

FDO

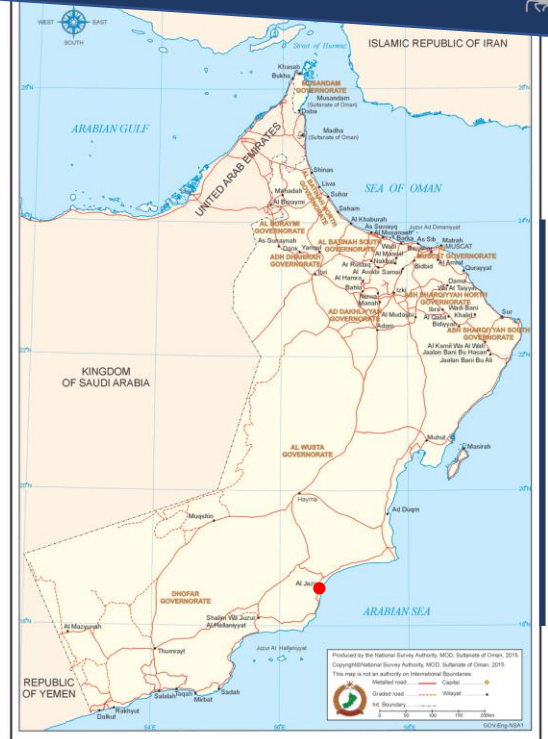
AL JAZIR SHRIMP FARM PROJECT

Investment Opportunity

Participate in a large-scale vertically-integrated Shrimp Aquaculture project to capture a portion of Oman's accelerating aquaculture industry.



The Sultanate of Oman is strategically located at the mouth of the Persian Gulf and sharing border with UAE, Saudi Arabia and Yemen. It shares maritime borders with Iran and Pakistan. The coast is formed by the Arabian Sea on the southeast and the Gulf of Oman on the northeast. The current fisheries industry is not economically productive and the aquaculture industry is in its infancy. The world bank conservatively estimates that Oman is forgoing USD 6b from fisheries. Due to the importance of the fishery sector and it's role in Oman's Vision 2040, Fisheries Development Oman was established to spearhead Oman Government effort.



Fisheries Development of Oman (FDO)

Created as the Sultanates national fisheries company in 2019 to develop sustainable commercial aquaculture and fishing sector in Oman through by Oman Investment Authority (OIA).

Experience in Shrimp Aquaculture

FDO developed two projects under the subsidiary of Oceanic Shrimp. **Natural** is to operate a 500 hectare semi-integrated to produce 4.5kt of Vannamei shrimp. The farm will consist of brood stock ponds, a hatchery, nursery, grow-out ponds. Construction is completed and first harvest expected in second quarter of 2022. About 7kms south of Natural, with similar operations, construction started at **Oriental** 200 hectare semi-integrated to produce 3.5kt.



FDO's Subsidiaries

-  المياها الزرقاء blue waters *Fin Fish Farming platform*
-  أسماك السطح العمانية OMAN PELAGIC *Open Water Fishing platform*
-  OCEANIC SHRIMP AQUACULTURE روبيان السمك للاستزراع السمكي *Shell Fish Farming platform*

Natural
4.5k Ton p.a.

Oriental
3.5k Ton p.a.

FDO is building the largest vertically integrated shrimp farm in the region



Industry Overview

Global Shrimp Market has been growing at 4% CAGR and is projected to grow at 6% CAGR for the next 10 years in line with the increased per capita consumption and population growth. Vannamei is a highly commoditized species that experienced high production growth in recent years, driven by high yield, disease tolerance, available technology, thereby accounting for 75% of global shrimp market.

Project Overview

Al Jazir is a large-scale vertically-integrated shrimp aquaculture project spread over an area covering 1650 hectares. The project is designed to produce 18.1 kT per annum of L.vannamei species. The project is Vertically integrated that consists of 2 hatchery blocks, 4 nurseries, 4 farm blocks comprising of 384 ponds ("The Project"). Breeding Center + Processing plant.

Targeted Markets and Competitive Advantage

UAE and Oman's domestic market offer an opportunity to supply high quality fresh product due to logistic advantages. Al Jazir will also focus in offering high quality and traceable shrimp to premium markets, while adopting an environmentally friendly, sustainable practices, and globally recognized certifications.

Project Status

As of November 2022

Detailed designed consultants appointed as of September 2022. Detailed design to be completed by March 2023.

Investment Opportunity

Project cost is estimated at OMR 53m (USD 137m). Project will be funded by a mix of Debt & Equity of 60:40 (OMR 31.6m & OMR 21.3m) (USD 82.1m & USD 55.4m). FDO will be seeding the project with OMR 6.8m (USD 17.6m) representing 38% equity stake. FDO seeks to raise OMR 14.4m (USD 37.2m) representing 62% equity stake in the Project Company from like minded long-term investors.

Investment Indicators

Based on our analysis of projected revenues and cash flow components, the project is expected to generate an equity IRR of 28.9%.

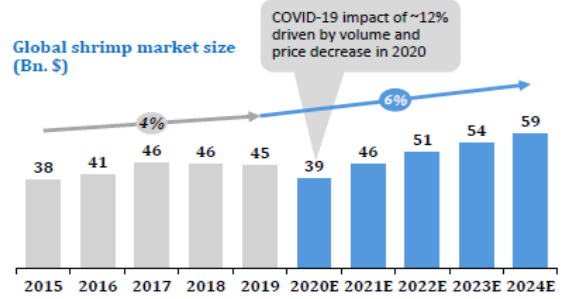
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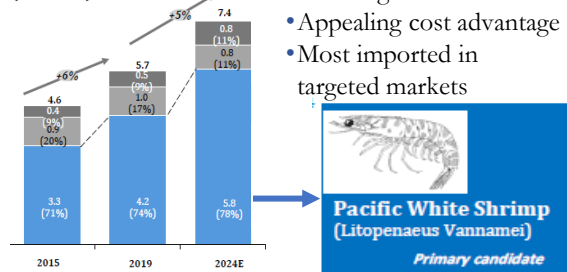
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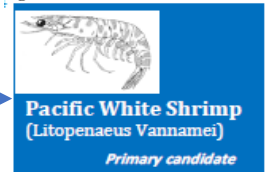
Global shrimp market size (Bn. \$)



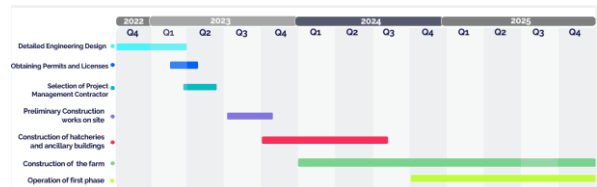
Global shrimp market by species (Mn. metric tons)



- 75% in global market
- Appealing cost advantage
- Most imported in targeted markets



Components of Al-Jazir Shrimp Farm



Financial Projections

| OMR Mn | Y1 | Y2 | Y3 | Y4 | Y5 | Y6 |
|------------|-----|------|------|------|------|------|
| Revenue | 8.4 | 30.6 | 37.7 | 41.6 | 42.8 | 43.6 |
| EBITDA | 0.9 | 6.2 | 9.8 | 11.8 | 12.6 | 13.1 |
| EBITDA % | 10% | 20% | 26% | 28% | 29% | 30% |
| Net Profit | 0.7 | 2.7 | 3.7 | 5.7 | 6.5 | 7.1 |
| ROE | 3% | 13% | 18% | 27% | 31% | 34% |

Project IRR 21.6%

Equity IRR 28.9%