



Shaping Sustainable Growth



Annual Report 2024

IN THE
NAME OF
ALLAH
MOST
GRACIOUS
MOST
MERCIFUL.





His Highness
Sheikh Hamad bin Khalifa Al Thani
The Father Emir



His Highness
Sheikh Tamim bin Hamad Al Thani
Emir of the State of Qatar

Baladna Q.P.S.C - Board of Directors

Non-Independent Board Members



Mr. Mohamed Moutaz Al-Khayyat
Group Chairman



Mr. Ali Hilal Al-Kuwari
Vice Chairman



Mr. Ramez Al Khayyat
Board Member/Managing Director



Mr. Hamad Bin Abdullah Bin Khalid Al-Attiya
Board Member



Mr. Abdulaziz Mahmoud Al-Zeyara
Board Member



Mr. Mazen Alsbeti
Board Member

Independent Board Members



Sheikh Suhaim Bin AbdulAziz Al Thani
Independent Board Member



Mr. Nasser Hassan Al-Ansari
Independent Board Member



Mr. Aidan Tynan
Independent Board Member

Theme of the year

Shaping Sustainable Growth

At Baladna, we are inspired by the opportunity to drive meaningful progress, embodying the values of innovation, resilience, and sustainability at every step of our journey. As a trusted partner in Qatar's food security and a leader in the nation's transformation, we remain dedicated to fostering growth that meets the needs of today while paving the way for the future. Our focus remains firmly on enhancing value for all stakeholders while contributing to the prosperity of the communities we serve.

Our financial performance reflects the strength of our vision and strategy. In 2024, we achieved record revenues and profits, driven by innovation, Operational Excellence, and a clear focus on market demands. By expanding our product portfolio and optimising efficiency we have demonstrated the resilience of our business model and its capacity to deliver sustainable growth. These achievements position us to unlock further opportunities and value creation for our shareholders.

Our approach is rooted in a commitment to creating a balance between economic, social, and environmental goals. We view growth not just as a measure of financial performance but as a testament to the positive impact we have on our people, our industry, and the wider world. By embedding sustainability at the core of our operations, we are building a model of business excellence that aligns with national priorities and global best practices.

Through innovation and strategic foresight, we continue to shape a future of sustainable growth. Whether strengthening our presence at home or expanding our footprint internationally, we remain focused on delivering lasting value, empowering communities, and contributing to a more sustainable world. This journey is creating a legacy that reflects our unwavering dedication to progress and responsibility.



A key priority for Baladna is to contribute to the country's vision for food security by providing nutritious food to a growing population.

Our promise to the people of Qatar is that throughout the year our role in the nation's food security is delivered, and the population has access to sufficient, safe, and nutritious food at affordable prices. This is a basic premise of our own success as a company and a duty of care to the nation.



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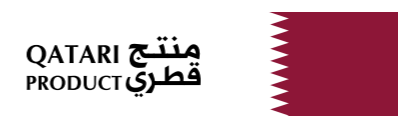
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A Leading Qatari Brand

Baladna is a market leading brand, and owns one of the largest dairy farms in the region



Scan the QR code to access our interactive microsite and explore key insights



Our Strategy

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1. At a Glance

Baladna delivered strong top line and significant bottom-line growth in 2024.

Financial Highlights

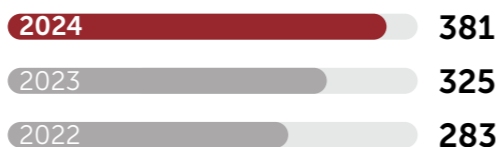
Our commitment to excellence in our products, operations, and people led to a record-breaking performance, reinforcing the strength of our end-to-end model.

Revenue **+8%▲**
QR million



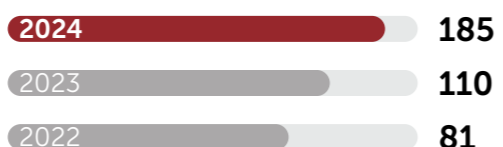
Exceeded ambitious targets set against the previous year's performance, driving revenue and profit growth.

EBITDA **+17%▲**
QR million



Revenue growth and stringent cost control measures resulted strong EBITDA margins.

Net Profit **+69%▲**
QR million



Enhanced operational efficiencies across the value chain boosted our bottomline.

Operating Highlights

Baladna's proven expertise as a leading dairy and beverages producer in the Middle East delivered an exceptional performance, with profits soaring by 69% and a decline in operating expenditure.

Overall Market Share* **+0.6%▲**



Dairy Market Share* **+1%▲**



Expanded our market presence and reinforced our dominance within the industry.

*Market share % is based on Nielsen data covering Retail category only

Total Number of SKUs **+4%▲**



Our new SKUs contributed significantly to the overall top-line result, with the strongest performers being the Dairy segment.

Number of Customers **+2%▲**



Growing our customer base while strengthening our business.

Awards and Certifications

Our recognitions and certifications reflect Baladna's commitment to industry leadership, customer satisfaction, and contribution to Qatar's food security and economic growth.



Ranked amongst the Best Digital Annual Report Award 2023 in Small Cap category.

Recipient of the award in both print and digital categories for four consecutive years.



FSSC 22000

Certification for food safety management systems, including ISO 22000:2018, ISO TS 22002-1:2009 and additional FSSC 22000 requirements V6.

The first company in Qatar to be awarded this certification.



The only Qatari dairy & juice company to win the MENA Digital Award 2024 for Best Creative Campaign.



02

OVERVIEW

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About Us

Our Purpose

To ensure healthy, natural food and beverages that delight our customers and contribute to the food security of Qatar.

Who We Are

Established in 2014, Baladna is Qatar's leading dairy and beverage company, with a diversified product offering, world-class facilities and a self sufficient farm with breeding capabilities to accelerate future growth.

What We Do

Baladna is an integrated dairy and beverage company, with two large-scale farms, state-of-the-art production lines, processing and packaging facilities, and its own distribution network that delivers over 250 products to customers across Qatar and beyond every day.

Our Vision, Mission and Principles



Our Vision

To be the most trusted brand of nutritional foods and healthy beverages in Qatar and to expand to new markets.



Our Mission

To ensure consumers' wellness by providing natural, nutritious and tasty foods and beverages, while maintaining the most rigorous food safety and biosecurity protocols.



Our Principles

At Baladna we strongly adhere to the following principles:



Supporting food security: Ensuring the satisfaction of our customers and exceeding their expectations.



Raising the level of veterinary care: Utilising the expertise of the best veterinarians to promote the healthcare of our dairy herd.



Caring for our livestock: Co-operating with experts in livestock breeding and production.



Natural and fresh products: Providing high-quality food products by implementing best international practices.



Adherence to Qatari traditional values: Showing pride in our achievements, hospitality and adhering to tradition, self-reliance and responsibility.

Our Journey

Baladna’s continuous evolution and innovation have solidified its position as Qatar’s leading dairy company and a key contributor to the nation’s food security. From local leadership to bold strategic partnerships for international expansion, Baladna’s journey reflects our commitment to excellence and our vision for a sustainable future.



Established sheep and goat farm

2014

Further expanded the dairy, juice and plastic factories

Built additional barns to house **24,000** cows and achieved **100% Fresh Milk** self sufficiency

2018



Expanded dairy and juice product portfolio

2020

Partnered with global cheese producer Bel Group to expand dairy offerings in Qatar

Achieved QR 1 billion in revenue, validating top line performance

Baladna increased its share ownership in Juhayna Food Industries (Egypt) to 15%, strengthening the strategic partnership

Acquisition of E-life detergent business to diversify revenue streams

Built the state-of-the-art evaporated milk and sterilised cream manufacturing facility to further enhance the country’s self-sufficiency, and soft launched the products to market

2023

2017

Cow project design

Phase 1 completion

Housed 4,000 airlifted milking cows with rotary milking parlour



2019

Publicly listed on Qatar Stock Exchange

2021

Achieved the position of **No. 1 leader** in Dairy and Beverages in Qatar



2024

Initiated the **world’s largest dairy project** with the Algerian Government to support the Company’s international expansion goals

Year in Review

Baladna's strategic focus and execution in 2024 propelled our expansion journey and delivered an unprecedented financial performance, building on the strong foundation of our Qatar home

market to expanding our brand and operations with confidence and foresight to reach new horizons and drive sustainable growth.

