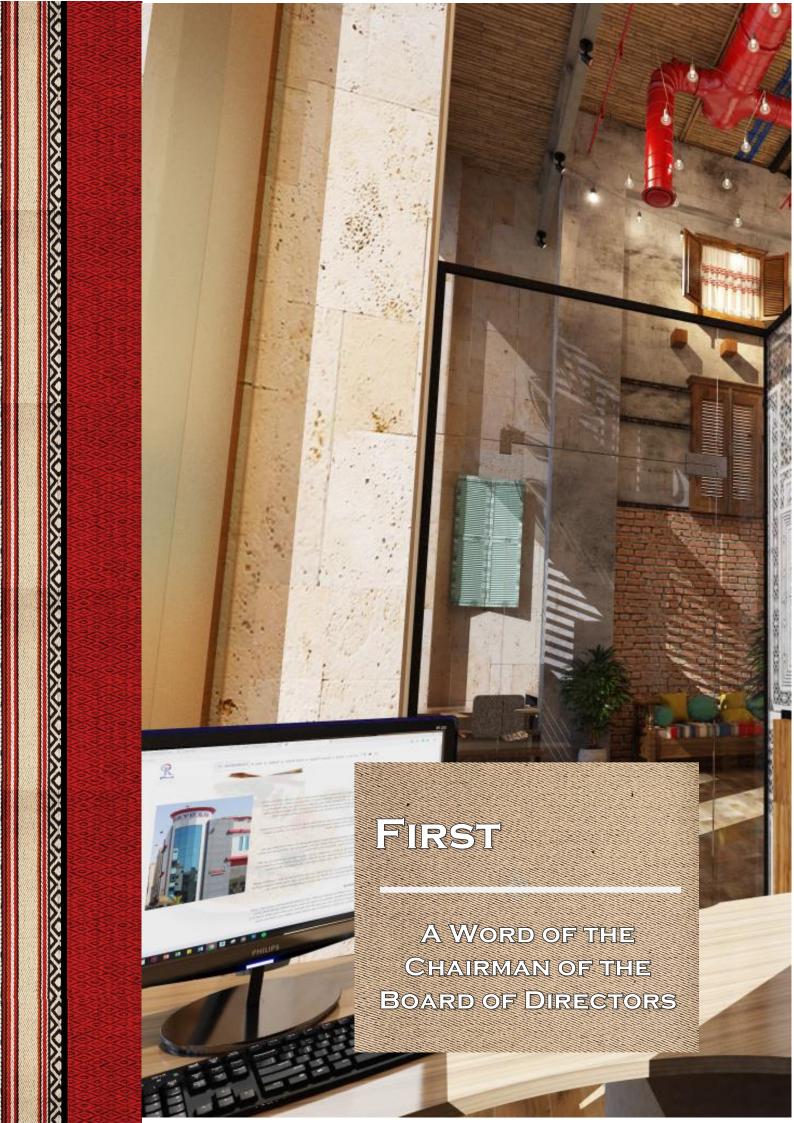


Table of Contents

1 - A Word of the Chairman of the Board of Directors 4			
2 - Exec	utive summary	6	
3 - Rayd	lan Company	8	
3-1	Company activity	9	
3-2	Affiliate company	11	
4	Financial performance	14	
4-1	Summary of operations and operating results	15	
4-2	A review of the elements of the financial statements	16	
4-3	Geographical analysis of the company's activity	20	
4-4	Earnings per share	20	
4-5	Loans	21	
4-6	Supporting community institutions	21	
4-7	Zakat, payments to government agencies, penalties and penalties	21	
5	Capital, investors and ownership notifications	24	
5-1	Capital	25	
5-2	Major shareholders and change in ownership shares	25	
5-3	Type of investors	26	
5-4	Investors, according to the size of the property	26	
5-5	Investors according to their categories	26	
6	Risks and Outlook	27	
6-1	The risks that the company is exposed to	28	
6-2	Outlook	30	

Table of Contents

7	Governance	31
7-1	Establishing the board of directors	32
7-2	Attendance record of Board of Directors meetings	33
7-3	Attending record of the general meeting of the shareholders	33
7-4	The company's requests for a record of shareholders	33
7-5	Committees emanating from the Board of Directors	34
7-6	Disclosure of rewards	42
7-7	General Standards of Rewards	42
7-8	Percentage of ownership of shares and its changing for members of the	45
	board of directors and senior executives and their spouses and minor	
	children	
7-9	Dealings with related parties	46
7-10	Company auditors	47
7-11	Declarations of the Board of Directors	47
7-12	Corporate governance	48
8	Shareholders' Rights and Communication Mechanism	51
8-1	Shareholders' proposals and their remarks	52
8-2	Mechanisms for communicating with our shareholders	52
8-3	The most important events and developments during the year	53



شركة ريدان الغذائية شركة مساهمة سعودية س.ت ١٨٠٠٥٥ رأس المال ٢٢٥,٠٠٠,٠٠٠ مدفوع بالكامل

A Word of the Chairman of the Board of Directors

M/S: The Shareholders of "Raydan Food Company:

Greetings,,,

On behalf of the members of the board of directors of Raydan Food Company, I am pleased to present to you the annual report for the fiscal year ending on December 31, 2020, which reviews the company's business results and the united annual financial statements.

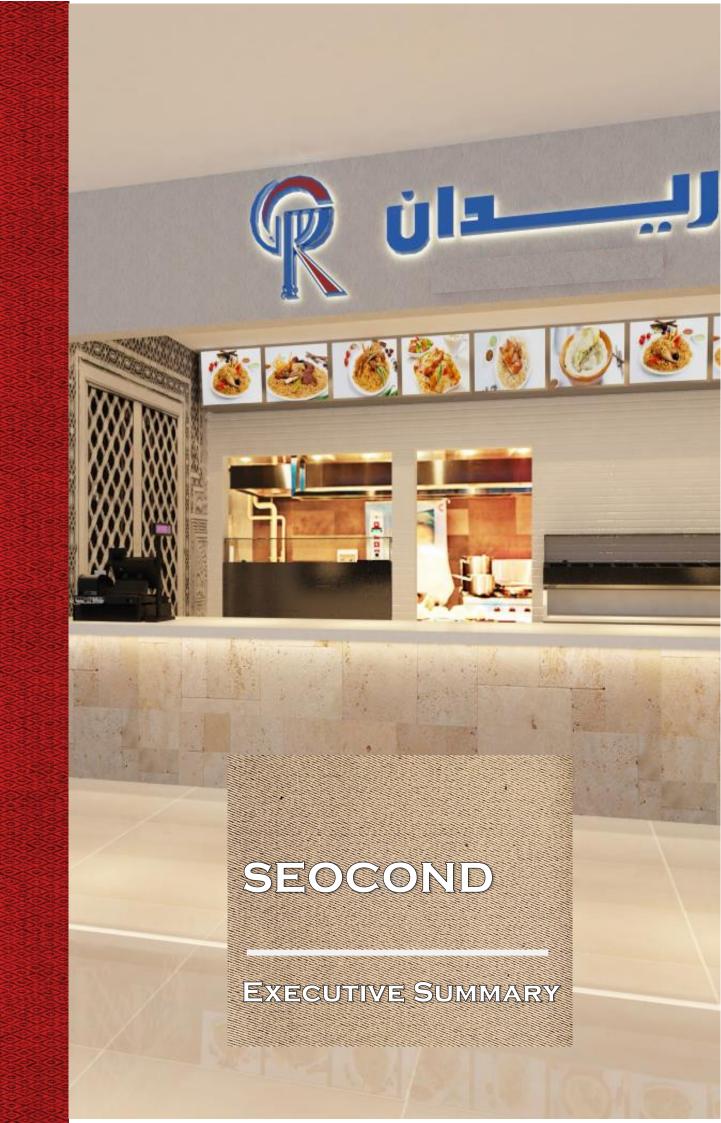
The company faced great challenges during the fiscal year ending on December 31, 2020, which affected the financial results and the company's operational, marketing and sales performance and the company's expansion plan as a result of the Corona pandemic, which negatively affected the global economy and caused the liquidity shortage, which required us to face challenges and find solutions. May Allah grant us success in that.

I am pleased to extend my sincere thanks and appreciation for your confidence in the management of the company, and I also thank the members of the Board of Directors for their cooperation and efforts and thanks to colleagues in the Executive Committee and all the company's committees, departments and employees inside and outside the Kingdom for their sincere efforts, wishing all progress and success.

With Best regards

Awadallah Ahmed Alhumaei Alsulami Chairman of the Board of Directors





Executive Summary

The company's executive departments, in cooperation with external consultants, have acted to mitigate the effects of the challenges the company faced and are still facing as a result of Coronavirus (COVID-19), with an emphasis on the need to pay attention to the corporate client to maintain the client's confidence.

There is no doubt that after reviewing the financial results, you will realize the size of the challenges and the necessity to redouble efforts to offset the losses of the company and work to continue granting the commercial franchise (grants) and increase the company's branches through it in light of the lack of liquidity for internal expansion (the existence of a plan linked to increasing the capital) and according to the approved financial statements company achieved losses of 85,517,135 SR.



3-1 Activity of the Company

Raydan Food Company was established as a Saudi closed joint stock company pursuant to the Minister of Commerce and Industry Decision No. 149 / S, dated 4/29/1429 corresponding to 5/5/2008 AD announcing the establishment of the company according to the Commercial Registry No. 4030180055 issued from Jeddah on 6/11/1429 D corresponding to 2008 6/15 m. The company's capital is 225,000,000 SR.s (two hundred twenty five million SR.s) divided into 22,500,000 shares (twenty two million five hundred thousand shares) with a nominal value of ten SR.s per share, fully paid.

Shareholders in the company upon public offering:

S	Shareholder	No. of shares	Percent	Value in SAR
1	Awadallah Ahmed Alsulami	2,769,750	%12.31	27,697,500
2	Mansour Awadallah Ahmed Alsulami	6,615,000	%29.40	66,150,000
3	Nasser Awadallah Ahmed Alsulami	1,890,000	%8.40	18,900,000
4	Meshal Awadallah Ahmed Alsulami	1,631,250	%7.25	16,312,500
5	Mohammed Awadallah Ahmed Alsulami	1,125,000	%5	11,250,000
6	Khaled Awadallah Ahmed Alsulami	859,500	%3.82	8,595,000
7	Nassar Awadallah Ahmed Alsulami	859,500	%3.82	8,595,000
8	Shareholders of the public offering	6,750,000	%30	67,500,000

The company obtained the approval of the Capital Market Authority to transfer the company from the parallel market to the main market, and accordingly its shares were listed in the main financial market on November 17, 2019.

The Main Activities

The company is engaged in establishing restaurants with service and catering kitchens for parties.

Vision:

Pioneers in the quality and excellence industry to provide Arab foods according to the latest high-tech methods.

