

**RAYDAN FOOD COMPANY**  
(A Saudi Joint Stock Company)

**Interim condensed Consolidated Financial Statements (Unaudited)**  
For the three-month and nine-month periods ended 30, September 2022  
**With the Independent Auditor's Review Report**

**RAYDAN FOOD COMPANY**  
(A Saudi Joint Stock Company)

**Interim condensed Consolidated Financial Statements (Unaudited)**  
For the three-month and nine-month, periods ended 30 September 2022

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

TO THE SHAREHOLDERS OF RAYDAN FOOD COMPANY

(1/2)

### INTRODUCTION

We have reviewed the accompanying interim condensed consolidated statement of financial position of Raydan Food Company (the "Company") and its subsidiary (They are collectively referred to as the Group) as at 30 September 2022 and the related interim condensed consolidated statement of profit or loss and other comprehensive income for the three-month and Nine-month periods then ended, and the interim condensed consolidated statements of shareholders' Equity and cash flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory notes (the "interim condensed financial statements"). Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

### SCOPE OF REVIEW

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

### CONCLUSION

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

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

**TO THE SHAREHOLDERS OF RAYDAN FOOD COMPANY**

(2/2)

**OTHER MATTER**

The group's consolidated financial statements for the year ending on 31 December 2021 were audited by another auditor and expressed an unmodified opinion on those statements on 27 Shaaban 1443H, corresponding to 30 March 2022 and for the interim condensed consolidated financial statements for the three-month and nine month periods ended 30 September 2021 the same auditor expressed a qualified conclusion for on 5 Rabbi-Al-Thani 1443H, corresponding to 10 November 2021, in relation to the period ending on 30 September 2021, regarding the inability to obtain sufficient appropriate audit evidence regarding the Group's investment in the associate company balance and its impact on the results. In addition, impairment assessment in property, plant and equipment and an investment in an associate.

For Al-Bassam & Co.

Ahmed A. Mohandis  
Certified Public Accountant  
License No. 477  
Jeddah: 14 Rabi-Al -Thani 1444H  
Corresponding to: 8 November 2022





**RAYDAN FOOD COMPANY**  
(A Saudi Joint Stock Company)

**Interim Condensed Consolidated Statement of Financial Position (Unaudited)**

As at 30 September 2022

(Expressed in Saudi Arabian Riyals)

	Note	30 September 2022 (Unaudited)	31 December 2021 (Audited)
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment, Net	4	118,361,361	127,779,212
Intangible assets, Net		252,950	135,160
Right-of-use assets, Net	5	32,342,060	35,590,920
Investment in company by equity method	6	57,583,653	61,625,341
<b>Non-current assets</b>		<b>208,540,024</b>	<b>225,130,633</b>
<b>Current assets</b>			
Inventories, Net		2,367,773	2,360,691
Trade receivables, Net		4,502,191	3,331,492
Due from related parties	8	9,748,407	8,482,038
Prepayments and other receivables	7	12,768,279	6,146,376
Non-current assets held for sale		-	3,200,000
Cash and cash equivalents		44,999,744	76,188,384
<b>Current Assets</b>		<b>74,386,394</b>	<b>99,708,981</b>
<b>Total Assets</b>		<b>282,926,418</b>	<b>324,839,614</b>
<b>Shareholders' equity and liabilities</b>			
<b>Shareholders' Equity</b>			
Share capital	1	337,500,000	337,500,000
Statutory reserve		27,413,798	27,413,798
Accumulated losses		(178,503,313)	(157,504,107)
Foreign currency translation Reserve		418,392	508,314
<b>Total equity attributable to shareholders of the Company</b>		<b>186,828,877</b>	<b>207,918,005</b>
Non-controlling interests		5,142	2,312
<b>Total equity</b>		<b>186,834,019</b>	<b>207,920,317</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease liabilities- Non-current portion	9	40,698,124	44,099,371
Long term loans- Non-current portion	10	12,207,896	14,318,738
End of service benefits	11	12,961,231	15,438,313
<b>Non-current liabilities</b>		<b>65,867,251</b>	<b>73,856,422</b>
<b>Current liabilities</b>			
Lease liabilities- current portion	9	6,197,186	9,293,535
Long-term loans – current portion	10	4,750,000	6,000,000
Trade payables		14,054,262	16,397,744
Due to related parties	8	5,223,700	11,161,730
Accrued zakat	12	-	209,866
<b>Total Current liabilities</b>		<b>30,225,148</b>	<b>43,062,875</b>
<b>Total Liabilities</b>		<b>96,092,399</b>	<b>116,919,297</b>
<b>Total Shareholders' Equity and liabilities</b>		<b>282,926,418</b>	<b>324,839,614</b>