MARCH

Distribution of QR 132 million cash dividend to shareholders

At the General Assembly Meeting, the highest distribution in Baladna's history was approved, amounting to over QR 132 million for 2023, or 6.95% of the nominal value of shares.

Strategic partnership with Widam Food

Baladna and Widam Food signed a new partnership agreement aimed at extending the co-operation between the two parties and enhancing strategic integration for three more years.

Relaunch of Juices with new look and flavours

Baladna relaunched its Juice portfolio with improved flavours and a refreshed look, enhancing consumer experience and underscoring its commitment to delivering quality products that meet evolving consumer preferences.

APRIL

Landmark agreement of USD 3.5 billion investment to develop the world's largest integrated dairy farming and production project in Algeria

Baladna signed a framework agreement with the Algerian Ministry of Agriculture and Rural Development to develop the world's largest integrated project to produce powdered milk in southern Algeria.

JUNE

Continued product innovation and expansion

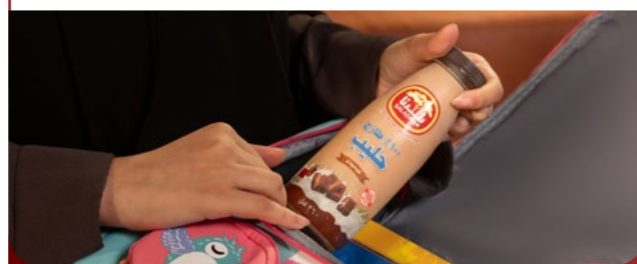
Baladna entered the high protein milk market and successfully expanded the Greek Yoghurt portfolio.

Refresh of Awafi product range

Baladna's Awafi product range was revitalised and refreshed with a distinct brand proposition of "Everyday Value, Everyday Quality", featuring a new packaging identity across the entire portfolio.

Implementation of leading food safety and quality standard

Baladna became the first company in Qatar to implement FSSC 22000 Version 6.0 when it was successfully implemented across its dairy production plants, reinforcing its commitment to delivering the safest and highest quality products.



JULY

H1 profits increase by 137%

Baladna's Net Profits rose 137% in the first half of 2024, reaching QR 100.42 million compared to QR 42.29 million in the same period in 2023.

SEPTEMBER

Signing of shareholder agreement for Algeria project

Building on the previously signed framework agreement, Baladna signed a shareholder agreement for the Algerian integrated dairy and milk powder production project, which will become one of the largest agricultural projects in the region.

MoU to explore infant milk production in Algeria

Complementing the milk powder production project, Baladna signed a cooperation agreement with the Algerian Ministry of Industry and Pharmaceutical Production to explore the establishment of an infant milk production project, in partnership with the Algerian National Investment Fund.

Published first Sustainability Report, aligning the Company's objectives with its sustainability goals.

NOVEMBER

Landmark win of evaporated milk production contract

Baladna successfully built and commissioned a new plant to meet Qatar's evaporated milk needs, securing the 2025 QR 100 million Tamween tender through a rigorous bidding and negotiation process.

Appointment of Board of Directors for the term 2024-2027

Baladna appointed Board of Directors for the next term from 2024-2027 following the independent nomination process, aligning with legal and corporate governance best practices.

DECEMBER

Recognition for excellence in corporate reporting

Baladna was honoured at the 16th Middle East Investor Relations Association (MEIRA) Awards, ranked amongst the Best Digital Annual Report Award 2023 in Small Cap category, marking four consecutive years of recognition for outstanding investor communications.

Celebrating community and creativity

Baladna's Ramadan 2024 campaign, "Baladna at the Heart of Every Moment," showcased its role in consumers' lives, while winning the MENA Digital Award for Best Creative Campaign as the only Qatar dairy and juice company to achieve this accolade.

Record-breaking profitability

Baladna closed 2024 with its highest-ever bottom line of QR 185 million, shaping sustainable growth and setting the stage for a promising future.





Qatar Vision 2030

Supporting and aligning with the National Vision

As a leading Qatar company, we are deeply committed to advancing the strategic goals of Qatar's National Vision 2030. Through our initiatives in economic, human, social and environmental development, we consistently align our operations and innovations with the nation's priorities. With an unwavering focus on sustainability, food security and community enrichment, we play an indispensable role in shaping Qatar's future while embodying resilience and progress.

Driving economic self-sufficiency and diversification

Our contribution to economic development lies at the heart of what we do. By prioritising food security and self-sufficiency, we address one of Qatar's critical economic challenges. Historically reliant on imports, Qatar now benefits from our state-of-the-art facilities, including the recently commissioned evaporated milk and sterilised cream production plant, which has eliminated dependency on imported goods in these categories. Beyond our national efforts, we actively export our successful model to other countries, directly supporting Qatar's economic diversification goals and paving the way for a more balanced and sustainable economy.

Building stronger communities through social impact

Our unwavering commitment to social development is reflected in our extensive corporate social responsibility (CSR) initiatives. Partnering with Qatar Charity, we contribute to humanitarian efforts that address critical social needs. During Ramadan, campaigns like "Rafeeq Al Khair" demonstrate our dedication to supporting the community during culturally significant times. Additionally, we champion cultural and educational enrichment by sponsoring programmes at Qatar Museum and DADU Children's Museum, fostering learning, creativity and community engagement.

Empowering people for a thriving workforce

In the realm of human development, we support Qatar's goal of creating a stable and motivated workforce by recruiting and retaining top talent, protecting employee rights and fostering safety. Beyond meeting compliance standards, we invest in workforce development through comprehensive training programmes, leadership initiatives and engagement strategies, ensuring our team is highly skilled and motivated. These efforts not only strengthen our organisation but also contribute to Qatar's long term Human Capital goals.

By aligning our strategies with national priorities, we continue to play a pivotal role in building a resilient, innovative and inclusive future for Qatar.

Championing sustainability for a greener future

We place a strong emphasis on environmental development, aligning our practices with Qatar's vision of balancing economic growth with environmental preservation. Guided by our comprehensive sustainability framework, we implement

initiatives focused on water stewardship, waste management, energy efficiency, sustainable distribution and animal welfare. These efforts not only underpin our operations but also highlight our role as a responsible corporate citizen. For more details on these initiatives, we invite you to explore our Sustainability Report 2024.

Our contributions across these pillars of Qatar's National Vision 2030 reflect our steadfast commitment to the nation's progress. By aligning our strategies with national priorities, we continue to play a pivotal role in building a resilient, innovative and inclusive future for Qatar.

Stakeholder Engagement

Baladna reaffirmed its unwavering commitment to stakeholder engagement in 2024, illustrating a deep-seated dedication to nurturing robust, meaningful relationships across a spectrum of stakeholders. We seek to support and empower our employees, forge enduring bonds to create value for our customers, investors and

community partners, and make a substantial, positive difference in our society and for the environment. This holistic commitment is a testament to Baladna’s core values and our vision for a sustainable, interconnected future.



