RED SEA
International

www.redseaintl.com

Promising Strategic Transformation

2025

Annual Report

RED SEA
International

بسم الله الرحمن الرحيم

“During 2025, “Red Sea International” successfully implemented a set of integrated initiatives, at the institutional and financial levels, within the framework of its development strategy, through which it aspires to achieve high growth rates, thereby giving it more efficiency and strength, to enhance its leading position in one of the world’s most growing and competitive markets, with distinction.”

Custodian of the Two Holy Mosques

King Salman bin Abdulaziz Al Saud

may Allah protect him

His Royal Highness Prince

Mohammed bin Salman Al Saud

The Crown Prince and Prime Minister

may Allah protect him

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Chairman's Statement

His Excellency

Mr. Amr Abdullah Al Dabbagh

Chairman of the Board

482.67 ⃁ million

Total Share Capital

48.27 million shares

Total shares after restructuring and capital increase.

10 ⃁

Approved share value.

Dear Honorable Shareholders and Partners,
May Allah's peace and mercy be upon you,

The year 2025 marked a fundamental strategic transformation for Red Sea Global, representing a pivotal milestone in its development journey. This transformation focused on strengthening the Company's financial position, enhancing operational efficiency, and positioning the business for long-term sustainable growth. This is reflected in a range of key financial and operational indicators presented in this report.

On the financial front, the Company undertook strategic steps to support its capital structure and improve solvency levels through the conversion of outstanding debt into equity. This resulted in an increase in the Company's capital to SAR 482,673,830, divided into 48,267,383 shares, in line with the Board of Directors' recommendation and the approval of the Extraordinary General Assembly. In addition, the Board recommended utilizing the remaining share premium to offset accumulated losses, which directly contributed to improving the Company's financial position, reducing financing costs, and enhancing its ability to secure the necessary facilities for future projects.

During the year, the Company continued to advance its corporate transformation journey by restructuring certain commercial relationships, strengthening governance practices, and introducing specialized functions to support its strategic objectives. These initiatives aimed to enhance execution capabilities, improve project delivery mechanisms, and reinforce the Company's position in its key markets. Despite the progress achieved, management remains strongly focused on further improving operational efficiency and financial performance.

The Company also continues its active participation in major infrastructure and development projects in alignment with Saudi Vision 2030, leveraging its expertise and capabilities to contribute to national projects. At the same time, it continues to evaluate opportunities to diversify its revenue streams, including strategic investments in complementary sectors such as real estate development, in line with its core competencies and approved risk management policies.

Looking ahead, the Company will continue to focus on strengthening its financial position, improving profit margins, and managing risks within a dynamic market environment. Sustained positive performance will depend on effective execution, cost management, and the ability to adapt to changing market conditions.

In conclusion, I would like to express my sincere appreciation to our shareholders, customers, and partners for their continued trust and support. I also extend my thanks to the Company's employees for their dedication and efforts. The Board of Directors reaffirms its full commitment to delivering sustainable value while maintaining the highest standards of governance and financial discipline.

May Allah bless you all.

CEO's Statement

Eng.Hani bin Othman Ba Othman

Managing Director and CEO

25.3 Million ⃁

Total operating profits

3.374 Billion ⃁

Total annual revenue

Dear Valued Shareholders and Partners,
May Allah's peace and mercy be upon you,

Another year has passed, bringing with it further achievements that add to the Red Sea International's record of excellence and success. I am pleased to share with you these achievements in our 2025G Annual Report, hoping they will pave the way for further milestones of development and leadership.

In line with the company's ongoing efforts to implement its ambitious development strategy, aimed at achieving high growth rates across all financial and operational performance indicators, Red Sea International has successfully implemented a series of measures and procedures to support its comprehensive restructuring, building upon its established track record of leadership and excellence. The company has initiated a capital restructuring and debt reduction through a capital increase, reinforcing its transformative journey towards even greater achievements and successes. These efforts have yielded the following promising achievements:

- The company received approval from the Capital Market Authority for its application to increase capital by converting outstanding debt, aiming to restructure its capital in line with its debt reduction strategy.
- The Board of Directors recommended to the Extraordinary General Assembly the full utilization of the «share premium» balance to offset accumulated losses. This will contribute to enhancing cash flow and reducing financing costs, while converting a portion of financial liabilities into equity.

Red Sea International continued to implement integrated methodologies to enshrine sustainability principles in all its environmental, social, and corporate practices, and to incorporate operational practices based on innovation and comprehensive development. In a distinguished and professional business environment, the company successfully attracted top-tier leaders with high levels of competence and experience in management, development, and investment. This ambitious step aims to mobilize the best resources and capabilities, supported by a rich history of achievements, to launch a new phase of contribution and market leadership. This culminated in the signing of several contracts to implement major and promising projects, including one within its strategic partnership with Webuild SpA. This includes a contract with the Trojina (NEOM) project valued at SAR 202,801,300, a contract with Baker Hughes Saudi Arabia Limited valued at SAR 265,950,000, and a contract with Alec Saudi Arabia Engineering and Contracting Company valued at SAR 265,997,461. Additionally, there is a project with Madinah Region Municipality for the investment in land, construction, operation, and maintenance of a mixed-use building for 50 years, valued at SAR 161,946,022.

Furthering its corrective approach, Red Sea International continues to implement leading development practices aimed at maximizing the benefits of its integrated competitive strengths and its deep market knowledge and trends, as a foundation for a promising launch towards broader future horizons. This empowers the company to enter lucrative investment sectors, most notably real estate, leveraging its assets and leading position in executing infrastructure projects, constructing standard buildings, and managing facilities, all on time, within budget, and according to the highest international standards of quality and efficiency.

In conclusion, I extend my sincere thanks and appreciation to our wise government for its tireless efforts in achieving comprehensive social development. My gratitude also goes to all shareholders and partners for their trust and unwavering support, and to all company employees for their dedicated efforts in realizing the company's aspirations for further growth and development,

God willing.

01

Overview

Renewed Leadership

Executive Summary

Key General Performance Indicators of the Company in 2025G

3,374.97 Million ⃁

Total Annual Revenue for 2025G

13%

Increase in Total Annual Revenue compared to 2024G

25.29 Million ⃁

Total Annual Operating Profits for 2025G

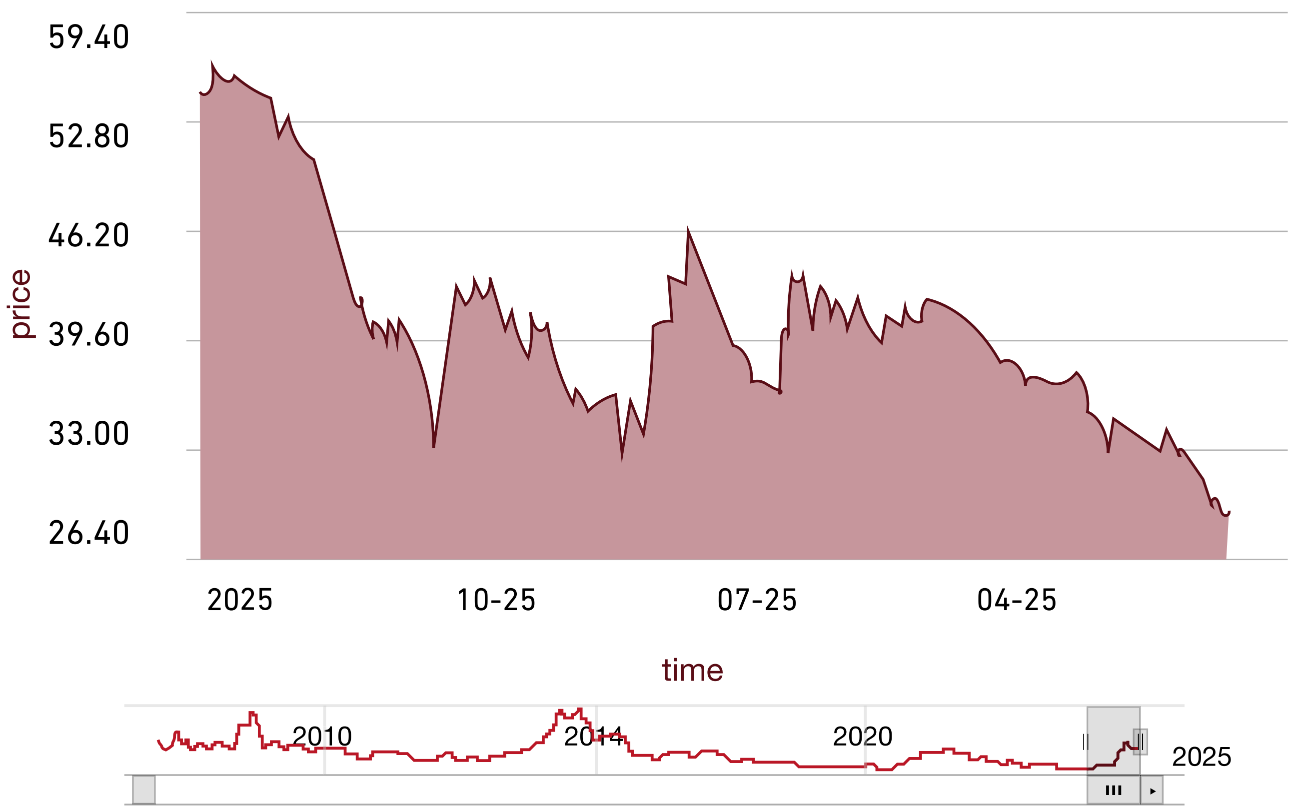
-64%

Decrease in Total Annual Operating Profits compared to 2024G

243 Million ⃁

Total net value of real estate assets and equipment for 2025G

The company's stock performance during 2025G



As of December 31, 2025G, the number of shareholders of Red Sea International was (118,478) shareholders. Institutional investments constituted 70.64% of total share ownership, while individual investments represented 29.36% The list of Red Sea International shareholders includes (118,440) shareholders who own 14,173,543 shares or more in the company, and their combined holdings represent (100%) of the total issued shares. The following table provides an overview of the company's investors:

Company Investors	No. of Shares	Percentage
Institutional Investors	34,093,840	70.64 %
Individual Investors	14,173,543	29.36 %
Total	48,267,383	100 %

Key Company's Announcements During 2025G

01. "Red Sea International" signed a contract with Webuild S.p.A. worth SAR 202,801,300 for the Trojina (NEOM) project.

02. A contract was signed with Baker Hughes for the design, manufacture, supply, and operation of accommodation facilities in the Eastern Province to support oil and gas exploration operations in the region, valued at SAR 265,950,000.

03. A contract was signed for the project with Madinah Region Municipality for the investment of land and the construction, operation, and maintenance of a mixed-use building for 50 years, valued at SAR 161,946,022.

04. The subsidiary, First Fix Electrical Works Ltd., signed a contract with Alec Saudi Engineering & Contracting Company valued at SAR 175,933,849 to execute mechanical and electrical works for the Science Discovery and Innovation Center project located in the Mohammed bin Salman Non-Profit City in Riyadh.

05. The subsidiary, First Fix Electrical Works Ltd., signed a subcontract with a joint venture company between Al Bawani Company and Urbacon Saudi Arabia to execute mechanical, electrical, and plumbing works for one of its projects in Riyadh.

Overview of Performance During the Year

"Red Sea International" journey during 2025G was marked by a series of significant transformations promising further growth and expansion of its operations. These can be summarized as follows:

At the institutional level, the company restructured its organizational structure by creating departments and divisions such as Change Department, Risk Department, and others, in addition to attracting a select group of distinguished administrative and investment expertise, thus contributing to mobilizing the great energies and capabilities that the company possesses, to enable it to move forward towards implementing its plans and future directions towards opening up promising investment horizons.

At the operational level, "Red Sea International" implemented a sophisticated corporate methodology aimed at significantly reducing operating costs. This was achieved by restructuring business relationships to enable the provision of comprehensive, integrated services, and solutions offered by its subsidiaries across all its business lines and production processes. The company also focused on completing and delivering construction projects on schedule.

"Red Sea International" continued its comprehensive review and development of its operating model, this enables it to implement a more efficient model for managing its promising future investment aspirations, capitalizing on the significant momentum of mega-projects launched by our wise government in line with Saudi Vision 2030.

Key Strategic Aspirations for 2026G

In line with the strategic transformation achieved during 2025G, "Red Sea International" initiated a set of well-considered initiatives at both the corporate and strategic planning levels. These initiatives aim to strengthen its financial position and enhance its operational efficiency, enabling it to expand its project portfolio and increase its market share in the future. This will be achieved by pursuing promising new investment opportunities through the following key pillars:

1 Strengthening the company's balance sheet

2 Entering the hospitality market by activating its restructured investment arm

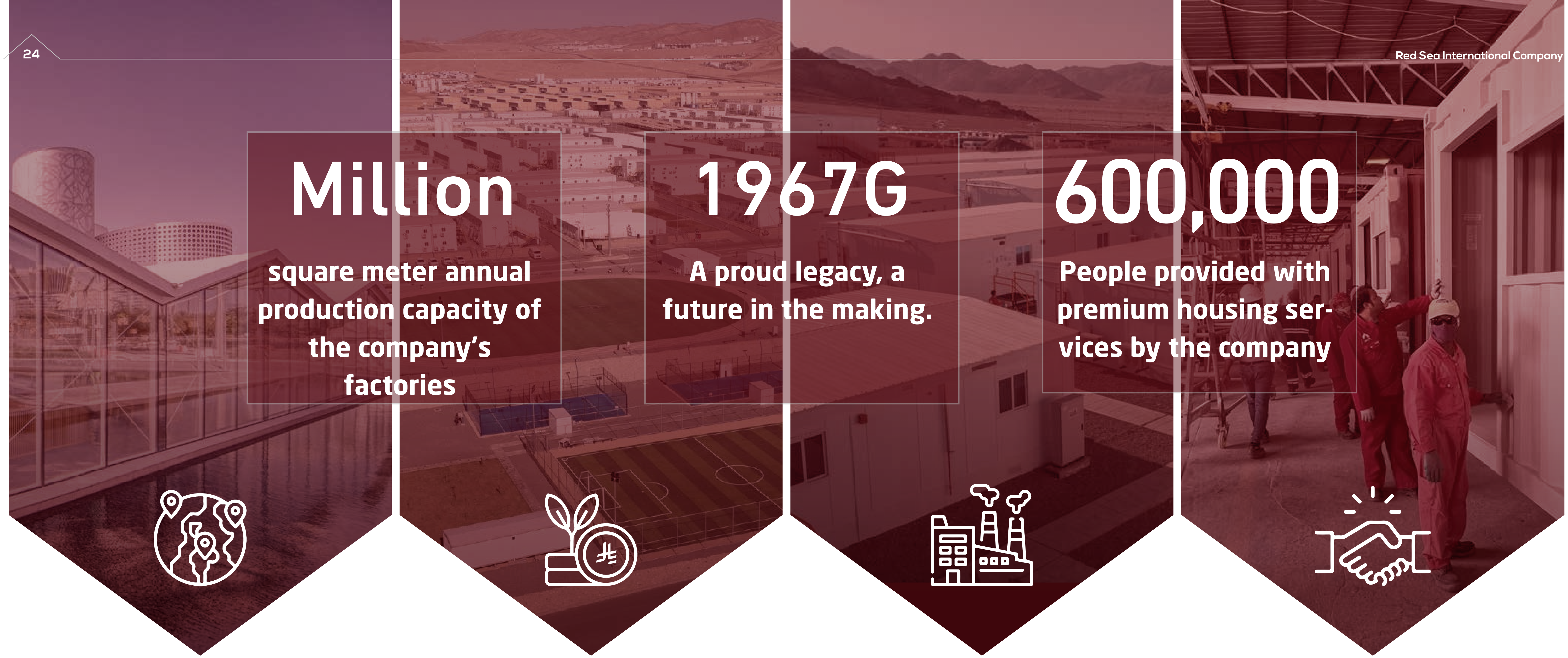
3 Refocusing on the company's core competencies

4 Exploring new market opportunities, such as the real estate development sector.

02

Historical Overview

Renewed Leadership



Million

square meter annual production capacity of the company's factories

1967G

A proud legacy, a future in the making.

600,000

People provided with premium housing services by the company

65

Countries where Red Sea International projects are located

59

Years of leadership in design, manufacturing, and installation projects

03

Integrated factories in Saudi Arabia, the United Arab Emirates, and Ghana

9657

Total employees and workforce in the Group

Historical overview

"Red Sea International" Company was established in 1967G in Jeddah, Saudi Arabia, and The Company was listed on the Saudi Stock Exchange (Tadawul) in 2006, to achieve true leadership in implementing a wide range of major projects in the field of real estate and facilities management, in addition to constructing buildings and residential complexes for major corporate projects in remote areas of the Kingdom and the world, according to the highest international standards of quality and efficiency.

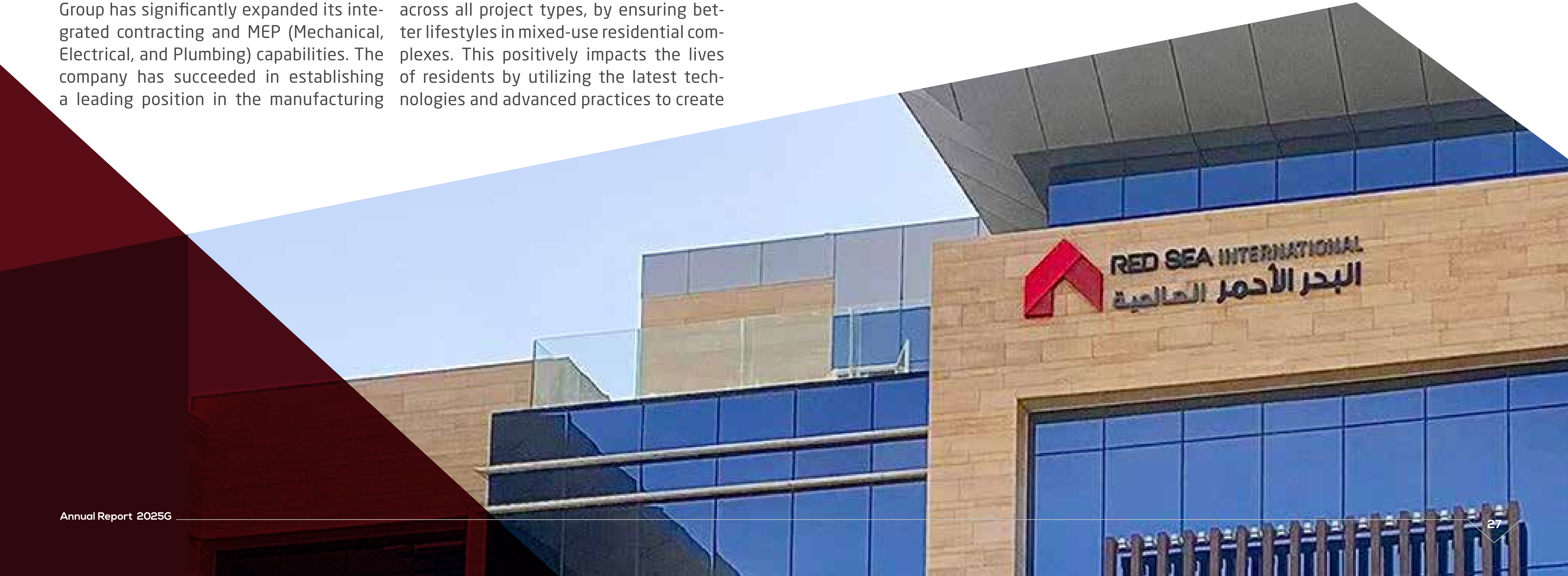
Following the acquisition of First Fix, the Group has significantly expanded its integrated contracting and MEP (Mechanical, Electrical, and Plumbing) capabilities. The company has succeeded in establishing a leading position in the manufacturing and assembly of housing units and their service utilities in integrated living environments, supported by its advanced capabilities to invest in modern digital technologies to enhance its future directions aimed at expanding its customer base and increasing its portfolio of projects, through which it ensures maximizing revenues and profit returns and the sustainable growth for the company and all shareholders and partners.

The company focuses its efforts on integrating the concept of sustainability into all its project implementation standards, across all project types, by ensuring better lifestyles in mixed-use residential complexes. This positively impacts the lives of residents by utilizing the latest technologies and advanced practices to create housing solutions that optimize resources and raw material use. These solutions, including wastewater treatment plants,

reverse osmosis systems, waste containers, and fuel tanks used in remote locations, are manufactured in the company's own facilities. This contributes to its ongoing efforts to reduce carbon emissions from its manufacturing and operational facilities, supporting the government's efforts to achieve a zero-carbon footprint for the Kingdom.

The Company boasts a select group of highly qualified and skilled managers specializing in the management and supervision of construction and real estate development projects, along with extensive and seasoned experience in facilities management. This team is supported by numerous engineering firms, technicians, and skilled laborers.

The Company owns operational spaces and integrated work environments, featuring manufacturing and specialized operational facilities in Saudi Arabia, the United Arab Emirates, and Ghana. This enables it to provide support to major clients and projects across the Middle East, Central and Southeast Asia, and Africa with the required speed and efficiency.