Mission:

Excellence in all products and services provided, while ensuring that customers' desires are met.

Goals of the Company

Raydan aims to reach a leading position in the local, regional and global market with its specialization in food, party preparation and catering services in order to achieve focus on customer confidence and meet their desires and to excel in providing the highest levels of quality, type, service and hospitality through expansion and spread by granting franchises in all the kingdom's regions and beyond, with the good selection of Saudi human cadres and upgrading them in support of Saudization programs and in line with the Kingdom's Vision 2030, in addition to participating and contributing to support business and charitable projects within our societal responsibilities.

The Strategy of the Company

- Creating meals that can be prepared in a short time to meet market needs.
- Granting franchise branches in geographical areas other than company branches.
- Working on developing and improving the internal designs of the branches by applying the new identity of the company.
- Preserving the company's trademark by not promoting the name and trademark locally and abroad.
- Continuing to improve operational and marketing processes, product quality, and community participation.
- Concluding strategic agreements with the main suppliers of the company while diversifying the sources of the company's operational needs.
- Attracting qualified Saudi human resources to support the company's strategic plan for growth and expansion.

3-2: The Affiliates Companies

• Raydan Company owns a subsidiary company under the name Raydan Egypt Kitchens and Restaurants Company "a limited liability company" in the Arab Republic of Egypt, with a participation rate of 99% of the capital.

NO. of CR	Date	No. of branches	Main activity	Capital
71123	21/01/2014	1	Arabic Restaurants	50,000 Pound

• The company owns a 30% stake in Aljonah for Desserts & Catering for Trade and Foodstuff Co., Ltd.

Saudi Raydan:

The following is an explanation of the performance of the most important divisions and departments of the company branches. We summarize the work of these departments and their most important achievements and objectives as follows:

Branches of the Company:

Statement	Jeddah	Makkah	Dammam	Riyadh	AL-Madina	Qunfezah
Total	13	5	1	1	1	1

With an explanation, that the Al-Ahdal branch has been permanently closed due to the removal of the area for development according to the directives of the competent authorities and closing Al-Andalus district branches in Riyadh and Al-Andalus Mall branch in Jeddah as a result of operational losses within year 2020.

The Internal Audit

The main task of the internal audit department is to provide independent and objective views of the company on issues related to risk, control and governance in addition to its effective role and continuous support for all sectors of the company in achieving its strategic objectives. It also reviews and evaluates administrative controls, plans and procedures approved by the company to direct its activities and provide the necessary information to enable it. It aims to effectively control the assets and operations of its sectors in addition to providing independent and objective recommendations with the aim of supporting executives to improve the effectiveness of risk, control and governance mechanisms.

The Legal Administration:

The main task of the legal department is to provide legal advice to all business units in the company in addition to handling various daily legal matters for the company and following up all legal issues with the concerned authorities to ensure that all sectors of the company comply with the laws and legislation in force in the Kingdom. The Legal Department has made a lot of activity with regard to legal risks in all business units of the company as well as carefully reviewing various contracts and agreements with all parties.

The Human Resources:

In the year 2020, the company continued its plans and strategy aimed at providing job opportunities for Saudis in all departments of the company, improving the work environment and improvising and developing its human competencies, with the aim of making the company the preferred workplace, in addition to continuing the development of a skills development program in order to provide excellent opportunities for individuals with high potential, whether those who work in administrative or supervisory positions or who are within the list of qualified competencies in the company, bearing in mind that the restructuring of all sectors of the company has taken place as a result of the Coronavirus (COVID-19) pandemic.

Training and Developing

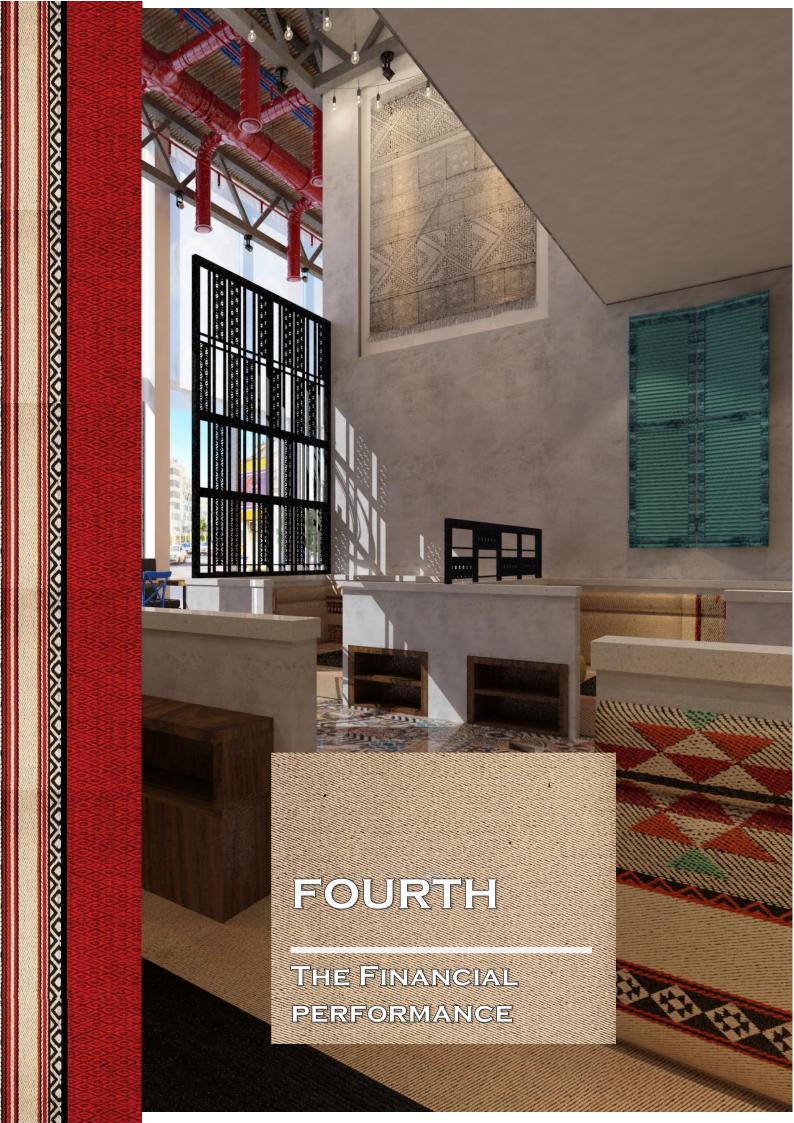
The company has provided many training and development programs for the company's employees, with the aim of continuing to provide distinguished service to the company's customers.

Information Technology:

The company's information technology department has witnessed many improvements and developments, especially the introduction of high-tech, world-class programs with compatibility with the local environment while continuing to develop the company's automated and technical system by developing delivery programs to support sales operations through the company's electronic order delivery service or through Contracting with companies specialized in this due to the importance of this activity in the circumstances of the Coronavirus (COVID-19) pandemic.

Supplies and Catering:

The company continued to search and negotiate to bring in the best raw materials, with the best quality and the lowest cost, in light of the high prices of basic raw materials.



4-1 A Summary of the company's operations and operating results

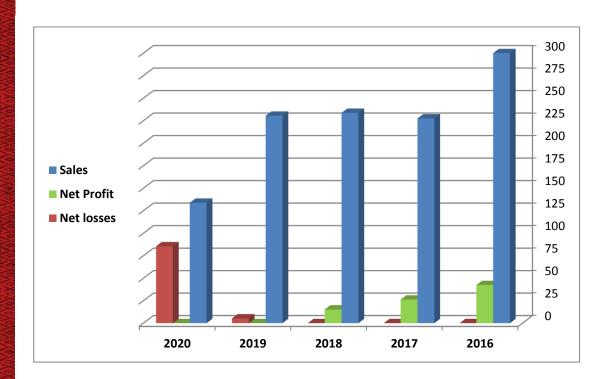
			Difference	%
	JAN to DEC 2019	JAN to DEC 2020		
Sales	230,483,559	133,895,085	(96,588,474)	-41.91%
Cost of sales	(210,771,699)	(146,253,504)	(64,518,195)	-30.61%
Total profit / loss	19,711,860	(12,358,419)	(32,070,279)	-162.70%
Selling and marketing expenses□	(3,297,675)	(3,148,447)	(149,228)	-4.53%
General and administrative expenses	(21,321,887)	(19,912,914)	(1,408,973)	-6.61%
Value decline of real estates , tools , equipment	(21,021,001)	(21,588,534)	(=, ::=,::=)	0.00
Losses from excluding real estates , tools , equipment		(19,857,846)	19,857,846	0.00%
Other revenues	3,477,305	1,644,977	1,832,328	-52.69%
	500 - 100 -	10 **** 3 5 10 10 10 10 10 10 10 10 10 10 10 10 10	000000000000000000000000000000000000000	
Net loss of business	(1,430,397)	(75,221,183)	(73,790,786)	5158.76%
Share of the company profit in an associate company □	875,304	(1,683,237)	2,558,541	-292.30%
Finance expenses	(3,978,499)	(5,242,377)	1,263,878	31.77%
Net loss before Zakat	(4,533,592)	(82,146,797)	(77,613,205)	1711.96%
Zakat and foreign income tax	(227,311)	(1,192,132)	964,821	424.45%
Net loss of continuous operations	(4,760,903)	(83,338,929)	(78,578,026)	1650.49%
Net loss	(4,760,903)	(83,338,929)	(78,578,026)	1650.49%
Shareholders in the company	(4,778,735)	(83,327,434)	(78,548,699)	1643.71%
Non-controlling property rights	17,832	(11,495)	29,327	-164.46%
Net loss	(4,760,903)	(83,338,929)	(78,578,026)	1650.49%
Total comprehensive loss	(5,294,159)	(85,517,135)	(80,222,976)	1515.31%
Total shareholders in the company rights after excluding the minority rights	271,385,422	185,879,230	(85,506,192)	-31.51%

Clarification of the accumulated losses

- The accumulated losses as of December 31, 2020 amounted to 67,041,225 SR at a rate of 29.796% of the capital (total comprehensive loss dedication retained earnings).

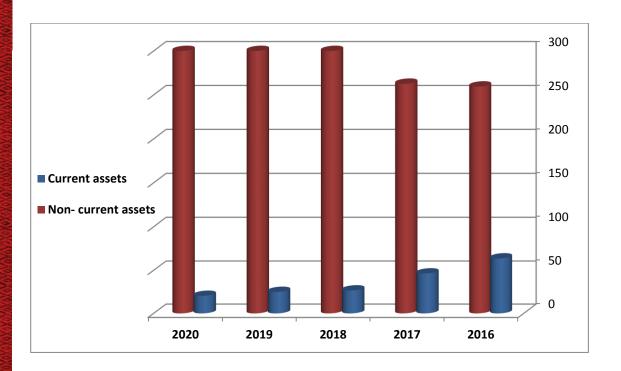
4-2 A review of the elements of the financial statements

Sales and net profits / losses (in Thousand SR.)