How we engage


- | | | | | | |
|---|---|---|---|---|---|
| <ul style="list-style-type: none"> • Induction programmes • Career development guidance • Staff societies • Training programmes • Volunteerism • Special staff events • Internal communication | <ul style="list-style-type: none"> • Customer visits • Service centres • Branches • Media advertisements • Website • Customer workshops • Social media | <ul style="list-style-type: none"> • Service channels • Press releases, conferences and media briefings • Informal briefings and communication • Public events • Website • Social media • Educational programmes • Assistance to the needy and vulnerable | <ul style="list-style-type: none"> • Supplier relationship management • On-site visits and meetings | <ul style="list-style-type: none"> • Consultation • Relationship-building meetings • AGMs • EGMs • Annual Report • Interim Financial Statements • Announcements made to the Qatar Stock Exchange | <ul style="list-style-type: none"> • AGMs • EGMs • Investor Relations website • Interim Financial Statements • Quarterly earning calls • Press releases • Investor disclosures, road shows and conferences • One-on-one discussions and meetings • Annual Report • Announcements made to the Qatar Stock Exchange |
|---|---|---|---|---|---|

Key items discussed

- | | | | | | |
|---|--|---|--|--|---|
| <ul style="list-style-type: none"> • Performance standards • Training and development • Safety at the workplace • Work life balance | <ul style="list-style-type: none"> • Product quality and safety • Customer experience • Product innovation ,nutritional value and price • Animal welfare • Fair and ethical marketing • Care for family • Health and wellness • International recognition and certificates • Brand reputation • Environmentally sound production practices | <ul style="list-style-type: none"> • Community empowerment • Environmental performance • Employment opportunities • Contribution to social and economic development • Health and wellness • Care for your environment | <ul style="list-style-type: none"> • Contractual performance • Continued business opportunities • Maintaining healthy relationships • Timely settlement of dues • Collaboration for new technological advances in the financial sector • Opportunities for growth • Ease of working | <ul style="list-style-type: none"> • Compliance with directives and codes • Financial performance • Shareholder returns • Cybersecurity • Governance • Employment generation • Strategy | <ul style="list-style-type: none"> • Financial performance • Governance • Risk management • Business expansion plans • Transparency and disclosure • Business continuity • Sustainable growth • Dedicated Investor Relations Department |
|---|--|---|--|--|---|



Stakeholders

 **Employees**

 **Customers**

 **Society and Environment**

 **Business Partners**

 **Government and Regulatory Bodies**

 **Investors and Shareholders**

Actions taken

- Employee training by implementing monthly training calendar
- Induction programmes
- Strengthened the role of HR business partners
- Employee engagement
- Internal communication
- Health and safety programmes

- Expanded product range
- Boosted product availability
- Enhanced customer experience
- Price stability
- Expanding e-commerce and online platform

- Charity programmes
- Sports activities
- Child-focused facilities
- Cultural activities
- Corporate sponsorships

- Strengthening supplier relationships
- Frequent touchpoints
- Collaboration
- Transparency

- Ensured regulatory compliance to Qatar Stock Exchange
- Uphold commitment to the Government of Qatar

- Frequent Engagement
- Highest level of transparency

Value created

- Seamless, anonymous employee complaints and feedback process
- Increased employee engagement, productivity and overall satisfaction
- Positive work environment
- Higher employee retention
- Improved organisational performance
- Increased employee engagement

- Manufacturing high quality products
- Improved product availability
- Securing product availability
- Innovating products and new Product Development through consumer feedback and preferences
- Empowering consumers through transparent communication
- Resolving issues promptly for a positive customer experience

- Promoting public awareness towards the supported community segments and their causes

- Sustaining business operations
- Enhancing corporate partnerships
- Advocating for ethical business conduct
- Adhering to laws and regulations
- Fulfilling contractual obligations

- Making significant contributions to food security in Qatar
- Setting industry standards for compliance, transparency and reporting
- Ensuring prompt updates on regulatory changes and new information regarding best practices in food and health safety

- Ensuring shareholders are well-informed about all significant developments with utmost transparency through the Qatar Stock Exchange, and dedicated Investor Relations website



Our Investment Case

Baladna's key investment highlights

01

Market Leader in the Dairy and Beverages sector in Qatar

Number 1 position across 6 categories with solid growth opportunity across the other 2 categories, complemented by an excellent reach of Retail and HORECA clients.



145
No of sales routes

3,780
No of customers

02

Excellent product innovation track record and access to consumer insights

Highly recognized brand names with a diverse range of product offerings, complemented with a strong infrastructure.



260
Total number of SKUs

Diversification initiatives
Moved to detergent business under E-life Detergent Factory

Strategic partnerships
Producing The Laughing Cow® spreadable cheese for Bel Group and selected products under ALBADIA brand

03

Strong financial performance and Cash flow management

EBITDA (QR Mn)	Free Cash Flow to Firm (FCFF)
2024: 381	2024: 251
2023: 325	2023: 78

Assessing strategic opportunities to develop feed farms to meet internal demand, enhancing self-sufficiency by ensuring a consistent supply and quality of feed, with strong operational capacity to capitalize on optimization initiatives.

04

Continuous identification of growth enablers

Significant progress in Algeria's dairy project, aimed at creating strong shareholder value, and strengthened strategic alliance in Egypt with a 15% stake in Juhayna, Egypt's largest dairy producer, with strategic and dedicated shareholder support.

52%
strategic & founder shareholding



Shareholder Information

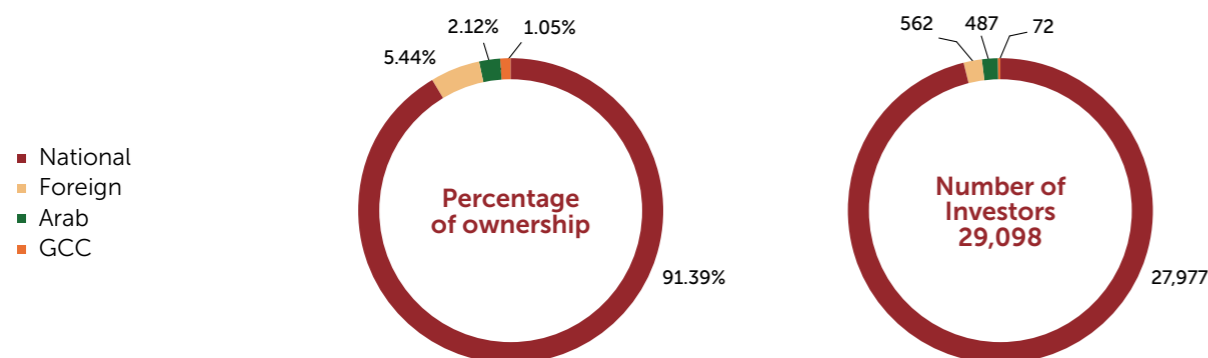
Share Information

Listing date: 11 December 2019
 Exchange: Qatar Stock Exchange
 Symbol: BLDN
 ISIN: QA000T98R9J4
 Number of shares issued: 1,901,000,000

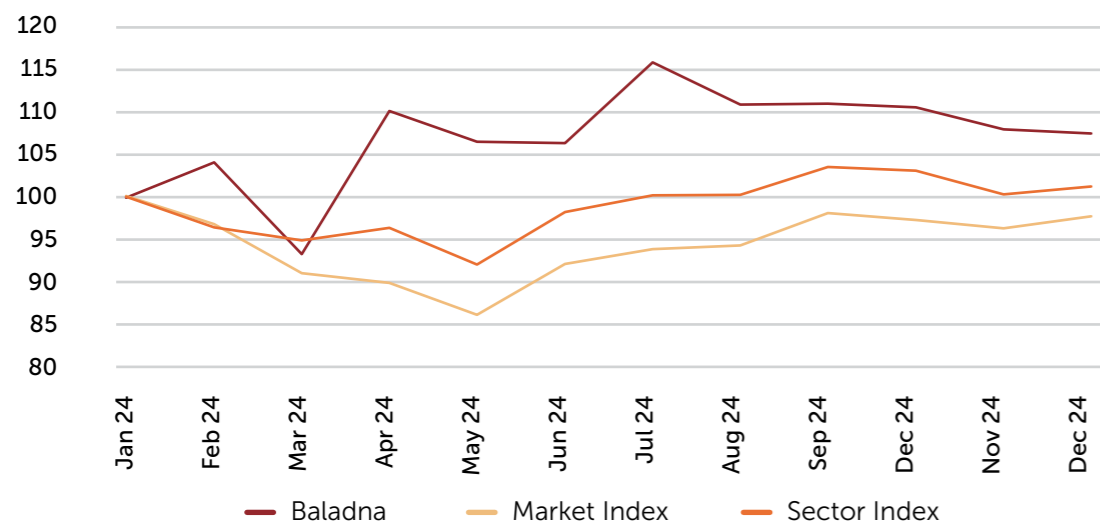
Closing price as of 31 December 2024: QR 1.317
 Market cap as of 31 December 2024: QR 2,503,617,000
 Foreign ownership limit: 49%
 Free float : 1,900,700,000