Chief Financial Officer

Chief Executive Officer

Vice Chairman



The accompanying notes form an integral part of these interim condensed consolidated financial statement



**RAYDAN FOOD COMPANY**  
(A Saudi Joint Stock Company)

**Interim Condensed Consolidated Statement of Profit or Loss and other comprehensive income**  
(Unaudited)

For the three-month and nine-month periods ended 30 September 2022  
(Expressed in Saudi Arabian Riyals)

	Note	For the three-months period ended 30 September		For the nine-months period ended 30 September	
		2022 (Unaudited)	2021 (Unaudited)	2022 (Unaudited)	2021 (Unaudited)
Revenue		43,649,928	29,832,844	124,036,176	95,910,213
Cost of revenue		(38,190,741)	(34,732,781)	(113,669,096)	(103,442,536)
<b>Gross profit / (Loss)</b>		<b>5,459,187</b>	<b>(4,899,937)</b>	<b>10,367,080</b>	<b>(7,532,323)</b>
Selling and distributing expenses		(915,689)	(532,165)	(2,573,913)	(1,411,169)
General and Administrative expenses		(4,021,770)	(4,849,215)	(17,651,450)	(13,138,560)
Other operating income		653,311	2,950,507	2,052,117	4,304,080
<b>Operation Profit/ ( loss)</b>		<b>1,175,039</b>	<b>(7,330,810)</b>	<b>(7,806,166)</b>	<b>(17,777,972)</b>
Share from investment in company by shareholders equity	6	(1,805,385)	125,709	(3,638,488)	(452,193)
Profit/ (Loss) from on PPE		2,517,236	(5,662,589)	(6,039,037)	(5,662,589)
Gain from right of use assets disposal		-	1,802,422	3,940	1,802,422
Impairment loss on PPE		-	(4,009,987)	-	(4,009,987)
foreign currency valuation difference		(48,961)		(145,334)	
Financial Cost		(895,571)	(1,443,976)	(2,897,389)	(3,714,306)
<b>Net Profit/ (loss) before Zakat and Income Tax foreign</b>		<b>942,358</b>	<b>(16,519,231)</b>	<b>(20,522,474)</b>	<b>(29,814,625)</b>
Zakat And Income Tax	12	(30,500)	-	(476,056)	(84,080)
<b>Net Profit/ (loss) after Zakat Income Tax foreign</b>		<b>911,858</b>	<b>(16,519,231)</b>	<b>(20,998,530)</b>	<b>(29,898,705)</b>
Loss from discontinuous operations after income tax	1	-	(955,242)	-	(1,067,975)
<b>Net Profit/ ( loss) discontinuous operations</b>		<b>911,858</b>	<b>(17,474,473)</b>	<b>(20,998,530)</b>	<b>(30,966,680)</b>
<b>Other comprehensive income:</b>					
<b>OCI that may be reclassified to profit or loss subsequently</b>					
Exchange differences on translation of foreign operations		282	(6,928)	(89,922)	(352)
<b>Total other comprehensive income/ (loss)</b>		<b>282</b>	<b>(6,928)</b>	<b>(89,922)</b>	<b>(352)</b>
<b>Total comprehensive loss</b>		<b>912,140</b>	<b>(17,481,401)</b>	<b>(21,088,452)</b>	<b>(30,967,032)</b>
<b>Return to:</b>					
- Shareholders of the Company		912,017	(17,464,919)	(20,999,206)	(30,956,000)
- Non-controlling interests		(159)	(9,554)	676	(10,680)
		<b>911,858</b>	<b>(17,474,473)</b>	<b>(20,998,530)</b>	<b>(30,966,680)</b>
<b>Return to:</b>					
- Shareholders of the Company		912,300	(17,471,782)	(21,089,128)	(30,956,352)
- Non-controlling interests		(160)	(9,619)	676	(10,680)
		<b>912,140</b>	<b>(17,481,401)</b>	<b>(21,088,452)</b>	<b>(30,967,032)</b>
<b>Basic and diluted losses per share:</b>					
<b>From continued operation</b>		0,03	(0.69)	(0.62)	(1.25)
From net Profit/ ( loss)	13	0,03	(0.73)	(0.62)	(1.29)



Chief Financial Officer

Chief Executive Officer

Vice Chairman

The accompanying notes form an integral part of these interim condensed consolidated financial statements