Company Milestones

1967
Establishment of the Red Sea Trading and Marketing Company in Jeddah

1976
Establishing an early start in Modular Construction by importing units from the United States of America

1982
Development and operation of multiple complexes in Jeddah

1983
Production began from the first plant in Jeddah

1991
Opening of Jubail Factory and the Desert Palm Residential Complex

1992
Development of two hotels in Kazakhstan

1998
Completion of the Company's factory in Jabal Ali in the United Arab Emirates

2005
Entering of the Company into West Africa with the Ghana Plant

2006
- Initial Public Offering in the Saudi Stock Exchange "Tadawul" with a coverage rate of 578% and more than 4.6 million Shareholder
- Opening of offices in Algeria, Nigeria and Qatar

2013
- Implementation of a joint venture with «Sherwin Williams» and opening of offices in Mozambique and Oman
- Implementation of temporary building projects and labor Residential Communitiess in Papua New Guinea.

2017
The company was renamed as «Red Sea» International Company

2023
Red Sea International acquires a 51% stake in Fundamental Electrical Installations Limited- First Fix

2024
- "Red Sea International" Company's subsidiary, «Fundamental Electrical Installations Limited- First Fix», signed contract worth (1,522,059,988 SAR) with «Modern Construction Leaders» Company to implement several infrastructure projects for it.
- "Red Sea International" Company signed a contract with «Webuild S.p.A.» Company, with a total value of 658 million SAR, to build a Residential Communities for employees of the Trojena Dam Project, affiliated with the NEOM Project.
- "Red Sea International" achieved a significant financial turnaround and returned to profitability.

2025
- Completion of the procedures for acquiring (51%) of the shares of «Fundamental Electrical Installations Limited- First Fix».
- "Red Sea International" signed a contract with Webuild S.p.A. with a total value of SAR 202,801,300 for the Trojina (NEOM) project.
- Approval of the company's capital increase through debt conversion, resulting in an increase from SAR 302,344,000 to SAR 482,673,830.

Mission

To become, by 2030G, the leading sustainable integrated services company in the Middle East and North Africa, specializing in pre -made buildings, facilities management, and electromechanical services

Outstanding manufacturing and engineering solutions and services

Red Sea International stands out for its comprehensive solutions and services in executing a wide range of construction and development projects across oil and gas, infrastructure, government, building and construction, mining, defense, as well as industrial sectors, adhering to the highest international standards of quality and efficiency. The company's main services and solutions are summarized below:

Oil and gas sector	Infrastructure	Government Sector	Construction and building
Mining	Defense	Industrial Sectors	

As follows:

1. Providing comprehensive infrastructure solutions and services, including advanced electrical and mechanical (MEP) works.
2. Implementing various projects from pre-made buildings to temporary or semi-permanent buildings, workforce accommodation units, offices, kitchen and dining units, entertainment facilities, laundry areas, workers' housing, drilling and excavation Residential Communitiess, dormitories, guard housing, hospitals and clinics, hotels, relief housing facilities, schools, and religious facilities.
3. Providing a range of residential solutions and services to the private and public sectors, such as integrated complexes, neighborhoods, individual homes and residential towers, according to customer requirements, in accordance with the highest international standards of quality and efficiency.
4. Implementing general contracting, maintenance and construction works and projects, and civil engineering works.
5. Providing heavy construction and building equipment and machinery.
6. Manufacturing and selling non-concrete residential and commercial buildings.
7. Implementing initial installation work and projects.
8. Manufacturing and selling building materials of high quality and efficiency.
9. Management of facilities and maintenance of its owned assets.

High efficiency in managing facilities and installations

14
Active sites currently managed by the company

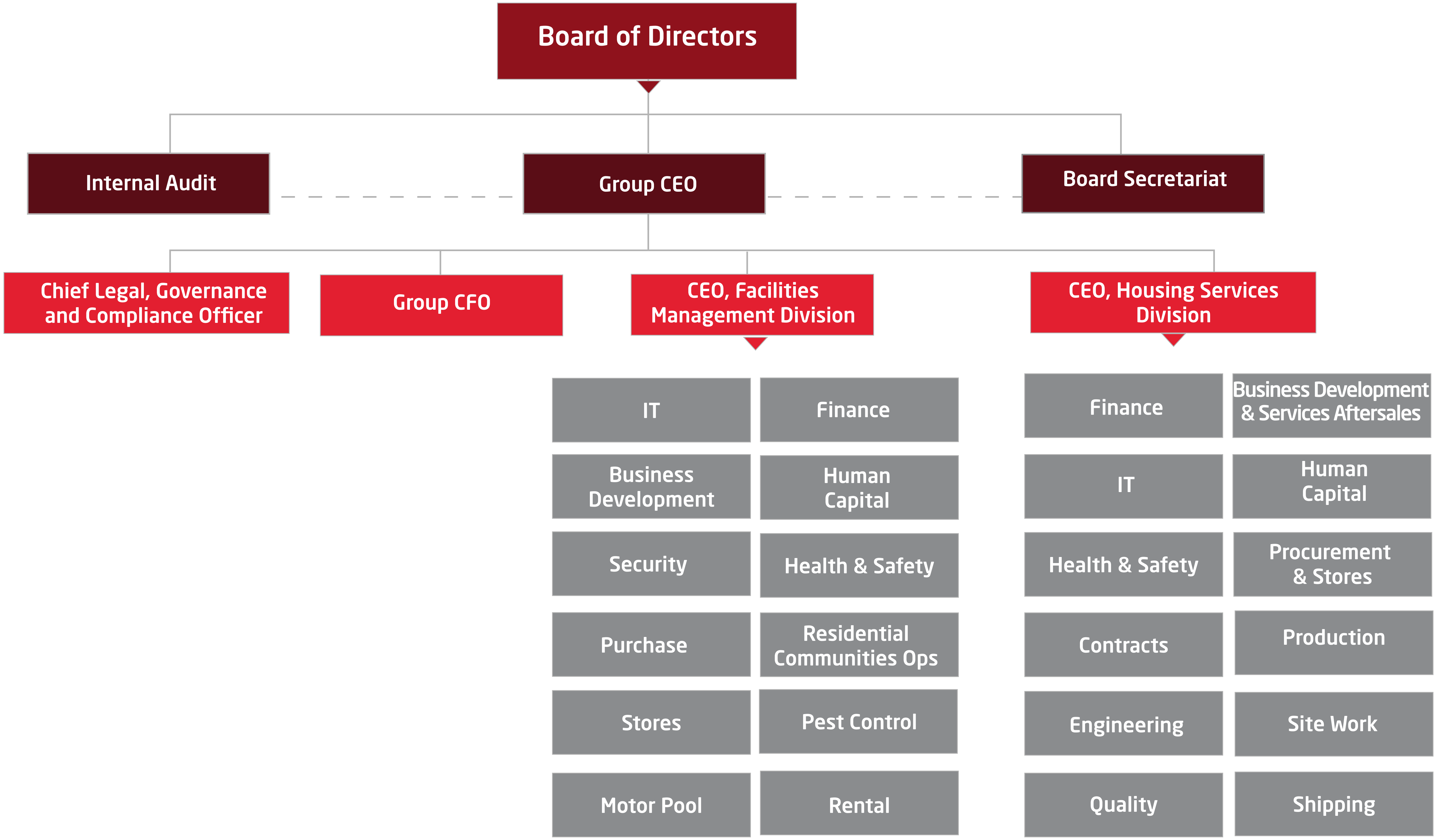
900+
Total workforce in the facilities management sector

Red Sea International boasts extensive experience in providing facility management services and solutions for residential and service buildings within its own projects and those of its clients, including prestigious companies both within the Kingdom and internationally. Examples include the current Webuild staff housing project in Trojina and Baker Hughes' drilling rig Residential Communitiess, where the company manages and maintains staff accommodation for over 6,000 residents.

To maintain its excellence in this field, the company continues to invest in the training of its workforce through state-of-the-art, accredited field training centers. This is coupled with the implementation of an advanced digital management system designed to improve, streamline, and automate maintenance tasks, enhance reporting, and provide real-time updates on site operations.

"Red Sea International" aims to expand its project portfolio and customer base in the future by attracting projects in the healthcare, defense, and offshore platforms sectors.

Company organizational structure



Subsidiaries

In support of its expansion plans and ongoing efforts to broaden its client base and increase its portfolio of local and international projects, "Red Sea International" has successfully established a wide range of subsidiaries and restructured its branches to enhance its commitment to modernizing its commercial registration system. This aligns with its strategic direction to ensure the integration of all the company's services and solutions offered to its various client segments, which will be achieved through the following measures:

01 Increasing local content rates in line with national objectives and the economic growth of the Kingdom of Saudi Arabia.

02 Enhancing global export capabilities originating from the Kingdom of Saudi Arabia to serve all international markets.

01 The Fundamental Installation for Electric Work Company Ltd. (First Fix)

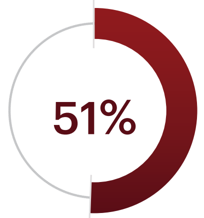
A leading company in the contracting sector in the Arab Gulf region. First Fix provides comprehensive infrastructure services, such as electrical and mechanical engineering solutions to a wide range of clients. It has also expanded its scope of work by incorporating new activities such as high voltage systems and smart cities and supporting the civil infrastructure department with several pieces of heavy equipment.

New smart operating systems have been adopted to enhance job performance in the human resources and recruitment departments, project management, procurement, logistics and operations, and improve tracking quality and operational efficiency.

First Fix has also been upgraded to a first-class contractor, which has enabled it to win major contracts for major projects including NEOM, the Red Sea and Amaala, which include the economic assets project for NEOM employees' housing "NEOM Community 2", the Amaala Health Resort and Retail Village, the Triple Bay - Rosewood Amaala Hotel in Amaala, the (HW2) Hotel project, and the design and construction of a public spaces project in cooperation with "Red Sea International". The general assembly of "Red Sea International" has recently approved the public offering of shares of its subsidiary, First Fix, for listing on the Saudi Stock Exchange (Tadawul).

The acquisition of First Fix by Red Sea International Company is an important addition to the Red Sea International Company's business journey, in line with its strategy to expand its customer base and increase its portfolio of quality projects, by expanding the scope of its services and businesses, enabling it to implement major projects with all their requirements without relying on contractors or other companies.

Red Sea International's acquisition stake in First Fix



Country of establishment: Riyadh, Saudi Arabia

Date of establishment: 2015G

Date of Acquisition: 2023G at (51%)

02 RED SEA HOUSING SERVICES (GHANA) LIMITED

Country of establishment: Accra, Ghana

Date of establishment: 2005G

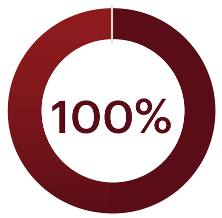
Main Country of Operations: Ghana, 100% owned by Red Sea International Company.

Main Activities: Manufacturing various prefabricated housing units, serving clients in North and West Africa.

Main Country of Operations: Ghana,

100% owned by Red Sea International Company.

Ownership percentage of Red Sea International Company



03 RED SEA HOUSING SERVICES ALGERIA LIMITED

Country of establishment: Algiers, Algeria

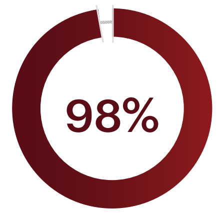
Date of establishment: 2006G

Main Activities: Importing Red Sea Company products from other branches to be sold and rented locally to support the company's operations in implementing local projects and executing general contracting contracts. The company also manages and operates the Desert Palms Hotel located in Hassi Messaoud.

Main Country of Operations: Algeria,

98% owned by Red Sea International Company.

Company ownership percentage



04 RED SEA HOUSING SERVICES COMPANY NIGERIA LIMITED

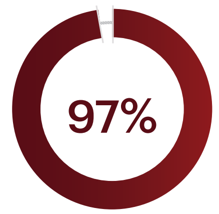
Country of establishment: Nigeria

Date of establishment: 2008G

Main Activities: General contracting and maintenance, construction of facilities and civil works and subcontracting.

Main Country of Operations: Nigeria, **97%** owned by Red Sea International.

Ownership percentage of Red Sea International Company



05 RED SEA HOUSING SERVICES COMPANY DUBAI FZE, Dubai

Country of establishment: United Arab Emirates, Dubai, Jebel Ali Free Zone.

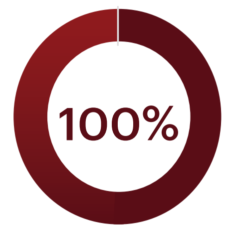
Date of establishment: 2009G

Main activities: Manufacturing of prefabricated housing units, general contracting, maintenance, construction of facilities, civil works and subcontracting.

Main country of operations: United Arab Emirates, Kingdom of Saudi Arabia, Oman, Kuwait.

100% owned by Red Sea International Company.

Ownership percentage of Red Sea International Company



06 RED SEA HOUSING SERVICES COMPANY (Libia)

Country of establishment: Libya.

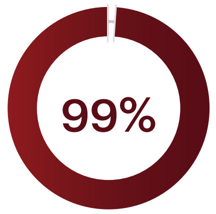
Date of establishment: 2009G

Main activities: Manufacturing prefabricated housing units, general contracting, maintenance, construction of facilities, civil works and subcontracting.

99% owned by Red Sea International Company.

Due to the instability of the security situation in the region, which has led to the postponement of many expected major projects in the oil and gas exploration sector, Red Sea International Company announced the inability of the company to complete maintenance work and prepare the factory to start operating, due to the prevailing conditions in the region. It stressed its endeavor to seize the favorable opportunity to start operations in the factory when the situation in the region improves in general and the pace of work returns to normal.

Ownership percentage of Red Sea International Company



07 RED SEA BUILDING MATERIALS AND EQUIPMENTS TRADING COMPANY

Country of establishment: Kingdom of Saudi Arabia

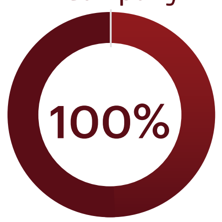
Date of Establishment: 2012G

Main Activities: Production and distribution of various paints and coatings used in the field of decoration and construction as well as for industrial and marine use.

Main Country of Operations: Kingdom of Saudi Arabia.

100% owned by Red Sea International Company.

Ownership percentage of Red Sea International Company



08 PREMIER PAINTS COMPANY

Country of establishment: Kingdom of Saudi Arabia

Date of Establishment: 2012G

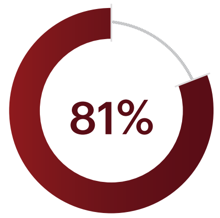
Main Activities: Production and distribution of various paints and coatings used in the field of decoration and construction as well as for industrial and marine use.

Main Country of Operations: Kingdom of Saudi Arabia.

81% owned by Red Sea International Company for Trading Building Materials and Equipment.

The subsidiary has signed a share purchase agreement to sell its entire stake in "Premier Paints" in Saudi Arabia, of which it owns 81%, for an initial value of SAR 14,013,000.

Ownership percentage of Red Sea International Company



*The sale was completed on 10/2/2026.

09 RED SEA SPECIALIZED INVESTMENTS COMPANY

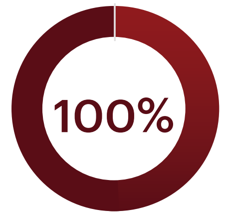
Country of establishment: Kingdom of Saudi Arabia

Date of Establishment: 2013G

Main Activities: Investment in industrial, commercial, agricultural, service and real estate projects.

100% owned by Red Sea International Company.

Ownership percentage of Red Sea International Company



10 RED SEA HOUSING SERVICES LLC (Mozambique)

Country of establishment: Mozambique

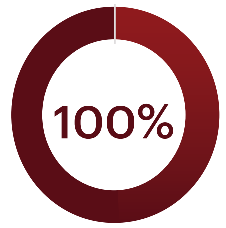
Date of establishment: 2013G

Main Activities: Construction of industrial housing complexes, import, sale, rental, maintenance and installation of prefabricated housing units and related equipment.

Main Country of Operations: Mozambique,

100% owned by Red Sea International Company.

Ownership percentage of Red Sea International Company



11 RED SEA HOUSING SERVICES LLC (OMAN)

Country of establishment: Oman

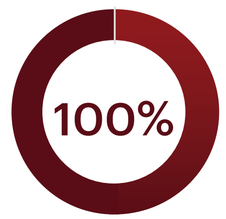
Date of establishment: 2013G

Main Activities: Establishing industrial housing complexes, importing, selling, leasing, maintaining and installing prefabricated housing units and related equipment.

Main Country of Operations: Oman,

100% owned by Red Sea International Company.

Ownership percentage of Red Sea International Company



12 RED SEA AFFORDABLE HOUSING COMPANY

Country of Establishment: Kingdom of Saudi Arabia

Date of establishment: 2014G

Main Activities: Real Estate Investment and Development, including purchasing, leasing and developing buildings and lands, investing in them through sale or lease for the benefit of the company, constructing buildings and low-income housing projects, and other real estate development projects.

100% owned by Red Sea International Company.

Ownership percentage of Red Sea International Company

13 RED SEA RESIDENTIAL CITY COMPANY

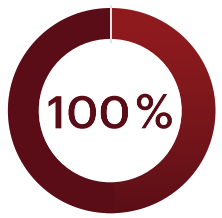
Country of establishment: Kingdom of Saudi Arabia.

Date of establishment: 2014G.

Main Activities: Establishing, managing and operating integrated residential complexes and other real estate development projects and implementing general contracting works for residential and commercial buildings.

100% owned by Red Sea International Company.

Ownership percentage of Red Sea International Company



14 Red Sea Housing Services Co. Ltd. (The Red Sea Housing Company for Housing Projects previously)

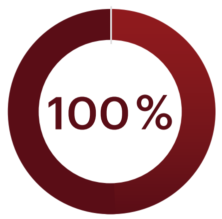
Country of establishment: Kingdom of Saudi Arabia

Date of establishment: 2014G

Main Activities: Establishing, managing and operating integrated residential complexes and other real estate development projects and implementing general contracting works for residential and commercial buildings.

100% owned by Red Sea International Company.

Ownership percentage of Red Sea International Company



15 Red Sea Prefabricated Rental Company, LLC

Country of establishment: United Arab Emirates.

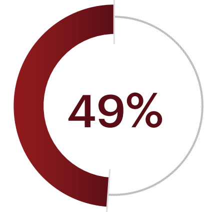
Date of establishment: 2018G

Main activities: Trading and leasing of prefabricated houses.

Main country of operations: United Arab Emirates.

49% owned by Red Sea Housing Services FZE, Dubai.

Ownership percentage of Red Sea International Company



16 Red Sea Housing Company LLC (Kuwait)

Country of establishment: Kuwait.

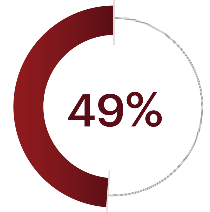
Date of establishment: 2019G

Main activities: Trading and leasing of prefabricated houses

Main country of operations: Kuwait

49% owned by Red Sea International Company

Ownership percentage of Red Sea International Company



17 Red Sea Housing Services Company Limited - Malaysia (Previously: AM Modular Private Limited)

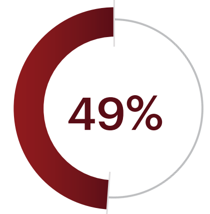
Country of establishment: Malaysia

Date of establishment: 2016G.

Main Activities: General Contracting, Construction, Installation, Facilities Construction, Civil Works, Subcontracting.

49% Owned by Red Sea Housing Services FZE, Dubai.

Ownership percentage of Red Sea International Company



Red Sea International
Company Ownership Structure

19.68%	5.638%	6.264%	38.321%	30%
MSB Holding Company (Sole Proprietorship)	Tanmiah Commercial Group	Trading Company for Marketing Services & Agencies	Al Dabbagh Group Holding Company	The ownership held by Public (Free float)

As of 31/12/2025

Our Footprint

“Red Sea International” is unique in its leading local and global presence, thanks to its outstanding logistical and manufacturing capabilities. This gives it the flexibility and ability to implement its projects with integrated solutions and services, with speed and superior quality, within the set timetables and budgets with high efficiency.

03

Strategic Review

Efficient development track

Company Strategy

"Red Sea International" continues its development journey across all its business sectors, relying on market data analysis, leveraging advanced global experiences, and developing plans and policies to capitalize on available opportunities. This approach reinforces its leadership and propels it towards further growth and expansion, following carefully considered steps. The company is leveraging its competitive strengths and distinguished local and global presence through integrated investment strategies that optimize the utilization of all its resources and solutions, along with the complementary services of its subsidiaries. This strengthens its efforts to acquire more high-value and viable projects, resulting in increased financial revenues and profitable returns for all shareholders and partners, thus ensuring financial sustainability and institutional stability with high efficiency.

The Company's journey in 2025 witnessed a strategic shift towards a greater focus on developing its business processes and strengthening its structure with a comprehensive vision. This enabled it to complete its existing projects, particularly construction and development projects, in addition to finalizing the acquisition of a 51% stake in "First Fix". Perhaps the company's most significant strategic achievement this year was the successful restructuring of its capital. In addition to submitting a recommendation from the Board of Directors to the General Assembly to offset a portion of its accumulated losses, as an ambitious step supporting its expansionary strategy.

