

RIDAN COMPANY FOOD
(LISTED COMPANY)

INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
WITH THE INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE -MONTH PERIOD ENDED 31 MARCH 2026

RIDAN COMPANY FOOD
(LISTED COMPANY)

INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE -MONTH PERIOD ENDED 31 MARCH 2026

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

**TO THE SHAREHOLDERS OF RIDAN COMPANY FOOD
(LISTED COMPANY)**

(1/2)

INTRODUCTION

We have reviewed the accompanying interim condensed financial statements as at 31 March 2026, of **Raydan Food Company - listed company-** (the "Company") which comprises:

-  The interim condensed statement of financial position as at 31 March 2026.
-  The interim condensed statements of profit or loss and comprehensive income for the three-month period then ended 31 March 2026.
-  The interim condensed statement of changes in equity for the three-month period ended 31 March 2026.
-  The interim condensed statement of cash flows for the three-month period then ended 31 March 2026, and;
-  The notes to 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 condensed our review in accordance with the International Standard for Review Engagements (2410) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as endorsed in the Kingdom of Saudi Arabia. A review of the interim condensed financial statements consists of making inquiries primarily of the persons responsible for financial and accounting matters and applying analytical and other review procedures. The review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing (ISAs) as endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all the significant matters that might be identified. during the 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 International Accounting Standards (34) "Interim Financial Reporting" that is endorsed in the Kingdom of Saudi Arabia.

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

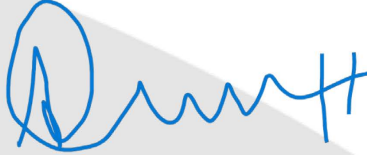
**TO THE SHAREHOLDERS OF RIDAN COMPANY FOOD
(LISTED COMPANY)**

(2/2)

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We would like to draw attention to Note (19) to the interim condensed financial statements, which indicates that the Company's total accumulated losses as of March 31, 2026 amounted to SAR 62,101,186 representing 84.9% of capital (December 31, 2025: SAR 55,989,599, representing 76.6% of capital). The Company's current liabilities also exceeded its current assets, resulting in a working capital deficit of SAR 56,716,477 (December 31, 2025: SAR 60,040,163). These matters, together with the matters described in Note (19), indicate the existence of significant doubt about the Company's ability to continue as a going concern. Nevertheless, the Company primarily relies on the implementation of its business plans to generate sufficient cash flows to enable it to meet its obligations as they fall due and continue its operations. Accordingly, the interim condensed financial statements of the Company have been prepared on a going concern basis. Our conclusion has not been modified in respect of this matter.

**For PKF Al Bassam
Chartered Accountants**



Ahmed A. Mohandis
Certified Public Accountant
License No. (477)
Jeddah: **27 Dhu al-Qi'dah 1447**
Corresponding to: **14 May 2026**



	Note	31 March 2026 (Unaudited)	31 December 2025 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment, net	4	59,510,901	71,356,176
Right-of-use assets, net	5	40,343,284	36,605,890
Investments in associate through equity method	6	14,672,061	16,205,833
Intangible assets, net		132,271	142,526
Total non-current assets		114,658,517	124,310,425
Current assets			
Inventories		874,096	1,208,377
Trade receivables, net	8	5,223,384	4,796,320
Due from a related party	15	1,166,326	1,166,326
Prepayments and other receivables	9	4,979,544	3,714,321
Cash and cash equivalents		811,232	1,353,666
Total current Assets		13,054,582	12,239,010
Total Assets		127,713,099	136,549,435
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity			
Share capital		73,136,030	73,136,030
Accumulated losses		(62,101,186)	(55,989,599)
Total Shareholders' Equity		11,034,844	17,146,431
Liabilities			
Non-current liabilities			
Lease liabilities -Non - current portion	5	40,602,295	37,951,965
End of service benefits		6,304,901	9,171,866
Total non-current liabilities		46,907,196	47,123,831
Current liabilities			
Lease liabilities – current portion	5	7,898,461	9,997,923
Long-term loans – current portion	10	--	3,367,843
Trade payables		21,076,356	24,660,226
Accrued expenses and other payables	11	32,932,513	33,724,205
Provision for potential claims	12	7,326,698	--
Investments in subsidiary company - Under liquidation	7	460,813	452,758
Accrued zakat	14	76,218	76,218
Total Current liabilities		69,771,059	72,279,173
Total Liabilities		116,678,255	119,403,004
Total Shareholders' Equity and Liabilities		127,713,099	136,549,435

Chief Executive Officer
Khalil Kamil Abou Fadel

Chairman of the Board
Nair Bayan Al Sulami

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

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رأس المال : ثلاثة وسبعون مليوناً ومائة وستة وثلاثون ألفاً وثلاثون ريالاً سعودياً (73,136,030 ريالاً سعودياً) - مدفوع بالكامل

INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE THREE- MONTH PERIOD ENDED 31 MARCH 2026
(Expressed in Saudi Arabian Riyals)

7001562359 : CR سجل تجاري رقم

		For the three-month period ended 31 March	
		2026	2025
		(Unaudited)	(Unaudited)
Revenue		19,522,387	44,212,684
Cost of revenue		(20,912,518)	(44,939,238)
Gross (LOSS)		(1,390,131)	(726,554)
Selling and marketing expenses		(1,031,169)	(2,211,780)
General and Administrative expenses		(1,104,065)	(3,578,239)
Operation loss		(3,525,365)	(6,516,573)
Share from investment in associate company Through equity method	6	(1,533,772)	(963,414)
Finance costs		(656,699)	(894,261)
(Losses) on disposal of property, plant and equipment	4	(556,083)	(45,000)
Gain on disposal of right of use assets	5	106,767	--
Other income, net		61,620	577,750
Net Loss before zakat		(6,103,532)	(7,841,498)
Zakat	14	--	--
Net loss after zakat		(6,103,532)	(7,841,498)
Discontinued Operations:			
The Company's Share of Losses of the Subsidiary "Under Liquidation"	7	(8,055)	(738)
Net Loss for the Period		(6,111,587)	(7,842,236)
Other comprehensive income (OCI):			
<i>Items that may be reclassified to profit or loss subsequently</i>			
Exchange differences on translation of foreign operations		--	--
Items that will not reclassified to profit or loss subsequently			
Re-measurement of defined benefit employee obligations		--	--
Total Other comprehensive loss		--	--
Total comprehensive loss		(6,111,587)	(7,842,236)
Loss per share from continuing operations:			
From Net loss	13	(0.8)	(0.5)


Chief Executive Officer
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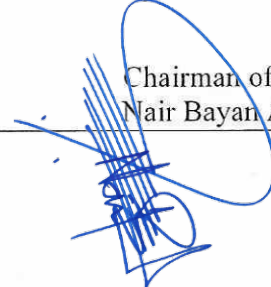
 **INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**
FOR THE THREE -MONTH PERIOD ENDED 31 MARCH 2026
(Expressed in Saudi Arabian Riyals)