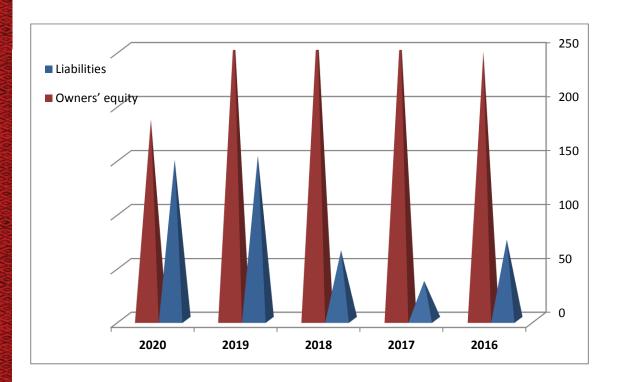
Years	Sales	Net profits	Net losses
2016	299,993	42,449	-
2017	227,485	26,218	-
2018	233,687	15,212	-
2019	230,483	-	(5,294)
2020	133,895	-	(85,517)

Current and non-current assets (in Thousand SR.)



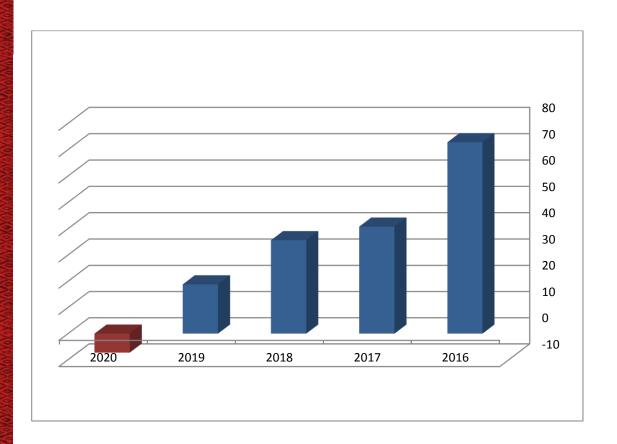
Years	Current assets	Non- current assets
2016	63,880	259,578
2017	46,391	262,716
2018	26,682	314,786
2019	24,976	398,941
2020	20,404	314,220

Liabilities and ownership rights (in Thousand SR.)



Years	Liabilities	Owners' equity
2016	74,653	248,806
2017	36,357	272,750
2018	64,756	276,712
2019	152,499	271,418
2020	148,723	185,901

Cash flows (used in) from operating activities (in Thousand SR.)



Years	Net Cash flows (used in) from operating activities
2016	72.830
2017	40.769
2018	35.603
2019	18.836
2020	(7.257)

4-3 Geographical analysis for the company activity (in Thousand SR.)

Reagan	2020	2019
rteugun	Sales	Sales
Western region	121,499	205,466
Central region	564	4,190
Eastern region	3,707	7,174
Egypt	6,079	12,632
Other	2,046	1,022
Total	133,895	230,484

4-4 Profit of share

Statement	2020	2019
Net income (profit/ loss)	(3.7)	(0.21)

The reason for the loss of the stock in 2020 compared to 2019 is due to the decrease in sales and other revenues (among the reasons for the pandemic of Corona (19-COVID)) and the high cost of sales (direct and indirect) and high operational costs (temporary and final closing of some branches). and high financing expenses. Decline losses in the value of the property, machinery and equipment. Losses excluding property, machinery and equipment and the company's share of the losses of the associate company.

4-5: The Loans

Less: current portion

Non-current portion

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 granted with collateral with lands from the Group. This loan is subject to interest rate of 8%.

The total financing charges related to this loan have been fully deducted in advance from the amount received. The amount withdrawn is to be repaid in queerly installments. The long-term loan is denominated in Saudi riyal.

On 28 October 2020, the company reached an agreement to reschedule the loan installments, including additional financing charges amounting to SR 3,216,731 to be paid during the new loan period. Accordingly, the quarterly installments were reduced and the loan repayment period was extended until 15 October 2024.

The Group had the following outstanding					
balances relating to this financing as at 31					
December (in Thousand SR.)					
2020 2019 SR SR					
Long-term financing	27,415	28,098			
Less. Deferred finance costs	(4,948)	(4,049)			
Net	22,467	24,049			

(4,000)

18,467

The maturity schedule for long-							
term fin	term financing is as follows as on 31						
Decemb	er <u>(in Thousan</u> d	d SR.)					
	2020	2019					
	SR SR						
2020	-	7,598					
2021	4,000	7,598					
2022	6,000	7,598					
2023	7,000	4,453					
2024	10,415	851					
Total	27,415	28,098					

4-6 Supporting Community Institutions

Raydan Food Company, in cooperation with the Hefz AL-Nemaa Society, to receive the rest of the prepared foods at the end of the day, and packed and distributed it.

(7,597)

16,452

4-7: Zakat, payments to government agencies, penalties and penalties

The company submitted its Zakat declarations for the years from the beginning of the activity until the fiscal year ending on December 31, 2018 and the final assessment was made by the General Authority for Zakat and Income and the company obtained the Zakat and Income Certificate valid until April 30, 2021, and the company did not receive any inquiries or zakat assessments for the year 2019 up to date.

The following is a statement of the most important payments to the regulatory authorities

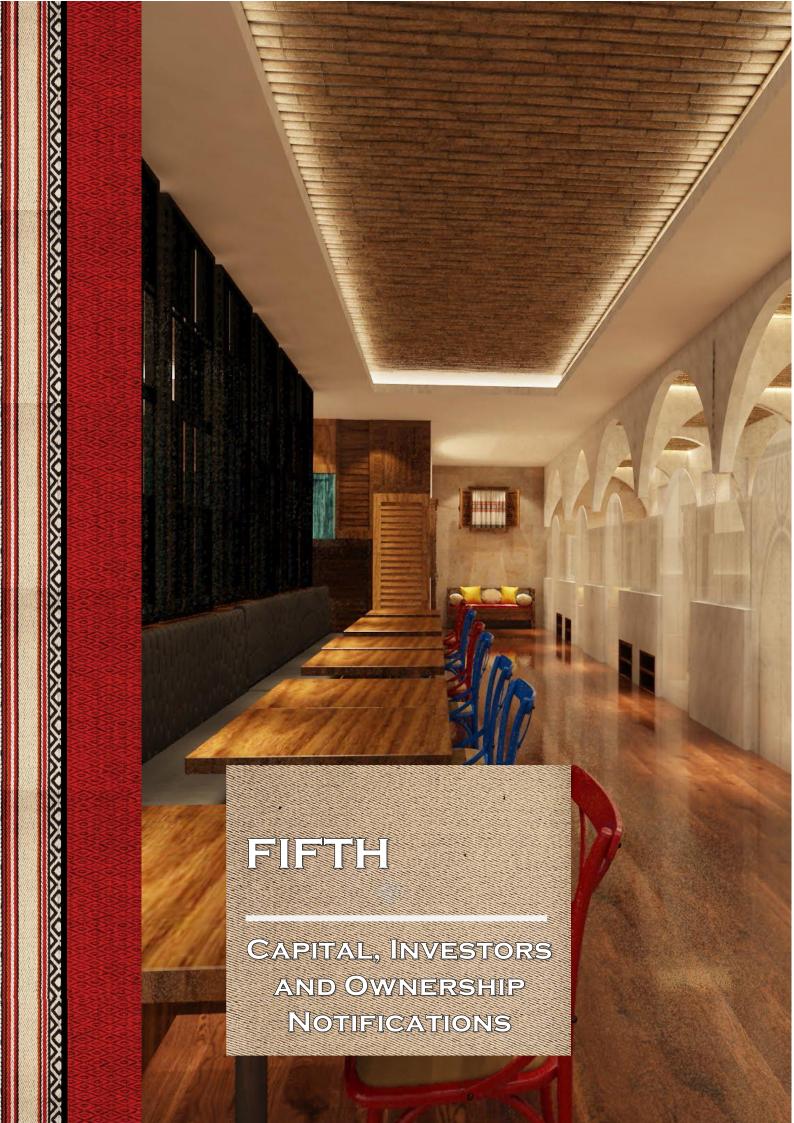
Statement	2020
The General Authority for Zakat and Income	4,488
The Public Institution for Social Security	802
Municipalities and secretariats	236
Governmental fees and certifications	66
Passports Department - Ministry of Interior	992
Labor Bureau	5,272
Total	11,856

The following is an explanation of the fines imposed on the company during the previous four years.

- The company was held accountable by the authority and penalties were imposed by the Capital Market Authority during the three years (2017-2018-2019) according to the following:
- On 30/03/2017 the trading of the company's shares was suspended in the Saudi Stock Exchange (Tadawul) starting on Sunday 5/7/1438 H (corresponding to 2/4/2017) until the company announced its annual financial statements for the financial period ending on 13/12/2016.
- On 24/04/2017, the suspension of trading the company's shares was eliminated starting on Tuesday 28/7/1438 corresponding to 25/4/2017 after the company announced on 26/7/1438 (corresponding to 23/4/2017) of the annual financial statements for the financial period ending on 31/12/2016.
- On 04/10/2017 a decision of the Commission's Board was issued for the purpose of a fine of (20,000) twenty thousand SR. on the company for violating Board Resolution No. (1-29-2017) dated 17/6/1438 (corresponding to 16/03/2017) Paragraph (H) of Article 42 and Article 43 of the Registration and Listing Rules, and Paragraph 4 of the Instructions for filling Electronic Disclosure Form No. (8) related to the commitment to corporate governance,

due to the company's failure to provide the Authority with documents and to announce to the shareholders the annual financial statements and the Board of Directors report for the financial period ending on 31/12/2016 within the statutory period stated in the Council's decision.

• On 11/09/2019, the Authority's Board of Directors issued a decision to impose a fine of (10,000) ten thousand SR., on Raydan Food Company for violating Article sixty-five of the rules for offering securities and continuing obligations, for not providing the Commission and disclosing to shareholders the report of its Board of Directors for the fiscal year Ending on 31/12/2018 during the specified statutory period, as the company did not disclose this until 04/07/2019, and the Commission did not impose any penalties or penalties on the company during the fiscal year 2020.



Capital, Investors and Ownership Notifications

5-1 The Capital

The following table briefly summarized the capital and free shares of the company as in 31/12/2020 as follow:

Description	Value in SR.
Authorized Capital	225,000,000
Number of issued shares (all are normal shares)	22,500,000
No. of free shares according to the registration of the company	22,500,000
Paid Up Capital	225,000,000
Nominal Share Value	10
Share Paid Up Value	10

A request was provided to the Financial Market Authority to increase the capital of the company by 50% (under the procedure)

5-2 Major shareholders and change in ownership shares

In the following, table a statement in the names and number, percent of ownership for the major shareholders who own 5% or more and its change during the year 2020.