Pillars of Strategy Implementation

The company is committed to developing all its methodologies to ensure the optimal implementation of its promising strategic expansion directions with further thoughtful growth and development. It has achieved a set of outstanding strategic accomplishments, based on the following pillars:

Acquiring major projects

"Red Sea International" Company has successfully acquired several promising projects with more revenues and profit returns, which raise the company's institutional competitive strength and enhance its financial solvency, benefiting from its ability to provide integrated solutions and services, with real competitive advantages.

Revenue growth

The Company's revenues as of December 31, 2025G amounted to 3.374 billion SAR, an increase of (13%) compared to what was achieved in 2024G

Operational efficiency and continuous improvement

The company adopts a continuous improvement approach, leveraging performance indicators, data-driven decision-making, and process optimization to enhance productivity, reduce cycle times, control costs, and improve service delivery.

Obtaining financial facilities

"Red Sea International" and its subsidiary "First Fix" signed agreements to renew financial facilities worth (00) to support its operational financial reserves.

Completion of the acquisition of First Fix subsidiary shares

"Red Sea International" has completed the procedures for acquiring (51%) of the shares of First Fix Electrical Installations Limited.

Capital structuring and the recommendation to write off debts

The Company's General Assembly approved the Board of Directors' recommendation to increase the share capital through the conversion of debts.

A further recommendation was submitted to the General Assembly to utilize this nominal capital increase to directly reduce part of the accumulated losses ratio of the Company's share capital.

Dedicating efforts to the concepts of innovation and sustainability

The company is committed to integrating the latest technologies and sustainable practices into all its projects, enhancing its competitiveness and aligning global trends and customer expectations.

Expanding strategic partnerships

The company is committed to developing its network of relationships and establishing more successful strategic alliances and partnerships by adding more local and international partners. This strengthens its competitive position in the market and expands the reach of its integrated services and solutions, thanks to its success in mobilizing resources and expertise for mutual benefit. Below are some of Red Sea International's key strategic partnerships:

Supplier/Manufacturer	Materials
United Mining Industries Company	Gypsum board
Masdar Building Materials Company	Iron
Jotun Paints Company	Paints
Saudi Ceramics Company	Sanitary ware and water heaters
Al Fanar Company	Oil outlets and switches - Electrical appliances
Gerfloor Company	Flooring
Zamil Air Conditioners Company	Air conditioners

Governance, compliance, and operational discipline

The company operates within a clear governance framework supported by standardized internal policies, procedures, and controls. This ensures consistency, transparency, regulatory compliance, and risk mitigation across all operations.

Local Content and value creation

The company demonstrates leadership in developing local content, as evidenced by its strong performance in the LCGPA index, its focus on local sourcing, subcontractor development, localization of jobs, and alignment with national programs such as the "Ektasb" program.

Attracting and developing skills and talents

The Company places great importance on investing in its employees. It works to attract the best talent and expertise in various disciplines and supports them with a range of integrated development programs and courses, with the aim of refining talents and experiences and raising capabilities to enable them to improve work efficiency in a way that greatly contributes to achieving the company's strategic goals and maintaining its leading position in new and existing markets.

Strategic **Objectives**

01 Leveraging the Company's proven track record of achievements to solidify its position as the premier provider of high-quality, efficient modular construction, facilities management, and electromechanical services.

02 Providing comprehensive solutions from design to implementation for sustainable, environmentally friendly structures.

03 Sustaining the company's leadership in providing an integrated package with the highest standards of quality and efficiency for design, manufacturing and electromechanical works solutions and services.

04 Delivering innovative, superior solutions for world-class eco-friendly construction.

05 Maintaining a high market share with sustainable growth, while enhancing the company's brand image among target clients in both public and private sectors.

06 Expanding its project portfolio in the most vital and high-yield sectors, along with expanding its customer base.

07 Focusing on raising the efficiency of the services and solutions provided.

08 Enhancing its leadership and efficiency in managing facilities and infrastructure for its own projects and those of its clients from major local and international companies.

Growing Competitive **Advantages**

Based on its long history and extensive experience, the "Red Sea International" Company maintains several competitive advantages, through which it has succeeded in maintaining a leading position as one of the most prominent Saudi companies in the Kingdom and the Middle East, with an established track record of major projects and achievements. The following are the salient strengths and distinctions of the Company:

- Technical and Engineering Excellence, financial and operational expertise and competencies.
- Market Reputation and Brand Positioning as one of the oldest Saudi companies operating in contracting and construction projects, which gives it high credibility with current and potential shareholders and investors in the future.
- Its efficiency in diversifying and maximizing its financial resources and working on its sustainability and development.
- Senior management that includes an elite group of the best experts, businessmen and talents distinguished by their expertise, competencies and great achievements.
- Its distinction with a diverse professional network of business relationships, enriches its business and projects with the best strategic partnerships locally and internationally.
- Presence and existence in more than one region in the world, which gives it the advantage of providing its services and integrated solutions in a number of markets together.
- Applying the best advanced global operational and manufacturing practices, according to the highest standards of quality, efficiency and mastery.
- Reliability and dependability, as it is one of only three companies in the Kingdom, which succeeded in obtaining the 9**com** certificate from the Saudi Aramco Company.
- With Its large and integrated capabilities and capacities, especially after acquiring the Fundamental Installations Company, Red Sea Company has become providing an integrated one-stop-shop of high-quality services and solutions.

Innovative Business Model

Red Sea Global is committed to implementing an innovative and professional business model, fundamentally supported by its strategic investments, foremost among them First Fix. While Red Sea continues to focus on its leadership in prefabricated construction and manufacturing excellence, its strategic investment in First Fix adds specialized expertise in mechanical, electrical, and plumbing (MEP) works. This integration enhances the Group's value proposition, enabling it to deliver comprehensive, end-to-end solutions for large-scale and complex projects with high efficiency.

This approach is underpinned by a strong focus on sustainability and digital innovation, through the adoption of advanced technologies such as Building Information Modeling (BIM), efficient asset data management, and the use of artificial intelligence applications and tools in operations and data analytics, supported by a portfolio of internationally recognized certifications in quality management (ISO) and occupational health and safety.

In addition, the Company continues to integrate digital transformation across all its business lines and diverse sectors to achieve the highest levels of operational efficiency and exceed global expectations in the construction and building sector, as well as the facilities management sector, with a focus on delivering a comprehensive, advanced, and environmentally responsible experience. This is driven by an integrated ecosystem of capabilities across the following stages:

First Phase - Planning and Preparation

1 Sourcing Opportunities

2 Studying the Project

3 Engineering Planning and Design

4 Pricing and Financial Planning

Next Phase - Implementation

1 Shop Drawings

2 Manufacturing

3 Implementation and Installation

4 Management, Operation and Maintenance

04

Operations Review

The Essence of Growth and Giving

"Red Sea International" continues to implement its transformation strategy with a greater focus on its integrated operating sectors, which are the backbone of the company's development and growth. 2025G marked a pivotal turning point across all business lines, particularly in the construction and complex management sector. This was achieved through the implementation of an integrated development methodology characterized by the execution of robust projects and correction of the overall operational trajectory, leading to significant progress in the comprehensive relaunch initiative launched in July 2025G. This initiative contributed to stabilizing operations, enhancing operational capabilities, and laying a solid foundation for sustainable growth, resulting in a notable improvement in financial and operational indicators compared to 2024G.

The company comprises a large portfolio of operational and production facilities, which underwent restructuring and efficiency upgrades throughout 2025G. These upgrades included equipping production lines with the latest advanced global digital, technical, and engineering technologies, maximizing their utilization and enhancing the company's ability to execute projects with the required speed, quality, and efficiency, according to each project's specific requirements. Following are the key components of the company's advanced operational environment:

Company Factories

"Red Sea International" Company owns three advanced factories, equipped with the latest advanced machines and equipment. These factories produce raw materials that meet the requirements of the Company's projects, according to the highest standards of quality, efficiency and mastery applied globally in this field, supported by experienced and expert technical and engineering teams. This gives the Company a real competitive advantage, through which it can implement its projects according to the highest standards and technical specifications within the allocated budgets and specified time plans, with high efficiency.

01 The First Factory

Located in Jubail in the Kingdom of Saudi Arabia. It was established in 1991G with an area estimated at about 80 thousand square meters, including (manufacturing and storage areas) containing two production lines with a manufacturing capacity of about 281,000 square meters annually.

The second line was opened in 2024G to increase the production capacity of this factory that serves the Saudi market. The factory is considered one of the few factories in the Kingdom that has a 9 com certificate from Aramco.

Jubail City	Established In 1991	Its area is estimated at 80,000 square meters.	Production capacity is approximately 281,000 square meters

02 The Second Factory

Located in Jabal Ali in the United Arab Emirates. It was established in 1998G with an area of approximately 55 thousand square meters, with a manufacturing capacity of approximately 200,000 square meters annually. This factory serves the UAE and global market as it is located in the free zone in Dubai.

Dubai Jebel Ali	Established In 1998	Its area is estimated at 55,000 square meters.	Production capacity is approximately 20,000 square meters

03 Third Factory

Located in Tema in Ghana, Africa. It is one of the largest factories of the Company, established in 2004G on an area of approximately 70 thousand square meters with a production capacity of approximately 285 thousand square meters annually. The factory is distinguished by its strategic location near the city's port, which gives it a strong advantage in terms of fast and efficient logistics services. It currently meets the requirements of the African continent and the South American market.

Tema Ghana	Established In 2004	Its area is estimated at 70,000 square meters.	Production capacity is approximately 285,000 square meters

Growing investment in the company's promising assets

"Red Sea International" is committed to supporting its portfolio of residential and service complexes and facilities with the latest technologies and advanced digital applications, integrating them into all aspects of its operations. This enhances work quality and efficiency, reduces waste, and directly empowers the company to bolster its operational and financial development

Among the most prominent of these investment assets are buildings owned by "Red Sea International".

1. Rabigh Residential Communities
2. Tarif Residential Communities
3. Jubail Contractor Residential Communities
4. Malaz Desert Palms Complex
5. Jazan Residential Communities

Key Operational Indicators for 2025G

07
Major projects completed in 2025

03
Major projects active/ ongoing (end of 2025)

01
Projects under development

Major project sites

(Saudi Arabia).
Jubail, Al-Ula, NEOM, Jafurah

(United Arab Emirates)
NIGM and PetroJet

Key Operational Achievements for 2025G

1. Key contributions to the NEOM Trojina project with WeBuild Company and projects with MAPA Construction, including occupancy certificates and approvals from competent authorities. The project has received clear recognition from clients for its exceptional quality of execution.
2. Maintaining the company's position as a trusted supplier to local and international clients.
3. Effective collaboration with a broad supplier base, particularly in Saudi Arabia, to support expanded operations.
4. Establishing a fully integrated manufacturing workshop to expedite delivery and reduce reliance on subcontractors.
5. Extensive support for Mechanical, Electrical and Plumbing (MEP) systems, including specialized MEP defect repair and project closure services.
6. Establishing a repair center in Jubail to provide ongoing customer support.
7. Streamlining planning, procurement, project closure, and reporting processes.
8. Completing the customization of MS Dynamics 365 F&O, including consolidated financial statements, sub-ledger reports, improved approval workflows, and tracking of purchase receivables for each project.
9. Completing 83% of advanced IT initiatives, including unifying departmental financial and sub-ledger reports within the Enterprise Resource Planning (ERP) system.
10. Successfully delivering major projects (RCU, TRSDC, Jafurah, Admiral) with full documentation of completion.
11. Enhancing alignment with Saudi Vision 2030 through participation in Public Investment Fund (PIF) projects.
12. Closing several legacy projects, freeing up production capacity.
13. Ensuring business continuity with key clients (Aramco, Red Sea Global, Baker Hughes, Sanad, Nabors Drilling, Schlumberger, Bechtel, Maaden, Fluor, NEOM, and others).
14. Increasing sales completion rates, improving costs by 52%, and enhancing business development by 14.2%, contributing to accelerated project portfolio growth during the 2026-2030G period.

Project Resource Utilization Methodology

Project resource components	Main contribution	Internal/External Accreditation
"Red Sea International" Production	Manufacturing of tailored components	100% Internal
"Red Sea International" Site Works	On-site construction and installation	60% Internal
Subcontractor Works	Specialized sectors	40% External
Rented Labor	Manpower provision during peak periods	60% External

Company Projects

01

The employee housing city project for the Trojena Dam construction project in cooperation with the Italian Company We Build.


02

The workers' housing complex in the Eastern Region for Aramco projects in cooperation with the Turkish company Mapa.


03

A number of projects that the subsidiary company, the Fundamental Installations Company, is working on in cooperation with the Modern Building Leaders Company.


04

The "Ilmi" Science Discovery and Innovation Center project located in the non-profit Mohammed bin Salman City in Riyadh. The subsidiary Company, the Fundamental Installations Company, is working on it in cooperation with the Saudi ALEC Engineering and Contracting Company.


05

The residential complex project leased to Baker Hughes, managed by the Facilities Management Department.


06

Staff Housing Complexes


07

Cloud Seven


05

Human Capital Development Review

"Performance efficiency and passion for giving"

"Red Sea International" has adopted a promising strategy focused on the sustainable development of its human capital, one of its most vital assets. This strategy emphasizes the training of Saudi nationals, the provision of safe and sustainable work environments, and the integration of local and international talent to meet the demands of the company's current and future projects. The Company also prioritizes sustainability in construction and community development. Furthermore, the company continues to enhance its work environment, empowering its employees to perform their duties with enthusiasm and passion. This is coupled with a commitment to internal communication strategies that foster collaboration and engagement among managers and employees at all levels. These strategies aim to empower employees to participate in decision-making, provide recommendations, and offer feedback on the company's operations, thereby increasing their loyalty, commitment, and dedication to fulfilling all tasks and responsibilities with excellence and competence. Key achievements in this area are summarized below:

9657 Male and female employees

431 Saudi employees

550 Saudi female employees

%20 Percentage of new Saudi employees

%25 Job turnover rate

%54 Job satisfaction rate

01 Launch a "Localization + Internal Training" program to develop Saudi talent.

02 Provide incentives or rewards for employees based on performance or commitment.

03 Organize regular training sessions and workshops.

04 Provide communication channels for suggestions and complaints.

Sustainable Localization Methodology

1. Red Sea International is committed to implementing a sustainable localization strategy by attracting the best young Saudi men and women and working to support them with a range of programs and professional and behavioral training programs and workshops to raise their efficiency and enhance their capabilities to enable them to improve their career path, thereby strengthening their sense of belonging and loyalty to the company in its various sectors.

Saudization of Red Sea International Group

Field of work (jobs)	Saudis	Non-Saudis	Total	Saudization Rate
Engineering Positions	115	1532	1647	7%
Administrative Positions	704	1015	1719	41%
Legal Positions	10	7	17	59%
Security Positions	128	1	129	99%
Accounting Positions	12	42	54	22%
Technical Positions	12	6079	6091	0%
Total	**981**	**8,676**	**9,657**	**10%**

Saudization of Red Sea International Company

Field of work (jobs)	Saudis	Non-Saudis	Total	Saudization Rate
Engineering Positions	61	493	554	11%
Administrative Positions	36	29	65	55%
Legal Positions	5	0	5	100%
Security Positions	58	0	58	100%
Accounting Positions	5	7	12	42%
Technical Positions	2	3	5	40%
Total	**167**	**532**	**699**	**24%**

Saudization of First Fix Company

Field of work (jobs)	Saudis	Non-Saudis	Total	Saudization Rate
Engineering Jobs	54	801	855	6.32%
Administrative Positions	668	930	1,598	41.80%
Legal Positions	5	7	12	41.67%
Security Positions	70	1	71	98.59%
Accounting Positions	7	27	34	20.59%
Technical Positions	10	6,071	6,081	0.16%
Total	**814**	**7,837**	**8,651**	**9.41%**

Developing a Motivating Work Environment

“Red Sea International” is committed to ongoing investment in developing stimulating and competitive business environments, grounded in a progressive corporate culture, and integrating these into all its diverse business segments within a comprehensive corporate framework:

This is achieved through the following initiative:

01 Providing a safe and clean work environment, including designated employee rest areas.

02 Implementing a flexible work schedule to accommodate employees’ commutes and departure times.

03 Launching ongoing training and development initiatives for new and existing employees, keeping pace with technological advancements and labor market needs.

04 Ensuring complete transparency in the talent recruitment process through a clear and systematic mechanism, from job posting to employee commencement of work.

05 Conducting various health initiatives (seasonal vaccinations, early breast cancer screening, blood pressure and blood sugar testing, and blood donation drives).

Training and Administrative Development Program

"Red Sea International" Company is continuously committed to developing and upgrading the skills and capabilities of its employees and providing them with more knowledge and experience to enable them advance and develop in their work performance, through the training programs that the company cares for its employees in all sectors. During the fiscal year 2025G, the company launched several initiatives in this field, in the context of establishing a comprehensive institutional culture that relies on innovation and creativity

The following are the most prominent of these initiatives:

Shared Values Promotion Programs

Launching initiatives that aim to promote the values of teamwork, innovation, and dedication, such as periodic introductory sessions that highlight the company's vision, mission, and strategic goals.

Internal Communication Platforms

Creating dedicated internal platforms for employee communication, such as electronic applications or periodic meetings, that enhance transparency and exchange of opinions and ideas among all levels of employees.

Social events and activities

Organizing social gatherings, and cultural and sports activities that contribute to enhancing team spirit and building strong relationships between employees outside the formal work framework.

Mentoring and guidance programs

Providing guidance programs aimed at connecting new employees with experienced professionals within the company to enhance the sense of belonging and facilitate the transfer of knowledge.

Compliance Management Awareness Programs

The company continues to support its internal communication methodology by promoting a culture of commitment through the implementation of a specialized workshop and the launch of internal awareness messages that focused on disclosure requirements and the timing of material disclosures, in addition to emphasizing compliance with regulations and instructions issued by regulatory authorities, in support of transparency and to consolidate good governance practices.

Workshops and dialogue sessions

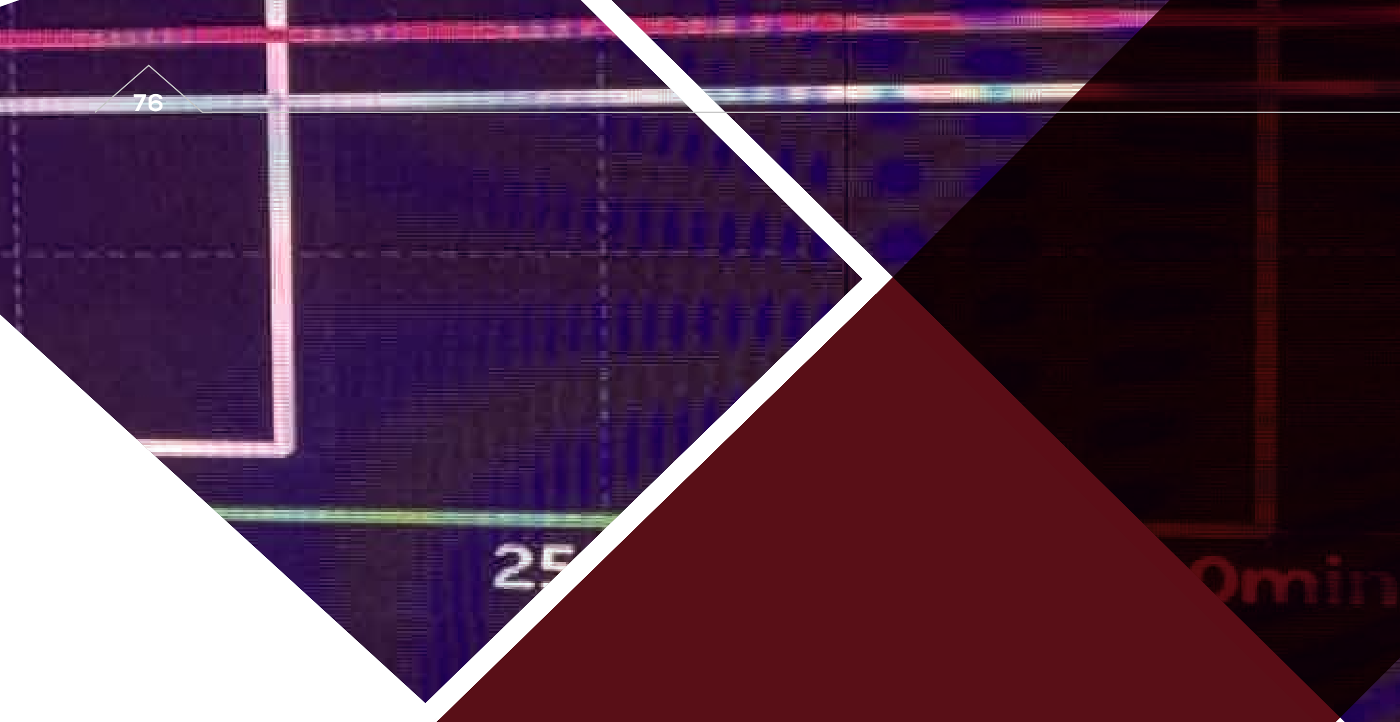
Holding regular dialogue workshops that focus on listening to the voice of employees and taking their suggestions into account, in addition to discussing work challenges and enhancing cooperation between different departments, which reinforces a culture of participation, mutual respect and partnership.