	Note	Share capital	Accumulated losses	Foreign currency translation Reserve	Total equity
For the three-month period ended at 31 March 2026					
As at 1 Jan 2026 (Audited)		73,136,030	(55,989,599)	--	17,146,431
Loss for the period		--	(6,111,587)	--	(6,111,587)
Other comprehensive losses		--	--	--	--
Total comprehensive losses		--	(6,111,587)	--	(6,111,587)
As at 31 March 2026 (Unaudited)		73,136,030	(62,101,186)	--	11,034,844
For the three-month period ended at 31 March 2025					
As at 1 Jan 2025 (Audited)		158,084,670	(77,386,141)	279,728	80,978,257
Loss for the period		--	(7,842,236)	--	(7,842,236)
Other comprehensive losses		--	--	--	--
Total comprehensive losses		--	(7,842,236)	--	(7,842,236)
Exclusion of Foreign Currency Translation Reserve of the Subsidiary (Under Liquidation)	7	--	279,728	(279,728)	--
As at 31 March 2025 (Unaudited)		158,084,670	(84,948,649)	--	73,136,021

Chief Executive Officer
Khalil Kamil Abou Fadel



Chairman of the Board
Nair Bayan Al- Sulami



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



INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE THREE -MONTH PERIOD ENDED 31 MARCH 2026
(Expressed in Saudi Arabian Riyals)

	Note	For the three months ended	
		2026	2025
		(Unaudited)	(Unaudited)
Operating activities			
Net Loss Before Zakat from Continuing Operations		(6,103,532)	(7,841,498)
Company's share of discontinued operations – subsidiary under liquidation		(8,055)	(738)
Net loss for the period including loss from discontinued operations		(6,111,587)	(7,842,236)
Adjustments for non-cash items:			
Depreciation of property, plant and equipment	4	2,021,161	2,426,786
Depreciation of right of use assets	5	1,860,476	2,053,427
Amortization of intangible assets		10,255	10,253
Finance cost		656,699	894,261
Provision due from a related party	14	--	304,404
Losses on disposal of property, plant, and equipment	4	556,083	45,000
(Gain) on disposal right of Use Asset	5	(106,767)	--
Share of investment in associates using the equity method	6	1,533,772	963,414
Share of investment in subsidiary		8,055	--
Defined benefit employee liabilities	10	858,032	113,904
		1,286,179	(1,030,787)
Changes in working capital			
Inventory		334,281	(851,370)
Trade receivables		(427,064)	(3,956,181)
Due from a related party		--	(35,366)
Prepayments and other receivables		(1,265,223)	(1,171,755)
Trade payable		(3,583,870)	9,224,770
Accrued expenses and other payables		376,979	5,122,088
Cash flow from operating activities		(3,278,718)	7,301,399
Employee termination benefits paid		(644,319)	(520,940)
Paid Finance Cost		(656,699)	--
Paid zakat	13	--	(526,539)
Net cash generated from operating activities		(4,579,736)	6,253,920
Investing activities			
Purchase of property, plant, and equipment	4	(121,095)	(1,303,576)
Proceeds from disposal of property, plant, and equipment	4	8,219,790	4,388,949
Effect of discontinued operations (liquidation of a subsidiary)		--	439,357
Net cash generated from (used in) investing activities		8,098,695	3,524,730
Financing activities			
Repayment of loans	10	(3,367,843)	(741,882)
Repayment of lease liabilities		(693,550)	(4,989,585)
Net cash (used in) financing activities		(4,061,393)	(5,731,467)
Net change in cash and cash equivalents		(542,434)	4,047,183
Cash and cash equivalents at the beginning of the period		1,353,666	1,199,555
Cash and cash equivalents at the end of the period		811,232	5,246,738

INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE THREE -MONTH PERIOD ENDED 31 MARCH 2026
(Expressed in Saudi Arabian Riyals)

For the three months ended
31 March

	Note	2026 (Unaudited)	2025 (Unaudited)
Non-cash transactions			
Addition to right of use assets	5	(6,090,062)	--
Lease liabilities	5	4,920,726	--
Loss related to retained rights – Right-of-use assets	5	1,169,336	--
Capital Gains– Lease Contract disposal		(598,959)	--
Right of use Asset Disposal		598,959	--
Paid financing charges		(326,870)	796,200
paid finance costs		326,870	(796,200)
Accruals and other credit balances		(1,168,671)	--
lease liabilities		(3,077,349)	--
End of Service Benefit		(3,080,678)	--
Provision for potential claims		7,326,698	--
Accumulated losses		--	(279,728)
Foreign currency translation reserve disposal		--	279,728

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RIDAN COMPANY FOOD
(LISTED COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE -MONTH PERIOD ENDED 31 MARCH 2026
(Expressed in Saudi Arabian Riyals)

1. ORGANISATION AND ACTIVITIES

Raydan Food Company is a Joint Stock Company registered in the Kingdom of Saudi Arabia under Commercial Registration Number 4030180055 and Unified Number 7001562359, issued in Jeddah on 11 Jumada Al-Akhirah 1429H (corresponding to June 15, 2008).

On February 26, 2017, the Company obtained the approval of the Capital Market Authority (CMA) to list 30% of its shares on the Parallel Market “Nomu.” on November 17, 2019, the Company received the CMA’s approval to transfer from the Parallel Market to the Main Market, and accordingly, its shares were listed on the Main Market.

On May 2, 2021, the CMA approved the Company’s request to increase its share capital by SAR 112.5 million through a rights issue, raising the capital to SAR 337.5 million. The capital increase process was completed on August 25, 2021.

Based on the Extraordinary General Assembly meeting held on 9 Rabi’ Al-Awwal 1444H (corresponding to October 5, 2022), it was approved to reduce the Company’s capital from SAR 337,500,000 to SAR 158,084,670 by offsetting accumulated losses amounting to SAR 179,415,330, which represents 53.16% of the Company’s capital.

The Company announced on 29 May 2025, corresponding to 2 Dhul Hijjah 1446H, the recommendation of the Board of Directors to the Extraordinary General Assembly of the Company’s shareholders to restructure the Company’s capital through a capital reduction relating to rights issue shares, On 2 November 2025, the Company announced that the Extraordinary General Assembly approved, by 95%, the Board of Directors’ recommendation to reduce the Company’s share capital through the cancellation of 8,494,864 shares, whereby 0.53736 shares were cancelled for each outstanding share.

The Company’s activity includes managing full-service restaurants and banquet preparation kitchens for events.

The Company’s head office is located in Jeddah – Prince Muteb Street.

The financial statements also include the assets, liabilities, and activities of the Company and its following branches:

<u>Unified National Number</u>	<u>City</u>	<u>Date</u>
7007633535	Jeddah	8 Jumada Al-Akhirah 1432H
7013410050	Jeddah	8 Jumada Al-Akhirah 1432H
7011578882	Jeddah	11 Jumada Al-Akhirah 1432H
7013875823	Jeddah	11 Jumada Al-Akhirah 1432H
7011859142	Jeddah	11 Jumada Al-Akhirah 1432H
7013587386	Jeddah	11 Jumada Al-Akhirah 1432H
7007011252	Jeddah	11 Jumada Al-Akhirah 1432H
7012344623	Jeddah	14 Rabi' Al-Awwal 1435H
7005597849	Jeddah	27 Rabi' Al-Akhirah 1440H
7015122232	Jeddah	7 Rabi' Al-Awwal 1436H
7011473142	Jeddah	11 Jumada Al-Awwal 1436H
7003724049	Makkah	6 Rabi' Al-Awwal 1438H
7002572969	Makkah	3 Jumada Al-Akhirah 1439H
7008773561	Al Qunfudhah	13 Sha'ban 1440H
7003784225	Madinah	25 Muharram 1439H
7040722907	Jeddah	19 Dhu Al-Hijjah 1445H
7040799491	Jeddah	26 Dhu Al-Hijjah 1445H

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE- MONTH PERIOD ENDED 31 MARCH 2026

(Expressed in Saudi Arabian Riyals)

2. BASIS OF PREPERATION

2/1 Statement of Compliance

These condensed interim financial statements for the three-month period ended 31 March 2026, have been prepared in accordance with International Accounting Standard (IAS) 34 – "Interim Financial Reporting", as endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA). The accompanying condensed interim financial statements do not include all the disclosures and information required for full annual financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia. Accordingly, these condensed interim financial statements should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2025.