**RAYDAN FOOD COMPANY**  
(A Saudi Joint Stock Company)

**Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)**

For the nine months' period ended 30 September 2022

(Expressed in Saudi Arabian Riyals)

	Share capital	Statutory reserve	Accumulated losses	Foreign currency translation Reserve	Total equity attributable to shareholders of the Company	Non-controlling interests	Total equity
<b>For the nine-month period ended 30 September 2022</b>							
<b>Balance at 1 January 2022</b>	337,500,000	27,413,798	(157,504,107)	508,314	207,918,005	2,312	207,920,317
<b>Adjustments to non-controlling interests</b>	-	-	-	-	-	2,154	2,154
Loss for the period	-	-	(20,999,206)	-	(20,999,206)	676	(20,998,530)
Other comprehensive losses	-	-	-	(89,922)	(89,922)	-	(89,922)
Total comprehensive losses for the period	-	-	(20,999,206)	(89,922)	(21,089,128)	676	(21,088,452)
<b>Balance at 30 September 2022</b>	337,500,000	27,413,798	(178,503,313)	418,392	186,828,877	5,142	186,834,019
<b>For the nine-month period ended 30 September 2021</b>							
<b>Balance at 1 January 2021</b>	225,000,000	27,413,798	(111,571,909)	506,657	141,348,546	21,698	141,370,244
Loss for the period	-	-	(30,956,000)	-	(30,956,000)	(10,680)	(30,966,680)
Other comprehensive losses	-	-	-	(352)	(352)	-	(352)
Total comprehensive losses for the period	-	-	(30,956,000)	(352)	(30,956,352)	(10,680)	(30,967,032)
Increase in capital Note.1	112,500,000	-	-	-	112,500,000	-	112,500,000
Cost related to capital increase	-	-	(3,093,750)	-	(3,093,750)	-	(3,093,750)
<b>Balance at 30 September 2021</b>	337,500,000	27,413,798	(145,621,659)	506,305	219,798,444	11,018	219,809,462

Chief Financial Officer 

Chief Executive Officer 

Vice Chairman 

The accompanying notes form an integral part of these interim condensed consolidated financial statements



**RAYDAN FOOD COMPANY**  
(A Saudi Joint Stock Company)

**Interim Condensed Consolidated Statement of Cash Flows (Unaudited)**  
For the nine months' period ended 30 September 2022  
(Expressed in Saudi Arabian Riyals)

	<b>For the nine months' period ended 30 September 2022</b>	
	<b>2022 (Unaudited)</b>	<b>2021 (Unaudited) Modified Note.15</b>
<b><u>Operating activities</u></b>		
Net loss before Zakat and Income Tax foreign	(20,522,474)	(30,882,600)
<b>Adjustments non cash transaction:</b>		
Depreciation of property, plant and equipment	6,652,839	9,017,305
Depreciation of right of use assets	3,121,960	5,093,328
Impairment loss on property, plant and equipment	-	4,009,987
Amortization of intangible assets	114,859	106,610
Payment financial cost	2,897,389	3,714,306
losses on disposal of property, plant and equipment	6,039,037	5,662,589
Gain from disposal of right of use assets	126,900	(1,802,422)
Share from investment in company by shareholders' equity	3,638,488	452,193
End of service benefits charged for the period	1,074,396	1,217,631
	<b>3,143,394</b>	<b>(3,411,073)</b>
<b><u>Changes in operating assets and liabilities</u></b>		
Inventories	(7,082)	293,379
Trade receivables	(1,170,699)	(720,250)
Due from related parties	(1,266,369)	(1,875,595)
Prepayments and other receivables	1,706,387	937,029
Property available for sale	3,200,000	-
Trade payables	(2,343,482)	(9,122,457)
Due to related parties	(5,534,830)	133,744
	<b>(2,272,681)</b>	<b>(13,765,223)</b>
End of service benefits paid	(3,551,478)	(1,756,304)
Zakat and income tax paid	(209,866)	(84,080)
<b>Net cash used in operating activities</b>	<b>(6,034,025)</b>	<b>(15,605,607)</b>
<b><u>Investing activities</u></b>		
Addition of property, plant and equipment	(15,725,955)	(2,709,234)
Addition of intangible assets	(232,649)	-
Proceeds from the disposal of property, plant and equipment	4,162,466	-
<b>Net cash used in investing activities</b>	<b>(11,796,138)</b>	<b>(2,709,234)</b>
<b><u>Financing activities</u></b>		
Loan repayments	(4,500,000)	(3,000,000)
Payment of lease obligations	(8,768,555)	(8,235,204)
Increase capital	-	112,500,000
Cost related to capital increase	-	(3,093,750)
<b>Net cash (used in)/ generated from financing activities</b>	<b>(13,268,555)</b>	<b>98,171,046</b>
Net change in cash and cash equivalents balance	(31,098,718)	79,856,205
Cash and cash equivalents at the beginning of the period	76,188,384	5,382,116
Effect of translating foreign currencies to cash and cash equivalents	(89,922)	(352)
<b>Cash and cash equivalents at the end of the Period</b>	<b>44,999,744</b>	<b>85,237,969</b>