Name of the Investor	Percentage of ownership at the beginning of 2020(%)	Percentage of ownership at the end of 2020(%)
Mr./ Awadallah Bin Ahmed bin Ayed Alhemaie Alsulami	11,29	1,77
Mr./ Nasser Bin Awadallah Bin Ahmed bin Ayed Alhemaie Alsulami	8,40	4,84
Mr. Mansour Bin Awadallah Bin Ahmed bin Ayed Alhemaie Alsulami	20,64	13,33
Mr./ Meshal Bin Awadallah Bin Ahmed bin Ayed Alhemaie Alsulami	6,85	3,44

Capital, Investors and Ownership Notifications

5-3 Type of Investors:

Туре	No. of investors	No. of shares	Percentage of ownership
Companies & Establishments	7	269,918	1,20
Individuals	7720	22,230,082	98,80
Total	7727	22,500,000	100

5-4 Investors according to the size of the ownership

Size of ownership (Shares)	No. of investors	No. of Shares	Ownership percentage (%)
More than a Million	2	4,090,000	%18.18
From 500 thousand: less than a million	3	2,340,000	%10.40
From 100 thousand: less than 500 thousand	11	2,586,475	%11.50
From 50 thousand: less than 100 thousand	11	725,428	%3.22
From 10 thousand: less than 50 thousand	259	4,541,277	%20.18
From 5 thousand: less than 10 thousand	358	2,347,151	%10.43
From thousand: less than 5 thousand	2311	4,652,451	%20.68
Less than a thousand	4772	1,217,218	%5.41
Total	7727	22,500,000	%100.00

5-5 Investors according to their categories:

Size of ownership (Shares)	No. of investors	No. of Shares	Ownership percentage (%)
Investors Saudi Individuals	7292	21,917,812	%97.41
Resided foreign Investors	422	302,712	%1.35
Saudi Companies and Establishments	4	250,631	%1.11
Government and semi government establishments	0	0	%0.00
Saudi Investment Funds	2	16,516	%0.07
Mutual Agreements	0	0	%0.00
Non resided foreign investors	7	12,329	%0.05
Charity and endowment societies	0	0	%0.00
Total	7,727	22,500,000	%100.00



6-1 The risks that the company is exposed to

Risk management in Raydan is carried out by senior management according to policies approved by the Board of Directors, whereby the management identifies and evaluates risks, and hedge them through close cooperation between Raydan's departments, assesses the possibility of their occurrence and assesses the effects that may arise from them and then takes the necessary measures to reduce from these risks, avoiding them and containing them as much as possible to avoid any damages that they may cause if they occur.

There are many risks associated with Raydan's activities including

A) Economic Risks;

Risks to the economy in general, whether inside or outside the kingdom, which have an impact on spending by individuals and institutions, and what has an impact on suppliers and manufacturers.

B) Strategic risks:

Not to be aware of economic changes, making wrong strategic decisions, or wrongly implementing the strategy and Raydan Company is keen to take note of economic changes by studying the market and the economic situation, and using distinguished expertise to avoid any strategic risks.

C) Operational risks

All the faults and deficiencies facing the operational processes, and the ability to work in a competitive environment, including these risks:

1- Credit Risk:

Credit risk is the risk that one party to financial instruments will fail to discharge an obligation and cause the other party to incur a financial loss. The Group is exposed to credit risk on tits due from related parties, trade receivables and bank balancers as follows. (in Thousand SR.)

Statament	31 DEC 2020	31 DEC 2019
Statement	Saudi SR.	Saudi SR.
Due from related parties	6,217	7,652
Trade Receivables	1,423	532
Employees due and other debit balances	2,320	2,270
Bank balances	4,615	867
Total	14,575	11,321

The book value of financial assets represents the maximum exposure to credit risk and the company manages credit risk with respect to related party liabilities and trade receivables. By setting credit limits for each customer and monitoring uncollected receivables on an ongoing basis, receivables are monitored so that the Group does not incur material bad debts. Cash balances are maintained with banks with high credit rating financial institutions.

2- Liquidity risk:

Liquidity risk is the risk that an entity will encounter difficulty in collecting funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at an amount close to its fair value. The following are the contractual maturities at the end of the reporting period for financial obligations: (in Thousand SR.)

	31 Dec. 2020					
Einensial ablications	Carrying amount	Less than one	One year to five	More than five		
Financial obligations		year	years	years		
	Saudi SR.	Saudi SR.	Saudi SR.	Saudi SR.		
Long-term loan	22,467	4,000	18,467	-		
Trade payables	21,916	21,916	-	-		
Liability to related			-	-		
parties	11,208	11,208				
Total	55,591	37,124	18,467	-		
	31 Dec. 2019					
Einanaial abligations	Carrying amount	Less than one	One year to five	More than five		
Financial obligations		year	years	years		
	Saudi SR.	Saudi SR.	Saudi SR.	Saudi SR.		
Long-term loan	24,049	7,598	16,452	-		
Trade payables	23,860	23,860	-	-		
Liability to related	10,184	10,184	-	-		
parties	10,164	10,184				
Total	58,093	41,642	16,452	-		

Liquidity risk is managed by monitoring on a regular basis and ensuring that sufficient funds and credit facilities are available to meet the Group's commitments.

3- Market Risk:

Market price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, such as foreign exchange rates and interest rates, and will affect the Group's profit or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

4- Currency risk:

Currency risk is the risk that the value of financial instruments will fluctuate due to changes if foreign exchange rates. Currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that's not the Group's currency. The Group exposure of foreign currency risk is primarily

limited to transactions in United State Dollars ("USD") and Egyptian Pound. The Group's management believes that their exposure to currency risk associated with USD is limited as the Group's currency is pegged to USD. The fluctuation in exchange rates against other currencies is monitored on a continuous basis.

5- Interest Rate Risk:

Interest rate risk is the exposure associate with the effect of fluctuations in the prevailing interest rates on the Group's consolidated financial position and cash flows. As at 31 December 2020 the Group did not have any floating rate financial assets or liabilities (2019: nil).

6- Human Resources Risks:

The ability to attract and maintain qualified and distinguished human cadres, and the company is continuously recruiting and training national cadres, and developing an incentive reward to support the continuity and efficiency of employees while keeping adopting of developments related to the work law and workers.

7- Legal Risks:

Risks related to legislative and legal changes in the Kingdom or the countries in which Raydan operates, whether from taxes, labor laws, and others.

8- Technology Risks:

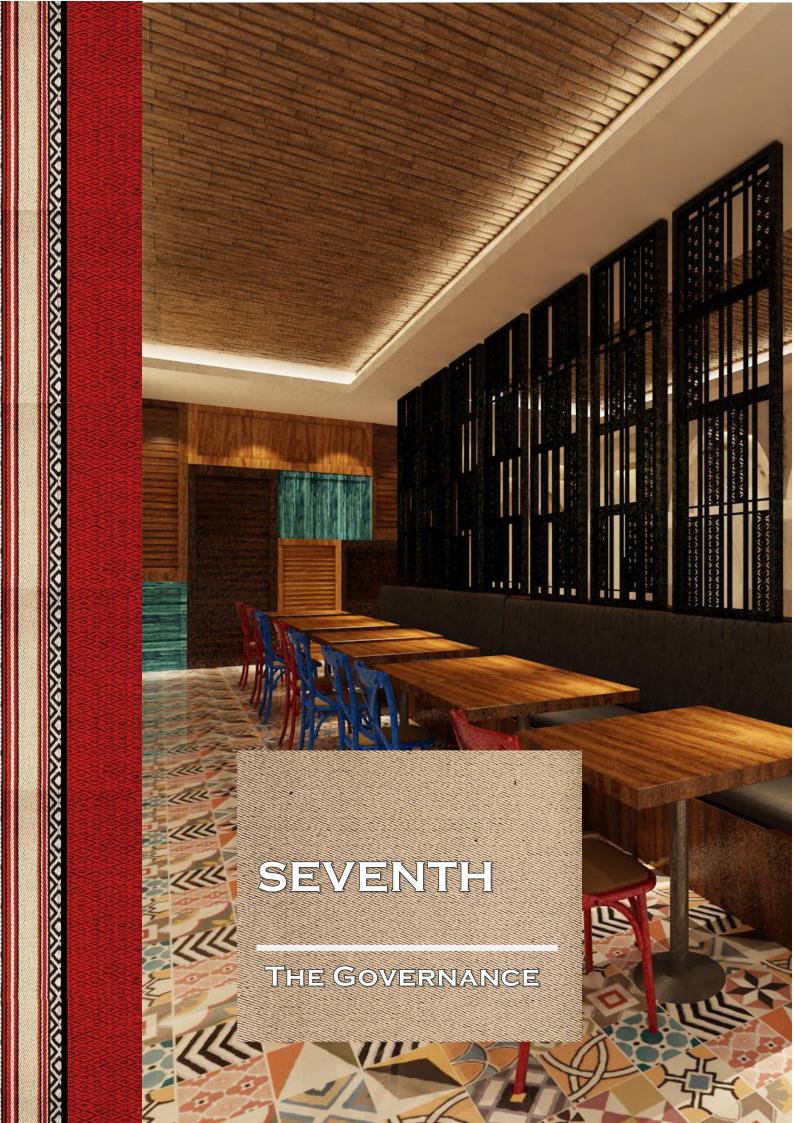
Risks of continuity of operational processes associated with technical programs in the event of a technical defect, Raydan continues to develop and support its technical programs and alternative technology solutions.

6-2 The Outlook

Based on the foregoing and the changes that Saudi Arabia has witnessed in consumer behavior, Raydan has followed a new strategy based on reducing the profit margin sometimes to gain a greater share in the market in light of these economic conditions and to seek competitive prices from suppliers, and Raydan will continue with the same strategy, and it will be limited. To the service of expanding to open new areas by signing many franchising contracts. The future of Raydan looks promising in light of our continuous endeavor to reach the largest possible segment of customers and serve them in new ways and methods. We are committed to improving the company's performance and achieving the desired growth, In addition to providing the highest levels of customer service at the best value.

Raydan is fully aware that achieving these goals depends on a strong and qualified work team, and therefore it continues to invest in human capital and attract qualified human cadres to provide the best value to its customers and investors.

Based on these data and plans, and in light of the current and expected market conditions, and in light of the challenges surrounding the sector, especially in light of the Corona pandemic (19-COVID), the company seeks to preserve its market share, develop performance, and find alternative solutions to reduce the cost.