2/2 Basis of Measurement

The condensed interim financial statements have been prepared based on the historical cost principle, except where International Financial Reporting Standards (IFRS) permit measurement using other valuation methods.

The preparation of the condensed interim financial statements in accordance with IFRS requires management to make judgments, estimates, and assumptions that may affect the application of accounting policies and the reported amounts in the condensed interim financial statements. These significant estimates and assumptions have been disclosed in the annual financial statements for the year ended 31 December 2025.

2/3 Functional and Presentation Currency

Items included in the Company's condensed interim financial statements are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The condensed interim financial statements are presented in Saudi Riyals, which is both the functional and presentation currency.

2/4 Use of judgements and estimates

The preparation of the condensed interim financial statements requires management to make judgments and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The estimates and assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. These are used to determine the carrying amounts of assets and liabilities not readily apparent from other sources. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The significant judgments made by management in applying the Company's accounting policies are consistent with those disclosed in the financial statements for the previous year.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE- MONTH PERIOD ENDED 31 MARCH 2026

(Expressed in Saudi Arabian Riyals)

3. SIGNIFICANT ACCOUNTING POLICIES

3/1 Standards and amendments effective in the current period

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of the standards and amendments	Management impact
IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026	The amendments clarify the recognition and derecognition of financial assets and financial liabilities, including settlement date accounting for certain electronic payment systems. They also provide additional guidance on assessing contractual cash flow characteristics of financial assets, including contingent cash flows arising from environmental, social and governance (ESG)-linked features. The amendments also introduce new and updated disclosure requirements in IFRS 7	The amendments have been adopted during the current period. The adoption did not have a material impact on the Company's financial statements, as the Company's financial instruments and settlement arrangements were not significantly affected.
IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026	These amendments modify the 'own use' requirements and hedge accounting provisions in IFRS 9 for contracts that expose entities to variability in electricity prices due to uncontrollable natural conditions such as weather. Targeted disclosure requirements are introduced in IFRS 7.	The amendments have been adopted during the current period. The adoption did not have a material impact on the Company's financial statements, as the nature of the Company's operations and contractual arrangements did not result in any significant exposure to such contracts.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE- MONTH PERIOD ENDED 31 MARCH 2026

(Expressed in Saudi Arabian Riyals)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3/2 Standards and amendments issued but not yet effective

The following standards and amendments have been issued but are not yet effective for the reporting period ended 31 March 2026, and have not been early adopted by the Company:

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of the standards and amendments	Management impact
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027	IFRS 18 replaces IAS 1 and establishes a new framework for the presentation and disclosure of financial statements. The standard introduces new categories for income and expenses (operating, investing and financing) and requires presentation of new subtotals, including operating profit or loss and profit or loss before financing and income taxes. It also enhances guidance on aggregation and disaggregation, introduces disclosure requirements for management-defined performance measures, and removes classification options for interest and dividends in the statement of cash flows.	Management is currently assessing the impact of IFRS 18. While the standard is expected to result in changes to presentation and disclosures, it is not expected to have a material impact on the recognition or measurement of the Company's assets, liabilities, income or expenses.
IFRS 19	Subsidiaries without Public Accountability	1 January 2027	IFRS 19 permits eligible subsidiaries without public accountability to apply reduced disclosure requirements while continuing to apply full IFRS recognition and measurement principles. The standard affects disclosure requirements only and does not impact recognition or measurement.	Management will assess the applicability of IFRS 19 at the date of adoption. The standard is expected to affect disclosure requirements only and is not expected to have a material impact on the Company's financial position, financial performance or cash flows.

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE- MONTH PERIOD ENDED 31 MARCH 2026
(Expressed in Saudi Arabian Riyals)

4. PROPERTY, PLANT AND EQUIPMENT, NET

4/1 The following is a statement of the net book value of property, plant and equipment:

	<u>Property, Plant, and Equipment</u>	<u>Capital Work in Progress</u>	<u>31 March 2026 (Unaudited)</u>	<u>31 December 2025 (Audited)</u>
<u>Cost:</u>				
Balance at the beginning of the period / year	217,915,261	1,966,554	219,881,815	249,495,599
Addition during the period / year	121,095	--	121,095	1,088,839
Disposal during the period / year (Note 4/8)	(24,809,067)	--	(24,809,067)	(30,702,623)
Balance at the end of the period / year	<u>193,227,289</u>	<u>1,966,554</u>	<u>195,193,843</u>	<u>219,881,815</u>
<u>Accumulated amortization:</u>				
Balance at the beginning of the period / year	112,843,877	--	112,843,877	111,714,119
Charged during the period / year (Note 4/3)	2,021,161	--	2,021,161	9,357,898
Disposal during the period / year (Note 4/8)	(13,123,756)	--	(13,123,756)	(8,228,140)
Balance at the end of the period / year	<u>101,741,282</u>	<u>--</u>	<u>101,741,282</u>	<u>112,843,877</u>
<u>Provision for impairment:</u>				
Balance at the beginning of the period/year	35,681,762	--	35,681,762	42,279,536
Charged during the period / year	(1,740,102)	--	(1,740,102)	(12,149,445)
Reversal of impairment during the period / year (Note 4/7)	--	--	--	5,551,671
Balance at the end pf the period / year	<u>33,941,660</u>	<u>--</u>	<u>33,941,660</u>	<u>35,681,762</u>
Net book values for the period / year	<u>57,544,347</u>	<u>1,966,554</u>	<u>59,510,901</u>	<u>71,356,176</u>

4/2 Provision for obligations for removal, site rehabilitation and dismantling:

Management assesses the contractual obligations included in lease agreements to evaluate the need to recognize obligations related to the dismantling and removal of buildings and improvements to leased premises. As of March 31, 2026, and December 31, 2025, there are no binding contractual terms in the lease agreements that would require the recognition of dismantling and removal obligations.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
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4. PROPERTY, PLANT AND EQUIPMENT, NET (CONTINUED)

4/3 Mortgages of real estate, property and equipment:

During the period ended March 31, 2026, the Company fully settled the loan. Accordingly, the mortgage over the sukuk pledged against this loan was released and there are no other pledged assets (The carrying amount of the mortgaged land as of December 31, 2025: SAR 90,050,652).