Honoring and celebrating achievements

Allocating programs to honor distinguished employees and successful teams, with the aim of enhancing the sense of achievement and belonging, while highlighting the institutional values that these successes reflect.

Diversity and inclusion

Initiatives that support cultural diversity within the company with a focus on empowering women and supporting local competencies.



06

Review of Digital Transformation and Cybersecurity Track

A comprehensive development journey

Sustainable digital transformation

"Red Sea International" continues to adopt a comprehensive and advanced strategy to complete its digital transformation and automate all internal and external business relationships. The Company is investing in a state-of-the-art digital infrastructure, managed by a select group of national talent and expertise. This transformation is integrated with the Company's overall strategy to enhance its leading position in performance and achievement across all levels of its operations. The company's ambitious journey is based on the following key pillars:

Integrated smart infrastructure

Using cloud computing, advanced data centers, and digital twins to model and optimize processes in real time.

Perfect user experience

Providing digital experiences for individuals and work groups with the highest quality, speed, and security, through advanced technologies.

Data Analysis

Using advanced analytics to support decision-making and improve performance.

Sustainability

Linking digital transformation with sustainability to create smart and sustainable development.

The Company's most notable achievements in its digital transformation journey

Upgrading the company's computer

Upgrading the company's computer operating systems to the latest versions, ensuring enhanced security, improved performance, and compatibility with modern software.

Updating the company's computer systems and servers

The Company's computer systems and servers have been upgraded with security and protection software to safeguard against potential cyber threats and vulnerabilities.

Improving the company's financial system

and integrate it across all departments to ensure seamless communication and data flow for better financial management and decision-making.

Enhancing the company's human resources

Enhancing the company's human resources system to streamline processes such as recruitment, payroll, employee performance tracking, and training.

Developing an electronic archiving

Developing an electronic archiving system to manage and organize all company documents digitally will improve accessibility and reduce reliance on physical filing procedures.

Providing ongoing technical support

Providing ongoing technical support maintenance for the company's hardware, software, tools, and various departments, ensuring smooth and uninterrupted business operations.

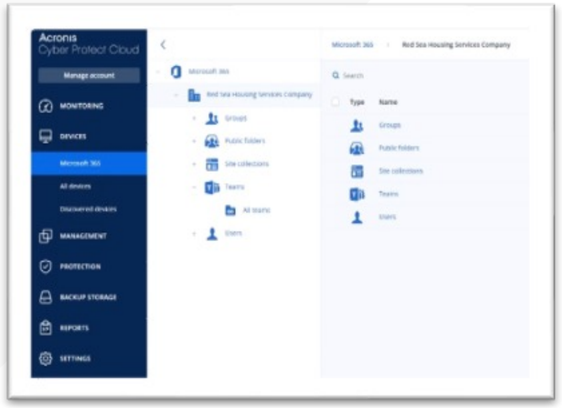
Advanced Cybersecurity Practices

"Red Sea International" continues to develop advanced global methodologies aimed at strengthening its cybersecurity procedures and systems across all its diverse business environments, ensuring the protection of its data and the data of all internal and external stakeholders, including employees, shareholders, customers, suppliers, and contractors, from any threats or security breaches to its digital business network.

It endeavors to strengthen these systems with additional support measures, in addition to linking the company's digital platforms to government websites and platforms responsible for protecting the digital environment and the data of all business sectors and society from potential cyber threats.

Main "Red Sea International" Achievements in Cybersecurity

1. Sustainable development of the Commercial Business Emails Application and Data Protection SharePoint backup system.



2. Developing a crowd detection, tracking and response system (CROWDSTRIKE) as part of security measures

CROWDSTRIKE

3. Completing the transformation and innovation roadmap to implement the highest information security standards and procedures, to implement the group's core security solutions, and to address human risks through an automated awareness program/ solution

First Quarter (Q1)	Endpoint Protection: The THREATLOCKER platform has been deployed for endpoint protection based on the "Zero Trust" principle, including Application Control, Ringfencing policies, and Storage Media Control.
Second Quarter (Q2)	SPF, DKIM, and DMARC protocols have been activated, working together to authenticate your domain's emails, prevent spoofing, and provide visibility and control over unauthorized email usage.
Third Quarter (Q3)	Ongoing - ISO 27001 Phase 1: Innovation and Cybersecurity Strategy - Successful design of the Statement of Applicability (SOA) for the Unified Compliance Framework (ISO 27001 / NIST & CSF / COBIT / National Cybersecurity Authority - NCA).
Fourth Quarter (Q4)	Personnel Risk Management System deployed. Technology protects systems, while trained human awareness protects individuals and the organization. Personnel Security Management (PSM).

07

Review of Quality, Health and Safety Management Track

Comprehensive Development Journey

Quality Management and Sustainability

“Red Sea International” adopts a comprehensive and integrated approach to quality as a strategic objective, striving to achieve it across all its business operations, adhering to the highest international quality standards and supported by globally recognized certifications. The Company is committed to implementing continuous qualification, development, and training programs, and establishing controls and guidelines to integrate all procedures and regulations that ensure the highest quality standards in the performance of individuals and work teams. This is monitored through integrated performance indicators, enhancing the company’s ability to meet the requirements and needs of its diverse clientele and reinforcing its growing market leadership. In this context, “Red Sea International” has successfully obtained several certifications and accreditations that attest to the quality and efficiency of all its diverse operations.

The most prominent of these are listed below:


CERTIFICATE

ISO 9001:2015


CERTIFICATE

ISO 9001:2015


CERTIFICATE

ISO 14001:2015


CERTIFICATE

ISO 9001:2015


RICI

ISO 22000:2018

Occupational Health and Safety

“Red Sea International” is committed to developing safe work environments in its various segments of business, by implementing a set of integrated procedures that ensure the dedication of the principle of occupational health and safety under the slogan “Health and Safety First”, to be a comprehensive institutional culture for all job levels of all employees and the workforce in the company, especially in operational, manufacturing and production facilities. The company is keen to conduct a set of training and awareness courses and workshops for all employees and the workforce, and to set performance indicators through which it monitors the application of procedures and practices that ensure health and safety on a personal and professional level, and to follow up on them continuously.

The Health, Safety, and Environment (HSSE) management structure adopted by “Red Sea International” is based on a robust governance framework designed to ensure operational excellence, regulatory compliance, and continuous improvement. Key features and benefits include:

First - Governance and Centralized Leadership

1. The Health, Safety, and Environment (HSE) Department is responsible for developing policies, strategic objectives, and control mechanisms across all business sectors. Subject to approval by the Sustainability and Safety Committee.
2. Senior management actively participates in HSE performance reviews, audits, and strategic planning.

Second - Specialized Health, Safety and Environment Committees

1. Cross-functional committees address risk mitigation, emergency preparedness, and regulatory updates.
2. Monthly health, safety, and environmental leadership meetings ensure ongoing alignment and rapid decision-making.

Third - A structured framework for risk management

1. Enterprise-wide risk assessments (health risk assessment, occupational safety analysis, and work permits) govern all critical processes.
2. The 2025 enhancements focus on digital risk monitoring tools and preventative analytics.

Fourth - Developing competencies and engaging the workforce

1. Mandatory internal and external health, safety, and environment (HSE) training programs, along with certifications and refresher courses for all employees and contractors.
2. Implementation of Virtual Reality (VR) modules for 2025 in high-risk scenarios.
3. Data-driven performance monitoring.
4. Utilization of key performance indicators (KPIs) such as the Total Incident Rate (TRIR), Long-Term Incident Rate (LTIR), near miss frequency, and audit compliance rates.
5. Enhanced digital dashboards for 2025 to support real-time HSE decision-making.

“Red Sea International” adopts a proactive, preventative, and integrated professional methodology, in line with the highest international standards (ISO, OSHA, NFPA). Key elements include:

First - Prioritize identifying and preventing risks through each of the following:

1. Conducting thorough Job Hazard Analysis (JHAs) and work permit systems before commencing any task.
2. Utilizing real-time smoke/fire detection systems, equipment monitoring, and behavior-based safety tools.

Secondly - promoting a culture of safety through the following:

1. Foster a “safety first” culture through leadership engagement, awareness sessions, training, and employee empowerment.
2. Encourage open reporting through a culture of reporting near misses without assigning blame.

Thirdly - Compliance with international standards as follows:

1. Compliance with ISO 45001, OSHA guidelines, NFPA fire safety standards, and local authority regulations.
2. Ongoing compliance audits and third-party assessments.

Fourthly - Emergency preparedness and crisis management

1. Regular emergency drills simulating fires, chemicals, medical emergencies, and environmental incidents.
2. Updated integrated emergency response plans for 2025G, equipped with digital communication tools.

The most prominent accredited certificates obtained by the company

"Red Sea International" has received several prestigious certifications from internationally recognized bodies, including:

ISO certifications

1. Occupational Health and Safety Management Systems (ISO 45001)
2. Environmental Management Systems (ISO 14001)
3. Quality Management System (ISO 9001)

Local and international safety awards/accreditations

1. Certificates from accredited national safety centers or agencies.
2. Recognition of excellence in safety performance, emergency preparedness, or contractor health, safety, and environmental management.

Sector-specific credits

1. Fire protection standards compliance certificates (NFPA).
2. Specialized training accreditations from recognized institutes.

The Company's most notable achievements in health, safety, and environment during 2025

01 Reducing injury rates, significant improvements in compliance indicators, or successful safety Residential Communitiesaigns.

02 Implementing key performance indicators (KPIs) and predictive analytics systems.

03 Launching initiatives supporting ESG (Environmental, Social, and Governance) objectives, carbon emission reduction programs, waste reduction, or energy efficiency projects.

04 Designing integrated health, safety, environment, and ESG performance dashboards.

05 Achieving contractor safety across company projects.

06 Enhancing contractor management systems, improving recruitment processes, or significant supply chain safety achievements.

07 Safety awards, recognition programs, or statistics on participation in training and Residential Communitiesaigns.

07

Review of Risk Management and Business Continuity for 2025G

Empowering Sustainable Leadership

Responsible Professional Practices

“Red Sea International” adopts an integrated approach, developing a comprehensive risk management strategy that integrates sound governance and sustainable development across all its diverse business segments. This is achieved through the management and implementation of specialized teams and responsible, professional construction and operational practices, contributing to the goals of Saudi Vision 2030 in environmental protection and fostering comprehensive development in the Kingdom.

Pillars for Implementing Risk Management Strategy in the Company

Inclusive governance

Integrating professional controls and practices for risk management and monitoring their application at all stages of work according to integrated performance indicators, from development and construction to operation, and applying sound governance to protect the environment and nature.

Reporting mechanisms

Providing a secure platform for reporting violations such as fraud, corruption and harassment, while ensuring confidentiality for anonymous reporting

Focus on sustainability

The Company places the preservation of the environment in which it operates at the forefront of its priorities, working to protect and enhance it, and considers its responsibility towards the environment an essential part of risk management and operations.

Integrated organizational structure

The Company is working to ensure that risk management is integrated with its strategic vision, which aims to be the first destination for all advanced building and construction solutions in the Kingdom.

Business Continuity and Risk Management Strategy

Red Sea International adopts an integrated framework to ensure operational continuity and crisis protection. Our methodology is centered around eight key pillars:

01. Proactive Assessment: Sharing potential infrastructure and site damage assessment results with stakeholders to ensure readiness.

02. Immediate Response: Activating emergency protocols immediately upon detecting any disruption, with direct coordination between Business Continuity and Incident Management teams.

03. Activation of Contingency Plans: Implementing dedicated emergency plans to address equipment failure, power outages, or labor shortages.

04. Recovery and Operations: Focusing on restoring critical functions and affected services according to periodic reports submitted to the specialized committee.

05. Continuous Evaluation: Measuring the effectiveness of recovery procedures to ensure a highly efficient return to normal operations.

06. Gradual Restoration: Scheduling the return of all support and core functions to their original locations to ensure operational stability.

07. Case Closure: Officially announcing the end of the crisis after confirming that all operational risks have been mitigated.

08. Corporate Communication: Notifying all internal and external parties of the resumption of normal business operations through official channels.

Market Risks and Mitigating Method

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk includes three types:

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market interest rate risk relates primarily to its long-term debt obligations that carry floating interest rates. The Company manages interest rate risk by continuously monitoring the interest rate conditions on its interest-bearing financial instruments. The Company's commission-bearing liabilities, which primarily comprise bank loans, are at floating interest rates and are subject to repricing. Management monitors changes in commission rates and believes that the Company's fair value and cash flow commission rate risks are immaterial. Interest-bearing financial assets include short-term fixed interest rate loans and are therefore not exposed to cash flow interest rate risk and fair value interest rate risk.

To mitigate and recover from these risks, Red Sea International monitors changes in commission rates, although it believes that fair value and commission rate risks related to the company's cash flows are immaterial. Its interest-bearing financial assets include short-term loans with fixed interest rates and, therefore, are not exposed to cash flow interest rate risks or fair value interest rate risks.

Currency Risks

Foreign currency risk is the risk that the fair value or future cash flows of an asset will fluctuate as a result of changes in foreign exchange rates. The Company transacts primarily in SAR and US Dollars.

"Red Sea International" believes that there is no currency risk arising from transactions in currencies pegged to the Saudi Riyal. The Company's exposure to currency risk arising from currencies denominated in currencies not pegged to the Saudi Riyal is not material.

Price Risks

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from special commission rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all similar financial instruments traded in the market. The Company's exposure to unit price risk arises from investments held by the Company and classified in the consolidated statement of financial position at fair value through profit or loss.

To mitigate and recover from these risks, "Red Sea International" closely monitors prices in order to manage the price risks resulting from investments.

Credit Risk

Credit risk is the risk that a party will fail to meet its obligations under a financial instrument or customer contract resulting in a financial loss. The Company manages credit risk by assessing the credit worthiness of counter parties before entering into any transactions and by continuously monitoring any outstanding contracts to ensure timely settlement. Credit risk arises from cash and cash equivalents, restricted cash and customer credit exposures, including outstanding receivables, accrued rental income and contract assets.

Credit risk is managed on a Company basis. For trade receivables, accrued rental income and contract assets, the Internal Risk Control Department assesses the credit quality of customers, taking into account their financial position, past experience and other factors and individual risk limits are set in accordance with management's established limits. Customer compliance with credit limits is monitored regularly by management.

"Red Sea International" declares that the maximum exposure to credit risk in respect of the items of the consolidated statement of financial position as 31 December 2024G and 31 December 2025G is equivalent to the respective carrying amounts as disclosed in the notes. Cash is deposited at banks with high credit ratings. Other receivables are considered to have low credit risk, therefore, the 12-month expected loss model has been used to assess the impairment. Based on management's assessment of impairment, no provision is required on these balances for all periods presented other than as disclosed.

Liquidity Risks

Liquidity crisis is the company's inability to meet its obligations through its liquid tradable assets, or its revenues, whether through profits or from customers' settlement of their financial obligations. This crisis can also occur as a result of a mismatch between supply and demand, whereby demand covers the quantity supplied in a way that makes the company unable to meet it or provide sufficient funds to meet it in a short time.

The company may also face a liquidity crisis when the expected returns from profits and revenues from its various projects do not match the expenses and obligations that must be paid within the specified time. The company finds itself in a financial crisis that requires additional financing. With the absence of payment guarantees and the lack of means that can be used to convince investors or financing agencies to grant companies financial loans, the company is exposed to the risk of a severe liquidity shortage.

"Red Sea International" is working to confront such risks and mitigate their effects by adopting financial strategies through which it applies a clear system through which the company's financial indicators can be reviewed to identify the problems it is going through firsthand. In addition, raising the efficiency of cash flow management in a sound professional manner, adopting methods and tools specific to the company in advance, and determining whether the company's financing policy was based on loans, investors, investment funds, etc. and working to move away from bank financing sources with increasing interest, and not relying on external financing sources to meet the operational needs of projects, but rather resorting to them only in the event of a desire to expand and grow.

Risks of the Competitive Environment

The company operates in the most growing and developed business sectors in the Kingdom and the world, with the portfolio of construction and infrastructure projects increasing rapidly. Many companies operating in this sector are entering this market, which escalates risks facing such companies due to competition, threatening their ability to maintain or develop their market share.

"Red Sea International" seeks to tackle these risks proactively to mitigate them and maintain its leading position, by conducting a comprehensive market analysis, direct and continuous exposure to the latest market trends, analyzing the sector landscape and its development in general, understanding competitors' behavior, customer trends and requirements, in addition to any external factors that may affect the market. By understanding market dynamics, the company can identify potential competitive risks such as new players, changing customer preferences, or the entry of advanced business technologies and systems. This is in parallel with monitoring competitors' activities, performance, solutions, services and products they offer in the market, marketing methods and access to customer segments, which helps the company adopt a specific and clear methodology to maintain its competitive position and mitigate any competitive threats it may face in the future.

Risks of Changing Relevant Laws and Regulations

In an effort to develop business environments in their various sectors, governments are constantly working to issue more procedures, policies, requirements and updates, which companies are required to implement within a specific period. These often pose urgent threats to businesses and activities, and to their position in the market.

"Red Sea International" is working to confront such risks and mitigate their effects through constantly developing and updating its business systems in accordance with the governance of labor relations in an integrated manner, in a way that enhances its resilience to implement the requirements issued by the relevant legislative authorities, and to train its concerned teams to streamline implementation and support them with the needed capabilities and means that enable them to implement the new requirements smoothly, efficiently and safely, in a way that spares the company any threat that affects its progress temporarily or in the future.

Sixth: Risks Related to Project Implementation

These risks are represented by emergency events or uncertain conditions that may adversely or positively affect the project objectives, including the impact on the project schedule, costs, or quality.

In this context, "Red Sea International" applies an integrated methodology to reduce and mitigate these risks, by identifying these potential risks, assessing them, and developing plans to avoid them or mitigate their impact. The event may be internal, such as issues in the work teams or the technologies used, or external, such as changes in the market or the issuance of new laws and regulations. The company identifies five main types of these risks that it may face during the project life cycle, which are

External Risks

These are risks that come from outside the project and cannot be directly controlled by the internal team, and include the following:

1. Regulatory challenges: such as changes in laws and regulations that may affect how the project is implemented.
2. Environmental challenges: such as natural disasters, climate change, or severe weather that may disrupt work.
3. Government challenges: such as new regulatory measures, taxation, or trade restrictions that could affect financing or timelines.
4. Market changes: such as changes in demand for a product or service, economic changes, or the entry of new competitors into the market.
5. Project location issues: such as geographic, political, or security issues at the site where the project is being implemented.

Internal Risks

These are risks that arise from within the project and can be directly controlled. These risks include:

1. Changes in schedule or budget: Any delay or cost overrun can negatively impact the project.
2. Changes in scope: Unplanned changes to the project scope can increase cost and time.
3. Lack of expertise: Lack of experience or skills in the team can lead to errors and delays.
4. Personnel and staffing issues: Such as conflicts between team members, or staff shortages.
5. Materials and equipment: Delays in the supply of materials or equipment breakdowns can impact the schedule and quality.

Technical Risks

These are risks related to the technological aspects of the project. They include the following:

1. Changes in technology: The use of new technologies can carry significant risks if not handled carefully.
2. Technological processes: Issues in technical processes can lead to delays or even project failure.
3. System interfaces: Incompatibility of different systems or difficulties in integrating different technological solutions.

Business Risks

These are risks related to the commercial and financial aspects of the project. They include:

1. Customer stability: Relying too heavily on a few customers can be dangerous if you lose one.
2. Terms and conditions within contracts: Inadequate or incomplete contracts can lead to legal or financial disputes.
3. Vendor relations: Vendors failing to deliver materials or services timely can cause delays and additional costs.

Unforeseen Risks

These are difficult to predict and represent a small portion of the risk (about 10%) but can be very significant. They include:

1. Unexpected crises: such as global health crises or natural disasters.
2. Radical changes in the external environment: such as a sudden economic collapse or major political changes.