**RAYDAN FOOD COMPANY**  
(A Saudi Joint Stock Company)

**Interim Condensed Consolidated Statement of Cash Flows (Unaudited) (continued)**  
For the nine months' period ended 30 September 2022  
(Expressed in Saudi Arabian Riyals)

The accompanying notes form an integral part of these interim condensed consolidated financial statements

	2022 (Unaudited)	2021 (Unaudited)
<b>Non-cash transactions</b>		
<b>Disqualified non cash transaction:</b>		
Cancellation of discount on lease obligations	-	2,309,228
Amortization of deferred financing costs	1,139,158	1,405,078
Transfer to property available for sale property, plant and equipment	(8,289,464)	1,641,018
Investment in company by equity method	(403,200)	-
Due from/ to Related Parties	403,200	-

Chief Financial Officer



Chief Executive Officer

Vice Chairman

The accompanying notes form an integral part of these interim condensed consolidated financial statements

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**RAYDAN FOOD COMPANY**  
(A Saudi Joint Stock Company)

**Notes to the Interim Condensed Consolidated Financial Statements**

For the nine-month periods ended 30 September 2022

(Expressed in Saudi Arabian Riyals)

**1. ORGANISATION AND ACTIVITIES**

Raydan Food Company is a Saudi joint stock Company registered in the Kingdom of Saudi Arabia under Commercial Registration No. 4030180055 issued in Jeddah on Jumada II 11 1429H corresponding to 15 June 2008.

On 26 February 2017, the Company has obtained of the Capital Market Authority approval to list 30% of its shares in the parallel money market "Nomu".

On 17 November 2019, the Company obtained the approval of the Capital Market Authority to transfer Raydan Food Company from the parallel market to the main market and accordingly list its shares in the main capital market.

On 25 August 2021, the Capital Market Authority approved the request to increase the Company's capital by SR 112.5 million by way of a rights issue. Accordingly, the Company's capital became SR 337.5 million.

And based on the meeting of the Extraordinary General Assembly of the company held on 9 Rabi' al-Awwal 1444 AH, corresponding to 5 October 2022 G, it was approved to reduce the company's capital from 337,500,000 Saudi riyals to become after the reduction by 158,084,670 Saudi riyals by amortizing the amount of accumulated losses until 30 June 2022 G, which amounted to 179,415,330 riyals Saudi, with 53.16% of the company's capital. The statutory procedures to reduce the capital are being completed. Accordingly, the accompanying interim condensed consolidated financial statements have been approved on the assumption that the Group will continue to operate in accordance with the going concern principle.

The Company is engaged in running restaurants and offering catering services  
The interim condensed consolidated financial statements include the accounts of the Company and its subsidiary (hereinafter referred to as (the "Group")) as follows:

<u>Subsidiary name</u>	<u>Country of incorporation</u>	<u>Direct ownership</u>	<u>Main Activities</u>
Raydan Kitchens and Restaurants Egypt (Limited liability Company)	Egypt	99%	Setting up and operating fixed restaurants to sell and provide ready meals and real estate investment

On 22 Safar 1443 corresponding to 29 September 2021 management has signed an agreement with Al Raya company for restaurants (A company registered in Egypt) to sell the Group assets and branches in Egypt, Accordingly, the results of related operations have been reclassified to discontinued operations.

The statement of profit or loss for discontinued operations consists of the following:

	<u>For the three month period ended at</u>		<u>For the nine months period ended at</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>
Revenue	-	2,291,503	-	5,516,496
Cost of revenue	-	(2,277,826)	-	(5,325,903)
General and administrative expenses	-	(1,334)	-	(414,709)
Other income	-	96,411	-	220,137
Impairment loss on PPE	-	(1,063,996)	-	(1,063,996)
<b>Net loss from discontinued operations</b>	<b>-</b>	<b>(955,242)</b>	<b>-</b>	<b>(1,067,975)</b>

**RAYDAN FOOD COMPANY**  
(A Saudi Joint Stock Company)

**Notes to the Interim Condensed Consolidated Financial Statements (continued)**

For the nine-month periods ended 30 September 2022

(Expressed in Saudi Arabian Riyals)

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**2. BASIS OF PREPERATION**

The interim condensed consolidated financial statements ("statements") have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" (IAS 34) as endorsed in the Kingdom of Saudi Arabia.