4/4 Depreciation charged to the period is distributed as follows:

	31 March 2026	31 March 2025
	(Unaudited)	(Unaudited)
Cost of Sales	1,838,479	2,214,652
Administrative expenses	182,682	212,134
	2,021,161	2,426,786

4/5 Capitalized finance costs

No finance costs were capitalized during the current period ended March 31, 2026, nor during the comparative period ended March 31, 2025.

4/6 Fully depreciated property, plant and equipment that are idle

As of March 31, 2026, the Company has fully depreciated property, plant and equipment that are still in use amounting to SAR 58.5 million (December 31, 2025: SAR 55.9 million). The Company does not have any property, plant and equipment that are temporarily idle.

4/7 Buildings and improvements on leased land

The Company's buildings and improvements on leased land, with a carrying amount of SAR 39.2 million as of March 31, 2026 (December 31, 2025: SAR 41 million), are constructed on land leased from local parties under renewable annual leases with the same terms and conditions, as agreed with the respective parties, and are depreciated over the shorter of their useful lives or the respective lease terms.

4/8 Impairment of property, plant and equipment

4/8/1 Period ended March 31, 2026:

Management periodically reviews the carrying amounts of property, plant and equipment to identify any indicators of impairment, in accordance with IAS 36. During interim financial periods, management's review is limited to assessing whether significant impairment indicators exist. If such indicators are identified, an impairment test is performed immediately and any impairment losses, if any, are recognized in statement of profit or loss.

If no impairment indicators are identified, management performs a detailed impairment assessment once annually at year-end by determining the recoverable amount and comparing it with the carrying amount.

4/8/2 Year ended December 31, 2025:

Impairment of land

As of 31 December 2025, management assessed the land at fair value through an external valuer accredited by the Saudi Authority for Accredited Valuers, "Amam Real Estate Valuation", membership no. 11000055. The valuer applied the market approach and the sales comparison method in valuing the land. The valuation resulted in a decrease in the fair value of the land below its carrying amount recorded in the books, and accordingly, an impairment provision for the land was recognized to reflect the decline in fair value amounting to SAR 282,947.

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4. PROPERTY, PLANT AND EQUIPMENT, NET (CONTINUED)

4/8 Impairment of property, plant and equipment (continued)

4/8/2 Year ended December 31, 2025 (continued)

Impairment of the Company's branches (cash-generating units)

As of 31 December 2025, management assessed the impairment of the property and equipment of the branches through an external valuer accredited by the Saudi Authority for Accredited Valuers, Thurwah Financial Consultancy Company, membership no. 21000073. The valuation was performed by considering the Company's branches as cash-generating units. Management considered the operating results of the Company's branches for the current year and prior periods as indicators of impairment. Accordingly, a detailed impairment assessment was conducted as of 31 December 2025.

Based on these assessments, each branch was considered a separate cash-generating unit, and the recoverable amount was estimated based on business plans approved by the Board of Directors, reflecting management's view of market conditions. Certain key assumptions and judgments were also applied, including the estimation of growth rates and appropriate discount rates, as a result, an impairment provision was recognized against the property and equipment of the branches to reflect the decline in fair value, with a net amount of SAR 5,268,724.

The key assumptions used in the valuation were as follows:

- 1- Growth rate for future periods: 1%–4%
- 2-Business plan period: 5 years
- 3-Discount rate: 11.3%

The following represents the movement in the impairment allowance for property, plant and equipment:

	Impairment of land	Impairment of equipment	Total
<u>31 March 2026</u>			
Balance at the beginning of the period	20,119,427	15,562,335	35,681,762
Reversal of impairment relating to disposed property, plant and equipment (Note 4/8)	--	(1,740,102)	(1,740,102)
Balance at the End of the period	20,119,427	13,822,233	33,941,660
	Impairment of land	Impairment of equipment	Total
<u>31 December 2025</u>			
Balance at the beginning of the year	31,985,925	10,293,611	42,279,536
Charge during the year	282,947	10,156,180	10,439,127
Reversal of impairment during the year	--	(4,887,456)	(4,887,456)
Reversal of impairment relating to disposed property, plant and equipment (Note 4/8)	(12,149,445)	--	(12,149,445)
Balance at the End of the year	20,119,427	15,562,335	35,681,762

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4. PROPERTY, PLANT AND EQUIPMENT, NET (CONTINUED)

4/9 Disposals

The disposals of property, plant and equipment during the period ended March 31, 2026 represent disposals of Hira branch assets under the sale and leaseback agreement, in addition to the disposal of Al-Zaydi warehouse assets and Al-Tayseer branch.

The disposals during the year ended December 31, 2025 represent disposals of land in Al-Jamea district, the main warehouse, and Riyadh villa, in addition to the disposal of Al-Qunfoda branch and Aisha Al-Zaydi kitchen.

The following shows the financial statement impact of the disposed property, plant and equipment:

	31 March 2025	31 December
	(Unaudited)	2025 (Audited)
Cost of disposed property, plant and equipment	(24,809,067)	(30,702,623)
Accumulated depreciation of disposed property, plant and equipment	13,123,756	8,228,140
Reversal of impairment of disposed property, plant and equipment	1,740,102	12,149,445
Net Book Value of disposed property, plant and equipment	(9,945,209)	(10,325,038)
Sale value of disposed property, plant and equipment	8,219,790	9,688,148
Gain on disposal	(1,725,419)	(636,890)
Loss on retained rights related to right-of-use assets	1,169,336	--
Net disposal loss recognized in profit or loss	(556,083)	(636,890)
	31 March 2025	31 December
	(Unaudited)	2025 (Audited)
Loss on sale and leaseback	(816,998)	--
Gain (loss) on other disposals	260,915	(636,890)
	(556,083)	(636,890)

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4. PROPERTY, PLANT AND EQUIPMENT, NET (CONTINUED)

4/10 Sale and leaseback agreement

On 22 January 2026, corresponding to 3 Sha'ban 1447H, a binding agreement was signed for the sale of one of the operating branches located in Jeddah, Al Nozha District (Heraa Branch). In addition, a lease agreement for the same branch was signed as part of a sale and leaseback transaction. Management confirms that the buyer is not a related party and undertakes to disclose any future material developments in accordance with the relevant laws and regulations. This transaction comes within the framework of management's efforts to improve liquidity and settle financial obligations.

Based on management's best assessment, it concluded that control over the asset subject to the sale and leaseback agreement had been transferred. Based on the assessment results, the transaction was classified as a sale and leaseback transaction in accordance with the requirements of International Financial Reporting Standards Foundation IFRS 15 – Revenue from Contracts with Customers and IFRS 16 – Leases. Accordingly, the asset was derecognized and the right-of-use assets, lease liabilities, and the effect on the statement of profit or loss arising from the transaction were recognized in accordance with the requirements of the relevant International Financial Reporting Standards (16).

