the second trading day following the date of the Extraordinary General Assembly meeting approving the capital increase do not subscribe, this will lead to a decrease in their ownership percentage in the Company.

The method for calculating the share price as a result of the capital increase is as follows:

First: Calculating the market value of the Company at the close of trading on the day of the Extraordinary General Assembly that includes approval of the increase in the Company's capital:

Number of shares at the end of the Extraordinary General Assembly day x Closing price of the company's share on the day of the Extraordinary General Assembly = Market value of the company at the close on the day of the Extraordinary General Assembly.

Second: Calculating the share price at the opening of the day following the day of the Extraordinary General Assembly that includes approval of the increase in the Company's capital:

(Market value of the company at the close on the day of the Extraordinary General Assembly + Value of shares offered) / (Number of shares at the end of the day of the Extraordinary General Assembly + Number of shares offered for subscription) = Expected share price at the opening of the day following the day of the Extraordinary General Assembly.

14

Undertakings Related to the Subscription

14- Undertakings Related to the Subscription

14-1 Overview of the Subscription Application and Undertakings

Subscriptions can be made using trading platforms or through any other means provided by the broker to investors. The new shares will be offered in a single phase as follows:

1. During this period, all registered shareholders and new investors will be able to subscribe to the new shares.
2. A registered shareholder will be able to subscribe directly for the number of shares they own during the subscription period. If they purchase new rights, they will be able to subscribe to them after the settlement period (two business days).
3. New investors will be able to subscribe to the new shares immediately after the rights purchase process is settled (two business days).
4. Subscription will be available electronically through the investment portfolio on trading platforms and applications through which buy and sell orders are entered, in addition to subscription through other channels and means available to the broker, provided that only the subscription will be approved for a number of new shares due under the preemptive rights present in the investment portfolio.

Each preemptive right entitles its holder to subscribe to one new share at the offering price. The subscriber to the new shares acknowledges the following:

- He accepts all the terms and conditions of subscription contained in this prospectus.
- He has reviewed this prospectus and all its contents, studied it carefully, and understood its contents.
- His acceptance of the company's bylaws.
- The undertaking not to cancel or amend the subscription request after it has been executed.

14-2 Allocation Processes

The Preemptive Rights Shares shall be allocated to eligible persons based on the number of rights exercised completely and correctly. As for those entitled to fractional shares, such fractions will be aggregated and offered to Institutional Investors during the Rump Offering Period. The total offer price of the Rump Shares shall be paid to the Company, and the remaining proceeds from the sale of the Rump Shares and fractional shares (in excess of the offer price) shall be distributed to the entitled persons, each according to their entitlement, no later than **/**/****H (corresponding to **/**/****G). Should any unsubscribed shares remain thereafter, the Underwriters shall purchase those new Rump Shares, which will be allocated to them. In such case, no compensation shall be paid to investors who did not subscribe or sell their rights, nor to the holders of fractional shares during the Rump Offering Period.

Eligible individuals should contact the broker through whom they subscribed for any further information. The allocation results will be announced no later than **/**/****H (corresponding to **/**/****G).

14-3 Saudi Stock Exchange (Tadawul)

The Saudi Tadawul Group (Tadawul), formerly the Saudi Stock Exchange Company, announced on 25/08/1442H (corresponding to 07/04/2021G) its transformation into a holding company under the name Saudi Tadawul Group. This new structure supports the future development of the Saudi capital market and ensures its continuous evolution, serving as a further step toward the Group's readiness for an Initial Public Offering (IPO) during 2021G. The Saudi Tadawul Group includes four subsidiaries: Saudi Exchange (as the securities exchange), the Securities Clearing Center Company (Muqassa), the Securities Depository Center Company (Edaa), and (Wamid Company), an innovative technology services and solutions company. The Group will benefit from the integration of its subsidiaries' services and joint operations, while the independence of these companies will provide an agile and innovative business environment to keep pace with rapid developments in global markets.

Tadawul system was established in 2001G as an alternative to the Electronic Securities Information System, while electronic share trading in the Kingdom began in 1990G. The trading process is conducted through an integrated electronic system, from trade execution to settlement. Trading takes place every business day of the week, from Sunday to Thursday, in a single session from 10:00 a.m. to 3:00 p.m., during which orders are executed. Outside of these hours, orders may be entered, amended, or canceled from 9:30 a.m. until 10:00 a.m.

Transactions are executed through automated order matching, where orders are received and prioritized according to price. Generally, market orders which include the best prices are executed first, followed by limit orders. In the event that multiple orders are entered at the same price, they are executed based on the time of entry.

Tadawul system distributes a comprehensive range of information through various channels, most notably an online Tadawul platform, and provides real-time market data to well-known information providers such as "Reuters". Trades are settled automatically within two business days (T+2).

The company must disclose all decisions and information of importance to investors through Tadawul system. Tadawul system is responsible for market monitoring, with the aim of ensuring fair trading and efficient market operations.

14-4 Trading of the Company's Shares on the Saudi Stock Exchange

An application has been submitted to the Capital Market Authority for the registration and offering of Preemptive Rights Shares in the Saudi Stock Exchange, and an application has been submitted to the Saudi Exchange (Tadawul) for their listing. This Prospectus has been approved, and all requirements have been met. It is expected that the registration will be approved and trading in the Preemptive Rights Shares will commence on the Saudi Stock Exchange following the completion of the final allocation process of the Preemptive Rights Shares, which will be announced in due course on Tadawul website. The dates mentioned in this Prospectus are considered preliminary and may be changed subject to the approval of the Capital Market Authority.

Although the existing shares are registered on the Saudi Stock Exchange and the Company's shares are listed on the Saudi Exchange (Tadawul), trading in the new shares may not take place until the final allocation of shares has been approved and deposited into the subscribers' portfolios. Trading in the new shares is strictly prohibited prior to the approval of the allocation process.

Subscribers and bidders in the Rump Offering who engage in these prohibited trading activities shall bear full responsibility for such actions, and the Company shall not bear any legal liability in this regard.

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Documents Available for Inspection

15- Documents Available for Inspection

The following documents will be available for inspection at the company's headquarters in Riyadh – Al Malaz District, Building No. 8705, Riyadh 12641, Kingdom of Saudi Arabia, during official business hours (Sunday to Thursday, 8:00 a.m. to 4:30 p.m.), starting from the first business day after the date of the Extraordinary General Assembly meeting, provided that this period is no less than 14 days prior to the date of the Extraordinary General Assembly meeting. These documents will remain available for inspection until the end of the offering period.

Documents Related to the Company's Incorporation and Bylaws:

- The Company's commercial registration certificate.
- The Company's Bylaws and the amendments made to it.

Approvals Related to Capital Increase Shares:

- Board of Directors' resolution recommending a capital increase through a Preemptive Rights Shares issue.
- Copy of the Capital Market Authority's approval for the Preemptive Rights Shares issue.
- Approval from Saudi Stock Exchange (Tadawul) for the listing of the Preemptive Rights Shares.
- Extraordinary General Assembly' resolution of approving the capital increase.

Reports, Letters, and Documents:

- Underwriting agreement and underwriting management agreement.
- Written approvals from the financial advisor, the underwriter, the legal advisor, and the chartered accountants to use their name, logo, and statements within the prospectus.
- A feasibility study for the date trade and the establishment of a factory specializing in date processing industries and related logistics services, which will be financed from the proceeds of the offering.

الشركة السعودية للأسماك
SAUDI FISHERIES COMPANY