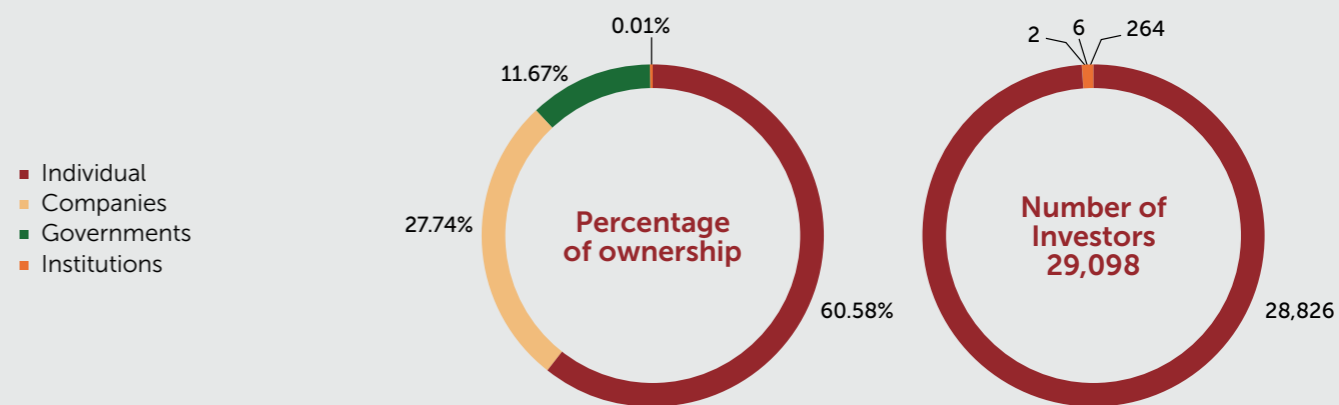
Baladna Investors Distribution based on Geographical Location



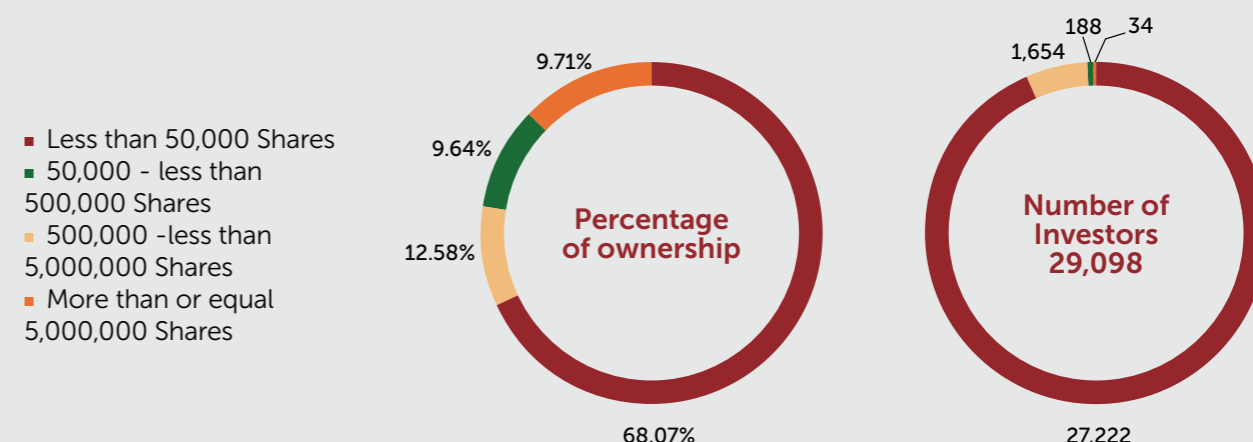
Share price versus Market indices 1 January 2024 to 31 December 2024 (rebased to 100)



Baladna Investors according to Shareholder Type



Baladna Investors Distribution based on Size of Ownership



Major Shareholders

Mr. Mohamed Moutaz Al Khayyat	257,713,509	13.557%
Mr. Ramez Al Khayyat	261,278,594	13.744%
General Retirement and Social Insurance Authority (GRSIA)	178,376,663	9.383%
Total	697,368,766	36.684%

Investor Relations Calendar 2024

Year 2023 IR call	29 February 2024
Q1 2024 IR call	25 April 2024
H1 2024 IR call	28 July 2024
Q3 2024 IR call	29 October 2024



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STRATEGIC REVIEW

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Chairman's Statement

Shaping Sustainable Growth

Dear shareholders

May the peace, blessings and mercy of Allah be upon you.

As Chairman of the Board of Directors of Baladna QPSC, I am honoured to present the 2024 Annual Report on our financial performance and advancements during the year under review. It gives me pleasure to convey that once again, our Company delivered exceptional value to all our stakeholders and cemented the first major step in realising our international expansion strategy. We concluded a landmark joint venture to establish a US\$3.5 billion dairy farm and production facility in Algeria.

Our progress in 2024 once again reflects our commitment to contributing to the food security of our nation as well as becoming the most trusted brand of nutritional foods and healthy beverages in Qatar.

Strong financial performance and growing market share

This year was a true reflection of the success of our market-driven strategies and unwavering commitment to operational excellence, underpinned by our strategic focus on sustaining growth, optimising efficiency, and expanding market presence.

Market share and brand equity both achieved record highs in 2024, with the substantial increases contributing to our excellent revenue and profit performance. The continuing improvement in these metrics is a

key indicator of the health of our business at a point in time as well as a valuable tool for our shareholders to evaluate the longer-term value creation potential of the business.

Baladna generated revenues of QR 1,145 million in 2024, with strong contributions coming from higher sales volumes across all channels, especially HORECA and retail. This was complemented by the introduction of new products, successful marketing campaigns, and continued gains in market share across key product categories. Thanks to our research and innovation capabilities, our new SKUs - formulated to satisfy our consumers' changing preferences - resonated well in the market, which in turn, further enhanced our competitive position.

Our net profits of QR 185 million rose on the back of ongoing enhancements to operational efficiencies and disciplined cost control measures. Although global commodity prices began to normalise during the year, Baladna, like many other businesses in the region, faced the challenge of continued supply chain disruptions, such as those in the Red Sea. Nonetheless, we responded resourcefully, finding solutions to these obstacles while maintaining our important supplier relationships. Baladna's continued prosperity is elevated by our resilience in the face of seemingly insurmountable issues. These measures, and our focus on efficiency and international opportunities, boosted our profitability, making Baladna the frontrunner amongst its regional peers on a margin comparison.

This year was a true reflection of the success of our market-driven strategies and unwavering commitment to operational excellence, underpinned by our strategic focus on sustaining growth, optimising efficiency, and expanding market presence.

Moutaz Al Khayyat
Chairman



Our performance in the past two years has enabled a dividend distribution to our valued shareholders. In March 2024, the General Assembly approved the highest distribution in Baladna's history, amounting to QR 132 million for 2023, representing 6.95% of the nominal value of shares.