The following illustrates the effect on the interim condensed financial statements as at 31 March 2026. The portion of the gain or loss related to the rights retained through the leaseback of the sold asset is deferred and recorded within right-of-use assets, while the portion related to the rights transferred to the buyer-lessor is recognized in the statement of profit or loss:

	31 March 2025 (Unaudited)	31 December 2025 (Audited)
Cost of disposed property, plant and equipment	(20,255,189)	--
Accumulated depreciation of disposed property, plant and equipment	10,268,855	--
Reversal of impairment of disposed property, plant and equipment	--	--
Net Book value of disposed property, plant and equipment	(9,986,334)	--
Sale value of disposed property, plant and equipment	8,000,000	--
Loss on disposal	(1,986,334)	--
Loss related to retained rights – included within right-of-use assets	1,169,336	--
Loss related to rights transferred to the buyer-lessor	(816,998)	--

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5. RIGHT OF USE ASSETS, NET

The Company leases warehouses and branch locations under lease contracts ranging from 3 to 20 years, in accordance with the contract terms and management's estimates. The following represents the movement in right-of-use assets, net:

5/1 Movement of right of use assets, net

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
<u>Cost:</u>		
Balance at the beginning of the period / year	74,972,321	78,275,502
Adjustments /Addition during the period / year	6,090,062	--
Disposal (Note 5/2)	(1,761,856)	(3,303,182)
Balance at the end of the period / year	79,300,527	74,972,321
<u>Accumulated Amortization:</u>		
Balance at the beginning of the period / year	33,040,828	27,117,616
Charge during the period / year	1,860,476	8,027,507
Disposal (Note 5/2)	(1,043,933)	(2,104,295)
Balance at the end of the period / year	33,857,371	33,040,828
<u>Impairment of right-to-use assets:</u>		
Balance at the beginning of the period / year	5,325,603	6,911,395
Charge during the period / Year	--	2,222,409
Reversal of impairment during period / year	--	(3,491,727)
Recovery of impairment related to disposed contracts (Note 5/2)	(225,731)	(316,474)
Balance at the end of the period / year	5,099,872	5,325,603
Net book values of the period / year	40,343,284	36,605,890

5/2 Lease contract disposals

Lease contract disposals during the period represent the disposal of leases for Al-Tayseer branch and Al-Zaydi assets warehouse (December 31, 2025: Al-Qunfoda branch and Aisha Al-Zaydi kitchen), as follows:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Disposed cost	(1,761,856)	(3,303,182)
Accumulated amortization of disposals	1,043,933	2,104,295
Reversal of impairment related to disposed lease contracts	225,731	316,474
Net Book Value of disposals	(492,192)	(882,413)
Disposed lease liabilities	598,959	1,204,348
Gain on disposal	106,767	321,935

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5. RIGHT OF USE ASSETS, NET (CONTINUED)

5/3 Impairment of right-of-use assets

Management reviews the carrying amounts of right-of-use assets on a periodic basis to determine whether there are any indicators of potential impairment, in accordance with the requirements of International Financial Reporting Standards Foundation IAS 36 – Impairment of Assets.

During the quarterly financial periods, management’s review is limited to assessing whether there are any significant indicators of impairment. If such indicators exist, an impairment test is performed immediately, and any impairment losses, if any, are recognized in the statement of profit or loss.

If no impairment indicators, management performs a detailed impairment assessment of right-of-use assets once annually at the end of the financial year to determine the recoverable amount and compare it with the carrying amount of the assets.

As of 31 December 2025, management assessed the impairment of property, plant and equipment of the branches and the right-of-use assets of leased branches through an external valuer accredited by the Saudi Authority for Accredited Valuers, Thurwah Financial Consultancy Company, membership no. 21000073. The valuation was performed considering the Company’s branches as cash-generating units. Based on the valuation results, management concluded that the recoverable amount of certain cash-generating units exceeded their carrying amounts. Accordingly, a reversal of impairment related to those units was recognized amounting to SAR 1,269,318, the key bases and significant assumptions used in the valuation were:

- 1-Future growth rates: 1%–4%
- 2-Approved business plan period: 5 years
- 3-Discount rate: 11.3%

5/4 Movement of lease liability, net:

	31 March 2026 (Unaudited)	31 December 2025 (audited)
Balance at the beginning of the period / year	47,949,888	56,567,099
Adjustments / additions during the period / year	4,920,726	--
Interest change during the period / year	656,699	2,709,953
Paid during the year	(4,427,598)	(10,122,816)
Disposal	(598,959)	(1,204,348)
Balance at the ending of the period / year	48,500,756	47,949,888
	31 March 2026 (Unaudited)	31 December 2025 (audited)
Current liability	7,898,461	9,997,923
Non-current liability	40,602,295	37,951,965
	48,500,756	47,949,888

Lease liabilities were discounted using the Company’s average incremental borrowing rate of 4.5% to 8%.

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5. RIGHT OF USE ASSETS, NET (CONTINUED)

5/5 Expenses related to short-term and low-value leases amounted to SAR 574,593 for the period ended March 31, 2026 (March 31, 2025: SAR 505,745). There are no obligations related to these contracts; therefore, these amounts were recognized as operating leases and were not included within right-of-use assets.

5/6 The following are the undiscounted future cash flows of lease liabilities:

<u>31 March 2026</u>	<u>During one</u> <u>Year</u>	<u>2-5 Years</u>	<u>More than</u> <u>5 years</u>	<u>Total</u>
Undiscounted lease payments	10,496,818	27,160,844	23,660,000	61,317,662
Less:				
Future finance charges	<u>(2,598,357)</u>	<u>(6,141,092)</u>	<u>(4,077,457)</u>	<u>(12,816,906)</u>
Present value of lease liabilities	<u>7,898,461</u>	<u>21,019,752</u>	<u>19,582,543</u>	<u>48,500,756</u>
	<u>During one</u> <u>Year</u>	<u>2-5 Years</u>	<u>More than</u> <u>five years</u>	<u>Total</u>
<u>31 December 2025</u>				
Undiscounted lease payments	11,446,652	25,607,567	22,640,000	59,694,219
Less:				
Future finance charges	<u>(1,448,729)</u>	<u>(6,668,342)</u>	<u>(3,627,260)</u>	<u>(11,744,331)</u>
Present value of lease liabilities	<u>9,997,923</u>	<u>18,939,225</u>	<u>19,012,740</u>	<u>47,949,888</u>

6. INVESTMENT IN ASSOCIATE COMPANY THROUGH EQUITY METHOD (Associate)

6/1 Al Jonah Sweets and Outside Catering Company is a limited liability company registered in the Kingdom of Saudi Arabia (an associate) and operates in organizing external events for third parties and providing cooked and uncooked meals and catering services. The Company's ownership interest in Al Jonah Sweets and Outside Catering Company as of March 31, 2026 amounted to 30% (December 31, 2025: 30%), and the movement in the investment was as follows:

	<u>Note</u>	<u>31 March 2026</u> <u>(Unaudited)</u>	<u>31 December 2025</u> <u>(audited)</u>
Balance at the beginning of the period / year		16,205,833	36,340,784
Share of the Company in results of operations for the period / year	6/3	(1,533,772)	(4,241,015)
Share in other comprehensive loss during the year		--	(8,042)
Impairment of investment during the year	6/4	--	(15,885,894)
Balance at the end of the period / year		<u>14,672,061</u>	<u>16,205,833</u>

6/2 The following table summarizes the Al-Jonah company's financial information extracted from its interim condensed financial statements, in addition to the adjustments to arrive at the net book value of the Company's investment in Al-Jonah Company:

	<u>31 March 2026</u> <u>(Unaudited)</u>	<u>31 December 2025</u> <u>(Audited)</u>
Total Assets	100,745,323	91,007,560
Total Liabilities	(77,391,227)	(62,540,891)
Total equity	23,354,096	28,466,669
Company's share "Raydan Food Company" 30%	<u>7,006,229</u>	<u>8,540,000</u>

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6. INVESTMENT IN ASSOCIATE COMPANY THROUGH EQUITY METHOD
(CONTINUED)

6/3 The following is a summary of the profit or loss statement for Al-Jonah Company for the period / year:

	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)
Sales	11,655,706	12,383,730
Cost of sales	(10,009,916)	(10,171,796)
Operating expenses	(6,388,772)	(5,433,425)
Non-operating income/ losses	(369,591)	10,111
loss for the period / year	(5,112,573)	(3,211,380)
Company's share 30%	(1,533,772)	(963,414)
Less: unrealized profits resulting from transactions with the associate company.	--	--
Total share of the Company as presented in profit and loss statement	(1,533,772)	(963,414)

6/4 Impairment in Investment

Management reviews the carrying amount of investments in associate – accounted for under the equity method – on a periodic basis to assess whether there are any indicators of potential impairment, in accordance with the requirements of International Financial Reporting Standards Foundation IAS 36 – Impairment of Assets.