The accounting policies and calculation methods applied in preparing the interim condensed consolidated financial statements for the period ended 30 September 2022 are consistent with those followed in preparing the consolidated financial statements of the Group for the year ended 31 December 2021. The interim condensed consolidated financial statements do not include all the information required in the annual financial statements. Accordingly, it should be read in conjunction with the annual consolidated financial statements as at 31 December 2021.

The interim condensed consolidated financial statements have been prepared on a historical cost basis. The interim condensed consolidated financial statements are presented in Saudi Riyals which is the functional currency of the Company and all values are rounded to the nearest Saudi Riyal (SR), except when otherwise indicated.

**3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of the Group's interim condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty including the risk management policies were the same as those that were applied to the annual consolidated financial statements as at 31 December 2021.

The concept of accounting continuity

The condensed consolidated financial statements have been prepared on a going concern basis, which assumes that the group will continue in its business for the foreseeable future as indicated in the interim condensed consolidated financial statements, the group incurred a net loss during the period ending on 30 September 2022. The group's ability to Continuing its business depends on achieving more cash flows from its business and its success in increasing its capital by offering priority rights.



**RAYDAN FOOD COMPANY**  
(A Saudi Joint Stock Company)

**Notes to the Interim Condensed Consolidated Financial Statements (continued)**

For the nine-month periods ended 30 September 2022

(Expressed in Saudi Arabian Riyals)

**4. PROPERTY, PLANT AND EQUIPMENT, Net**

	<b>For the nine-month period ended 30 September 2022</b>	<b>For the year ended 31 December 2021</b>
<b><u>Cost:</u></b>		
Balance at the beginning of the period / year	247,540,901	270,818,167
Additions during period / year	15,725,955	3,926,950
Disposal during period / year	(25,778,415)	(18,201,069)
Transfer to assets held for sale during period / year	(19,897,575)	(9,003,147)
Balance at the end of the period / year	<u>217,590,866</u>	<u>247,540,901</u>
<b><u>Accumulated depreciation:</u></b>		
Balance at the beginning of the period / year	119,761,689	117,928,845
Charge during period / year	6,652,839	11,197,140
Impairment reversal during period / year	(15,576,912)	(2,280,215)
Disposals during period / year	(11,608,111)	(7,084,081)
Balance at the end of the period / year	<u>99,229,505</u>	<u>119,761,689</u>
<b>Net Book Value at the end of the period / year</b>	<u><u>118,361,361</u></u>	<u><u>127,779,212</u></u>

Lands include lands with a book value of SR 12,825,000 which are pledged as guarantees against the long-term loan (note 9).

**5. RIGHT-OF-USE ASSETS, Net**

	<b>Building</b>	<b>Total</b>
<b><u>Cost:</u></b>		
At 1 January 2021	81,313,793	81,313,793
Additions	1,013,432	1,013,432
Lease termination	(22,302,414)	(22,302,414)
Discounts from lessor	(160,228)	(160,228)
At 31 December 2021	<u>59,864,583</u>	<u>59,864,583</u>
<b>Lease termination</b>	<u>(770,512)</u>	<u>(770,512)</u>
<b>At 30 September 2022</b>	<u>59,094,071</u>	<u>59,094,071</u>
<b><u>Accumulated depreciation:</u></b>		
At 1 January 2021	32,406,857	32,406,857
Charge for the period / year	4,900,694	4,900,694
Impairment reversal in value	(3,370,097)	(3,370,097)
Lease termination	(9,663,791)	(9,663,791)
<b>At 30 September 2021</b>	<u>24,273,663</u>	<u>24,273,663</u>
Charge for the period / year	3,121,960	3,121,960
Lease termination	(643,612)	(643,612)
<b>At 30 September 2022</b>	<u>26,752,011</u>	<u>26,752,011</u>
<b><u>Net book value:</u></b>		
<b>At 30 September 2022</b>	<u><u>32,342,060</u></u>	<u><u>32,342,060</u></u>
At 31 September 2021	<u>35,590,920</u>	<u>35,590,920</u>

The group rents warehouses and branch sites, and the lease contracts range from 3 to 30 years.