On the basis on our profits in 2024, Baladna will issue 100 million bonus shares to existing shareholders as dividend distribution, subject to the approval of General Assembly in March 2025. Baladna is committed to a robust dividend policy that is aligned with the interests of our shareholders and rewards them for their loyalty and trust.

Our new production capability will further reduce our country's reliance on imported staples.

Our investors know well that innovation is a fundamental thread running through our strategy, and this year was no different as we maintained a close focus on consumer trends and demands. We entered new segments, earning consumer approval for our novel products, and we refreshed and revitalised some of our existing brands. Once again, the success of these initiatives is testament to Baladna's understanding of and response to the evolving tastes and preferences of our consumers, and speaks to the underlying ethos of innovating for sustainability.

Significant highlights and milestones

The 2024 financial year was eventful on many positive levels, strengthening our business, increasing our contribution to Qatar's food autonomy, and advancing our sustainable roadmap for consistent shareholder value creation.

In November, we secured a Government contract to produce and supply evaporated milk in 2025. We will fulfil this contract, valued at approximately QR 100 million, at our new state-of-the-art manufacturing facility. Historically, evaporated milk was imported into Qatar. Our new production capability will further reduce our country's reliance on imported staples.

I am particularly proud of the operational achievements made in 2024 relating to our commitment to quality. Each day, Baladna produces 60-70 units of the 250-plus products we make and delivers them to customers across Qatar and beyond. In 2024 we once again achieved a perfect quality record with no reported deficiencies, marking another successful year of this accomplishment. This is evidence of the quality assurance and reliability of all our products, which adhere to stringent standards.

The most significant event of the year, and one of the most important in our history, was the conclusion of a US\$3.5 billion dairy production joint venture. We signed a shareholder agreement with the Algerian National Investment Fund in September to establish the

world's largest integrated dairy farm and production facility in the world. Baladna, as the controlling shareholder with 51%, is responsible for executing the project, and we commenced preliminary works the same month. We are also exploring the potential of establishing an infant milk production project in partnership with Algeria's Ministry of Industry and Pharmaceutical Production, which will complement our new integrated dairy venture and further strengthen our regional footprint. The Algerian partnership has significant implications for our business as we look to expand domestically and internationally.

While our primary focus will always be Qatar, we see attractive opportunities to export our successful end-to-end model to other countries that are proactively driving their food security with domestic investments. Baladna's expansion beyond Qatar's borders has the potential to make a meaningful impact on the value we create for our shareholders.

Responsible corporate citizenship

Our overarching business strategy incorporates our approach to sustainability in its widest definition, encompassing our commitment to our stakeholders, our employees, our herds, and our environment.

As a leading national dairy and beverage producer, Baladna is dedicated to acting with transparency, integrity, and in line with best practices, robust corporate governance, and regulatory compliance. Our

significant progress each year is evidence of our focus on the wellbeing of our key stakeholders and the welfare of our animal herds.

In 2024, we published our first standalone sustainability report, and it is our intention to publish an updated version annually as we continue our journey in building an enduring organisation.

At the operating level, we made important changes in 2024 to progress our utilisation of non-renewable resources. One of the most meaningful was improving our water and waste management systems. We implemented a circular economy approach to transform waste into valuable resources, in line with Qatar's Vision 2030 and our own long-term sustainability goals.

In 2023, we embedded sustainability principles into our corporate strategy, resulting in the development of an ESG framework and roadmap with the aim of driving economic, social, and environmental gains.

In line with our primary focus of building Qatar's food security, Baladna continued with its program of increasing its In-Country Value (ICV), which is a measure of a company's expenditure in its home country.

A new era in governance

At the end of last year, the Board of Directors appointed three new committees—the Executive Committee, the Investment Committee, and the Tendering

Committee, bringing to six the total number of board committee and strengthening Baladna's monitoring and governance practices. The new committees became fully operational during 2024, making a significant contribution to improving Baladna's reporting and governance standards.

At our General Assembly in November, Baladna announced its new Board of Directors for the three years until November 2027. The appointment of the new members represents a milestone in our corporate governance journey as they were elected following an independent nomination process, in line with best practice. The previous and founding Board of Directors was established as part of Baladna's Articles of Association in 2019.

I would like to extend my heartfelt appreciation to our first Board of Directors for the meaningful role they played in the past five years in guiding the extraordinary growth in our business. To the incoming Board, we look forward to your contributions as Baladna moves into the next phase of domestic growth and international expansion.

An exciting year ahead

In the coming year, Baladna will continue with the strategy of building its domestic business in Qatar, growing our share in the categories where we operate, unlocking the potential in high-growth segments, and building our presence in markets

where we are new entrants, such as evaporated milk and detergents. Further afield, our new joint venture in Algeria will be accelerated towards first production, which we forecast will take place in early 2027.

We are optimistic about our prospects for 2025. Building on the robust financial and operational platform we have created over the past seven years, Baladna is primed to continue its track record of success. As we advance towards our goal of becoming Qatar's most trusted food and beverage brand, we will deliver further value for our shareholders, and strengthen the nation's self-sufficiency.

Acknowledgements

On behalf of the Board, I would like to extend my appreciation to our employees, partners, and shareholders for their unwavering support and contribution to Baladna's continued success.

Our executive team played a pivotal role in the past year progressing our domestic business to even greater heights, and leading our efforts in securing a landmark international joint venture.

A special mention must be made to our former Board of Directors, without whom we could not have achieved so much in so short a time. Please accept my thanks on behalf of the entire Company for the invaluable role you played, and for setting the tone for a new era of prosperity.

Chief Executive Officer's Message

Shaping Sustainable Growth

In the sixth year of Baladna's operations, our business continued to make a meaningful contribution to Qatar's food security strategy and delivered attractive returns for our shareholders. Our drive to deliver quality across our products, operations and people resulted in a record profit performance and reaffirmed the strength of our end-to-end model. Baladna's mandate to assist in establishing Qatar's domestic self-sufficiency continues to provide a solid foundation for continued diversification and growth.

Building on our unique expertise and integrated operations in our home market, we have taken important steps during the year to drive growth in attractive new markets abroad. The highlight for this year was the announcement of a new company, Baladna Algeria, which will be fully responsible for overseeing our USD 3.5 billion integrated dairy project in Algeria.

Record revenue and cost efficiencies

In 2024, Baladna surpassed robust targets that were benchmarked on last year's results, generating revenue and profit growth that created value for our investors.

Revenue rose 8% to QR 1.15 billion from QR 1.06 billion on stronger performances across all sales channels and product categories, quarter on quarter and year on year. These were largely due to gains in market shares across key product categories, a healthy contribution from Ramadan sales, and Qatar's hosting of the sixth edition of the Asian Cup.

Notable achievements included ever highest market share and brand equity. Innovation around extensions to our existing products and the introduction of more than 39 new SKUs helped secure a higher overall market share of 54.1% (53.5% in 2023) and across all major categories despite strong competition from local and foreign players. We entered into the high-protein milk and yoghurt markets, expanded our Greek Yoghurt portfolio with new flavours, and increased the variety of cheese products. During 2024, we also relaunched our juice portfolio with new product packaging and flavours, and revitalised the Awafi product range under a new brand proposition, "Every Day Quality, Every Day Value".

Our cost control regimen continued to deliver results while the entire value chain benefited from further improvements in efficiencies. We reduced finance costs by renegotiating our debt and maintained tight controls over General and Administrative expenditure. Commodity pricing trends improved during 2024, contributing positively to our overall performance.

Market-leading profit performance

Along with the positive impact of the top line, our strong operational outcomes led to exceptional increase in net profit to QR 185 million compared QR 110 million in 2023, abetted by the fair value gain on share investments. Pleasingly, our margin is now the best among our regional peer group.