During the quarterly financial periods, management's review is limited to assessing whether there are any significant indicators of impairment. If such indicators exist, an impairment test is performed immediately, and any impairment losses, if any, are recognized in the statement of profit or loss.

If no of impairment indicators, management performs a detailed impairment assessment of the investment in an associate once annually at the end of the financial year, in order to determine the recoverable amount and compare it with the carrying amount of the investment.

As at 31 December 2025, management assessed the impairment of the investment in Al- Jonah for Sweets and Outside Catering Company (an associate) by considering the entity as a cash-generating unit. Based on management's assessment of indicators of impairment, the investment was evaluated by a locally accredited valuer approved by the Saudi Authority for Accredited Valuers, Thurwah Financial Consultancy Company, membership no. 21000073.

The valuation resulted in an impairment in the carrying amount of the investment recorded in the books amounting to SAR 15.8 million. Accordingly, the impairment loss was recognized in the statement of profit or loss.

The key bases and significant assumptions used in the valuation were:

1. Growth rates: 3%
2. Approved business plan period: 5 years
3. Discount rate: 12.56%

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7. LIQUIDATION DEFICIT (SUBSIDIARY – UNDER LIQUIDATION)

7/1 In January 2025, the Company's Board of Directors resolved to liquidate its investment in the Arab Republic of Egypt (Raydan Egypt Kitchens and Restaurants Company), a wholly owned subsidiary with a capital of EGP 50,000.

7/2 Pursuant to the resolution of the Extraordinary General Assembly of Raydan Egypt Kitchens and Restaurants Company held on January 7, 2025, the company was placed under liquidation, and Mr. Mohamed Ismail Amer was appointed as the liquidator. His duties, in accordance with Article 145 of Law No. 159 of 1981, are as follows:

- Settle the company's outstanding debts.
- Represent the company before the judiciary and accept settlements and arbitration.
- Sell the company's movable and immovable assets via public auction or any other means unless the liquidator's appointment document specifies a particular method of sale.

Accordingly, condensed interim financial statements have been prepared and presented independently for Raydan Food Company for the period ended 31 March 2025, as it lost control over Raydan Egypt Restaurants and Kitchens Company following the appointment of the liquidator on January 7, 2025.

7/3 The Company's investment in the subsidiary under liquidation represents 100% ownership of the capital (2025: 100%) of Raydan Egypt Kitchens and Restaurants Company, a limited liability company registered in Egypt with Commercial Registration No. 71123 dated 21 Rabi' Al-Awwal 1435H (corresponding to January 22, 2014). The company's activities include establishing and operating fixed-location restaurants, providing ready-made meals, and engaging in real estate investment.

7/4 The following table summarizes the financial information of Raydan Egypt Kitchens and Restaurants Company (under liquidation), extracted from its financial records along with adjustments to arrive at the carrying value of the Company's share in the net liquidation deficit:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Total assets	<u>227,466</u>	257,152
Total liability	<u>(688,279)</u>	(709,910)
Net Liquidation Deficit	<u>(460,813)</u>	(452,758)
Company's Share of Net Liquidation Deficit (100%)	<u>(460,813)</u>	(452,758)
	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Liquidation obligations at the beginning of the period / year	<u>(452,758)</u>	--
Obligations at the liquidation date	--	(438,619)
Change in liquidation obligations during the period / year	<u>(8,055)</u>	(14,139)
Liquidation obligations at the end of the period / year	<u>(460,813)</u>	(452,758)

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8. TRADE RECEIVABLES, NET

	Note	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Trade receivables		7,945,883	7,518,819
Expected credit losses	8/1	(2,722,499)	(2,722,499)
		5,223,384	4,796,320

When determining the recoverability of trade receivables, the Company considers any changes in the credit quality of the trade receivables from the date the credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

As of March 31, 2026, management assessed the expected credit loss allowance for trade receivables in accordance with IFRS 9, using an expected credit loss methodology based on the analysis of debt aging and historical default experience, adjusted to reflect relevant forward-looking information. The credit period granted is 30 days from the invoice date. The allowance is recognized in profit or loss. Receivables secured by guarantees are excluded from the allowance, as management considers the risk of non-recovery to be limited to the guarantee value.

The Company is not exposed to significant concentration risk related to sales, as it has a diversified customer base within the Kingdom of Saudi Arabia, limiting reliance on a small number of customers.

8/1 Movement of expected credit loss of the period / year ended:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	2,722,499	1,120,927
Charge during the period / year	--	1,601,572
Balance at the end of the period / year	2,722,499	2,722,499

The following is an analysis of the aging of trade receivables as at end of the period/ year:

	31 March 2026 (Unaudited)		31 December 2025 (Audited)	
	Unsecured receivables	Expected credit losses	Unsecured receivables	Expected credit losses
Not due	4,337,532	156,307	3,934,132	141,770
1 to 60 days	239,573	29,491	313,651	38,610
61 to 120 days	67,146	18,108	126,486	34,111
Over 120 days	3,301,632	2,518,593	3,144,550	2,508,008
	7,945,883	2,722,499	7,518,819	2,722,499

According to management's best estimates, the impact of expected credit losses on the condensed interim financial statements is not material and has therefore not been recognized in the financial statements.

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9. PREPAYMENTS AND OTHER RECEIVABLES

	31 March 2025 (Unaudited)	31 December 2025(Audited)
Prepaid expenses	1,840,523	870,913
Employees' receivables	487,544	738,914
Refundable deposits	730,557	718,557
Notes receivable	736,553	736,553
Advance payments to suppliers	188,068	510,256
Letters of guarantee	350,000	350,000
Other receivables	946,299	89,128
	5,279,544	4,014,321
Provision for impairment of notes receivable	(300,000)	(300,000)
	4,979,544	3,714,321

Impairment of notes receivable:

-An impairment allowance was recognized for notes receivable represented by promissory notes issued to Raydan Food Company in relation to the termination of two franchise agreements (Al-Taif branch and Tabuk branch).

-The notes receivable related to Al-Taif branch amounted to SAR 436,553 as of March 31, 2026 (2025: SAR 436,553).