7-1 Establishing the board of directors during 31/12/2020:

The Board of Directors consists of eight members in accordance with Article (16) of the Articles of Association of Raydan Food Company, and the establishing of the Board of Directors is in accordance with the instructions contained in Article (17) of the Corporate Governance Regulations issued by the Capital Market Authority, and below are the current members of the Board of Directors.

S	Name	Current profession	Previous profession	Qualifications	Experiences	
1	Awadallah Ahmed Alsulami (Non-executive)	Chairman of the Board of Directors of Rabdan Food Company	Chairman of the Board of Directors of Rabdan Food Company	Primary	Real estate investment and restaurants	
2	Nasser Awadallah Alsulami (Non-executive)	Vice Chairman of the Board of Directors of Raydan Food Company and a businessman in the field of contracting and restaurants	Vice Chairman of the Board of Directors of Raydan Food Company and a businessman in the field of contracting and restaurants	Commercial secondary - business administration	Experience in contracting and catering field	
3	Mansour Awadallah Alsulami (Non-executive)	Managing Director of Raydan Food Company and a businessman who runs his own group of companies	Managing Director of Raydan Food Company and a businessman who runs his own group of companies	Ph.D. at the American University - Bachelor's degree in Business Administration from El-Neelain University, Sudan	Management of companies, establishments, investments, real estate development, petroleum services, fuel stations, medical and commercial services	
4	Mesah Awadallah Alsulami (Non-executive)	Businessman in the field of retail and wholesale	Businessman in the field of retail and wholesale	Bachelor's degree in Business Administration from King Abdulaziz University	Retail and wholesale trade and food industries	
5	Khaled Awadallah Alsulami (Non-executive)	A businessman who runs his own group of establishments	A businessman who runs his own group of establishments	Bachelor of Science in Management Sciences at King Abdulaziz University. Diploma in Management Technology Technical College.	Real estate investment and petroleum services	
6	Saud Saeed Aqal Alojaifi (Independent)	Director of the law firm and legal advice and a partner at the First Law Firm.	Head of the (Investigator) Department at the Investigation and Public Prosecution Department.	Master of Criminal Justice, Institute of Public Administration, Bachelor of Systems, King Abdulaziz University	More than 23 years in investigation and public prosecution, experience in the field of advocacy and legal advice	
7	Hassan Shaler Saleh Alsahafi Independent)	Businessman who runs; An institution that sells sportswear	Member of the Board of Directors of the Jeddah Chamber of Commerce	Secondary Diploma in Commercial - Higher Institute of Commerce, majoring in Accounting	Management of investments, trade and companies	
8	Abdulraoof Alsadiq Alqaydi (Indepemdent)	A businessman and runs an establishment specializing in decoration work	Work for the Ministry of Labor, deputy assistant (Inspection and Labor Relations) – deputy assistant (Employment of Saudis) - Director General of Planning and Manpower Development - General Manager of the Labor Office in Jeddah - Director of the Ministry of Labor and Social Affairs in the region of Makkah Al-Mukarramah - Director of the Ministry of Labor and Social Affairs in the region of AL-Medina AL-Munawarah	Master of Library and Information Management from Western Michigan University from the United States of America Bachelor's degree in Library Management from king Abdulaziz University	I More than 23 years of experience in the Ministry of Labor and Social Affairs.	

7-2 Attendance record of Board of Directors meetings

Meeting of the Board of Directors was held in 2020 according to the following table

Member	Membership status	First meeting 20/7/2020	Second meeting 1/9/2020	Third meeting 07/09/2020	Forth meeting 21/12/2020	Fifth meeting 30/12/2020	remarks
Awadallah Ahmed Alsulami	Non-executive (chairman of board of directors)	✓	✓	✓	✓	✓	5/5
Nasser Awadallah Alsulami	Non-executive (vice chairman of board of directors)	✓	✓	✓	✓	✓	5/5
Mansour Awadallah Alsulami	Executive (managing director)	✓	✓	✓	✓	✓	5/5
Mesah Awadallah Alsulami	Non-executive	✓	✓	✓	✓	✓	5/5
Khaled Awadallah Alsulami	Non-executive	✓	✓	✓	✓	✓	5/5
Saud Saeed Aqal Alojaifi	Independent	✓	✓	✓	✓	✓	5/5
Hassan Shaler Saleh Alsahafi	Independent	✓	✓	✓	✓	✓	5/5
Abdulraoof Alsadiq Alqaydi	Independent	✓	✓	✓	✓	✓	5/5

7-3 Attending record of the general meeting of the shareholders

The general Assembly of the shareholders held during 2020 one time as per the following dates, and the percent of attendance of the members of the board of directors.

S	Member status	Member status	Member status
1	General assembly	17/06/2020	75.64%

7-4 The company's requests for a record of shareholders

No.	Date of request	Date of ownership file	Reasons for request
1	10-12-2020	09/12/2020	Other (increase the capital)
2	26-11-2020	25/11/2020	Other (increase the capital)
3	12-10-2020	05/09/2020	General Assembly
4	11-10-2020	08/10/2020	Other (increase the capital)
5	17-06-2020	16/06/2020	General Assembly
6	15-06-2020	14/06/2020	General Assembly
7	15-06-2020	17/06/2020	General Assembly
8	26-03-2020	31/12/2020	Companies procedures
9	26-03-2020	31/12/2020	Companies procedures
10	08-03-2020	05/03/2020	Companies procedures

7-5 Committees emanating from the Board of Directors

1- The Internal Auditing

The audit committee has been formed in accordance with Article (54) of the Corporate Governance Regulations issued by the Capital Market Authority, and in accordance with Article (2) and the approved audit committee's work regulations. In this regard, or to take decisions if the board delegated to it to do so, and the committee informs the board of directors of the results it reaches, takes decisions, or recommends them.

The committee is also responsible for monitoring the company's business and verifying the integrity and safety of the reports, financial statements, and internal control systems therein. The committee's duties include in particular the following

The Financial Reports:

- 1- Study the initial and annual financial statements of the company before submitting them to the Board of Directors and expressing its opinion and recommendation in this regard, to ensure its fairness, integrity and transparency.
- 2- Expressing a technical opinion at the request of the Board of Directors on whether the report of the Board of Directors and the financial statements of the company are fair, balanced and understandable, and include information that allows shareholders and investors to evaluate the financial position of the company, its performance, business model and strategy.
- 3- Study any important or unfamiliar issues included in the financial reports.
- 4- Carefully researching any issues raised by the financial director of the company or whoever assumes his duties or the compliance officer in the company or the auditor.
- 5- Verifying the accounting estimates in the fundamental issues mentioned in the financial reports.
- 6- Study the accounting policies applied in the company and express opinion and recommendation to the Board of Directors in this regard.

■ The External Auditing

1- Study and review of the company's internal, financial and risk management systems.

- 2- Study the internal audit reports and follow up the implementation of corrective measures for the observations contained therein.
- 3- Control and supervise the performance and activities of the internal auditor and the internal audit department in the company, to verify the availability of the necessary resources and their effectiveness in performing the tasks and tasks assigned to them.
- 4- Recommending to the Board of Directors the appointment of the manager of the internal audit unit or department or the internal auditor and propose his remuneration.

■ The Auditor:

- 1- Recommending to the Board of Directors to nominate and dismiss auditors, determine their fees and evaluate their performance, after verifying their independence and reviewing the scope of their work and the terms of contracting with them.
- 2- Verifying the auditor's independence, objectivity and fairness, and the effectiveness of the audit work, taking into account the relevant rules and standards.
- 3- Reviewing the company's auditor's plan and his work, verifying that he has not submitted technical or administrative works that are outside the scope of the audit work, and expressing his views on that.
- 4- Answer the company's auditor's inquiries.
- 5- Verification to enable the auditor to perform his work and not conceal information about him.
- 6- Study the auditor's reports and notes on the financial statements and follow up on what has been taken in their regard.

Guarantee of Obligation:

- 1- Review the results of the reports of the regulatory authorities and verify that the necessary measures have been taken in their regard.
- 2- Verify the company's compliance with the relevant laws, regulations, policies and instructions.
- 3- Reviewing the proposed contracts and transactions that the company conduct with related parties, and submitting its opinions on this to the Board of Directors.
- 4- Raise what it deems to be issues that it deems necessary to take action in its regard to the Board of Directors, and to make recommendations on the measures to be taken.

Five meeting of the Committee was held in 2020 and the attendance record as follow:

Member	Membership status	First meeting 23/04/2020	Second meeting 12/5/2020	Third meeting 18/6/2020	Forth meeting 17/8/2020	Fifth meeting 8/11/2020	remarks
Saud Saeed Aqal Alojaifi	Committee Member— member of the board of directors - Independent	✓	✓	✓	✓	✓	5/5
Omar Rabeh Siter Alsulami	Committee Member- not member of the board of directors	✓	✓	✓	√	✓	5/5
Zahir Fadalseed Humaidah Aldabi	Committee Member– not member of the board of directors	✓	✓	✓	✓	✓	5/5

Experiences:

S	Name	Current profession	Previous profession	Qualifications	Experiences
1	Saud Saeed Aqal Alojaifi (Independent)	Director of the law firm and legal advice and a partner at the First Law Firm.	Head of the (Investigator) Department at the Investigation and Public Prosecution Department.	Master of Criminal Justice, Institute of Public Administration, Bachelor of Systems, King Abdulaziz University	More than 23 years in investigation and public prosecution, experience in the field of advocacy and legal advice
2	Omar Rabeh Siter Alsulami	financial consultant	financial consultant	Master	Member of the National Commercial Committee of the Council of Saudi Chambers - Member of Jeddah Chamber of Commerce Committee - Member of the Board, Al Ber Charitable Society in Al Gharif - Member of the Saudi Economic Association - Member of Saudi Management and Development - Founding and owner of each of: - Lamasat International Trade and Contracting - Building Economy for Real Estate - Center of Excellence for Consulting.
3	Zahir Fadalseed Humaidah Aldabi	Senior Accountant	Senior Accountant	Diploma of account (Honor)	Employed in the field of hotels tourism as an accountant, more than 15 years of experience in Raydan food company

In light of the work done by the committee during the year 2020, the audit committee believes that there is no deficiency or any fundamental change in the internal audit and control systems, and that they are effective in preventing and discovering fundamental errors, and that there has been no fundamental breach or violation of the internal control systems during the year 2020.

2. Remuneration and Nomination Committee:

The Remuneration and Nomination Committee was formed in accordance with Article (60), Article (64), and Paragraph (7) of Article (50) of the Corporate Governance Regulations issued by the Capital Market Authority. And in accordance with Article (2) of the remuneration and nomination committee - approved by the company. The committee undertakes to study the issues pertaining to it or referred to it by the Board of Directors, and it is submitted Its recommendations to the council to take a decision regarding them, or to take decisions if the board delegated to it to do so, and the committee informs the board of directors of its findings, decisions or recommendations.