08

Financial Performance Highlights for 2025G

Empowering Sustainable Leadership

1. The main financial performance indicators for the year 2025G compared with 2024G

Description	2025G	2024G	Variance (%)
Revenue	3,374,971	2,984,238	13%
Profit (Loss) attributable to:			
Equity attributable to shareholders of the parent company	(55,021)	(62,365)	-12%
Non-controlling interests	12,083	66,426	-82%
Profit (Loss) for the year	(42,938)	4,061	-1157%
Loss per share	(1.82)	(2)	-12%
Earnings before interest, tax, depreciation and amortization	202,432	264,387	-23%
Capital expenditure	64,065	60,461	6%
Debt/borrowings	401,554	405,321	-1%
Efficiency and cost reduction			
Cost of revenue	(3,077,939)	(2,637,193)	17%
Selling and distribution	(107,336)	(110,261)	-3%
General and administrative	(139,727)	(128,644)	9%
Provisions for expected credit losses, net	(24,676)	(38,008)	-35%
Balance sheet			
Total current assets	1,957,178	1,778,214	10%
Assets held for sale	5,089	4,107	24%
Total non-current assets	1,084,075	1,105,239	-2%
Total assets	3,046,342	2,887,560	5%
Total current liabilities	1,757,034	2,010,282	-13%
Liabilities directly related to assets held for sale	24,887	22,775	9%
Total non-current liabilities	332,328	360,034	-8%
Total liabilities	2,114,249	2,393,091	-12%
Equity attributable to shareholders of the parent company	430,011	7,271	5814%
Non-controlling interests	502,082	487,198	3%
Total equity	932,093	494,469	89%
Cash flows			
Net cash flows from / (used in) activities	50,421	(36,260)	-239%
Net cash used in investing activities	(60,525)	(63,713)	-5%
Net cash from / (used in) financing activities	45,349	(31,459)	-244%
Increase / Decrease in cash flows during the year	35,245	(131,432)	-127%

2. Financial performance of business segments (SAR'000)

a) General Construction Services Arm (First Fix)

Description	2025G	2024G	(%) Variance
Revenue	2,723,212	2,626,200	4%
Earnings before interest, Zakat, taxes, depreciation and amortization	200,468	293,863	-32%
Net profit	126,337	238,140	-47%

b) Non-concrete residential and commercial buildings

Description	2025G	2024G	(%) Variance
Revenue	479,635	228,517	110%
Earnings before interest, Zakat, taxes, depreciation and amortization	31,451	(29,388)	-207%
Net profit	12,491	(46,706)	-127%

c) Leases from investment properties

Description	2025G	2024G	(%) Variance
Revenue	172,124	129,521	33%
Earnings before interest, Zakat, taxes, depreciation and amortization	12,225	26,653	-54%
Net profit	(22,039)	(14,128)	56%

d) Paints and related services (listed for sale)

Description	2025G	2024G	(%) Variance
Revenue	1,682	1,800	-7%
Earnings before interest, Zakat, taxes, depreciation and amortization	(6,271)	(5,333)	18%
Net profit	(10,801)	(12,870)	

e) Head office and corporate

Description	2025G	2024G	(%) Variance
Revenue	-	-	-
Earnings before interest, Zakat, taxes, depreciation and amortization	(35,442)	(32,663)	9%
Net profit	(148,926)	(160,374)	

3. Financial performance by geographical presence compared with 2024G (SAR'000)

a) Kingdom of Saudi Arabia

Description	2025G	2024G	Variance (%)
Revenue	3,355,096	2,959,297	13%
Net Profit	(29,319)	18,118	-262%

b) United Arab Emirates

Description	2025G	2024G	Variance (%)
Revenue	21,174	26,315	-20%
Net Profit	(11,904)	(1,241)	859%

c) Other areas

Description	2025G	2024G	Variance (%)
Revenue	383	426	-10%
Net Profit	(1,716)	(12,815)	-87%

4. A summary as a table or chart of the company's assets, liabilities, and business results for the last five fiscal years (SAR'000)

Year	2025G	2024G	2023G	2022G	2021G
Revenue	3,374,971	2,984,238	1,378,489	404,207	468,201
Cost of Revenue	(3,077,939)	(2,637,193)	1,268,890	(460,803)	(496,545)
Gross Profit / (Loss) Total	297,032	347,045	109,599	(56,596)	(28,344)
Gross Profit / (Loss) Total %	8.80%	11.63%	7.95%	14.00%	-6.05%
Sales and Marketing	(9,861)	(12,784)	(10,513)	(14,948)	(18,049)
General Management and Administration	(139,278)	(127,921)	(60,742)	(69,461)	(62,987)
Depreciation of Intangible Assets	(97,924)	(98,200)	(24,369)	-	-
Allowance for expected credit losses	(24,676)	(38,008)	(7,606)	-	-
Loss from Operations	25,293	70,132	6,369	(141,005)	(109,380)
Other Income / (Expense) Net	869	2,365	(854)	12,418	1,618
Share in Result of Investment in Associated Companies			-	(616)	(2,22)
Depreciation of Investment in Associated Company			-	(7,305)	-
Financial Income	506	161	530	33	58
Financial Expenses Net	(43,433)	(29,341)	(12,393)	(9,455)	(10,537)
Loss before Foreign Taxes, Zakat and Minority Interest	(16,765)	43,317	(6,348)	(194,763)	(120,466)
Foreign Taxes on Income	(1,481)	(2,495)	(1,989)	(41)	(113)
Zakat	(13,891)	(23,892)	(1,347)	(2,965)	(11,788)
Net Loss from Continuing Operations	(32,137)	16,930	(9,684)	(197,769)	(132,367)
(Loss) / Profit from Discontinued Operations	(10,801)	(12,869)	(13,447)	-	-
Net (Loss) /Profit for the Year before Minority Interest	(42,938)	4,061	(23,131)	(197,769)	(132,367)
Minority Interest	12,083	66,426	24,884	1,637	1,928
Net Loss for the Year	(55,021)	(62,365)	(48,015)	(196,132)	(130,439)
Net Loss / Sales Ratio (%)	-1.27%	0.14%	-1.68%	-48.93%	(%27.86)

5. Summary of total assets and liabilities for the past five years (SAR'000)

Year	2025G	2024G	2023G	2022G	2021G
Current Assets	1,962,267	1,782,321	1,470,375	401,632	477,027
Non-Current Assets	1,084,075	1,105,239	1,202,709	377,112	474,946
Total Assets	3,046,342	2,887,560	2,673,084	778,744	951,973
Current Liabilities	1,781,921	2,033,057	1,816,697	603,140	573,620
Non-Current Liabilities	332,328	360,034	365,761	81,930	91,764
Total Liabilities	2,114,249	2,393,091	2,182,458	685,070	665,384

6. The company's revenues from its main activities as of 31 December 2025G (SAR'000)

#	Statement of the company's main business and activities	Revenues from main company's activities	Percentage of total company revenue
1	General construction	2,723,212	81%
2	Building sales revenue	479,635	14%
3	Lease revenue	172,124	5%
4	Painting revenue (discontinued operations)	1,682	0.05%
5	Subtotal	3,376,653	
6	Subtotal after deducting painting revenue (discontinued operations)	3,374,971	
Total revenue reported according to financial statements		**3,374,971**	

7. The Company's revenues from the main activities generated from operations in the Kingdom of Saudi Arabia of 31 December 2025G (SAR'000)

#	Statement of the company's main business and activities	Revenues from main company activities	Percentage of total company revenue
1	General construction	2,723,212	81%
2	Building sales revenue	458,614	14%
3	Lease revenue	171,588	5%
4	Painting revenue (discontinued operations)	1,682	0%
5	Subtotal	3,355,096	
6	Subtotal after deducting painting revenue (discontinued operations)	3,353,414	
Total revenue		**3,353,414**	

8. The company's revenues from the main activities generated from the operations of subsidiaries of 31 December 2025G (SAR'000)

#	Total revenue from main activities in UAE	Revenues from main company activities	Percentage of total company revenue
1	Building sales revenue	21,020	99%
2	Leasing revenue	154	1%
Total revenue		**21,174**	

#	Total revenue from main activities in Ghana	Revenues from main company activities	Percentage of total company revenue
1	Building sales revenue	-	-
2	Leasing revenue	-	-
Total revenue		-	-

#	Total revenue from main activities in Algeria	Revenues from main company activities	Percentage of total company revenue
1	Building sales revenue	-	-
2	Leasing revenue	-	-
Total revenue		-	-

#	Total revenue from main activities in Oman	Revenues from main company activities	Percentage of total company revenue
1	Building sales revenue		
2	Leasing revenue	383	100%
3	Painting revenue		
Total revenue		383	

9. Summary of total revenues and net losses over the past five years (SAR'000)

	2025G	2024G	2023G	2022G	2021G
Revenue	3,374,971	2,984,238	1,378,489	404,207	468,201
Cost of Goods Sold	(3,077,939)	(2,637,193)	(1,268,890)	460,803	496,545
Gross profit	297,032	347,045	109,599	(56,596)	(28,344)
Net Loss/Profit attributable to parent company shareholders	(55,021)	(62,365)	(48,015)	(196,132)	(130,439)

10. Total revenues geographical analysis for the company and its subsidiaries (SAR'000)

Year	Red Sea International Company - KSA(Consolidated)					
	Total Revenues	KSA	UAE	Oman	Ghana	Algeria
2025G	3,376,653	3,355,096	21,174	383		

Year	Red Sea International Company - KSA					
	Total Revenues	KSA	UAE	Oman	Ghana	Algeria
2025G	3,355,096	3,355,096				

Year	Red Sea Housing Services Company FZE, UAE					
	Total Revenues	KSA	UAE	Oman	Ghana	Algeria
2025G	21,174		21,174			

Year	Red Sea Housing Services Ghana Limited, Ghana					
	Total Revenues	KSA	UAE	Oman	Ghana	Algeria
2025G						

Year	Red Sea Housing Services Algeria Limited					
	Total Revenues	KSA	UAE	Oman	Ghana	Algeria
2025G						

Year	Red Sea Housing Services Oman Limited, Oman					
	Total Revenues	KSA	UAE	Oman	Ghana	Algeria
2025G	383			383		

11. Material differences in operating results between the recent financial results and the previous year as of 31 December 2025G (SAR'000)

Year	2025G	2024G	Variance	Variance%
Revenue	3,374,971	2,984,238	390,733	13%
Cost of Sales	(3,077,939)	(2,637,193)	(440,746)	17%
Gross Profit	297,032	347,045	(50,013)	-14%
Operating Income - Other	25,293	70,132	(44,839)	-64%
Profit (Loss) from Continuing Operations	(32,137)	16,930	(49,067)	-290%
Loss after Tax for the Year from Discontinued Operations	(10,801)	(12,869)	2,068	-16%

12. Details of any difference from the accounting standards approved by SOCPA

The financial statements for the year ending December 31, 2025G have been prepared in accordance with IFRS as adopted in KSA.

13. Information related to any loans owed by the company (whether repayable on demand or otherwise), a statement of the total indebtedness of the company and its subsidiaries, any amounts paid by the company in repayment of loans during the year, the principal amount of the loan, the name of the lender, its term and the remaining amount, in case that there are no loans owed by the company, it must submit a declaration to that effect. (SAR'000) as of December 31, 2025G

#	Lender	Principal mount	Loan term	Repayments during 2025G	Remaining amounts
1	Al Rajhi Bank (Medium Term Loan)	229,682	75 months	29,160	200,522
2	Saudi Fransi Bank (Medium Term Loan)	41,828	24 months	14,250	27,578
3	Al Awal Bank (Medium Term Loan)	13,014	36 months	6,000	7,014
4	Lendo (Short Term Loan)	13,000	180 days	13,000	-
5	Tamweel (Short Term Loan)	5,000	180 days	5,000	-
6	Riyadh Bank (Short Term Loan)	58,855	6 months	58,855	-
7	Saudi Awwal Bank (Short-Term Loan)	40,000	3 months	-	40,000
8	Loan from Alinma Bank (Short-Term Loan)	36,849	60 days	36,849	-
9	Loan from Riyad Bank (Short-Term Revolving Loan) Post-Import Letter of Credit Financing	110,346	90 days	96,749	13,597
9	Saudi National Bank (Short-Term Loan)	58,728	60 days	24,727	34,001
9	Al Awal Bank (Short-Term Revolving Loan)	1,007,279	90 days	927,176	80,103
	Total				**402,815**

14. Details of regulatory payments made and due to payment for any Zakat, taxes, fees or any other dues that have not been paid until the end of the annual financial period, with a brief description thereof and a statement of the reasons thereof as of 31 December 2025G:

#	Statement	2025G		Brief description
		Paid	Due	
1	Zakat	16,987	36,561	Amounts settled or carried for-ward during the year in accord-ance with the regulations of the Zakat, Tax and Customs Author-ity (ZATCA).
2	Income Tax	2,278	3,301	Amounts settled or carried for-ward during the year in accord-ance with the regulations of the Zakat, Tax and Customs Author-ity (ZATCA).
3	General Organization for Social Insurance	4,051	1,427	Amounts settled or carried for-ward during the year in accord-ance with the regulations of the General Organization for Social Insurance (GOSI).
4	Visa and Passport Services	3,410	-	Amounts settled or carried for-ward during the year in accord-ance with the regulations of the General Directorate of Passports.

09

Governance and Compliance

Sustainable responsible practices

"Red Sea International" Company continues to develop its methodologies towards implementing responsible corporate practices, based on integrated governance regulations and policies, while adhering to the highest standards of transparency and accountability. This aims to enhance internal control mechanisms and solidify the principles of fairness and equality in dealing with all stakeholders, thereby contributing to improved corporate performance, sustainable growth, and the achievement of the company's long-term strategic objectives

This is accomplished by operating in accordance with the following regulations and policies:

01 Internal Governance Regulations

02 Investor Relations Policy

03 Whistleblowing Policy

04 Dividend Distribution Policy

05 Insider Trading Policy

06 Conflict of Interest and Business Ethics Policy

07 Risk Management Policy

08 Disclosure Policy

09 Stakeholder Protection Policy

10 Compliance Policy

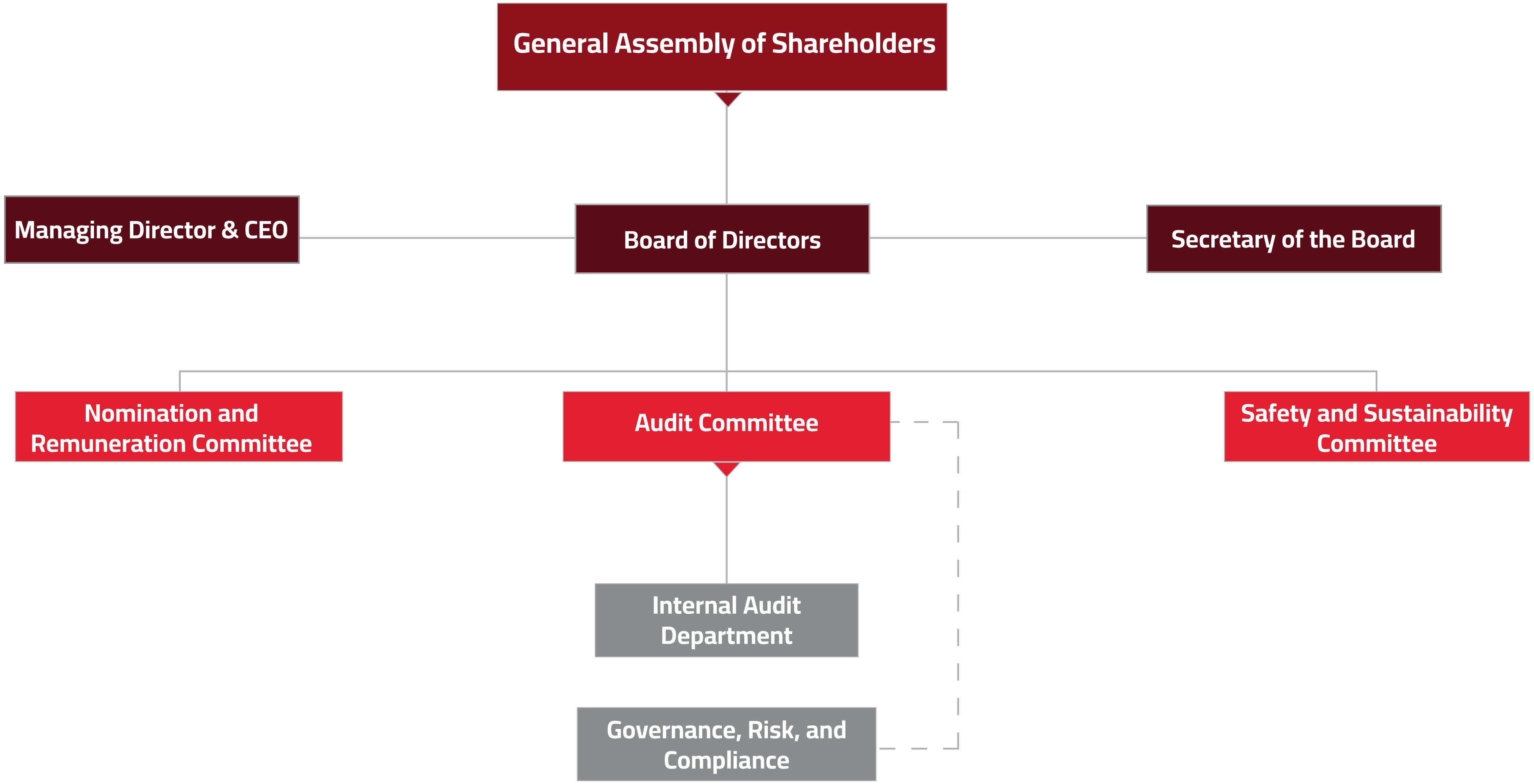
11 Authority and Delegation Policy

12 Nominations Policy

13 Remuneration Policy

Corporate Governance Structure

Corporate governance constitutes the fundamental framework through which the Company is managed. It defines how decisions are made and how management is supervised to ensure the achievement of objectives and the protection of the interests of shareholders and other stakeholders, as illustrated in the following figure.



Board of Directors

The Company has a board of directors comprising (8) members, all highly experienced and distinguished business leaders. This board oversees three subcommittees: the Audit and Risk Committee, the Nominations and Remuneration Committee, and the Sustainability and Safety Committee. These committees are responsible for monitoring the implementation of the board's recommendations and directives, reviewing the company's operations within their respective areas of expertise, and submitting reports with findings and recommendations to the board.

The Board of Directors represents all shareholders and must exercise the duties of care and loyalty in managing the company and everything that would preserve its interests, develop it and maximize its value. The Board of Directors is responsible for the company's work even if it delegates some of its powers to committees, entities or individuals. In all cases, the Board of Directors may not issue general or indefinite-term authorization.

Responsibilities and Duties of the Board of Directors

The responsibilities of the Board of Directors shall be in accordance with the provisions of the regulations, the bylaws and related regulations. The following shall also be included in the powers, responsibilities and duties of the Executive Management

- Implementing the company's internal policies and regulations approved by the Board of Directors.
- Proposing the company's comprehensive strategy, business plans, Investment and financing policies, risk management and emergency management plans and implementing them after obtaining the necessary approvals from the Board of Directors.
- Proposing the company's capital structure, strategy and financial objectives.
- Proposing the company's capital expenditures and acquiring and disposing of assets.
- Proposing the organizational and functional structure and submitting them to the relevant committees and the Board of Directors for approval.
- Implementing control systems, internal controls and risk management, verifying the effectiveness of these systems and general supervision thereof.
- Effectively implementing the company's governance regulations and proposing amendments thereto when necessary.
- Implementing policies and procedures that ensure the company's compliance with regulations and bylaws and its commitment to disclosing material information to shareholders and stakeholders.
- Providing the Board of Directors with the information necessary to exercise its activities and submitting its recommendations regarding the following:

1. Reducing or increasing the company's capital.
2. Dissolving the company before the term specified in the articles of association or approving its continuity.
3. Using the company's statutory reserve.
4. Forming other financial reserves or allocations If they are not designated for a specific purpose.
5. Proposing the method of distributing the company's net profits.

- Proposing the remuneration policy granted to the company's employees.
- Preparing periodic financial and non-financial reports on the development of the company's activities and the achievement of its strategic objectives.
- Managing the company's day-to-day operations and overseeing the optimal utilization of the company's resources.
- Proposing internal policies related to the company's operations and development.
- Proposing the authorities to be delegated to the Executive Management, including the controls governing such delegation and its duration, provided that periodic reports on the exercise of such authorities are submitted to the Board of Directors.

Composition of the Board of Directors

Subject to the provisions of the Companies Law and the relevant regulations issued by the Capital Market Authority, the Company's Articles of Association, the Board of Directors' Membership Policy and the Board of Directors' Charter, the following must be observed:

- The majority of the Board of Directors' members must be non-executive members.
- The number of independent Board members must not be less than two (2) members or one-third of the Board members, whichever is greater.
- A Board member must not be a Board member of five joint stock companies listed in the Kingdom at the same time.
- An independent Board member must be able to exercise his/her duties, express his/her opinions and vote on decisions objectively and impartially in a manner that helps the Board of Directors make sound decisions that achieve the interests of the company and shareholders.
- The Board of Directors must conduct a periodic assessment to verify the independence of the independent members of the Directors.

Subject to the provisions of the Companies Law and the Board of Directors' charter, the Board shall hold regular meetings to exercise its duties and shall hold its meetings whenever necessary in accordance with the Board of Directors' charter.

Board Members

#	Member Name	Type of Membership			Membership in Committees
		Executive	Non-Executive	Independent	
1	H.E. Mr. Amr Abdullah Al Dabbagh - Chairman		✓		Sustainability and Safety Committee
2	Mr. Sami Ahmed Binmahfouz - Deputy Chairman		✓		Audit and Risk Committee
3	Mr. Mohammed Zaher Salahuddein AlMunajjed - Member			✓	Audit and Risk Committee
4	Mr. Mohammed Hosni Jazeel – Member		✓		Audit Committee - Nominations and Remuneration Committee
5	Dr. Hans Martin Stockmeier – Member			✓	Sustainability and Safety Committee
6	Dr. Lama Abdulaziz Al-Sulaiman – Member			✓	Nominations and Remuneration Committee
7	Ms. Shahad Khalid Nejaim – Member		✓		Sustainability and Safety Committee
8	Ms. Lina Bint Abdulaziz Al-Sheikh – Member*			✓	Nominations and Remuneration Committee
9	Mr. Hani Othman Baothman – Managing Director**	✓			

(*) She resigned on 16-3-2025

(**)He was appointed as Managing Director and Chief Executive Officer on November 11, 2025.