Our continuing robust financial and operational achievements validate our role in building Qatar's domestic food production sector, while also furnishing us to advance our international strategy.

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Our continuing robust financial and operational achievements validate our role in building Qatar's domestic food production sector, while also furnishing us to advance our international strategy.

Malcolm Jordan
Chief Executive Officer



From Qatar to the world

In 2024, we secured a landmark agreement with the Algerian National Investment Fund to partner in exporting the successful Baladna model of farming, production, and distribution beyond Qatar.

The joint venture will develop the largest integrated dairy farming project in the world, encompassing arable farming, dairy farming, and powdered milk production facilities. The project, in which we own 51% and the Algerian National Investment Fund owns the balance, is valued at USD 3.5 billion. We broke ground this year and expect to relocate the first herds by the beginning of 2026 and start milk production early 2027.

Like Qatar, Algeria is intent on becoming self-sufficient in food production. By partnering with Baladna, Algeria aims to exert greater control over food security. The new integrated dairy project is expected to produce 194,000 tonnes of powdered milk each year, representing a substantial portion of its domestic dairy needs.

Subsequent to the finalisation of this agreement, Baladna signed an MOU with Algeria's Ministry of Industry and Pharmaceutical Production to explore the feasibility of an infant milk production project. This new venture will complement the milk powder production project.

The Algerian project will create significant value for our shareholders, and we are proud to be the chosen partner for this substantial greenfield endeavour. Based on our success in Qatar,

we are confident it will be a precedent for many other potential international ventures. Our successful end-to-end integrated model and vertically aligned approach could be adopted and implemented to meet the needs of other nations that similarly strive to become more autonomous in their food sector. Consequently, we anticipate a wide range of value-creating opportunities to leverage our unique capabilities in tackling the global challenge of food security.

Our foremost focus

Notwithstanding our international expansion plans, our priority is and always will be to ensure Qatar's food security and autonomy. Accordingly, we stand firm on delivering on our promises to meet the ever-evolving needs of our customers and stakeholders each day while preparing for a successful and sustainable tomorrow.

Our farming practices are premised on a sustainable and efficient approach that is centred on herd welfare. In the year under review, we rolled out performance recording of young stock to optimise the health and productivity of our calves from birth. As we increasingly embrace data-driven systems to monitor our herd, we are making better and more informed decisions that ensure the young animals reached their full potential. Similarly, we continued to fine-tune the nutrition of each calf, based on age and size, to ensure they thrive. By providing our young herds with the best possible feed, we pave the way for exceptional cows at maturity.

Consolidation boost to efficiency and quality

From an operations perspective, consolidating production facilities, yielded significant improvements. Our new state-of-the-art manufacturing facility, a QR 450 million investment, is poised to become an important asset in Qatar's food security infrastructure through its capacity to produce evaporated milk and sterilised cream domestically, reducing dependency on foreign imports.

The adoption of lean manufacturing techniques and further process optimisation continued to streamline production, while newly implemented performance metrics contributed to greater production efficiency. Overall, we were pleased to record significant growth in production output compared to the previous year.

Sales, Marketing, and channel growth

Our sales operation achieved positive growth across all key channels in 2024, helped by effective Ramadan promotions and the influx of tourists attending the Asian Cup.

As always, our strategic partners are important to our business model, and we were very pleased with the growing market opportunity from our national flag carrier, Qatar Airways, which increased sales volumes and issued new tenders. We renewed our strategic partnership with Widam Food for a further three years, strengthening our network and our alliances with companies like the Bel Group continued to boost local production. Furthermore, we secured a

significant QR 100 million Government tender for evaporated milk, which will commence in January 2025 for a 12-month period.

We met market demand in 2024 after implementing advanced inventory management systems and availability of order support system. In optimising our route-to-market strategy, sales volumes increased without requiring additional resources, improving operational efficiency and minimising our environmental impact.

Building a sustainable business

As an agribusiness, Baladna takes its sustainability responsibilities seriously. Consequently, we constantly explore new approaches and technologies to improve our use of non-renewable resources. In 2024, we made significant progress in improving our water and waste management systems, implementing a circular economy approach to transform waste into valuable resources, in line with Qatar's Vision 2030 and our own long-term sustainability goals.

We reduced Loss in Processes (LIP) as a result of automation, better resource management and

new technologies adopted during the year to improve planning, recipe management, and quality control.

Bolstering our talent base

The implementation of a new executive management structure in 2023 streamlined operations and produced the intended results, including greater agility and collaboration across all levels.

In 2024, we restructured the organisation in parallel with various process and technology enhancements to create a more agile team which is well-equipped to support our business objectives. This exercise was supported by change management projects to support our people through the transition and ensure they adapted to their new roles and responsibilities. These changes have instituted a solid foundation for a lean, effective company that is more collaborative and aligned with our long-term vision.

Looking ahead to 2025

After an eventful and prosperous 2024, we look to next year with enthusiasm and excitement, particularly regarding our Algerian joint venture. In the coming months we will plant crops, build

infrastructure and manufacturing facilities, and identify key business partners.

We will explore other opportunities for international expansion, while entrenching our strong market position in Qatar, supported by our ongoing strategy to boost operational efficiencies, product quality, and innovation.

Acknowledgments

Our Chairman and the Board of Directors once again demonstrated their valued counsel in 2024. My executive team and I are very grateful for their guidance and support. Similarly, our heartfelt thanks go to every member of the Baladna team for the dedication and hard work that was so instrumental in driving our success this year.

As always, we deeply appreciate the trust and support demonstrated by shareholders, partners, and most importantly, our customers and consumers. We are honoured to collaborate with you in building a sustainable future for Qatar and expanding our horizons to new markets and opportunities.

The Algerian project will create significant value for our shareholders, and we are proud to be the chosen partner for this substantial greenfield endeavour.

Business Model

Qatar's Leading Dairy & Beverages Company



Our Strategy

Our strategy revolves around establishing protocols and systems to achieve our corporate objectives. In order to achieve this, we have developed a set of goals and key performance indicators to monitor and continuously improve them. Our focus remains on creating shareholder value by driving optimisation, maintaining products' quality, accelerating growth, and strengthening the processes by continuous improvements and automation.


Growth in key categories we already operate	Leveraging our assets through product diversification	Expand into other categories and diversification into new categories in home market
Expand geographically in new markets	Drive end-to-end efficiency throughout the value chain and working towards improving sustainability footprint	Focus on producing most superior products in the categories we operate
Focus on producing our own feed	Continuous innovation and renovation to meet consumer's needs	Maintain quality across operations by using best-in-class technologies
Strong focus on cost optimisation throughout the entire operations	Continuous improvement in cow comfort to benchmark milk yield with leading dairy farms in the world	Provide healthy working environment to motivate staff / attract best talent and be the best place to work
Active involvement and contribution to the food security programme to ensure highest standards of health and safety for the citizens and residents in Qatar		

Shaping Sustainable Growth




Key Drivers

Our Strategic Pillars

People



Creating performance culture

- Build a lean, motivated and high impact team
- Training needs analysis and ensuring core training objectives are fulfilled

Brand



Be the preferred consumer brand

- Formalised consumer validated brand strategy framework
- Innovation – Commercial / Products / Packaging