**6. INVESTMENT IN COMPANY BY SHAREHOLDERS' EQUITY**

**RAYDAN FOOD COMPANY**  
(A Saudi Joint Stock Company)

**Notes to the Interim Condensed Consolidated Financial Statements (continued)**

For the nine-month periods ended 30 September 2022

(Expressed in Saudi Arabian Riyals)

**Investment in Al-Jonah Sweets and Outside Catering Ltd:**

Al-Jonah Sweets and Outside Catering Ltd. is a limited liability company registered in the Kingdom of Saudi Arabia, and is engaged in organizing external parties for others, providing meals and services for cooked and non-cooked food. The Group's share in the capital of Al-Jonah Company as of 30 September 2022 is 30% (31 December 2021: 30%) and the investment movement is as follows:

	<b>For the nine-month period ended 30 September 2022</b>	For the year ended 31 September 2021
Balance at the beginning of the period / year	<b>61,625,341</b>	67,541,602
Share in business results	<b>(3,638,488)</b>	(5,192,537)
Share in comprehensive income	-	(723,724)
Unrealized profit from transactions with associate company	<b>(403,200)</b>	-
<b>Balance at the end of the period / year</b>	<b>57,583,653</b>	61,625,341

**7. PREPAYMENT AND OTHER RECEIVABLES**

The Prepayment and other receivables as on 30 September 2022 G include an amount of 8,328,290 Saudi riyals, which is the receivables due and related to the Setteen, kilo 14 branches, which were closed based on the decisions issued by the competent authorities to remove some neighborhoods within the company's sub-domain, which is the value that the company expects to receive as compensation from government agencies.

**8. RELATED PARTIES DISCLOSURES**

The following table provides the total amount of significant transactions that have been entered into with related parties along with the related balances as of 30 September 2022 and 31 December 2021:

**8.1 Nature of relationship and transaction with related party**

<u>Name of Related party</u>	<u>Type of relationship</u>	<u>Nature of transaction</u>	<u>Amount of transaction</u>	
			<u>30 September 2022</u>	<u>31 December 2021</u>
Al-Jonah Sweets and Outside Catering Ltd	Associate company	Rents/ Sales	<b>8,390,311</b>	2,443,750
		Purchases	<b>6,598,772</b>	911,614
Farah hall for parties	Associate company	Sales	<b>280,127</b>	1,073,245

**8.2 Due from related party**

<u>Related party</u>	<u>30 September 2022</u>	<u>31 December 2021</u>
Al-Jonah Sweets and Outside Catering Ltd	<b>9,748,407</b>	8,482,038
	<b>9,748,407</b>	8,482,038

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**8. RELATED PARTIES DISCLOSURES (CONTINUED)**

**8.3 Due to related party**

<u>Related party</u>	<u>30 September 2022</u>	<u>31 December 2021</u>
Al-Jonah Sweets and Outside Catering Ltd	5,223,700	10,803,185
Farah hall for parties	-	358,545
	<u>5,223,700</u>	<u>11,161,730</u>

**Key management personnel benefits are as follows:**

	<u>30 September 2022</u> <u>(Unaudited)</u>	<u>31 December 2021</u> <u>(Audited)</u>
Short term employee benefit	2,239,082	2,940,647
Termination benefit	240,075	179,994
	<u>2,479,157</u>	<u>3,120,641</u>

**9. LEASES LIABILITIES**

	<u>30 September</u> <u>2022</u> <u>(Unaudited)</u>	<u>31 December</u> <u>2021 (Audited)</u>
Balance at beginning of period / Year	53,392,906	76,039,662
Additions for the period / year	-	1,013,432
Interest due	1,758,231	2,836,118
Lease termination	(124,872)	(16,788,775)
Discounts from lessor	(27,000)	(160,228)
Paid	(8,103,955)	(9,547,303)
Balance at the ending of the period / year	46,895,310	53,392,906
Less: current portion of lease liabilities	(6,197,186)	(9,293,535)
Non-current portion of lease liabilities	<u>40,698,124</u>	<u>44,099,371</u>

**10. LONG-TERM LOAN**

The Group obtained a long-term loan amounting to SR 35.1 million in the form of a long-term finance lease to finance capital expansion. This loan is guaranteed with lands as a collateral (note 4). This loan is subject to annual interest rate of 8%. The total financing costs related to this loan have been fully deducted in advance from the received amount, and the long-term loan is denominated in Saudi riyals.