Board of Directors Meetings

Member Name	1st Meeting	2nd Meeting	3rd Meeting	4th Meeting	5th Meeting	6th Meeting	Attendance %
	12 March	13 May	23 June	6 August	12 November	24 December	
H.E. Mr. Amr Abdullah Al Dabbagh - Chairman	✓	✓	✓	✓	✓	✓	100%
Mr. Sami Ahmed Binmahfouz - Deputy Chairman	✓	✓	✓	✓	✓	✓	100%
Mr. Mohammed Zaher Salahuddein AlMunajjed - Member	✓	✓	✓	✓	✓	✓	100%
Mr. Mohamed Husnee Jazeel – Member	✓	✓	✓	✓	✓	✓	100%
Dr. Hans Martin Stockmeier – Member	✓	✓	✓	✓	✓	-	83%
Dr. Lama Abdulaaziz Al-Sulaiman – Member	✓	✓	✓	✓	✓	✓	100%
Ms. Shahad Khalid Nejaim – Member	✓	✓	✓	✓	✓	✓	100%
Ms. Lina Bint Abdulaziz Al-Sheikh – Member*	✓	-	-	-	-	-	17%
**Mr. Hani Othman Baothman – Managing Director	-	-	-	-	✓	✓	33%

(*) She resigned on 16-3-2025

(**)He was appointed as Managing Director and Chief Executive Officer on November 11, 2025.

Biographies of Board Members

His Excellency

Mr. Amr Abdullah Al-Dabbagh

Position

- Chairman of the Board of Directors

Committee membership

- member of the Sustainability

Qualifications and work experience

- Chairman and CEO of Al-Dabbagh Group Holding Company, a family conglomerate headquartered in Jeddah, Saudi Arabia. The first company of Al-Dabbagh Holding Group was founded in 1962G.
- Holds a Bachelor of Business Administration of King Abdulaziz University, Kingdom of Saudi Arabia, 1988G
- Over 30 years of experience, His Excellency held the position of Governor (with a rank of Minister) of the Saudi Arabian General Investment Authority (currently the Ministry of Investment) for two 4-year terms. In addition, he was elected as a member of the Jeddah Chamber of Commerce and Industry for two consecutive terms. Also, he was appointed as a member of the Makkah Region Council for two consecutive terms. In addition to his chairmanship and membership in many boards of directors of local and international Companies

Mr. Sami Ahmed Binmahfouz

Position

- Deputy Chairman (Non- Executive)

Committee membership

- Member of Audit and Risk Committee

Qualifications and work experience

- Owner and founder of Rawasi Financial Solutions Company since 2007.
- holds a bachelor's degree in finance from Ohio State University and obtained a certificate in the Executive Management from Darden School University in the United States of America.
- He holds enjoys extensive experience exceeding 30 years in banking operations, credit instruments and policies. He has held several leadership positions at the National Commercial Bank until becoming the Chief Risk Officer. He held several positions at " Rawasi Financial Solutions Company" for 15 years.

Mr. Mohammed Zaher Salahuddein AlMunajjed

Position

- Board Member

Committee membership

- Chairman of the Audit and Risk Committee

Qualifications and work experience

- He holds a master's in business administration (MBA) from Harvard Business School, Boston, United States of America, and is a graduate in French International Law from St. Joseph University in Beirut. He is also the Chairman of the Harvard Business School Club of the GCC in Dubai.
- He has over 30 years of experience in leading positions, playing key roles in building and developing businesses and advising large family business groups in Saudi Arabia
- He also has hands-on knowledge of business reorganization and restructuring, turnaround situations and acquisition deals, in addition to being a Board member in a number of joint stock companies.

Mr. Mohammed Hosni Jazeel

Position

- Board Member

Committee membership

- Member of Audit and Risk Committee and member of the Nominations and Remuneration Committee

Qualifications and work experience

- He has served as Chief Operating Officer of Al-Dabbagh Group Holding Company since 2021.
- He holds a professional qualification from the Chartered Institute of Management Accountants (CIMA), London, UK (1992), and has completed various executive education programs at leading global institutions, including a certificate in Executive Education on Audit Committees in Governance from Harvard Business School, Boston, USA (2008).
- He began his career at PricewaterhouseCoopers (PwC), where he held several management positions and gained over seven years of experience in accounting and auditing across multiple international offices.
- He joined Al-Dabbagh Group Holding Company in 1992 and served as Chief Financial Officer from 1999 to 2020, before assuming his current role as Chief Operating Officer.

Dr. Hans Martin Stockmeier

Position

- Board Member

Committee membership

- Chairman of the Sustainability and Safety Committee

Qualifications and work experience

- He serves as an independent consultant, board member, and executive committee member at Al Ghurair Investment Group, United Arab Emirates.
- He serves as a strategic consultant at Derayah Financial in Riyadh.
- He is a faculty member at the Higher Council for Research at the GCC Governance Institute, contributing to various corporate governance programs.
- He holds a PhD in Economics from Humboldt University (1998G) and multiple master's and bachelor's degrees from prestigious institutions such as the London School of Economics, Witten/Herdecke University and Carlton University in Ottawa, Canada.
- He was a senior partner at McKinsey & Company from 1991G until his retirement as a senior partner in 2024G.

Dr. Lama Abdulaziz Al-Sulaiman

Position

- Board Member

Committee membership

- Chairman of the Nominations and Remuneration Committee

Qualifications and work experience

- She has served as a partner and consultant in the Business Family House Company since 2021G, and the Deputy Chairman of the "Kingdom Holding Company" since 2021G.
- She holds a Bachelor of Science degree in Biochemistry (1989) from King Abdulaziz University, a Master of Science degree in Nutritional Biology (2001) from King's College London, and a PhD in Nutritional Biology (2003) from King's College London.
- She served also as an independent board member in the "Alkhabeer Capital" 2021G-2024G, member of the Board of Directors of the Saudi Tennis Federation in 2021-2024G, member of the Board of Directors of the General Entertainment Authority 2016-2020G, Deputy Chairman of the Board at Jeddah Chamber of Commerce 2009-2016G, Board member at Jeddah Chamber of Commerce and Industry 2005-2009G.

Ms. Shahad Khalid Nejaim

Position

- Board Member

Committee membership

- member of the Sustainability and Safety Committee

Qualifications and work experience

- She serves as the Sustainability Manager at Al-Dabbagh Holding Group.
- She holds a master's degree in public relations and Corporate Communications (2018G) from Georgetown University and a bachelor's degree in business administration (2016G) from the American University.
- She served as a Management Consultant at McKinsey & Company from January 2019G to December 2022G, and is a member of the Environment, Society, and Governance Committee and a board member at Al-Dukkan Retail.

Eng. Hani Othman Ba othman

Position

- Managing director & Chief Executive Officer

Committee membership

- -

Qualifications and work experience

- He has over 25 years of extensive experience in financial and real estate investment management, during which he founded and managed numerous investment entities and companies. He also has long-standing experience serving on the boards of several listed and private companies both inside and outside the Kingdom.
- He serves as Chairman of the Board of Sidra Capital (Closed Joint Stock Company). He previously held the position of Vice Chairman of the Board and Chairman of the Executive Committee at Uptown Jeddah Company. He also served as Chairman of the Board of Inox Financial (Closed Joint Stock Company) in Geneva, and as a Board Member and Chairman of the Nomination and Remuneration Committee at Retal Urban Development Company. In addition, he is a Board Member of Al Khozama Management Company (Closed Joint Stock Company) and a Board Member of Emaar, The Economic City (Closed Joint Stock Company). He also served as Investment Manager at the Islamic Corporation for the Development of the Private Sector (a development financial institution affiliated with the Islamic Development Bank Group - IsDB). He is the Chief Executive Officer of Aayan Arabian Holding Company (Holding Company) and also serves as Chief Executive Officer of Sidra Capital (Closed Joint Stock Company). He previously held the position of Investment Manager at Saudi Economic and Development Company (SEDCO Holding). He is also a Board Member at Modern Building Leaders Company.
-
- He holds a Master of Business Administration (MBA) from Imperial College Business School, University of London, United Kingdom, 2011G and a Bachelor's degree in Mechanical Engineering from the University of Reading, United Kingdom. 1994/1995G. He is a recipient of the Chevening Scholarship for pursuing a master's degree.

Ms. Lina Abdulaziz Al-Sheikh *

Position

- Board Member

Committee membership

- member of the Nominations and Remuneration Committee

Qualifications and work experience

- She holds a Master of Business Administration (MBA) degree from King Abdulaziz University (2017G) and a Bachelor of Arts in English Literature from the same university (2006G).
- She previously served as Head of Private Banking at Alinma Bank and as a board member at Petrolube Oil Company.
- She has 21 years of experience in the commercial banking sector, specializing in private banking, premium banking, and strategic retail and personal banking.

(*) She resigned on 16-3-2025

Names of Companies inside or outside the Kingdom of which the Board member is a member of their current or previous boards or one of their managers

#	Name	Current and Previous Companies	Local/ International	Legal Entity
1	His Excellency Mr. Amr Abdullah Al-Dabbagh	Petromin Company	Local	Closed Joint Stock Company
		SAED International Recruitment (formerly)	Local	Closed Joint Stock Company
		Food Development Company	Local	Public Joint Stock Company
		Al-Dabbagh Holding Group Company	Local	Holding Company
		Commercial Development Group Company	Local	Limited Liability Company
		Amr Bin Abdullah Al-Dabbagh Company Limited	Local	Limited Liability Company
		Comprehensive Leadership Company Limited (formerly)	Local	Limited Liability Company
		Petrolube Oil Company	Local	Closed Joint Stock Company
		Seven United Investment Company	Local	Limited Liability Company
		Petromin Investment Company (formerly)	Local	Limited Liability Company
2	Mr. Sami Ahmed Binmahfouz	Itqan Capital (Itqan Fund) (formerly)	Local	Closed Joint Stock Company
		Fundamental Installations Company for Electrical Works Limited	Local	Limited Liability Company
		United Pipes Company (formerly)	Local	Limited Liability Company
		Rawasi Solutions for Financial Consulting	Local	Limited Liability Company
3	Mr. Mohammed Zaher Salahuddein AlMunajjed	Gulf General Cooperative Insurance Company	Local	Public Joint Stock Company
		Kandasa Water Services	Local	Closed Joint Stock Company
		Al-Arjwan for Real Estate Development and Investment	Local	Closed Joint Stock Company
		Amaco Omar Qassim Al-Eisaei Trading Limited	Local	Closed Joint Stock Company
		Arjwan Real Estate Development Company	Local	Closed Joint Stock Company
		Credit Suisse Saudi Arabia (Formerly)	Local	Closed Joint Stock Company
		Jamil Finance (Formerly)	Local	Limited Liability Company
		Abdullatif Jameel (Formerly)	Local	Closed Joint Stock Company
4	Mr. Mohammed Husni Jazeel	Tanmia Foods Company (currently)	Local	Joint-stock company Listed
		Gulf General Cooperative Insurance Company (currently)	Local	Joint-stock company Listed
		Said International Recruitment Company (currently)	Local	Closed Joint Stock Company
		Petrolube Oil Company (currently)	Local	Closed Joint Stock Company
		Gulf International Electric Power Company (currently)	Local	Closed Joint Stock Company

#	Name	Current and Previous Companies	Local/ International	Legal Entity
4	Mr. Mohammed Husni Jazeel	Barq Systems for Commercial Technology Services (currently)	Local	Closed Joint Stock Company
		Basic Electrical Installations Company (currently)	Local	Mixed Limited Liability Company
		Al-Dukkan Limited Company (currently)	Local	Mixed Limited Liability Company
		Premium Paints Company (currently)	Local	Mixed Limited Liability Company
		The Saudi Egyptian International Logistics and Electronic Services Company - SALIC Egypt (currently)	International	Limited Liability Company
		Premier Aviation Company (currently)	International	Limited Liability Company
		FBS Investments B.V. (current)	International	Limited Liability Company
		Al-Nujoom Limited (current)	International	Limited Liability Company
		Petromin (formerly)	Local	Closed joint-stock company
		Agricultural Development Company (formerly)	Local	Limited Liability Company
		Greef Flexible Asset Holding B.V. (formerly)	International	Limited Liability Company
5	Dr. Hans Martin Stockmeier	Al Ghurair Group Holding (currently)	International	Limited Liability Company
6	Dr. Lama Abdulaziz Alsulaiman	Rulaco Trading & Contracting Holding Company (currently)	Local	Limited Liability
		Layla Investment Company (currently)	Local	Single Person Limited Company
		Qatras International Trading Company Limited (formerly)	Local	Limited Liability
		Modern Inn Trading Company Limited (formerly)	Local	Limited Liability
		Forsah Saudi Company (formerly)	Local	
7	*Mr. Hani Othman Ba othamn	Sidra Financial Company (current)	Local	
		Uptown Jeddah Company (current)	Local	
		Inox Financial Company (current)	Local	
		Retal Urban Development Company (current)	Local	Joint-stock company
		King Abdullah Economic City (current)	Local	
		Islamic Development Bank - ISDB (current)	Local	
		Saudi Economic and Development Company (formerly)	Local	
8	**Ms. Lina Bint Abdulaziz Al Al Sheikh	Petrolube Company (currently)	Local	Limited Liability
9	Ms. Shahad Bint Khalid Nejaim	Al-Dukkan Company (currently)	Local	Limited Liability

(*) He was appointed as Chief Executive Officer and Managing Director on November 11, 2025

(**) She resigned on 16-3-2025

Firstly Audit and Risk Committee

The Audit and Risk Committee is responsible for monitoring the company's operations and verifying the accuracy and integrity of its financial reports and statements, as well as its internal control systems and risk management systems. The Audit Committee's responsibilities at "Red Sea International" cover the following areas:

First: Financial Statements

1. Analyzing the Company's interim and annual financial statements to ensure that they are prepared in accordance with the International Financial Reporting Standards adopted by the SOCPA before presenting them to the Board and providing its opinion and recommendations thereon to ensure their integrity, fairness and transparency.
2. Providing its technical opinion, at the request of the Board, regarding whether the Company's financial statements are fair, balanced, understandable, and contain information that allows shareholders and investors to assess the Company's financial position, performance, business model, and strategy.
3. Analyzing any important or non-familiar issues contained in the financial report.
4. Accurately investigating any issues raised by the company's chief financial or any person assuming his/her duties or the company's compliance officer or external auditor.
5. Examining the accounting estimates in respect of significant matters that are contained in the financial reports.
6. The Audit and Risk Committee reviewed and discussed in detail the key accounting and financial matters, including provisions, liquidity, financial Solvency, revenue recognition, inventory, Zakat, cash flow forecasts, financial ratios, compliance with the conditions set by the lending banks, and other important accounts. It also reviewed and assessed the adequacy and reliability of the internal control system.

Second: External Auditor

1. Recommending the appointment of external auditors to the Board of Directors, determining their fees, and evaluating their performance after verifying their independence and reviewing their scope of work and contractual terms.
2. Verifying the independence of the external auditor, its objectivity, fairness, and effectiveness of the audit activities, taking into account the relevant rules and standards.
3. Reviewing the plan of the Company's external auditor and its activities and ensuring that it does not provide any technical or administrative works that are beyond its scope of work and provides its opinion thereon.
4. Responding to queries of the Company's external auditor.
5. Reviewing the external auditor's reports and its comments on the financial statements and following up the procedures taken in connection therewith.
6. Meeting with auditors periodically before the issuance of their reports to discuss financial policies, internal control procedures, transactions, and general balances.
7. Evaluating the internal control system by reviewing the auditors' audit reports and observations on the company's automated systems and assessing the results of their work to verify the integrity of the control systems and monitor the executive management's commitment to implementing corrective actions for the weaknesses identified in the report.

Third: Internal Audit

1. Examining and reviewing the Company's internal and financial control systems.
2. Analyzing the internal audit reports and following up the implementation of the corrective measures in respect of the remarks made in such reports and informing the Board of Directors of the material observations.
3. Monitoring and overseeing the performance and activities of the internal auditor and internal audit department of the company, to verify the availability of the necessary resources and their effectiveness in carrying out the tasks and duties assigned to them.
4. Verifying the independence of the Internal Audit Department and the effectiveness of its audit activities, in accordance with relevant standards.
5. Approving the appointment of an external consulting firm to conduct internal audits of information technology and cybersecurity, after reviewing the submitted technical, professional, and financial proposals.
6. Reviewing and evaluating the functions of the Risk Management and Compliance Department.
7. Reviewing the Whistleblowing Policy periodically and determining the need for updates.
8. Reviewing and approving updates to the Internal Audit Plan 2026G.
9. Reviewing the Audit Committee Charter and the Audit Department's Policies and Procedures Manual and determining the need for necessary updates.

Fourth: Other matters

1. Verifying the company's compliance with relevant regulations, policies, and instructions.
2. Reviewing contracts and transactions between the company and related parties.
3. Reviewing accounting policies and recommending their adoption to the Board of Directors.
4. Reviewing the company's new organizational structure and providing supervisory opinions to the Board of Directors.
5. Escalating any matters requiring action to the Board of Directors and providing recommendations on the necessary actions.
6. The Audit Committee's activities also included holding meetings with managers/department heads, primarily with the Internal Audit, Finance, Governance, Risk and Compliance, and external consultants.

Members of the Audit and Risk Committee

Member Name	Position	Membership Type
Mr. Mohammed Zaher AlMunajjed -	Committee Chairman	Independent
Mr. Sami Ahmed Binmahfouz	Committee Member	Non-Executive
Mr. Mohammed Hosni Jazeel	Committee Member	Non-Executive
Dr. Mazin Hassuna	Committee Member	Independent, from outside the Board of Directors

Dr. Mazen Ibrahim Hassounah

Position

- External Member

Committee membership

- Audit Committee

Qualifications and work experience

- Dr. Mazen holds a bachelor's degree in Civil Engineering from the University of Petroleum and Minerals in Dhahran, KSA (1982), and a master's (1988) and PhD. (1992) in Planning from the University of Toronto, Canada.
- He has over 40 years of experience in engineering, planning, corporate advisory, banking, investment banking and asset management services in various academic and non-academic positions in Saudi Arabia, Canada and the UK. Prior to his current positions as the Managing Partner of Mawakher Development Company (a project development company), the Managing Director of Alissa Group Companies, and the Acting Managing Director of Alyusr for Leasing and Finance, he held the position of CEO and Managing Director of Rana Investment Company for the period 2000 to 2008, and the position of Deputy CEO for the period 1995 to 2000.
- In addition to his membership in the Audit Committee of Red Sea International, Dr. Mazen is the Chairman of the Board of directors of SHUAA Capital KSA, a member of the Board of Best Trading Company, Abdullatif Alissa Group Holding Company, Alyusr for Leasing and Finance, Almanara Communication and Information Technology, and Arab Palestinian Investment Company (APIC). He serves as the Chairman of the Audit Committees of APIC and Almanara. Until very recently, he served as the Chairman of the Audit Committee and Compliance Committee at AXA Cooperative Insurance. Further, for several years, Dr. Hassounah served as a Board member of Etihad Etisalat (Mobily), AXA Cooperative Insurance Company, and as a member of the Investment Committee of the Riyadh Chamber of Commerce and Industry.

Audit Committee recommendations that conflict with the decisions of the Board of Directors, or that the Board refused to take regarding the appointment of the Company's auditor, his dismissal, determining his fees, evaluating his performance, or appointing the internal auditor, and the justifications for those recommendations, and the reasons for not taking them

There was no conflict between the recommendations of the Audit Committee and the decisions issued by the Board of Directors in 2025G.

Audi Committee meetings during 2025G

Member Name	Classification	Committee Meetings During 2025G										
		13 January	02 February	11 March	15 March	19 March	26 March	29 March	09 April	11 August	02 November	17 December
Mr. Sami Ahmed Binmahfouz	Chairman	✓	✓	✓	X	✓	✓	✓	✓	✓	✓	✓
Mr. Mohammed Hosni Jazeel	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Mohammed Zaher AlMunajjed	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr. Mazin Hassuna - Member	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Results of the annual review of the effectiveness of the Company's internal control procedures, in addition to the Audit Committee's opinion on the adequacy of the Company's internal control system

Based on the Audit Committee (refer as "Committee") oversight activities for fiscal year 2025, including review of reports from Executive Management, the Internal Audit Department, and the External Auditor, the Committee reviewed the effectiveness of system of internal control and ensured the compliance of internal policies, also seeking independent assurance from internal audit to assess the adequacy and appropriateness of such internal controls. While the External Auditor's procedures, which include testing based on selective sampling, confirmed the overall effectiveness of systems relevant to financial reporting, the Committee, in its commitment to continuous improvement, has provided observations to Executive Management. Agreed-upon management action plans with defined timelines have been established to address these observations, with the Committee receiving periodic updates on implementation progress through internal auditing and follow-up audits.

Moreover, the Committee emphasizes the importance of advancing the organization's maturity in enhancing the enterprise risk management (ERM) framework, establishing operational risk assessment methodologies, and strengthening performance measurement systems. Internal Audit continues to work with Executive Management to further enhance the control environment's effectiveness and efficiency.