Product


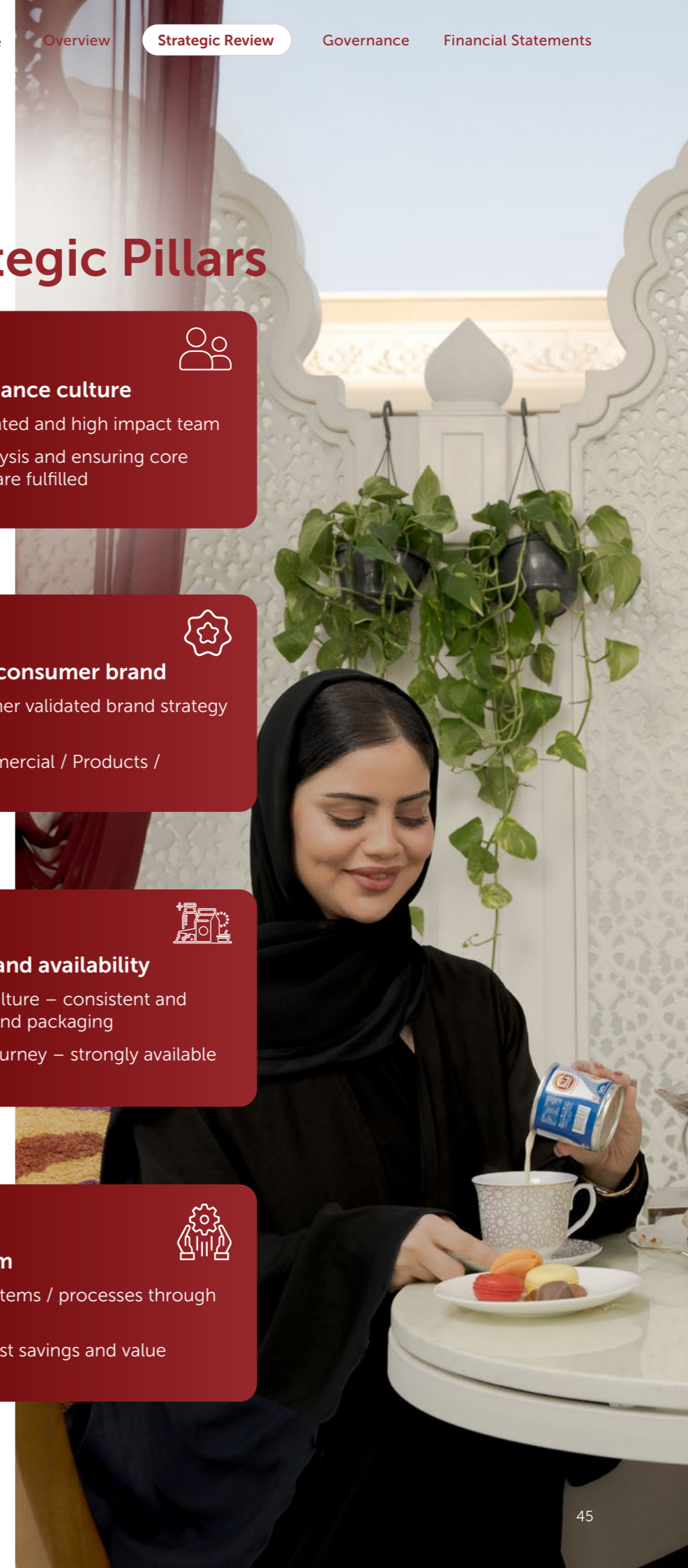
Ensuring quality and availability

- Entrench quality culture – consistent and superior products and packaging
- Simplify shopper journey – strongly available and visible

Efficiency


Drive value stream

- Optimisation of systems / processes through automation
- Strong focus on cost savings and value engineering



Case Study

At its full capacity, this operation will house 270,000 cattle, producing an estimated 1.7 billion litres of milk annually.

Baladna and Algeria: Pioneering dairy independence in North Africa

Algeria is a major importer of foreign dairy products, ranking as the world's second-largest importer of powdered milk. In line with Algeria's intent to become self-sufficient in food production, the North African nation has partnered with Baladna, Qatar's leading integrated dairy producer, to establish a self-sustaining dairy sector capable of meeting local demands.

This joint venture is Baladna's first international expansion, setting a precedent for similar ventures in the future. By leveraging its successful integrated dairy farming model, Baladna aims to enhance Algeria's dairy production, meet local demand, and bolster food security. This initiative aligns with Algeria's goal of reducing its dependence on imports and boosting local agriculture through advanced farming and production practices.

A transformation partnership and project

The Algeria Dairy Project, located on a sprawling 117,000-hectare site in southern Algeria, is an ambitious initiative set to become one of the world's largest dairy farming operations. The site will host an integrated dairy cluster comprising arable farming, a large-scale dairy and beef cattle farm, and a powdered milk production facility. At its full capacity, this operation will house 270,000 cattle, producing an estimated 1.7 billion litres of milk annually. The powdered milk

production alone is expected to reach 194,000 tons per year by 2033, covering 50% of Algeria's annual demand.

The financing structure of this USD 3.5 billion project includes 51% debt from the Algerian Government, while the remaining 49% is equity. As per the Shareholder Agreement, Algeria's National Investment Fund holds a 49% stake while Baladna holds a 51% stake, positioning the Company as a key stakeholder with substantial influence in the project's operations and future growth.

Strategic wins for Baladna, Qatar and Algeria

Baladna's involvement in the Algeria Dairy Project not only strengthens its international reputation as a premier integrated dairy producer but also enhances shareholder value. With a 51% equity stake, Baladna stands to gain significant financial returns and a strategic foothold in North Africa. This venture showcases Baladna's successful dairy farming model developed in Qatar, paving the way for future international projects in emerging markets. By positioning itself as a global player in food security solutions, Baladna can further diversify its revenue streams and expand its brand recognition beyond Qatar.

For Algeria, this project marks a monumental step toward food independence and economic resilience. By 2033, Algeria will be able to locally produce 194,000 tons of powdered milk annually, fulfilling 50% of its domestic demand. This development not

only reduces Algeria's import dependency but also enhances its food security and stabilises milk supply for its population.

Additionally, the project will create jobs, promote modern farming practices, and stimulate Algeria's agricultural sector. The integrated dairy model, including arable and

dairy farming as well as milk powder production, will further strengthen Algeria's agricultural infrastructure and contribute to long-term economic sustainability.

Through this collaboration, Baladna and the Algerian Government are jointly addressing

a critical supply chain vulnerability and setting a benchmark for sustainable dairy farming in the region. The partnership will strengthen ties between Algeria and Qatar, while positioning Baladna for further international growth and value creation moving forward.



Operating Review

During 2024, Baladna’s proven expertise as a leading dairy and beverages producer in the Middle East delivered an exceptional performance, with profits soaring by 69%, operating expenditure declining and market share rising. Our operating performance was testament to Baladna’s drive to deliver quality across our products, operation, and people. This focus validates the excellence of our integrated end-to-end model that has attracted the interest of other nations that are investing in their own food security.

The Company advanced its position as the most trusted brand in nutritional foods and healthy beverages in Qatar while shaping sustainable growth for the future. This outstanding progress was underpinned once again by the uncompromising focus on the

excellence of our products, which adhere to the highest standards in food safety and biosecurity protocols, supported by exceptional customer experience and service to delight our customers and consumers.

Our product quality was also evident in our metrics around customer satisfaction, with a decline in the number of complaints per million units sold from 2.2 to 1.6 in 2024.

A national champion in food security and self-sufficiency

Underpinning our every effort is Baladna’s primary purpose: to contribute to Qatar’s strategic direction to reduce its reliance on imports by building a thriving, sustainable food business that embraces global best practice in animal health, employee well-being, technology and product innovation.

Our record performance in 2024 ensured another meaningful contribution to the nation’s food security goals and created further shareholder value. The implementation of ever-more sophisticated efficiencies across

our entire value chain, new investments in state-of-the-art technology, successful product relaunches and strategic cost controls also strengthened the foundations for Baladna’s future prosperity and Qatar’s food autonomy.

In our drive for continuing improvement and a stronger alignment with our strategic goals, we undertook a comprehensive reorganisation of the Company’s structure. This commenced with a detailed analysis of our existing setup to identify opportunities for improvement and areas needing adjustment to drive better results. To address our findings, we

redesigned the organisational structure, redefined reporting lines and adjusted departmental functions – all intended to create a more agile structure that is fit for growth and equipped to support our business objectives more effectively while also improving communication across all levels.