The loan payment will be finalized by 15 October 2024. The Group had the following outstanding balances relating to this loan as at 30 September 2022 and 31 December 2021:

	<u>30 September 2022</u> <u>(Unaudited)</u>	<u>31 December</u> <u>2021 (Audited)</u>
Long-term loan	18,915,007	23,415,007
Less: deferred finance costs	(1,957,111)	(3,096,269)
Net	16,957,896	20,318,738
Less: current portion	(4,750,000)	(6,000,000)
Non-current portion	<u>12,207,896</u>	<u>14,318,738</u>



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**10. LONG-TERM LOAN (CONTINUED)**

The maturity schedule for long-term loan is as follows as of 30 September 2022 and 31 December 2021:

	<b>30 September 2022</b> <b>(Unaudited)</b>	31 December 2021 (Audited)
2021	-	-
2022	<b>1,500,000</b>	6,000,000
2023	<b>7,000,000</b>	7,000,000
2024	<b>10,415,007</b>	10,415,007
	<b>18,915,007</b>	23,415,007

**11. EMPLOYEE TERMINATION BENEFITS**

The movement of employees' Termination benefits as follows:

	<b>30 September 2022</b> <b>(Unaudited)</b>	31 December 2021 (Audited)
Balance at beginning of period / Year	<b>15,438,313</b>	16,429,734
Charge in profit or loss of period / Year	<b>1,074,396</b>	1,590,356
Actuarial remeasurement charged to OCI	-	(92,725)
Payments for the period / Year	<b>(3,551,478)</b>	(2,489,052)
Ending balance for the period / Year	<b>12,961,231</b>	15,438,313

**12. ZAKAT AND INCOME TAX**

The Company is subject to zakat. Zakat is payable at 2.5% of the approximate zakat base or adjusted net profit, whichever is higher. The most important components of the zakat base according to the zakat regulations consist mainly of equity, provisions, long-term loans and adjusted net profit minus the net book value of non-current assets. The subsidiary is subject to income tax, which is payable at 22.5% of the taxable net profit.

The movement in the zakat and foreign income tax payable was as follows:

	<b>30 September 2022</b> <b>(Unaudited)</b>	31 desember2021 (Audited)
Balance at beginning of period / Year	<b>209,866</b>	662,509
Charge in profit or loss of period / Year	<b>476,056</b>	470,971
Payments for the period / Year	<b>(685,922)</b>	(923,614)
Ending balance for the period / Year	-	209,866

**Zakat status of Raydan Food Company**

- For years from 2012: 2020, the company has submitted zakat returns and their attachments, and zakat certificates have been received.
- The company submitted the Zakat return for the year 2021 according to the draft financial statements

**Tax status of Raydan Food Company**

- VAT returns were submitted on a monthly basis from January 2018 Till September 2022

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**12. ZAKAT AND INCOME TAX (Continued)**

**Outstanding assessments (Continued)**

**Raydan Kitchens and Restaurants Egypt**

- Income taxes: the company has not been inspected until 30 September 2022.
- Value added taxes: The Company was inspected until 31 December 2018, and the differences resulting from the examination were paid.
- Payroll taxes: The Company has not been inspected until 30 September 2022.
- Discount and addition taxes: the company has not been inspected until 30 September 2022.
- Stamp Tax: The Company has not been inspected until 30 September 2022.

**13. LOSS PER SHARE**

The calculation of basic losses per share from losses as at 30 September 2022 G / 2021 has been based the distributable losses attributable to shareholders of ordinary shares and the weighted average number of ordinary shares outstanding at this date amounting to 33,750,000 million shares (2021: 24,0 million shares) The group does not have discounted instrument.

**14. SEGMENTS INFORMATION**

The Group is divided into business segments according to the nature of their products and services for the purpose of managing them. The Group has the following business segments:

- Traditional meals
- Other segments

The following is a summary of some of the financial information by business segments as at and for the period ended 30 September 2022 and the year ended 31 December 2021, which have been summarized by business segments mentioned above:

<u>30 September 2022 (Unaudited)</u>	<u>Traditional meals</u>	<u>Other segments</u>	<u>Total</u>
Revenue	122,881,731	1,154,445	124,036,176
Cost of revenue	(113,669,096)	-	(113,669,096)
Administrative and selling expenses	(20,225,363)	-	(20,225,363)
Share of results in an associate	(3,638,488)	-	(3,638,488)
Others	(7,025,703)	-	(7,025,703)
Net loss for the period	<u>(21,676,919)</u>	<u>1,154,445</u>	<u>(20,552,474)</u>
<b>Capital expenditures</b>			
<b>As at 30 September 2022:</b>			
Investment in an associate	-	57,583,653	57,583,653
Total assets	<u>225,342,765</u>	<u>57,583,653</u>	<u>282,926,418</u>
Total liabilities	<u>96,092,399</u>	-	<u>96,092,399</u>
<u>30 September 2021 (Unaudited)</u>	<u>Traditional meals</u>	<u>Other segments</u>	<u>Total</u>
Revenue	92,910,213	3,795,993	95,910,213
Cost of revenue	(103,442,536)	-	(103,442,536)
Administrative and selling expenses	(14,430,666)	-	(14,430,666)
Other	(6,331,468)	-	(6,331,468)
Net loss from discontinued operations	(1,067,975)	-	(1,067,975)
Net Loss for the period	<u>(33,610,618)</u>	3,795,993	<u>29,814,625</u>
<b>As at 30 September 2021:</b>			
Investment in an associate	-	71,842,950	71,842,950
Total assets	<u>303,860,998</u>	<u>71,842,950</u>	<u>375,703,948</u>
Total liabilities	<u>119,508,087</u>	-	<u>119,508,087</u>

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**14. EGMENTS INFORMATION (CONTINUED)**

**Geographical sectors**

The Group operates mainly the western region of the Kingdom of Saudi Arabia and also operates in other regions of the Kingdom of Saudi Arabia and the Arab Republic of Egypt. The following is a summary of some financial information according to geographical areas.

	<u>Western region</u>	<u>Other regions</u>	<u>Total</u>
<b>As at 30 September 2022, and for the nine-months period then ended:</b>			
Revenue	<u>122,881,731</u>	<u>1,154,445</u>	<u>124,036,176</u>
Property, plant and equipment	<u>122,881,731</u>	<u>1,154,445</u>	<u>124,036,176</u>
As at 30 September 2021, and for the nine-months period then ended:			
Revenue	<u>92,114,220</u>	<u>3,795,993</u>	<u>95,910,213</u>
Property, plant and equipment	<u>137,643,739</u>	<u>11,725,063</u>	<u>149,368,802</u>
As at 30 December 2021			
Revenue	<u>121,498,979</u>	<u>6,316,597</u>	<u>127,815,576</u>
Property, plant and equipment	<u>138,044,378</u>	<u>14,844,944</u>	<u>152,889,322</u>

**15. RESTATEMENT OF COMPARATIVE FIGURES**

The comparative figures were adjusted as follow:

The Group has restated the comparative figures in its consolidated financial statements for the year ended on 31 December 2021 in Note No. 32 of those financial statements. This resulted in an adjustment to the comparative figures as at 1 January 2021 and 30 September 2021.

The associate company submitted its financial statements for the period ending on 30 September 2021, at a date later than the date of issuing the group's condensed consolidated interim financial statements. And the financial statement shows additional losses more than what was recognized for the period ended 30 September 2021 amounting to 370,218 Saudi riyals.

Further, the comparative figures as at 30 September 2021 have been restated as follows:

	<u>Before restatement</u>	<u>Restatement</u>	<u>After restatement</u>
Property, plant and equipment	149,368,802	(14,101,145)	135,267,657
Right-to-use assets	50,979,156	(17,531,713)	33,447,443
Investment in company by shareholders' equity	71,842,950	(4,753,541)	67,089,409
Accumulated losses	(109,235,260)	(36,386,399)	(145,621,659)

The loss for the year ended 30 September 2021 has also been adjusted as follows:

	<u>Before restatement</u>	<u>Restatement</u>	<u>After restatement</u>
Investment in company by shareholders' equity	19,849	(472,042)	(452,193)
Accumulated losses	(109,235,260)	(472,042)	(109,707,302)



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**16. FINANCIAL INSTRUMENTS**

The Group's financial assets consist of cash and cash equivalents, due from related parties and trade receivables. Its financial liabilities consist of trade payables, due to related parties, and long term loan. The fair values of financial instruments are not materially different from their book values. As at 30 September 2022, the Group did not hold any financial instruments measured at fair value.

**17. SUBSEQUENT EVENTS**

No event has occurred subsequent to the interim condensed consolidated financial position date which requires the adjustment to, or disclosures, in these condensed interim consolidated financial statements.

**18. APPROVAL OF THE FINANCIAL STATEMENTS**

These interim condensed consolidated financial statements were authorized for issue by the Company's board of directors on 14 Rabi II 1444 H to 8 November 2022 G.