With regard to remunerations, the committee shall be responsible for the following:

- 1- Clarify the relationship between the bonuses granted and the applicable remuneration policy, and indicate any material deviation.
- 2- Periodic review of the remuneration policy, and evaluation of its effectiveness in achieving the objectives sought from it.
- 3- Recommending to the Board of Directors the remuneration of members of the Board of Directors, the committees emanating from it, and the senior executives of the company, in accordance with the approved policy.

The committee shall specialize in it regarding nominations with the following:

- 1- Proposing clear policies and standards for membership in the Board of Directors and executive management.
- 2- Recommending to the Board of Directors to nominate and re-nominate its members in accordance with the approved policies and standards.
- 3- Preparing a description of the capabilities and qualifications required for membership in the Board of Directors and occupying executive management positions.
- 4- Determine the time that the member should allocate to the work of the board of directors.
- 5- Annual review of the necessary needs of skills or appropriate experiences for board membership and executive management functions.
- 6- Review the structure of the Board of Directors and executive management and make recommendations regarding possible changes.
- 7. Checking on an annual basis the independence of the independent members, and the absence of any conflict of interest if the member occupies the board of directors of another company.
- 8- Establish job descriptions for executive members, non-executive members, independent members and senior executives.
- 9- Establishing special procedures in case the position of a member of the board of directors or senior executives becomes vacant.

- 10- Evaluate the performance of the Board of Directors, the committees emanating from it, and the Executive Management, and submit their results to the Board of Directors, with recommendations for a plan to address the aspects that need development.
- 11- Identifying weaknesses and strengths in the board of directors, and proposing solutions to address them in line with the interest of the company.

The following is statement in the names and attendance record of the Committee members during 2020:

Member	Membership status	First meeting 23/07/2020	Second meeting 01/09/2020	Third meeting 28/12/2020	remarks
Saud Saeed Aqal Alojaifi	Head of the Committee– member of the board of directors - Independent	✓	✓	✓	3/3
Khaled Awadallah Alsulami Head of the Committee– executive member of the board of directors		✓	✓	✓	3/3
Jamal Naser Ahmed Abdulkareem	Committee Member- not member of the board of directors	✓	✓	✓	3/3

Experiences:

S	Name	Current profession	Previous profession	Qualifications	Experiences
1	Saud Saeed Aqal Alojaifi (Independent)	Director of the law firm and legal advice and a partner at the First Law Firm.	Head of the (Investigator) Department at the Investigation and Public Prosecution Department.	Master of Criminal Justice, Institute of Public Administration, Bachelor of Systems, King Abdulaziz University	More than 23 years in investigation and public prosecution, experience in the field of advocacy and legal advice
2	Khaled Awadallah Ahmed Alsulami	A businessman who runs his own group of establishments	A businessman who runs his own group of establishments	Bachelor of Science in Management Sciences at King Abdulaziz University. Diploma in Management Technology Technical College.	Real estate investment and petroleum services
3	Jamal Naser Ahmed Abdulkareem	The financial director of Ryadan food company	Head of the Accountings	Bachelor of Commerce – department of Accounting	Granted Bachelor of Commerce – department of Accounting, now serves as the financial and executive director of Raydan food company. He served as the head of the accountings for Rydan food company from 2014 up to date, and the head of the workshop accounting. He employed for Hassan Rabie for accounting in Egypt.

3- The Executive Committee:

The Executive Committee was formed in accordance with the Corporate Governance Regulations issued by the Capital Market Authority: Its duties and responsibilities are summarized as follows:

- 1. Drawing up the general strategies, policies and objectives of the company in coordination with the Board of Directors, and studying and proposing the economic objectives of the projects, investments and general policies of the company.
- 2. Discussing with the company administrators about the estimated budgets to achieve its goals.
- 3. Set a future vision to develop and increase the company's profits through market trends, with the aim of achieving better returns for shareholders.
- 4. Review and approval of the CEO's recommendations.

The following is statement in the names and attendance record of the Committee members during 2020:

Member	Membership status	First meeting 04/02/2020	Second meeting 14/07/2020	Third meeting 14/07/2020	Forth meeting 23/07/2020	Fifth meeting 27/12/2020	remarks
Fawzan Abdullah Saad Alharthi	Committee Head- not member of the board of directors - Independent	✓	✓	√	✓	√	5/5
Mansour Nasser Awadallah Alsulami	Committee Member— not member of the board of directors	×	✓	✓	✓	✓	5/5
Jamal Nasser Ahmed Abdulkareem	Committee Member— not member of the board of directors	not member of the		✓	5/5		
Ziyad Saad Saeed Almowalad	Committee Member— not member of the board of directors	√	✓	✓	Membership expires		3/3
Hatem Salem Hassan Banasser	Committee Member— not member of the board of directors	√	×	×	Membershi	p expires	3/1

Experiences:

S	Name	Current profession	Previous profession	Qualifications	Experiences
1	Fawzan Abdullah Saad Alharthi	CEO of Raydan Food Company	General Director of human Resources, Administrative Affairs, Operations and Regions of Al Sawani Company	PhD in Business Administration	CEO of Raydan Food Company. General Director of human Resources, Administrative Affairs, Operations and Regions of Al Sawani Company for 24 years. He also worked in directing the liquidation of Sama Company for Transmission and Distribution. In 1996, he established 2 fruits for foodstuff factory, and established procedural rules and regulations for the implementation of the works. Experience in establishing companies and establishments.
2	Jamal Nasser Ahmed Abdulkareem	Financial Director of Raydan Food Company,	Head of accounting	Bachelor of Commerce Accounting Division	Granted Bachelor of Commerce – department of Accounting, now serves as the financial and executive director of Raydan food company. He served as the head of the accountings for Rydan food company from 2014 up to date, and the head of the workshop accounting. He employed for Hassan Rabie for accounting in Egypt.

3	Mansour Nasser Awadallah Alsulami	General Manager of Operations for Rabdan Food	General Director of Control and Follow- up, Raydan Food Company	Master of Business Administration	More than 8 years of experience in implementing successful monitoring and follow-up strategies to achieve the action plan according to its correct path and motivate the work teams to achieve the greatest results, Experienced in following up the planned jobs, detecting errors when they occur and dealing with them, skilled in enhancing cooperation between all departments and divisions to implement work tasks as required, perfect communication with the work team and contribute to preserving the rights of all employees, clients and stakeholders who deal with the establishment. Currently working as a the designated general manager of Operation of Raydan Food Company. He also worked as the General Manager of Control and Follow-up for Raydan, Company, General Manager of Workshop Operation and Marketing Supervisor.
4	Ziyad Saad Saeed Almowalad	Director of Human Resources	Director of Human Resources	Human Resources Diploma	More than 13 years of experience, where he held several positions, including assistant accountant at Al-Qadi Poultry Company, marketing and customer service representative at Afras Al-Watan Company, and he is currently working as director of the human resources at Raydan Food Company.
5	Hatem Salem Hassan Banasser	General Manager of Projects and Franchises for Raydan Food Company	Head of the Employment Division at the International Medical Center	Bachelor of Architectural Engineering	More than 17 years of experience, great experience in the perception and planning of various addition and hotel services, the best in preparing specifications and standards pamphlets, drafting systems and procedures for companies and organizations, and managing employment contracts. Worked as the head of the employment sector in the International Medical Center, the resource development and development consultant development and resource at Alsalam Internal center. General Manager of Property Maintenance at Saudi Airlines Company for Real Estate Development and growth (SARD) and General Director of Maintenance and Operation at Saudi Airlines in Jeddah.

4- Governance and Risk Committee

The Governance and Risk Committee was formed with the aim of conforming to Article (70), Article (71), and Article (72) of the Corporate Governance Regulations issued by the Capital Market Authority, and its important tasks are summarized as follows:

- 1. To attend committee meetings.
- 2. Ensuring integrity in the implementation of the committee's affairs and its meetings.
- 3. Obtaining the adequate skills and training necessary to participate in the implementation of the committee's affairs.
- 4. Participate in the committee's decisions and vote on them.
- 5. Provide the committee chair (and his deputy) with full support in preparing meeting agendas and confirming meeting minutes.

- 6. Inform other members of the committee of any changes in regulations and practices that affect the roles and responsibilities of the committee.
- 7. The chairman of the committee or whomever he deputizes from among its members may attend the general assemblies to answer shareholders questions..

The following is statement in the names and attendance record of the Committee members during 2020:

Member	Membership status	First meeting 19/02/2020	Second meeting 24/11/2020	Third meeting 06/12/2020	remarks
Fahad Nasser Awadallah Alsulami	Head of the Committee– not member of the board of directors	✓	✓	✓	3/3
Abdullah Ali Abdullah Alalawi	Committee Member– not member of the board of directors	√	√	√	3/3
Mansour Nasser Awadallah Alsulami	Committee Member– not member of the board of directors	√	√	√	3/3

Experiences:

S	Name	Current profession	Previous profession	Qualifications	Experiences
1	Fahad Nasser Awadallah Alsulami	Director of Shareholder Affairs and Relations,	Shareholder Affairs and Relations Manager	Bachelor of Public Administration	More than 13 years in the field of work, where he worked as Director of Administrative and Financial Affairs at Al-Salami Group and General Director of the Al-Raouche confectionary establishment and is currently the Director of Shareholder Affairs and Relations at Raydan Food Company
2	Abdullah Ali Abdullah Alalawi	Director of Development Affairs,	Director of Development Affairs	Bachelor of Business Administration	More than 20 years of experience in the field of work in implementing management strategies in international brands and restaurants, and motivating work teams to achieve the largest results. He has experience in the field of disclosure on Tadawul and Financial Market Authority websites, and TADAWLATI is a strong human resource professional with a Bachelor's degree in Business Administration from Bircham International University.
3	Mansour Nasser Awadallah Alsulami	Director General of Operations	Director General of Supervision and Follow-up	Master of Business Administration	More than 8 years of experience in implementing successful monitoring and follow-up strategies to achieve the action plan according to its correct path and motivate the work teams to achieve the greatest results, Experienced in following up the planned jobs, detecting errors when they occur and dealing with them, skilled in enhancing cooperation between all departments and divisions to implement work tasks as required, perfect communication with the work team and contribute to preserving the rights of all employees, clients and stakeholders who deal with the establishment. Currently working as a the designated general manager of Operation of Raydan Food Company. He also worked as the General Manager of Control and Follow-up for Raydan, Company, General Manager of Al-Raouche Operation and Marketing Supervisor.

7-6 Disclosure of rewards

The company has prepared the remuneration policy for members of the Board of Directors of Raydan Food Company, its committees and the executive management, in accordance with the provisions of Paragraph (1) of Article (61) of the Corporate Governance Regulations issued by the Board of the Capital Market Authority, and approved by the Company's General Assembly, and taking into account the remuneration granted to members of the Board of Directors and senior Executives comply with the approved policy, and the company also confirms that there is no material deviation from this policy.

