PKF Al Bassam
Chartered Accountants

REPORT ON AGREED PROCEDURES RELATED TO THE REDUCTION OF CAPITAL OF RAYDAN FOOD COMPANY (LISTED JOINT-STOCK COMPANY)

TO THE SHAREHOLDERS OF RAYDAN FOOD COMPANY,
(LISTED JOINT-STOCK COMPANY)

PURPOSE OF THE REPORT ON AGREED PROCEDURES

Our report relates solely to the agreed-upon procedures mentioned below concerning the reduction of the share capital of Ridan Food Company, a listed joint-stock company (the "Company"), and may not be suitable for any other purpose.

RESPONSIBILITIES OF THE COMMISSIONING PARTY AND THE ENGAGING PARTY

The company's management and the Chairman of the Board have acknowledged that the agreed-upon procedures are appropriate for the purpose of the contract, and that the adequacy of these procedures rests solely with the company's management.

RESPONSIBLITITY OF THE CHARTERED ACCOUNTANT

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400, *Agreed-Upon Procedures Engagement*, that is endorsed in the Kingdom of Saudi Arabia. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Raydan Food Company (a listed joint-stock company), and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion, conclusion or an assurance.

Had we performed additional procedures, other matters might have come to our attention that we would have reported.

INDEPENDENCE AND QUALITY CONTROL

We are independent of the company in accordance with the Code of Professional Conduct and Ethics adopted by the Kingdom of Saudi Arabia relevant to the assurance engagement we performed, and we have compiled with our other ethical responsibilities in accordance with those rules.

Our firm applies International Standard on Quality Management (ISQM) 1, that is endorsed in the Kingdom of Saudi Arabia and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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PROCEDURES AND FINDINGS

We have performed the procedures set out below, which were agreed upon with Raydan Food Company (a listed joint-stock company) in connection with completing the procedures for the capital increase.

S.no	Procedures	Findings
1	Obtaining and reviewing the minutes of the Extraordinary General Assembly meeting of the company's shareholders, in which the shareholders approved the reduction of the share capital by canceling 8,494,864 shares with a total value of SAR 84,948,649.	We have obtained the resolution of the Extraordinary General Assembly of the Company's shareholders dated 11 Jumada Al-Awwal 1447H (corresponding to November 2, 2025), approving the reduction of the Company's share capital from SAR 158,084,670 (One hundred fifty-eight million eighty-four thousand six hundred seventy Saudi Riyals), divided into 15,808,467 (fifteen million, eight hundred and eight thousand, four hundred and sixty seven) shares), to SAR 73,136,030 (Seventy-three million one hundred thirty-six thousand thirty Saudi Riyals), divided into 7,313,603 (seven million, three hundred thirteen thousand, six hundred three shares). The reduction is to be effected by canceling 8,494,864 (eight million, four hundred ninty-four thousand, eight hundred sixty four shares), representing 0.5374 shares for each share owned, in order to offset accumulated losses amounting to SAR 84,948,649 (Eighty-four million nine hundred forty-eight thousand six hundred forty-nine Saudi Riyals), which represent 53.74% of the Company's share capital before the reduction. No exceptions were noted in this regard.
2	Obtaining and reviewing the accounting entries related to the reduction of share capital.	We have obtained and reviewed the financial transaction recorded on November 3, 2025, in the Company's accounting records, related to the reduction of share capital by an amount of SAR 84,948,649, in order to offset accumulated losses and restructure the Company's financial position. We found that the recorded transaction is consistent with the aforementioned shareholders' resolution mentioned above.

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PROCEDURES AND FINDINGS

S.no	Procedures	Findings
3	Verifying the accumulated losses as a percentage of share capital after the reduction decision.	The accumulated losses as a percentage of share capital after the reduction amounted to 35.8%.

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Chartered Accountants

شركة بي كي اف البسام
محاسبون ومراجعون قانونيون
C. R. 1010385804
PKF Al Bassam
chartered accountants

Ahmed AbdulMajeed Mohandis
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Corresponding to: 26 November 2025

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Raydan Food Company
(Listed Joint Stock Company)
Preliminary Condensed Statement of Financial Position
As of 2 November 2025 AD

	After Capital Reduction
<u>Assets</u>	
Non-Current Assets	
Property, Plant and Equipment, Net	78,408,871
Right-of-Use Assets, Net	36,366,641
Investments in associates through equity method	35,460,162
Intangible Assets, Net	149,590
Total Non-Current Assets	**150,385,264**
Current Assets	
Inventory, Net	1,108,886
Trade Receivables, Net	5,862,187
Due from Related Party	1,304,204
Prepayments and Other Receivables, Net	3,928,190
Cash and Cash Equivalents	934,721
Total Current Assets	**13,138,188**
Total Assets	**163,523,452**
<u>Shareholders and Liabilities</u>	
Shareholders	
Share capital	73,136,030
Accumulated Losses	(26,249,245)
Foreign Currency Translation Reserve	-
Total Shareholders	**46,886,785**
Total Shareholders' Equity	**46,886,785**
<u>Liabilities</u>	
Non-Current Liabilities	
Lease Contract Obligations – Non-Current Portion	37,734,856
Long-Term Debt – Non-Current Portion	-
End of service Benefits	9,383,280
Total Non-Current Liabilities	**47,118,136**
Current Liabilities	
Lease Liabilities – Current Portion	10,363,586
Long-Term loans – Current Portion	3,445,880
Trade Payables	24,736,686
Accrued Expenses and Other Payables	30,513,542
Liabilities of discontinued operation -" liquidation of a subsidiary"	458,837
Accrued Zakat	-
Total Current Liabilities	**69,518,531**
Total Liabilities	**116,636,667**
Total Shareholders and Liabilities	**163,523,452**

<u>Company stamp</u>
Raydan Food Company

<u>Chief Executive Officer</u>
Khalil Kamil Abu Fadil