The Committee to the best of its knowledge assures the Board and Shareholders that the company internal controls system is adequate and effective; and wherever required, working with the Management for continuous improvement.

Audit Committee's recommendation to appoint an internal auditor in the Company if it recommended his appointment during the last fiscal year

No recommendation was issued by the Audit Committee regarding the need to appoint an internal auditor in the Company due to the existence of a specialized internal audit department and team in the Company, and the Internal Audit Department prepares its periodic reports to the Audit Committee to take the necessary action regarding the observations contained therein.

Second Nominations and Remuneration Committee

The committee is formed by a decision of the Board of Directors in accordance with Article (2) of the Nominations and Remuneration Committee Charter. Its membership must be no less than (3) and no more than (5), including one independent member of the Board of Directors, as stipulated by applicable rules and regulations. The committee's formation mechanisms, competencies, powers, responsibilities, rules for selecting its members, term of membership, and remuneration are all taken into consideration.

The committee's responsibilities include reviewing all activities, policies, programs, and requirements related to board members and their membership. The committee is also responsible for developing clear policies and standards for the remuneration and compensation of board members and senior executives, and for submitting these to the board for approval.

In terms of nominations

- Suggesting clear policies and standards for membership of the Board and the Executive Management and subsidiary representatives.
- Providing recommendations to the Board for the nomination or re-nomination of its members.
- Preparing a description of the capabilities and qualifications required for membership of the Board and Executive Management positions.
- Annually reviewing the skills and expertise required by the Board members and the Executive Management and preparing a description of the skills and qualifications required for membership on the Board of Directors and for holding executive management positions.
- Determining the minimum time each member must dedicate to work for the board.
- Reviewing the structure of the board, its committees, and the executive management, and recommending changes.
- Developing job descriptions for executive members, non-executive members, independent members, and senior executives.
- Establishing procedures for filling vacancies on the board or among senior executives.
- Identifying the board's strengths and weaknesses and proposing solutions to address them in the best interests of the company, including:

a. Proposing mechanisms for the annual performance evaluation of the board, its members, its committees, and the executive management, using performance indicators linked to achieving objectives. This evaluation should identify strengths and weaknesses and propose solutions that align with the company's best interests.

b. Assisting the board in arranging for a conducting external performance assessment and overseeing the evaluation process.

- Reviewing the remuneration of board committees and recommending any amendments for board approval. The committee may also recommend to the board the appointment of new members to any board committee if a vacancy arises.
- Annually verifying the independence of independent board members and ensure there are no conflicts of interest if a member serves on the board of another company.
- Reviewing and examining the CEO's recommendations regarding the appointment and termination of senior executives.
- Reviewing and examining the company's overall succession planning, and specifically the plans for the board, the CEO, and senior executives.
- Providing training and orientation to new board and committee members on the company's functions and achievements to enable them to perform their duties effectively.
- Assisting the board in developing and reviewing the company's organizational structure and operating model, which governs the relationship between the parent company and its subsidiaries.
- Ensuring the implementation and effectiveness of the employee grievance policy.

In terms of remuneration

- Preparing a clear policy for the remunerations of the Board members and its committees and the Executive Management and presenting such policy to the Board in preparation for approval by the General Assembly, provided that such policy follows standards that linked to performance, and disclosing and ensuring the implementation of such policy.
- Clarifying the relation between the paid remunerations and the adopted remuneration policy and highlighting any material deviation from that policy.
- Periodically reviewing the remuneration policy and assessing its effectiveness in achieving its objectives.
- Reviewing the financial compensation of the CEO and senior executives of the company and its subsidiaries, including long-term and short-term incentives, along with setting performance ceilings for the CEO, and submitting recommendations to the Board of Directors.
- Reviewing and approving the CEO's recommendations regarding financial compensation and other benefits for senior executives.

Members of the Nominations and Remuneration Committee

Member Name	Position	Membership Type
Dr. Lama Abdulaaziz Al-Sulaiman	Committee Chairman	Independent
Ms. Haifa Abu Zabibah	Committee Member	Independent
Mr. Mohammed Hosni Jazeel	Committee Member	Non-Executive
*Ms. Lina Al Sheikh	Committee Member	Non-Executive

* She resigned on 16 March 2025

Ms. Haifa Abu Dhubaiba

Position

- External Member

Committee membership

- Nominations and Remuneration Committee

Qualifications and work experience

- Ms. Haifa has been serving as Manager of Human Resources at Al Dabbagh Group from February 2022. Previously, she held the following positions: Manager of Human Resources Operations and Development, Abdullatif Jameel Motors, October 2018 to January 23, 2020; Group Human Resources Manager, Al Dabbagh Group, April 2017 to September 2019; Associate Manager, Human Resources Business Partner, Emaar The Economic City, July 2015 to April 2016; Vice President - Manager of Compensation and Benefits, National Commercial Bank, May 2016 to March 2017; Vice President - Senior Manager, Talent Resources and Development, National Commercial Bank, April 2014 to June 2015; Vice President - Senior Manager, Talent Resources and Development, National Commercial Bank, April 2014 to June 2015; Vice President - Senior Manager, Talent Resources and Development, National Commercial Bank, April 2014 to June 2015 National Commercial Bank April 2014 - June 2015, Vice President, Head of Sustainability and Business Excellence National Commercial Bank July 2010 - March 2014, Assistant Vice President, Head of Performance Management, National Commercial Bank July 2007 - June 2010, Senior Officer, Performance Management, National Commercial Bank September 2006 - July 2007, Head of Administration, Jeddah International School June 2005 - June 2006. She also served as a teacher, Economics and Social Studies, Jeddah International School, September 2004 - June 2005, Medical and Clinical Operations Coordinator, King Faisal Specialist Hospital and Research Centre, May 2002 - April 2003, Community Relations Coordinator, King Faisal Specialist Hospital and Research Centre, April 2000 - May 2002, and Assistant Personnel Affairs - Recruitment, King Fahad Armed Forces Hospital, June 1997 - April 2000.
- Ms. Abu Dhebeiba holds a Bachelor of Business Administration from Hult Business School, UAE, from 2020 to 2022, specializing in Business Analytics. She also completed graduate courses at the Harvard Extension School in Organizational Behavior, Financial Accounting, Microeconomics, and Leading Self and Others, from September 2013 to December 2015, at California State University, Los Angeles. Ms. Haifa also holds a Bachelor of Arts in Sociology, graduated in 1996G.

Nominations and Remuneration Committee meetings

Membership Type	Member Name	Meetings during 2025G				
		10 March	14 April	11 May	5 August	2 November
Dr. Lama Abdulaaziz Al-Sulaiman	Independent	✓	✓	✓	✓	✓
Ms. Haifa Abu Zabibah	Independent	✓	✓	✓	✓	✓
Mr. Mohammed Hosni Jazeel	Non-Executive	✓	✓	✓	✓	✓
Ms. Lina Al Sheikh	Independent	✓	Resigned on 16/03/2025			

Third Safety and Sustainability Committee

The main purpose of forming the Safety and Sustainability Committee at "Red Sea International" Company is to assist the Board of Directors in fulfilling its oversight responsibilities, and performing the duties, responsibilities and authorities described in this Charter. The Committee also assists the Board of Directors in promoting the long-term sustainability of the Company in line with the Safety and Sustainability Framework.

The Committee aims to:

1. Develop the Safety and Sustainability Strategy and set priorities and objectives, to enhance the integration of sustainability into the Company's strategy and operations.
2. Oversee the implementation of the Company's Safety and Sustainability Strategy and key initiatives.
3. Assist the Board of Directors in identifying and managing key risks and opportunities related to safety and sustainability.
4. Monitor the Company's performance in the field of safety, sustainability, compliance and external ratings.
5. Assist the Board of Directors in overseeing the Company's disclosures in the field of safety and sustainability and monitoring compliance with international best practices.
6. Monitor the effectiveness of the Company's internal controls and reporting systems related to safety and sustainability.

On the environmental level

1. The Committee oversees the development of the safety and sustainability strategy to help the Company achieve its long-term environmental goals in line with the safety and sustainability framework.
2. The Committee assists, leads and inspires the Company's leadership and management teams to guide environmental strategies.
3. The Committee reviews the Company's proposed strategic environmental solutions that properly take into account the available data, current constraints, competition, strategic priorities and the consequences that link the solutions to the environment and business needs.

On the social level

1. The Company focuses on its social contributions to internal and external stakeholders. Given the nature of the Company's business activities, the health and safety of colleagues and guests is a constant priority.
2. The Committee oversees ensuring that the health, safety and well-being of colleagues and guests is integrated into its work and is properly reported.
3. The Committee oversees and supports stakeholder engagement in key areas relevant to the Company.

On governance Level

1. The Committee sets guidelines and governance structures to continuously enhance corporate governance, business ethics, anti-bribery and corruption mechanisms, commercial governance, product governance, data privacy and security, among other important areas.
2. The Committee ensures that the Company's governance structures comply with local laws and best practices.

Committee Formation

The Committee shall be formed by a decision of the Board of Directors, and the number of Committee members shall not be less than three and not more than five, including a member specialized in safety and sustainability. The term of membership of the Committee shall not exceed the term of the Board of Directors.

Safety and Sustainability Committee Members

Member Name	Position	Membership Type
Dr. Hans-Martin Stockmeier	Committee Chairman	Independent
H.E. Mr. Amr Abdullah Al Dabbagh	Committee Member	Non-Executive
Ms. Shahad Nejaim	Committee Member	Non-Executive
Ms. Sarah Al-Harthi	Committee Member	Independent

Safety and Sustainability Committee Meetings

Membership Type	Member Name	Meetings during 2025G		
		March 04	July 29	December 17
Dr. Hans-Martin Stockmeier	Independent	✓	✓	✓
H.E. Mr. Amr Abdullah Al Dabbagh	Non-Executive	✓	✓	x
Ms. Shahad Nejaim	Non-Executive	✓	✓	✓
Ms. Sarah Al-Harthi	Independent	✓	✓	✓

Ms. Sarah Al Harthy

Position

- External Member

Committee membership

- Sustainability and Safety Committee

Qualifications and work experience

- Ms. Sarah has been a member of the Board of Directors of Sakaka Solar Energy Company, from November 2023 to the present. She has also an Executive Director for Business Development at ACWA Power - Renewable Energy, Green Hydrogen, Sustainable Utilities, Senior Director of Business Development, Business Development Manager, and Senior Supervisor of Business Development, from May 2019 to the present.
- She served as Alstom Engineer, Technical Support for Systems Engineering, October 2017 - May 2019.
- Ms. Alharthi is a graduate of the Executive Leadership Program, International Institute for Management Development, and the Clean Energy and Climate Change Leadership Fellowship, Yale University. She also holds a Master's degree in Renewable Energy Engineering and a Bachelor's degree in Electrical and Computer Engineering, Effat University. She is also a certified Public-Private Partnership (PPP) Leader, World Bank, and a Women in Leadership for Results, European Institute of Business Administration. She also holds a certificate in Climate Change Leadership, Climate Reality Project.

Executive Management

"Red Sea International" has succeeded in attracting a select group of the best expertise, competencies, and distinguished administrative, operational, and investment skills, who are capable of managing the implementation of the company's policies and plans, under the supervision and follow-up of the Board of Directors, in a way that enriches the progress of all sectors of the company towards achieving more growth and development in a sustainable manner.

Engineer/Hani bin Othman Ba Othman*

Position

- Chief Financial Officer

Nationality

- Saudi

Academic Qualifications

- Master of Business Administration (MBA), Imperial College Business School, University of London, United Kingdom.
- Bachelor's Degree in Mechanical Engineering, University of Reading, United Kingdom.

Practical and Professional Experience

- He has over 25 years of extensive experience in financial and real estate investment management, during which he founded and managed numerous investment entities and companies. He also has long-standing experience serving on the boards of several listed and private companies both inside and outside the Kingdom.
- He currently serves as Chairman of the Board of Sidra Financial Company, Vice Chairman of the Board and Chair of the Executive Committee at UpTown Jeddah, Chairman of Inox Financial Company, and Board Member and Chair of the Nominations and Remuneration Committee at Rital Urban Development Company. He is also a Board Member of King Abdullah Economic City and an Executive Committee Member at the Islamic Development Bank (ISDB). Previously, he served as an Executive Committee Member at the Saudi Company for Economy and Development (Sedco).
- He holds a Master of Business Administration (MBA) from Imperial College Business School, University of London, United Kingdom, and a Bachelor's degree in Mechanical Engineering from the University of Reading, United Kingdom.

Dr. Abdulaziz bin Batel Al-Batel

Position

- Chief Legal Officer, Head of Governance, Risk and Compliance

Nationality

- Saudi

Academic Qualifications

- PhD of Law - University of Alabama, USA.
- Master of Laws - Syracuse University, USA.
- Bachelor of Law - King Saud University, Saudi Arabia.

Practical and Professional Experience

- Dr. Abdulaziz has held several leadership positions in the public and private sectors, including General Legal Counsel for the National Center for Performance Measurement of Public Entities; Chief Legal Officer for the Saudi Tourism Investment Company; and Vice President of Legal Affairs for Alat Technologies.
- He is a non-executive partner at A&B Professional Consulting. He also serves on the Board of Directors of Thanawi Information Technology Company, he is a member of the Audit Committee at Sulfa Finance Company, a member of the Risk Committee at SEA PAY Payments Company, and a member of the Audit Committee at the Red Sea Film Festival Foundation.

Gassan Ashgar*

Position

- Group's Chief Financial Officer **

Nationality

- Lebanese

Academic Qualifications

- Holds a Bachelor of Science degree in Economics from the American University of Beirut, Lebanon, 1990.

Practical and Professional Experience

- He has served as Chief Financial Officer of Jeddah Economic Company, Saudi Arabia, since February 2017 to date.
- In addition, he has served as Director of Corporate Development, Secretary of the Board of Directors, Executive Committee, Audit Committee, and Nominations and Remuneration Committee.
- He worked at CBC Holding Company - Saudi Arabia (Saudi Binladin Group) from September 2014 to February 2017, and as its Chief Financial Officer from September 2010 to September 2014. He also served as Private Financial Advisor to Mr. Faisal Kamal Adham (Private Investment) - Saudi Arabia from mid-2005 to August 2010. Furthermore, he was the Chief Financial Officer of Saudi Elevators Company Limited - Saudi Arabia from January 2002 to mid-2005. He was the Financial Controller of Mabanee General Contracting Company - Saudi Arabia from September 1994 to January 2002, and its Director of Finance and Accounting from January 1992 to September 1994.

(*) He was appointed as the CFO on February 01, 2024. He was also assigned as CEO from April 4 to November 12, 2025G.

Marwan Jan Al-Sayegh **

Position

- Previous CEO Group *

Nationality

- Lebanese

Practical and Professional Experience

- He is an entrepreneur with over two decades of experience in the construction industry across Saudi Arabia, the UAE, and other parts of the greater Middle East and North Africa region. He also serves as a consultant for "Viamena". His expertise has expanded through numerous leading construction and facilities management companies in the region, specializing in infrastructure, mechanical and electrical engineering, finishing, and landscaping.

(**) His contract was terminated on April 4, 2025G.

Gilles Corroy

Position

- CEO of Facilities Management

Nationality

- French

Academic Qualifications

- Master of International Business Administration

Practical and Professional Experience

- 37 years of experience working in Asia, Africa, Central Asia, Eastern Europe and the Middle East.

Jerry McClain

Position

- CEO of Red Sea Housing Services Company

Nationality

- Canadian

Academic Qualifications

- Master in International Business from University Paris 5 Rene Descartes delivered in 1989, Paris , France.

Practical and Professional Experience

- Over 25 years of experience in various senior management/executive positions within the construction/manufacturing sector.

The Procedures taken by the Board of Directors to inform its members - especially Non-executives - of Shareholders' proposals and comments regarding the Company and its performance

The Chairman of the Board of Directors and the Company's Executive Management shall inform the Board of Directors of the opinions, proposals or comments of shareholders regarding the Company and its performance and discuss them with the Board. The Chairman of the Board shall also inform and communicate the opinions of shareholders to the Board of Directors during Board meetings without the presence of any executive member if necessary.

Where applicable, the Means relied upon by the Board of Directors to evaluate its performance and the performance of its committees and members, and the external party that conducted the evaluation and its relationship with the Company, if any

The Board of Directors continued to develop an evaluation mechanism based on the comments received from the Board members through self-evaluation questionnaires that are circulated among the Board of Directors members on an annual basis to evaluate the performance of the Board, its members and its committees. The evaluation mechanism uses key performance indicators related to the extent to which the Company's strategic objectives are achieved, the effectiveness of the Board of Directors, and understanding the roles and responsibilities of the Board of Directors to identify weaknesses and strengths. Accordingly, proposing corrective action plans that serve the Company's interest.

Disclosure of the remuneration of members of the Board of Directors, Board committees and Executive Management

According to what is stipulated in Article Ninety of the Corporate Governance Regulations as per the remuneration policy of the "Red Sea International" Company approved by the General Assembly during its meeting held on 09/01/2025G, a member of the Board of Directors receives a fixed annual remuneration of 200 thousand SAR. In addition to 5,000 SAR for attending meetings. Remunerations are paid quarterly and approved by the shareholders in the General Assembly. The Board of Directors may also review these remunerations whenever necessary, in a manner that does not conflict with the Company's Articles of Association and other applicable regulations, especially with regard to the commitment to a higher ceiling for remunerations paid to members. The remuneration is paid to the resigning or newly joining member based on the number of days he served as a member of the Board of Directors during the period. In relation to these remunerations, the Board is committed to following all the regulations and laws issued by the Capital Market Authority and based on the recommendations of the Nominations and Remuneration Committee and the General Assembly approval.

Based on the recommendations of the Nominations and Remuneration Committee approved by the General Assembly, the Company's remuneration policy stipulates the following:

1. The Chairman of the Board of Directors receives an additional annual remuneration of SAR 200,000; The Vice Chairman of the Board of Directors receives an additional annual remuneration of SAR 100,000; The Managing Director receives an additional annual remuneration of SAR 100,000
2. Each member of the Audit and Risk Committee receives an additional remuneration of SAR 100,000 and SAR 3,000 for each meeting he attends. Members of the Executive Committee are not entitled to an annual remuneration; however, each member receives SAR 3,000 for each meeting he attends.
3. Members of the Nominations and Remuneration Committee are not entitled to annual remuneration; However, each member receives SAR 3,000 for each meeting he attends.
4. The Secretary of the Board of Directors shall receive an annual remuneration of SAR 30,000.
5. The Executive Management remuneration consists of the following:

a. A fixed component that includes basic salary, allowances and benefits.

b. An additional component linked to performance and variable according to the annual financial results achieved by the Company. The remunerations are approved by the Nominations and Remuneration Committee based on comparative packages for similar positions within the sector and region and are designed to attract and retain management talents

1. Statement detailing the remuneration and compensation to the members of the Board of Directors during the year 2025G

(SAR thousands)

Member Name and Jib Title	Fixed Remuneration							Variable Remuneration						Severance Pay	Total Amount	Expense Allowance
	Specific amount	Allowance for attending Board sessions	Total allowance for attending committee sessions	In-kind benefits	Statement of remuneration received by Board members in their capacity as employees or executives, or for technical, administrative, or consultancy services.	Remuneration of the Chairman of the Board, the Managing Director or the Secretary if he is a member	Total	Percentage of profits	Periodic remuneration	Short-term incentive plan	Long term incentive plan	Shares granted (enter value)	Total			
First: Independent Members																
Mr. Mohammed Zaher Salahuddein AlMunajjed	200	30	36	-	-	-	266	-	-	-	-	-	266	-	266	-
Dr. Hans Martin Stockmeier	200	25	-	-	-	-	225	-	-	-	-	-	225	-	225	-
Dr. Lama Al-Sulaiman	200	30	18	-	-	-	248	-	-	-	-	-	248	-	248	-
Ms. Lina Al-Sheikh	50	5	3	-	-	-	58	-	-	-	-	-	58	-	58	-
Total	**650**	**90**	**57**	**-**	**-**	**-**	**797**	**-**	**-**	**-**	**-**	**-**	**797**	**-**	**797**	**-**
Second: Non-Executive Members																
H.E. Mr. Amr Abdullah Al Dabbagh	200	30	-	-	-	200	430	-	-	-	-	-	430	-	430	-
Mr. Sami Ahmed bin Mahfouz	200	30	39	-	-	100	369	-	-	-	-	-	369	-	369	-
Ms. Shahad Khalid Nejaim	200	30	-	-	-	-	230	-	-	-	-	-	230	-	230	-
Mr. Mohammed Hosni Jazeel	200	30	57	-	-	-	287	-	-	-	-	-	287	-	287	-
Total	**800**	**120**	**96**	**-**	**-**	**300**	**1,316**	**-**	**-**	**-**	**-**	**-**	**1,316**	**-**	**1,316**	**-**
Third: Executive Members																
Mr. Hani Othman Baothman	27	10	-	-	-	13	50	-	-	-	-	-	50	-	50	-
Total	**27**	**10**	**-**	**-**	**-**	**13**	**50**	**-**	**-**	**-**	**-**	**-**	**50**	**-**	**50**	**-**

2. Senior Executives Remuneration

(SAR thousands)

Senior Executives	Fixed Remuneration				Variable Remuneration							Total end of service	Total executive bonus for the board, if any	Grand total
	Salaries	Allowances	In-kind Benefits	Total	Periodic Remuneration	Profits	Short term incentive plan	Long term incentive plan	Shares granted (enter value)	Total				
Total	4,468.6	650.8		5,119.4						5,119.4	283.9	50	5,453.3	

3. Board Sub Committee Members Remuneration

Members Name	Fixed Remuneration (Except Session Attendance Allowance)	Session Attendance Allowance	Total
Audit Committee Members			
Mr. Sami Ahmed Binmahfouz	100	39	139
Mr. Mohammed Hosni Jazeel	100	39	139
Mr. Mohammed Zaher AlMunajjed	100	39	139
Dr. Mazin Hassuna	100	36	136
Total	400	153	553
Nominations and Remuneration Committee Members			
Dr. Lama Abdulaaziz Al-Sulaiman	-	18	18
Ms. Haifa Abu Zabibah	-	3	3
Mr. Mohammed Hosni Jazeel	-	18	18
Ms. Lina Al Sheikh	-	18	18
Total	-	57	57

Members Name	Fixed Remuneration (Except Session Attendance Allowance)	Session Attendance Allowance	Total
Safety and Sustainability Committee			
H.E. Mr. Amr Abdullah Al Dabbagh	-	-	-
Dr. Hans-Martin Stockmeier	-	-	-
Ms. Shahad Nejaim	-	-	-
Ms. Sarah Al-Harthi	-	-	-
Total	-	-	-

A statement of the dates of the general assemblies of shareholders held during the last fiscal year and the names of the members of the Board of Directors attended these assemblies.