The notes receivable related to Tabuk branch amounted to SAR 3,000,000 as of March 31, 2026 (2025: SAR 3,000,000).

on management's estimates, the collection of these balances is difficult, except for Al-Taif branch, where the outstanding amount was rescheduled into installments and the due payments were collected on a timely basis during 2025 and 2024. In accordance with the agreed schedule, the full amount is expected to be collected by July 31, 2028. Management calculated the present value of the non-current portion of these receivables and determined that the financing component is immaterial. Accordingly, the balance was not reclassified between current and non-current portions.

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10. LOANS AND BANK FACILITIES

During 2018, the Company obtained a long-term loan amounting to SAR 35.1 million in the form of a finance lease to fund capital expansions. This loan is secured by mortgaging plots of land owned by the Company (Note 4). The loan bears an annual interest rate of 8%. The total finance charges related to this loan were fully deducted in advance from the amount received. The loan is repayable in quarterly installments ending on October 15, 2024.

During 2024, the Company reached an agreement to reschedule the loan installments due on October 15, 2024 of 5,150,569 As a result, additional finance charges of SAR 784,487 were incurred, paid in advance on the date of the rescheduling agreement, and are being amortized over the new loan term, which will end on October 25, 2026, during the period ended 31 March 2026, the Company fully repaid the loan. Accordingly, the promissory notes related to the guarantees were cancelled, and the mortgage over the title deeds pledged against this loan was released.

10/1 Movement in Loans:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / Year	3,367,843	5,215,942
Interest charge during the period / year	--	641,076
Payments during the period / year	3,367,843	(2,489,175)
Balance as at the end of the period/ year	--	3,367,843

10/2 Current and non-current

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Current portion	--	3,367,843
	--	3,367,843

10/3 The maturity schedule for the long-term financing is as follows at the ending period / year:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
	--	3,694,713
Total undiscounted contractual payments	--	3,694,713
Deferred finance charges	--	(326,870)
Net Book Value	--	3,367,843

10/4 Mortgages and guarantees

The Company obtained loans against guarantees represented by promissory notes and mortgages over certain property, plant and equipment — land with a net carrying amount of SAR 9,050,652 as collateral for a loan granted by a local financing company. During the period ended March 31, 2026, the Company fully settled the loan. Accordingly, the related promissory notes were cancelled, and the mortgage over the sukuk pledged against this loan was released.

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11. ACCRUED EXPENSES AND OTHER PAYABLES

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Employee accrued expense	10,688,964	13,318,950
Accrued board of directors and committee remuneration	7,656,126	6,974,321
Accrued expenses	6,085,106	7,847,807
Marketing support received in advance	2,979,785	2,979,785
Accrued rent	5,522,532	2,419,041
Advances received from catering customers	--	184,301
	32,932,513	33,724,205

12. PROVISION FOR POTENTIAL CLAIMS

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Accrued to employees	7,326,698	--

- Accrued to employees represent the financial obligations incurred by the Company towards its employees and include end-of-service benefit compensation, salaries and wages due, annual leave balances and unused leave, in addition to any other entitlements or employment benefits due in accordance with labor regulations and approved policies.

13. BASIC LOSS PER SHARE

The loss per share was calculated from the net loss for the period ending 31 March 2026, based on the average number of shares outstanding on that date, amounting to 7,313,603 shares (31 March 2025: 15,808,467 million shares).

	For the three-month period ended 31 March	
	2026 (Unaudited)	2025 (Unaudited)
Net loss attributable to the shareholders of the company	(6,103,532)	(7,841,498)
Weighted average number of common shares	7,313,603	15,808,467
Loss basic per share (EPS) from continuing operations	(0.8)	(0.5)

Loss per share is calculated from the net loss for the period based on the weighted average number of common shares outstanding after adjusting for the effect of the potential dilution of common shares, if any

During the period there were no diluted shares, so the diluted earnings per share do not differ from the basic earnings per share.

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14. ZAKAT

The Company is subject to the Islamic Zakat, which is due at a rate of 2.5% of the approximate Zakat base or the adjusted net loss, whichever is higher. The main components of the Zakat base, in accordance with the Zakat regulations, consist primarily of equity, provisions, long-term loans, and the adjusted net loss, after deducting the net book value of non-current assets. The movement of the Zakat provision and foreign income tax is as follows:

	31 March 2026	31 December 2025
	(Unaudited)	(Audited)
Balance at the beginning of the period / Year	76,218	526,539
Charge during the period / year	--	76,218
Paid during period / year	--	(526,539)
Balance at the end of the period / Year	76,218	76,218

Zakat position

- Period from May 5, 2008 to 31 December 2011:
A Zakat assessment was issued to the Company for this period. The Company objected to certain items in the assessment. A final assessment was subsequently issued, and the resulting differences were settled accordingly.
- Years 2012 to 2013:
Zakat returns were submitted for these years, and the Company has not received any inquiries or assessments related to them.
- Years 2014 to 2024:
Zakat returns were submitted for these years, and Zakat certificates were received. The Company received inquiries from the Authority for the years 2014 to 2023, after which the assessments were issued and settled accordingly.
- Year ended 31 December 2025:
The Zakat return was submitted, and the Company has not received any inquiries or assessments related to this year.

Tax status

- Value Added Tax (VAT) returns have been submitted on a monthly basis up to March 2026.
- The Company received inquiries from the Authority for the years 2018 to 2023. Responses were provided, and the assessments were issued and approved accordingly.
- The Company has received additional information requests from the Authority related to the year 2024, and responses are currently being prepared.

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15. RELATED PARTIES DISCLOSURES

15/1 Transaction with related parties

The following table illustrated the total of significant transactions with the related parties during the period/ year and related balance as at 31 March 2026 and 31 December 2025:

Due from related parties, net

Name of Related party	Type of relationship	Nature of transaction	Transaction volume		Balance as in	
			2026 (unaudited)	2025 (unaudited)	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Al-Jonah Sweets and Outside Catering Ltd	Associate company	Expense/ Sales / purchases	--	269,039	1,166,326	1,166,326
Raydan Egypt Kitchens and Restaurants Company	Subsidiary (Under Liquidation)	Expenses on behalf	--	--	230,232	230,232
					1,396,558	1,396,558
Provision for impairment of related parties					(230,232)	(230,232)
					1,166,326	1,166,326

Senior management employees are the persons who exercise authority and responsibility in planning, directing and monitoring the company's activities directly or indirectly, including any manager (whether executive or otherwise), whose salaries, wages, and the like during the period amounted to the following:

nature of transaction	The Three-month period ended	
	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)
Board members' remuneration	681,806	610,498
Salaries and allowances	334,806	624,060
Employee benefit obligations	18,872	35,549
	1,035,484	1,270,107

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16. BUSINESS SEGMENTS

The method of presenting the main segments has been determined based on the fact that the risks and benefits related to the company are significantly affected by the differences in the products of these segments. These segments are organized and managed separately according to the nature of the services and products, with each forming a distinct unit. The operating segments outlined below are identified based on the differentiation of service activities from which the company generates revenues and incurs costs.

The economic characteristics are reviewed, and the operating segments are aggregated based on the organization carried out by the operational decision-makers at least on a quarterly basis, and this is reviewed by the company's senior management.