7-7 General Standards of Rewards

- 1- Its consistency with the company's strategic plans, long-term and short-term goals, its activities, the sector in which it operates, the skills required to manage it, and the size, nature and degree of risks of the company.
- 2- Induce the members of the board of directors, its committees and the executive management to make the company successful and develop in the long run, and to link the variable part of the remuneration with long-term performance.
- 3- That the remuneration is determined based on the level of the position, the tasks and responsibilities entrusted to the occupant, and the level of performance, in addition to the objectives set by the Board of Directors to be achieved during the fiscal year
- 4- Taking into consideration the practices of other companies in determining remuneration, while avoiding the unjustified increase in rewards and compensation that may result from that.
- 5- To aim at attracting, maintaining and motivating professional talents, without exaggerating them
- 6- To prepare in coordination with the Remuneration and Nominations Committee of the company upon new appointments
- 7- Stopping the payment of the bonus or refunding it if it appears that it was decided based on inaccurate information provided by a member of the board of directors or the executive management, this is to prevent the employment situation being exploited for undue rewards.

The policy stated that the remuneration of the Board of Directors and its committees emanating from it shall be as follows:

- The remuneration of the members of the Board of Directors and its committees emanating from it consists of a specific amount and an attendance allowance for sessions or expenses, in a manner that does not exceed what is stated in the Companies Law, its bylaws, and the Articles of Association of the company, as per the following details:
- An annual remuneration of (50,000) SR. for each member of the board of directors.
- An annual bonus of (5000) SR. for each member of the committees emanating from the board of directors.
- An allowance for attending sessions amounting to (1000) SR. per session for each member, whether in the board of directors or in its committees emanating from it.
- Allowances and other benefits, such as travel expenses, etc., shall be added according to the company's policy.

The policy also stated that the remuneration of the executive management shall be according to the following:

- B) The company grants its senior executives specific financial benefits based on the salary scale and its approved policies in this regard. Remuneration for the executive management includes the following:
- Basic salary
- Medical insurance for him and his family.
- Transfer allowance.
- Housing allowance.
- Annual tickets for him and his family to be given on his annual vacation.
- An annual bonus determined according to performance.

We shall explain the statement of the rewards and payments to the executive and non-executive members of the board of directors, and five of the senior executives during 2020 (in Thousand SR.) as follow:

7	The paid payments to	o the Board of Di	rectors during 2020	
	para payments t		he Fixed Rewards	
Statement	Certain amount	Allowance for attending the board session	What received by the board members as employees or administrators, and what they received against technical or consulting works	Total
	First : T	he independent M	embers	
Saud Saeed Aqal Alojaifi	50	5	0	55
Hassan Shaler Saleh Alsahafi	50	5	0	55
Abdulraoof Alsadiq Alqaydi	50	5	0	55
Total	150	15	0	165
	Second:	Non-executive M	embers	
Awadallah Ahmed Alsulami	50	5	0	55
Nasser Awadallah Alsulami	50	5	0	55
Mesah Awadallah Alsulami	50	5	0	55
Khaled Awadallah Alsulami	50	5	0	55
Total	200	20	0	220
	Third:	The executive Me	mbers	
Mansour Awadallah Alsulami	50	5	0	55
Total	50	5	0	55
			rectors during 2020	
The committee		nnual rewards executive commit	Allowance for sessions attending	Total
Fawzan Abdullah Saad Alharthi		5	5	10
Mansour Awadallah Alsulami		5	4	
Jamal Nasser Ahmed Abdulkaree	m	5	5	10
Ziyad Saad Saeed Almowalad		3	3	6
Hatem Salem Hassan Banasser		3	1	4
Total		21	18	39
	Th	e Audit Committe	ee	
Saud Saeed Aqal Alojaifi		5	5	10
Hassan Shaler Saleh Alsahafi		5	5	10
Zahir Fadalseed Humaidah Aldab	i	5	5	10
Total		15	15	30
	Committee o	of Rewards and N	ominations	
Saud Saeed Aqal Alojaifi		5	3	8
Khaled Awadallah Alsulami		5	3	8
Jamal Nasser Ahmed Abdulkaree	m	5	3	8
Total		15	9	24
Estad Nassan A. 1 11 1 A1 1		companies governa		
Fahad Nasser Awadallah Alsulam	11	5	3	8
Abdullah Ali Abdullah Alalawi		5	3	8
Mansour Nasser Awadallah Alsul	amı	5	3	8
Total		15	9	24

	Rewards of the seniors executives during 2020									
Statement	Salaries	Allowances	Benefits in kind	Total	Periodic rewards	Total	Benefits of end of service	Total rewards of executive of the board if any	Total	
Mansour Awadallah Alsulami (managing director ,board of directors member	827	289	0	1,116	0	0	93	50	1,259	
Nine of the senior executives including the CEO and financial director	1,222	373	0	1,595	0	0	107	0	1,702	

All salaries and bonuses have been charged to the expenses of the year 2020. In this regard, the company affirms the following:

- There are no arrangements or agreements under which a member of the board of directors or a senior executive waived any Salary or compensation.
- There are no arrangements or agreements whereby any of the company's shareholders waived any rights to profits.
- There are no other investments or reserves created for the benefit of the company's employees.

7-8 Percentage of ownership of shares and its changing for members of the board of directors and senior executives and their spouses and minor children.

The following table explains the percent of Raydan shares owned by the board of directors during 2020:

S	Shareholder	Percent of shares at the beginning of 2020(%)	Percent of shares at the end of 2020(%)	Change during a year	Percent of change (%)
1	Awadallah Ahmed Alsulami	11,29	1,77	9,52	0,84
2	Nasser Awadallah Ahmed Alsulami	8,40	4,84	3,56	0,42
3	Mansour Awadallah Ahmed Alsulami	20,64	13,33	7,31	0,35
4	Meshal Awadallah Ahmed Alsulami	6,85	3,44	3,41	0,50
5	Khaled Awadallah Ahmed Alsulami	2	1,11	0,89	0,45
6	Saud Saad Alojaifi	-	-	-	-
7	Hassan Shakir Alsahafi	-	-	-	-
8	Abdulraoof Alsaiq Alqaydi	-	-	-	-

Seniors Executives (without the managing director) their wives and minor kids:

There are no shares owned by senior executives and their spouses and minor children during the year 2020

7-9 Dealings with related parties

During the fiscal year 2020, some transactions continued, in which the company was a party, and some of these transactions were agreed upon in previous years and come as an extension of continuous relations that began before the fiscal year 2018.

We summarize the transactions in the table below:

A) Due from related parties (in Thousand SR.):

S	Name of the related party	Nature of the deal	Names of business		mount ; a year	Closing balance		
	related party		concerned	2020	2019	2020	2019	
1	Aljonah For Desserts & Catering	Rents revenues and expenses paid on behalf of the party	Partners of the company ,Mr. Nassar Awadallah Alsulami ,and Mr./ Meshal Awadallah Alsulami ,shareholders in Rydan Food Company	2,732	2,814	6,217	3,989	
2	Algalzam Distinguished Food Company Ltd	Sales	Mr. Nassar Awadallah Alsulami ,vice chairman of Rydan food company , owns 50% of Algalzam Distinguished Food Company Ltd	-	-	-	34	
3	Farah Parties Hall	Sales revenues and expenses paid on behalf of the party	Mr./Mansour Awadallah Alsulami ,owns the establishment owns the parties hall	2,313	2,107	-	3,449	
4	Kebab Restaurant & baladi liver	Sales revenues and expenses paid on behalf of the party	Mr./Mansour Awadallah Alsulami ,owns the establishment	-	9	-	180	
		Total		<i>5,045</i>	4,930	6,217	7,652	

B) Due from related parties (in Thousand SR.):

S	Name of the related party	Nature of the deal	Names of business concerned	у	unt during a ear	Closing	
	related party deal			2020	2019	2020	2019
1	Khaled Alsulami trading establishment	Purchases	Mr./ Khaled Wadalla Alsulami ,member of board of directors, owner of the establishment Partners of the company ,Mr. Nassar Awadallah Alsulami ,and Mr./ Meshal Awadallah Alsulami ,shareholders in Rydan Food Company , Rydan Food Company owns 30% of the shares of Aljonah For Desserts & Catering	-	835	-	175
2	Aljonah For Desserts & Catering	Purchases	Mr. Nassar Awadallah Alsulami ,vice chairman of Rydan food company , owns 50% of Algalzam Distinguished Food Company Ltd	507	455	9,892	9,837
3	Algalzam Distinguished Food Company Ltd	Purchases	Mr. Nassar Awadallah Alsulami ,vice chairman of Rydan food company , owns 50% of Algalzam Distinguished Food Company Ltd	-	20	-	-
4	Mansour Alsulami	Deals	Mr./Mansour Awadallah Alsulami ,owns the establishment owns the parties hall	-	-	238	172
5	Farah Parties Hall	Deals	Mr./ Mansour Awadallah Alsulami ,owns the establishment owns the parties hall	-	-	1,078	-
		Total		507	1,310	11,208	10,184

The company confirms that the financial statements were prepared during the fiscal year 2020 in accordance with the international accounting standards approved by the Saudi Organization for Certified Public Accountants.

7-10: Company auditors

Raydan confirms that the financial statements were prepared during the fiscal year 2020 in accordance with the International Financial Reporting Accounting Standards approved by the Board of Directors of the Saudi Organization for Certified Public Accountants.

7-11 Declarations of the Board of Directors

The company's board of directors acknowledges the following

- That the account records were prepared correctly.
- The internal control system was prepared on a perfect basis and was effectively implemented.
- There is no doubt about the ability of the company to continue its activity.

The company's board of directors also confirms

- That there is no penalty, sanction or precautionary restriction imposed on Raydan from the Capital Market Authority or any supervisory, regulatory or judicial body except what was mentioned in this report
- Operating performance and its results as disclosed in the financial statements and their explanations.
- The company undertakes to applying international accounting standards, and the board of directors undertakes to provide the Capital Market Authority with any additional information at any time regarding the conservative opinion of the financial statements.