#	Name	Attendance Record			
		Extraordinary Assembly Meeting		Ordinary Assembly Meeting	
		(12/01/ 2025G)	(12/11/ 2025G)	(25/06/ 2025G)	(31/08/ 2025G)
1	H.E. Mr. Amr Abdullah Al Dabbagh - Chairman	✓	✓	✓	✓
2	Mr. Sami Ahmed Binmahfouz - Deputy Chairman	✓	✓	✓	✓
3	Mr. Mohammed Zaher Salahuddein AlMunajjed - Member	✓	✓	✓	✓
4	Mr. Mohammed Hosni Jazeel - Member	✓	✓	✓	✓
5	Dr. Hans Martin Stockmeier - Member	✓	✓	✓	x
6	Dr. Lama Abdulaaziz Al-Sulaiman - Member	✓	✓	✓	✓
7	Ms. Shahad Khalid Nejaim - Member	✓	✓	✓	x
8	Ms. Lina Bint Abdulaziz Al-Sheikh - Member	✓	✓	Resigned on 16/03/2025	

Any penalty, sanction, precautionary measure or precautionary restriction imposed on the Company by the Authority or any supervisory, regulatory or judicial body, with statement of the reasons for the violation, the party that imposed it, and ways to treat it and avoid its occurrence in the future

SN	Statement description	Government Agency	Amount of the violation (SR)	Action taKen by the Company
1	Failure to pay workers' wages and entitlements at the specified due dates into their approved bank accounts	Ministry of Labour	10,800	Ensuring the timely payment of any outstanding amounts
2	Employer's failure to submit the Wage Protection System (WPS) file on a monthly basis, or failure to comply with the compliance percentage set by the Ministry when submitting the file.	Ministry of Labour	8,000	Ensuring the timely filing of WPS files
3	Delay in payment of salaries WPS and GOSI	Ministry of Human Resources and Social Development	14,665	Ensuring the timely payment of any outstanding amounts
4	Subscriber registered without an actual employment relationship	GOSI	12,000	Matter rectified, the Company will try to ensure such instances do not happen in fuure
5	Late payment of GOSI liabilities	GOSI	9,467	Ensuring the timely payment of any outstanding amounts
6	General traffic violations and fines for modification of vehicles	General Authority of Transport	15,013	Company will take corrective measures to avoid such penalties in future
7	General violation for firesafety and alarm systems	Ministry of Interior - General Directorate of Civil Defence	30,000	Company is taking corrective measures to meet the requirments from the authorities and is expected to fully comply in the near future.
8	Non renewal of civil defence license	Ministry of Interior - General Directorate of Civil Defence	21,000	Company is taking corrective measures to meet the requirments from the authorities and is expected to fully comply in the near future.
9	Shared accommodation violation	Ministry of Municipal and Rural Affairs	15,000	Company will take corrective measures to avoid such penalties in future
10	Delay in payment of VAT and WHT	ZATCA	714,740	Ensuring the timely payment of any outstanding amounts
11	Total		850,685	

Description of the Company's Dividend Policy

- The dividend distribution process at "Red Sea International" Company is based on the net profits realized by the Company, taking into account the importance of maintaining a strong financial position to face any changes that may affect the economic climate in general.
- "Red Sea International" Company is also keen to pay annual dividends to its shareholders, but there are no guarantees for the distribution of dividends or a guarantee for the value of future dividends.
- The dividend distribution policy changes from time to time according to the Company's financial performance and the Board of Directors' vision of cash and capital needs and expansion of the Company's main activities.
- The dividend distribution process is carried out through a recommendation from the Board of Directors to the General Assembly to distribute dividends, or the Board of Directors' decision to distribute interim dividends pursuant to the General Assembly's authorization of the Board.
- The dividend distribution process is carried out on the date determined by the Board of Directors in accordance with the instructions and regulations issued by the competent authorities.
- The company may distribute interim dividends after fulfilling the requirements stipulated in the Companies Law and its implementing regulations.
- The General Assembly shall determine the percentage of net profits, after deducting any reserves, if any, to be distributed to shareholders.
- All members of the Board of Directors and all company employees must adhere to the disclosure regulations set forth by the Capital Market Authority regarding interim and annual profits. These regulations prohibit any statements to the media or social media regarding dividend distributions to shareholders until an official announcement is made on the Saudi Stock Exchange (Tadawul) website.

Dividend Distribution Policy

1. The Board of Directors must adopt in its annual report submitted to the General Assembly the percentages of profits distributed to shareholders during the different periods of the current year.
2. Applying Zakat and any other tax systems in force in the Kingdom of Saudi Arabia.
3. The Company may distribute interim dividends to shareholders on a semi-annual or quarterly basis in accordance with the controls issued by the Capital Market Authority, based on an authorization issued by the Ordinary General Assembly of the Board of Directors to distribute interim dividends, and this authorization is renewed annually.
4. The cash dividends to be distributed to shareholders are deposited in their accounts linked to their investment portfolios, and the granted shares are deposited in the shareholders' investment portfolios after announcing this through official channels.
5. The disbursement of dividends in the "Red Sea International" Company is approved based on the recommendations of the Board of Directors, according to the following conditions:
   - The Company's financial position.
   - The Company's operational results.
   - Cash flow needs, taking into account the Company's current and future plans and projects, obligations and restrictions that may restrict these distributions.
   - Covering the Company's losses.
   - Dividends are distributed after setting aside the statutory provisions and reserves.
   - The remainder is then distributed to shareholders at a rate of no less than 5% of the Company's paid-up capital.

6. The resolution shall specify the entitlement date and the distribution date, with distribution to take place within (15) working days from the date of entitlement to the profits as determined in the General Assembly resolution, or in the Board of Directors' resolution authorizing the distribution of interim profits. Entitlement to the profits shall be for shareholders registered at the end of the specified entitlement date.
7. The General Assembly may, based on the Board of Directors' proposal, allocate any other reserves.

Details of shares and debt instruments issued for each subsidiary

The following table provides details of the shares representing the capital of each subsidiary of "Red Sea International" Company. None of the company's subsidiaries issued any classes of shares or debt instruments during the period ending December 31, 2025G.

Company Name	Paid up Capital	No. of Shares
Red Sea Housing Services Limited (GHANA)	USD 50,000	450,000
Red Sea Housing Services Limited (ALGERIA)	DZD 20,000,000	20,000
Red Sea Housing Services Company Limited (NIGERIA)	NGN 2,000,000	2,000,000
Red Sea Housing Services Company DUBAI FZE	AED 1,000,000	1
Red Sea Housing Services Company (Libya)	LYD 300,000	10,000
Red Sea Building Materials and Equipment Trading Company	SR 50,000	500
Premier Paints Company	SR 10,000,000	10,000
Red Sea Specialized Investments Company	SR 50,000	500
Red Sea Housing Services LLC (Mozambique)	MT 15,000,000	-
Red Sea Housing Services LLC (OMAN)	OMR 250,000	250,000
Red Sea Affordable Housing Company	SR 50,000	500
Red Sea Residential City Company	SR 50,000	500
Red Sea Housing Services Co. Ltd.	SR 50,000	500
Red Sea Housing Services Company (Malaysia)	RM 6,122,450	6,122,450
Red Sea Prefabricated Rental Company, LLC	AED 300,000	300
Red Sea Prefab Rentals Co. W.L.L. (Kuwait)	KD 1000	100
The Fundamental Installation Company (First Fix)	SR 400,000,000	40,000,000

A Description of any interest in the class of voting shares belonging to persons (other than the Company's Board members, senior executives, and their relatives) who have notified the Company of such rights under Article 85 of the Rules on the Offer of Securities and Continuing Obligations.

#	Name of the party to whom the interest belongs	Number of shares at the beginning of 2025	Number of shares at the end of 2025	Net Change
1	Al-Dabbagh Group Holding Company	15,419,544	18,495,193	+3,075,649
2	MSB Holding Company	4,583,232	7,316,929	+2,733,697
3	Marketing Services and Commercial Agencies Company	3,023,440	4,826,738	+1,803,298

A description of any interest, contractual securities and subscription rights of the members of the company's Board of Directors, senior executives and their relatives in the shares or debt instruments of the company or any of its subsidiaries, and any change in such interest or rights during the last fiscal year.

#	Name of the person to whom the interest, contractual papers or subscription rights belong	Beginning of 2025		End of 2025		Net Change	Change (%)
		No. of Shares	Debt Instruments	No. of Shares	Debt Instruments		
1	H.E. Mr. Amr Abdullah Al Dabbagh - Chairman	0		0		-	-
2	Mr. Sami Ahmed Binmahfouz - Deputy Chairman	0		0		-	-
3	Eng. Hani bin Othman Ba Othman - Managing Director and CEO	0		0		-	-
4	Mr. Mohammed Zaher Salahuddein AlMunajjed	0		0		-	-
5	Ms. Shahad Khaled Nejaim – Non Executive Member	0		0		-	-
6	Ms. Lina bint Abdulaziz Al Al-Sheikh – Independent Member	0		0		-	-
7	Dr Lama Abdulaziz Alsulaiman - Independent Member	0		0		-	-
8	Dr. Hans-Martin Stockmeier - Independent Member	0		0		-	-
9	Mr. Ghassan Ashqar - CFO	0		0		-	-
10	Mr. Mohammed Husni Jazeel	0		0		-	-

A description of the categories and numbers of any convertible debt instruments and any contractual securities, subscription rights notes or similar rights issued or granted by the Company during the fiscal year, with an explanation of any consideration received by the Company in return

N/A

A description of any conversion or subscription rights under convertible debt instruments, contractual securities, subscription rights notes or similar rights issued or granted by the Company

Issuance of Sukuk through a Special Purpose Vehicle (SPV), fully redeemed.

A description of any redemption, purchase or cancellation by the Company of any redeemable debt instruments, and the value of the remaining securities, distinguishing between listed securities purchased by the company and those purchased by its subsidiaries.

Issuance of Sukuk through a Special Purpose Vehicle (SPV), fully redeemed.

Number of the Company Applications for the Shareholders' Register, their Dates and Reasons

#	Date of Application	Reason of Application
1	11-12-2025	Corporate Procedures
2	12-11-2025	Corporate Procedures
3	05-10-2025	Corporate Procedures
4	31-08-2025	General Assembly
5	16-07-2025	Corporate Procedures
6	25-06-2025	General Assembly
7	25-06-2025	General Assembly
8	06-03-2025	Corporate Procedures
9	09-01-2025	General Assembly

A Description of any transaction between the company and a related party

Related Party	Nature of Transaction	Amount
Al-Dabbagh Group Holding	Funds received from a shareholder without interest	47,727
	Conversion of debt into shares	81,225
Modern Building Leaders Company	Revenue recognized	1,838,381
Innovative Management and Facility Services	Revenue recognized	3,395
International Travel and Tourism Company	Purchases, shared services fees, and other charges	1,607
MSB Holding Company	Purchases, shared services fees, and other charges	2,907
Signal Control Systems for Communications and Technology	Purchases, shared services fees, and other charges	51,436
Rock Solid Group	Purchases, shared services fees, and other charges	6,613

Information relating to any business or contracts to which the Company is a party, or in which a member of the Company's Board of Directors or its senior executives or any person related to any of them has an interest, including the names of those concerned with the business or contracts, nature of these businesses or contracts, their terms, duration and amount during 2025.

Related party transactions exist as disclosed in Note 1 of this document. We require input from the legal teams regarding transactions subject to Article 71 (of the Companies Law) to ensure proper disclosure under this section and to obtain the auditor's report in accordance with Article 71.

(Amounts in SAR '000)

Director's Name	Special Conditions	Period	Value	Nature of the workforce
Al-Dabbagh Group Holding	None	N/A	47,727	Funds received from a shareholder without interest
	None	N/A	81,225	Conversion of debt into shares

Statement of any arrangements or agreements under which a member of the Company's Board of Directors or a senior executive has waived any Remuneration

There was no arrangement under which a member of the Company's Board of Directors or a senior executive waived his right to receive any remuneration due in 2025G.

Statement of any arrangements or agreements under which a shareholder of the Company has waived any rights to profits

There was no arrangement under which a shareholder has waived his right to receive any dividends due in 2025G.

Statement of the value of any investments or reserves established for the benefit of the Company's employees

The Company has allocated reserves for its employees in line with the requirements of the Labor Law in both the Kingdom of Saudi Arabia and the United Arab Emirates. End of service benefits provisions are based on the employees' final salaries and bonuses and their cumulative years of service at the date of their termination as specified in the terms stipulated in the Labor Laws in the Kingdom of Saudi Arabia and the United Arab Emirates. The table below summarizes the provisions allocated by the Company to its employees as of December 31, 2025, compared to the previous year: Amounts are in thousands of SAR.

End of service benefits	2025	2024
Beginning of the year	75,952	57,496
Net benefit expense	34,936	28,012
Benefits paid	(7,380)	(9,783)
Reclassifications	(1,450)	-
Remeasurement (gain) / loss on defined colleagues benefit obligations	(4,847)	227
Total	97,211	75,952

Qualifications in the External Auditor's Report

Qualified opinion

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Red Sea International Company (the "Company") and its subsidiaries (together the "Group") as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards, that are endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

Basis for qualified opinion

As set out in Note 37 to the consolidated financial statements, the Company entered into a shareholders' agreement ("SHA") on 1 October 2023 in connection with the acquisition of a 51% stake in a subsidiary. The SHA included put and call options in relation to the non-controlling interest in the subsidiary that were exercisable subject to certain terms and conditions to be met over a period of time. In accordance with the requirements of International Accounting Standard 32 "Financial instruments: Presentation" that is endorsed in the Kingdom of Saudi Arabia, the Group was required to recognise a financial liability at the date of the acquisition of the subsidiary measured at the present value of the redemption amount as at that date. However, this financial liability was not measured and, accordingly, was not recognised on the acquisition date and consequently, impacted the reported equity at 1 January 2024 and 31 December 2024; and the consolidated statement of financial position as at 31 December 2024. The consequent charges arising on the unwinding of the discount on the liability together with any remeasurements that might have been required for the year ended 31 December 2024, were also not recognised.

On 9 April 2025, the Company and the non-controlling interest shareholders of the subsidiary entered into an agreement that terminated the put and call options and as a result there were no put and call options as at 31 December 2025. This termination should have resulted in the derecognition of the above-mentioned financial liability at the date of termination. As management had not recognised the liability in the first instance, the impact of the subsequent derecognition of the financial liability in the consolidated financial statements has also not been recognised during the year ended 31 December 2025.

As the liability was never measured, we were unable to determine the impact of its omission on (i) the consolidated statement of financial position as at 31 December 2024; (ii) the consolidated statement of changes in equity for the years ended 31 December 2025 and 31 December 2024 as well as opening accumulated losses and equity as of 1 January 2024; and (iii) the consolidated statements of profit or loss and comprehensive income for the years ended 31 December 2025 and 31 December 2024.

Strategic Decisions, Structural Changes, Operational Expansion, and 2025 Outlook.

Red Sea International's journey has undergone strategic transformations promising further development and growth. In terms of institutional empowerment, the Company bolstered its organizational structure with leadership competencies to support its strategic transformation, alongside activating the roles of its Governance and Risk Committees. The Company completed a capital restructuring, increasing its share capital to SAR 482,673,830 through the conversion of outstanding debt. This move aims to reduce operating and borrowing costs while enhancing financial solvency. As part of its efforts to focus on core business activities, the Company finalized the divestment of its entire stake in "Premier Paints Company." Furthermore, the Company worked on diversifying its service portfolio by exploring entry into the real estate development and facilities management sectors, strengthening its activities across the value chain—from manufacturing to long-term operation. It also reinforced partnerships for major strategic projects within the Kingdom, such as NEOM and Baker Hughes, in addition to direct investment in long-term projects like its partnership with the Madinah Municipality. Regionally and globally, the Company is actively pursuing promising opportunities while enhancing production efficiency through Building Information Modeling (BIM) and Artificial Intelligence (AI). Following the absorption of accumulated losses, the focus remains on building a robust and stable financial position. These plans are aligned with Saudi Vision 2030 objectives to secure a sustainable market share in infrastructure projects and integrated housing solutions.

Implemented and Non-implemented Provisions of the Corporate Governance Regulations and Justifications therefor

The Company is compliant with all provisions in the Corporate Governance Regulations issued by the Capital Market Authority, with the exception of the following:

Article	Implementation	Causes of Non-Compliance
Article 37: Training The Company shall pay adequate attention to the training and preparation of the Board members, committee members, and the Executive Management, and shall develop the necessary programmes required for the same, taking the following into account: (2) developing the necessary mechanisms for Board members and the Executive Management to continuously enroll in training programmes and courses in order to develop their skills and knowledge in the fields related to the activities of the Company	Not Implemented	This is a guiding article, meaning it provides general guidelines and is not a mandatory requirement.
Article 44:Rules of Competing with the Company 3) the Board of Directors informing the Ordinary General Assembly, once convened, of the competing businesses that the member of the Board or a member of its committees is engaged in, after the Board assesses the board member's competition with the company's business or if he/she is in competition with one of the branch activities that it conducts in accordance with the standards issued by the Ordinary General Assembly upon a proposal from the Board and published on the company's website, provided that such businesses are assessed on an annual basis.	Partially Implemented	Competition standards were developed as a separate, independent policy, whereas previously they were included within the framework of conflict of interest policies.
Article 84: Social Responsibility The Ordinary General Assembly, based on a proposal from the Board of Directors, shall establish a policy that ensures a balance between its objectives and the objectives that society aspires to achieve, with the aim of developing the social and economic conditions of society.	Not Implemented	This is a guiding article, meaning it provides general guidelines and is not a mandatory requirement. The company places great importance on social responsibility, and its Sustainability and Safety Committee is currently working on developing a comprehensive policy to ensure alignment between the company's strategy and the aspirations of the community.
Article 85: Social Initiatives The Board shall establish programs and determine the necessary methods for proposing social initiatives by the Company, which include: 1) establishing indicators that link the Company's performance with its social initiatives and comparing it with other companies that engage in similar activities; 2) disclosing the objectives of the Company's social responsibility to its employees and raising their awareness and knowledge of social responsibility; 3) disclosing plans for achieving social responsibility in the periodical reports on the activities of the Company's; and 4) establishing awareness programs to the community to familiarize them with the Company's social responsibility.	Not Implemented	This is a guiding article, meaning it provides general guidelines and is not a mandatory requirement.

Other Declarations by the Board

01 The Company's records of accounts have been prepared on a sound basis.

02 The company's current internal control system is working effectively, with some aspects of its effectiveness needin g to be improved.

03 There is no doubt over the Company's ability to continue its activity.

04 All special remuneration for Board members, committee members, and senior executives has been granted in accordance with the Company's approved remuneration policy, with no material deviations from said policy.

05 There is no recommendation from the Board of Directors to change the external auditor before the end of the period for which they were appointed.

06 There are no direct or indirect interests of the Board of Directors members in businesses competing with the Company, nor do they participate in activities falling within its business branches.

Closing Statement: The Board of Directors extends its sincere thanks and appreciation to the Executive Management and all company colleagues for their tireless efforts. The Board values their role in enhancing communication with the company's shareholders and various entities in both the government and private sectors, looking forward to further successes for the company in the coming years.

Shareholder Communication Mechanism: Red Sea International and its Board of Directors are committed to protecting shareholders' rights and enhancing communication channels with them. This is achieved by providing effective mechanisms that meet their needs and answer their inquiries with full transparency. Based on this commitment, the company has dedicated communication channels for Shareholder Relations and stakeholders to engage with them directly, respond to their inquiries, and address any challenges they may face.

Shareholder Relations Communication Channels:

Phone Number: 0115206767

Email: ir@redseaintl.com

Website: redseaintl.com