The company operates in the Kingdom of Saudi Arabia through the following main business segments:

- Popular Meals
- Catering Services
- Other Segments (General and administrative activities)

Below is a summary of certain financial information by business segments as of and for the periods ended 31 March 2026, and 2025, summarized according to the aforementioned business segments:

As at 31 March 2026	Sector reports			Total
	Traditional meals (branches)	Catering Services	Other segments	
Revenue	16,579,561	2,942,826	-	19,522,387
Cost of revenue	(16,874,264)	(2,504,482)	(1,533,772)	(20,912,518)
Net (loss)/ profit of the sector	(5,016,159)	438,344	(1,533,772)	(6,111,587)
Sector assets	91,605,984	4,213,746	31,893,369	127,713,099
Sector liabilities	115,155,000	1,523,255	--	116,678,255

As at 31 March 2025	Sector reports			Total
	Traditional meals (branches)	Catering Services	Other segments	
Revenue	42,068,089	2,053,401	91,194	44,212,684
Cost of revenue	(41,620,791)	(2,355,033)	(963,414)	(44,939,238)
Net loss of the sector	(6,668,384)	(301,632)	(872,220)	(7,842,236)
Sector assets	155,313,250	6,795,508	35,377,370	197,486,128
Sector liabilities	120,782,949	3,567,158	--	124,350,107

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16. BUSINESS SEGMENTS (CONTINUED)

- All Company sales are recognized at a specific point in time when products are delivered to customers and the benefits and risks are transferred to them. No sales are recognized over time.
- The Company does not have long-term revenue contracts. All customer contracts are completed within a period of less than 12 months; therefore, sales revenue does not involve significant estimates or judgments in measurement and recognition.
- The Company does not have commissions or incremental costs directly related to obtaining sales contracts that would be capitalized and amortized over the contract term.
- The Company provides sales commissions and incentives to employees and certain external parties. These commissions are recognized in the statement of profit or loss. All of the Company's sales are recognized at a point in time, and there are no sales contracts extending over a period of time.
- The Company does not provide seasonal discounts or free products to customers, and does not have customer loyalty programs.
- Where sales discounts become due after revenue recognition, the Company recognizes an obligation for expected sales discounts, presented within current liabilities. Management reviews sales discount estimates at the end of each financial period, and estimates are adjusted when new information becomes available or when contractual terms are met. Any resulting differences are recognized as an adjustment to revenue in the period in which the adjustment is made.

17. FAIR VALUE AND FINANCIAL INSTRUMENT RISK MANAGEMENT

17/1 Measuring the fair value for financial Instruments

As of 31 March 2026, and 31 December 2025, the company did not have any financial instruments measured at fair value.

17/2 Financial Risk Management

The Company's activities expose it to a variety of financial risks, credit risk, liquidity risk, market price risk, currency risk and the risk of change in interest rates.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Concentration risk arises when a number of counterparties engaged in similar business activities or activities in the same geographical region or have economic features that would cause them to fail their contractual obligations. To reduce exposure to credit risk, the Company has developed a formal approval process whereby credit limits are applied to its customers, which are based on comprehensive customer ratings and past repayment rates.

Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell financial assets quickly at an amount close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available. The concentrations of liquidity risk may arise from the repayment terms of financial liabilities, sources of borrowings or reliance on a particular market in which to realize liquid assets. The following is the contractual maturities for financial liabilities at the end of the period, which are presented in gross and undiscounted amounts.

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17. FAIR VALUE AND FINANCIAL INSTRUMENT RISK MANAGEMENT (CONTINUED)

17/2 Financial Risk Management (Continued)

Market price risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: Interest rate risk, currency risk and other price risk.

Foreign currency risk

Currency risk is the risk of fluctuations in the value of financial instruments due to changes in foreign exchange rates. Currency risk arises when future commercial transactions, recognized assets, and liabilities are denominated in a currency different from the entity's functional currency.

Capital management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses.

18. FINANCIAL INSTRUMENTS

The company's financial assets consist of cash and cash equivalents, liabilities from related parties, and trade receivables, and its financial liabilities consist of trade creditors, liabilities to related parties, and a long-term loan. The fair values of financial instruments do not differ materially from their book value. As at 31 March 2026, the Company did not hold any financial instruments measured at fair value.

19. MATERIAL UNCERTAINTY RELATED TO CONTINUITY

The condensed interim financial statements indicate that as of March 31, 2026, the Company's accumulated losses amounted to SAR 62,101,186, representing 84.9% of capital (December 31, 2025: SAR 55,989,599, representing 76.6% of capital). In addition, the Company's current liabilities exceeded its current assets, resulting in a working capital deficit of SAR 56,716,477 (December 31, 2025: SAR 60,040,163). These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Management has performed an assessment of the appropriateness of preparing the financial statements on a going concern basis, and based on this assessment, management believes that it is appropriate to continue preparing the financial statements on a going concern basis.

Management has also developed a number of plans and actions to address these indicators and strengthen the financial position and liquidity, including securing additional financing sources. In this regard, the Board of Directors discussed a number of financing alternatives during its meeting held on April 14, 2026, and it is planned to complete such discussions and take the appropriate decision after the announcement of the results for the first quarter of 2026, within the approved regulatory timeline.

The Company is in advanced stages of negotiations with a local financing institution to obtain financing backed by point-of-sale revenues, while continuing to complete the required technical and procedural requirements. The arrangement is expected to be finalized during Q2 2026.

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19. MATERIAL UNCERTAINTY RELATED TO CONTINUITY (CONTINUED)

In parallel, and as part of strengthening its capital structure, the Company is progressing with the procedures related to a capital increase (rights issue), subject to obtaining the relevant regulatory approvals. The Company is in the final stages of appointing a local financial advisor to act as the financial advisor for the capital increase process, with the official announcement to be made following the release of the Q1 2026 results. The Company is also working on enhancing liquidity through the sale of one of its assets (Al Safa branch), which is expected to generate additional liquidity to support operating activities. However, as at the date of the financial statements, no sale agreement has been signed for the branch, and it will be announced upon completion.

In addition, management is implementing operational improvement initiatives, including cost optimization, improving operational efficiency, and enhancing resource management. The branch network structure is also being reviewed, including assessing branch performance and taking appropriate actions regarding underperforming branches, to support operational efficiency and reduce pressure on cash flows. Governance has also been strengthened through the development of the organizational structure and the appointment of new operational leadership.

Furthermore, the Company is negotiating with suppliers to reschedule outstanding obligations in line with expected cash flows, to improve liquidity management and enhance its ability to meet obligations when due. During the period, the outstanding balance with one local supplier amounting to SAR 10.2 million was rescheduled to be settled in easy instalments ending in December 2026. This rescheduling did not have any impact on the statement of profit or loss.

Based on the plans and measures described above, management believes that there are expected positive developments that would support the Company's ability to meet its obligations as they fall due. However, these conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Accordingly, the condensed interim financial statements have been prepared on a going concern basis.

20. SUBSEQUENT EVENTS

Management believes that there are no significant subsequent events since the end of the period that may affect the Company financial position or the disclosures in the interim condensed financial statements.

21. COMPARATIVE FIGURES

Certain comparative period figures have been reclassified to conform to the presentation for during period figures.

22. APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The company's Board of Directors approved and authorized the issuance of these condensed interim financial statements on 26 Dhu al-Qi'dah 1447. corresponding to 13 May 2026.