7-12: Corporate governance

Raydan issued its corporate governance rules, and the company is constantly reviewing and defining these policies in accordance with the relevant laws and regulations. Which:

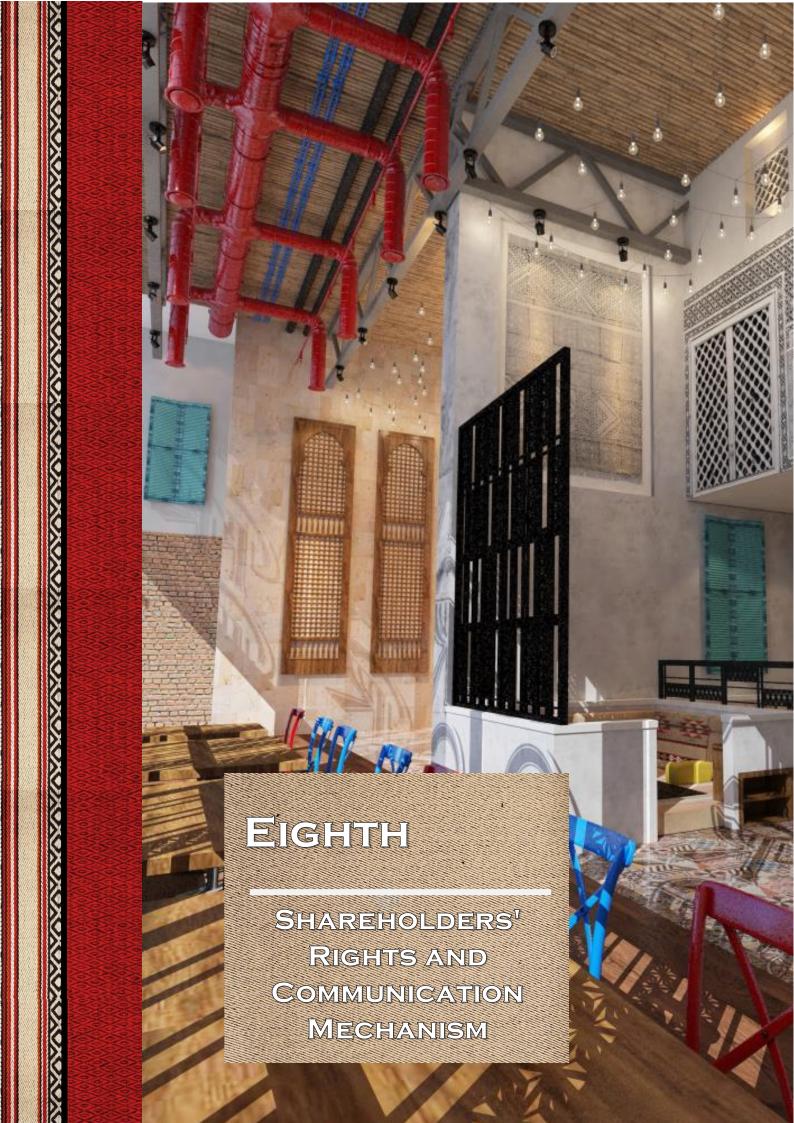
- I- Review Committee work regulation.
- 2- Regulations for the Remuneration and Nominations Committee.
- 3- Policies, standards and procedures for membership in the Board of Directors.
- 4- The remuneration policy for members of the board of directors, its committees, and the executive management.
- 5 Corporate Governance manual.
- 6 Profit distribution policy.
- 7 Board of Directors work procedures policy.
- 8 Disclosure policy and procedures.
- 9 Policy for handling conflict of interest cases.
- 10. Policy and procedures regulating the relationship with stakeholders
- 11. Policy of professional conduct and ethical values.

Work has also been made to review the company's policies and regulations on an annual basis. It is worth noting that there are some provisions that do not apply to Raydan, and they include the following:

- Raydan did not provide any cash loan of any kind to any of its board members,
 nor did it guarantee any loan made by one of its board members with others.
- Raydan does not have convertible debt instruments or any contractual securities, subscription rights memoranda or similar rights issued or granted by Raydan during the year 2020
- There are no transfer or subscription rights under convertible debt instruments, contractual securities, subscription rights, or similar rights issued or granted by Raydan during the year 2020.
- Raydan has no refund, purchase or cancellation of any refundable debt instruments.
- Raydan does not have franchise shares or shares that enjoy special priority in voting, whether for the shareholders or members of the board of directors, and that all Raidan shares are ordinary shares of equal nominal value and equal voting rights and other rights according to the law.
 - Raydan is subject to zakat in accordance with the regulations of the General
 Authority for Zakat and Income in the Kingdom of Saudi Arabia, and the Zakat
 provision due annually is recorded and charged to the income statement. The
 adjustments that occur upon the final assessment of Zakat if any are recorded in the
 period in which the assessment is made.
 - The company's external auditor during the year 2020 did not provide any services of a consulting character for the company and he did not receive any fees in this regard

The company applies all the provisions of the Corporate Governance Regulations issued by the Capital Market Authority, with the exception of the following:

No. of Article		Reasons for non-
/ Clause	Text of Article / Clause	application
Forty One	Evaluation A) a. Based on the approval of the Nominations Committee, the Board of Directors sets the necessary instruments to annually evaluate the performance of the Board, its members, committees and executive management, through appropriate performance indicators related to the extent to which the strategic objectives of the company are achieved, the quality of risk management, and the adequacy of internal control systems, etc. Consistent with the interest of the company	Guiding material for the board to study the options available for choosing an independent body to set up mechanisms for evaluating the council, its members, committees, and executive management
Eighty Five	Motivate employees The company establishes programs to develop and stimulate the participation and performance of the company's employees, provided that they include - in particular - the following: 1- Forming committees or holding specialized workshops to listen to the views of the company's employees and discuss with them the issues and topics that are the subject of important decisions. 2- Programs granting employees shares in the company or a share from the profits it realizes and retirement programs, and an independent fund has been established to spend on these programs. 3- Establishing social institutions for company employees.	Guiding material and the company has a n incentive programs
Eighty eight	Social work initiatives The Board of Directors sets the programs and defines the necessary means to present the company's initiatives in the field of social work, and this includes the following: 1- Establishing measuring indicators linking the company's performance with the initiatives it offers in social work, and comparing this with other companies of similar activity. 2- Disclose of the goals of the social responsibility that the company adopts for its employees, and their awareness and education about them. 3- Disclose of social responsibility verification plans in the periodic reports related to the company's activities. 4- Establishing community awareness programs to introduce the company's social responsibility.	Guiding material and the company has some initiatives, but the company sets certain programs or indicators of measuringetc



Shareholders' Rights and Communication Mechanism

8-1: Shareholders' proposals and their remarks

During the year 2020, the Board of Directors informed its members, especially the non-executive members, of all inquiries and proposals received from shareholders, and the Board was briefed to study them and take opinion on each of them separately, to approve what is in line with Raydan's policy and in a manner that does not contradict the laws and regulations.

8-2: Mechanisms for communicating with our shareholders

Based on Raydan's concern and interest in the rights of its shareholders, Raydan has included all the rights of shareholders and stakeholders in the company's articles of association, and these rights have been focused on in detail in Raydan's governance principles, policies and procedures. All these documents can be found on the Raydan website www.Raydan.com.sa, and there is also a special department of Raydan to follow up shareholder affairs, which performs its duty towards Raydan shareholders through continuous communication, responding to inquiries and following up on any potential problems that the shareholders may face regarding the distribution of profits or others, and it is possible to communicate with the Department of Shareholders Affairs directly via the company's website or through e-mail info.raydan.com.sa or by phone +966126782277 Fax: +966126780505.

Shareholders' Rights and Communication Mechanism

8-3: The most important events and developments during the year:

During the year 2020, Raydan witnessed many events and developments, which we explain in the following table:

Date	The Event or Development	
31/12/2020	Rabdan Food Company announces the submission of the company's capital increase file by offering priority rights shares to the Capital Market Authority	
28/12/2020	Rabdan Food Company announces the latest developments regarding the signing of a contract with Al Hayal Restaurant and Kitchen Establishment to provide meals	
03/12/2020	Raydan Food Company announces the signing of a contract with the Al-Marsa Dreams Resort, one of the Al-Hinnawy Experimental Group establishments	
11/11/2020	Raydan Food Company announces the interim financial results for the period ending on 30-09-2020 (nine months)	
04/11/2020	Rabdan Food Company announces the latest developments regarding the signing of a franchise contract with the Venetian Tower for confectionary	
28/10/2020	Raydan Food Company announces rescheduling of a Murabaha financing contract with the Saudi Oryx Financial Leasing Company	
26/10/2020	Addendum announcement from Raydan Food Company regarding the signing of a commercial franchise contract with Jalal Rahim Abdul Rahman Al-Maghribi Contracting Est.	
14/10/2020	Addendum announcement from Radan Food Company regarding the signing of a commercial franchise contract with the Abdul Hafez Ahmed Al Makoush Establishment	
11/10/2020	Raydan Food Company announces closing of its branch in Al-Ahdal in Al-Waziriya district in Jeddah	
29/09/2020	A supplementary announcement from Raydan Food Company regarding the sale of raw lands (no construction on it) owned by the company, with a value of 4,140,000 Saudi SR., including the VAT	
24/09/2020	A supplementary announcement from Raydan Food Company regarding the sale of raw lands (no construction on it) owned by the company, with a value of 4,140,000 Saudi SR., including the VAT	
24/08/2020	Raydan Food Company announces the Board of Directors about recommendation to increase the company's capital through a rights shares priority	
27/07/2020	Raydan Food Company announces the preliminary financial results for the period ending on 30-06-2020 (six months)	
20/07/2020	A supplementary announcement from Raydan Food Company about the impact of the precautionary measures taken to limit the spread of the Coronavirus (COVID-19) pandemic on its business	
22/06/2020	Raydan Food Company announces that it has signed a contract with Soul Advanced Company Ltd.	
22/06/2020	Announcement from Raydan Food Company regarding the interim financial results for the period ending on 31-03-2020 (three months)	
18/06/2020	Raydan Food Company announces the interim financial results for the period ending on 31-03-2020 (three months)	
14/06/2020	Raydan Food Company announces the results of the Ordinary General Assembly meeting (first meeting)	
11/06/2020	Corrective announcement from Raydan Food Company's announcement regarding electronic voting	
19/05/2020	Raydan Food Company announces to its shareholders the date of the start of electronic voting on the agenda items of the Ordinary General Assembly Meeting No. (the first meeting)	
27/04/2020	Raydan Food Company announces the invitation of its shareholders to attend the Ordinary General Assembly meeting (first meeting)	
15/04/2020	Raydan Food Company announced the annual financial results ending on 31-12-2019	
09/04/2020	Raydan Food Company announces the impact of its activities from the precautionary decisions issued recently to limit the spread of the emerging corona virus (19-COVID)	
31/03/2020	Raydan Food Company announces that it was unable to affect its consolidated annual financial results ending on 31-12-2019 on (Tadawul) at the specified time	
24/03/2020	Raydan Food Company (Raydan) announces the temporary closing of its restaurants located inside the commercial complexes, the shortening of service to restaurants outside the commercial complexes, and the home delivery service	
13/01/2020	Raydan Food Company announced the signing of two contracts with Burj Al Bunduqa Commercial confectionary Corporation	