Understanding that such shifts can be demanding, we rolled out a number of change management initiatives to ensure that our team members were supported through the transition and assisted in adapting to their new roles and responsibilities.

Market Leader

96.1%

Fresh Milk

Market Share

Baladna’s market share in the Fresh Milk category surpassed 96%, reinforcing its position as the market leader.



92.5%

UHT Milk

Market Share

UHT’s market share exceeded the 90% mark, retaining its dominant position in the market.



62.8%

Laban

Market Share

Laban experienced robust growth, strengthening its position in the market.



63.0%

Creams

Market Share

Creams continued to perform robustly and captured 63.0% of the market.



Revenue (QR million)

9% ↑



Revenue (QR million)

6% ↑



Revenue (QR million)

7% ↑



Revenue (QR million)

7% ↑



The completed reorganisation has laid the foundation for a more streamlined and effective company, empowering our teams to work more collaboratively and ensuring that we remain aligned with our long term vision.

A winning customer service strategy

Customer service and consumer satisfaction are essential cornerstones of our business, and this year, the expansion in our overall market share demonstrated our measurable improvements in this regard. Growing demand for the 250 plus innovative dairy and juice products we produce and deliver to partners and customers across our nation and beyond every day,

reflected both our successful Sales and Marketing operations, and our nimble response to ever-evolving consumer preferences.

Commitment to uncompromising quality

In line with our commitment to quality, we achieved a perfect record in 2024, completing another successful year with no market recalls - evidence of our products' top level quality assurance and reliability. All products continued to meet stringent safety and quality standards, which in turn reduced risks and enhanced customer satisfaction.

Our product quality was also evident in our metrics around customer satisfaction, with a decline in the number of complaints per million units sold from 2.2 in 2023 to 1.6 in 2024. This substantial decrease was followed by improvements to customer service and our products, supported by enhanced manufacturing processes, better quality control and more effective customer support.

Baladna's operational performance in 2024 has positioned us for future growth, supported by a clear focus on innovation, efficiency and market expansion in domestic and international markets.



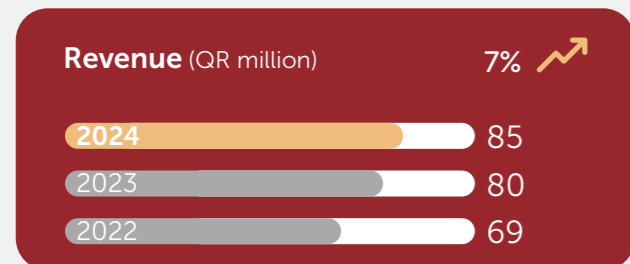
46.6%

Yoghurt

Market Share



Yoghurt continued to perform robustly and captured **46.6%** of the market, underscoring its competitive edge in the sector.



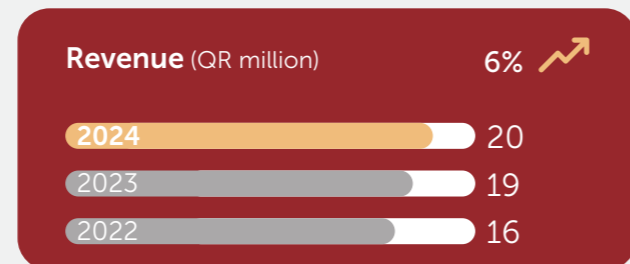
40.3%

Labneh

Market Share



With a **40.3%** market share, our Labneh maintained a significant presence in the market, reflecting consumer trust in our brand.



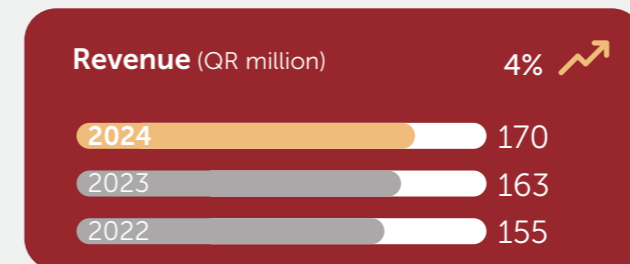
25.4%

Cheese

Market Share



Our Cheese portfolio continued to grow, securing more than **25%** market share and positioning us to capitalise on further opportunities.



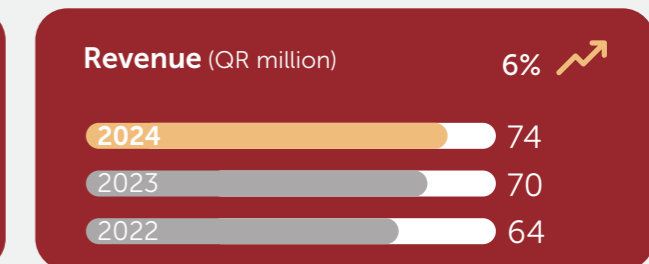
17.8%

Juice

Market Share



Our Juice category, which secured an **17.8%** market share in 2024, presents a significant opportunity for growth as we continue to expand our presence and capture further market share.



*Market share percentages are based on Nielsen data covering retail category only and reflects 12 months Moving Average Total (MAT)

Operating Review

Our Value Chain

Baladna's excellence in delivering quality and nutritious products from farm to fork has established a sought-after and scalable model that can be duplicated globally. We will continue

to make value creation a priority, ensuring that we focus on the objectives of our shareholders while also growing our business, our contribution to Qatar's food security, and our deep and lasting relationships with our customers and consumers.

How We Create Value



Finance

Maximizing value through prudent liquidity management, driving innovation in products and processes, executing disciplined investment strategies, and ensuring rigorous governance and financial reporting standards



Human Capital

Positioning our organization to address evolving human capital needs through a collaborative environment and a diverse, resilient talent base, nurturing the leaders of tomorrow



IT

Supporting value creation by accelerating Baladna's automation journey, digitalisation, improving and maintaining efficiencies across various workstreams across entire value chain



Farming

Practicing innovative and sustainable farming methods, ensuring efficient resource management, and upholding ethical sourcing practices

Prioritizing the health and wellbeing of the livestock by monitoring overall health of dairy herd, implementing preventative healthcare measures and improving animal nutrition and overall cow comfort by bringing world class expertise



Operations

Optimisation of processes and enhancement of existing high standards of production, food safety, quality and loss management

Continuous improvements in operational efficiencies to meet evolving needs of customers while optimizing costs

Products Development

Developing high-quality, innovative dairy products that meet evolving consumer needs, leveraging advanced technology and sustainable practices to deliver exceptional value and nutrition

Development of new recipes to meet the demand for healthy, delicious and nutritional products



Sales and Distribution

Continuous efforts to maintain market leading coverage by expanding customer base and enhancing strategic partnerships

Focus on segmented sales channels and market penetration to unlock further revenue and market share



Creating value for all stakeholders



Shareholders



Employees



Society



Customers



Partners



Suppliers

Contributed to our success in solidifying the leading position and the strength of our brands in the market, while fostering strong relationships with our clients and consumers



Supply Chain

Maximising value creation by effective sourcing, warehousing, fleet management and trusted relationships with our business partners



Marketing

Supporting value creation by maximizing market share, product innovations, capitalizing on brand equity and building renowned product portfolio

Operating Review

Farming

Baladna's steadfast commitment to sustainable and efficient farming practices is key to our primary purpose of contributing to the national goal of food security. Several important farming-related developments during 2024 elevated its role as a market-leading food producer that holds herd welfare and environmental innovation as intrinsic to its success and longevity.

At Baladna, 2024 is set to be recorded as a landmark year that saw great strides made across every aspect of our Farming operations. Our unwavering commitment to fine-tuning processes ensures that we are always pushing the boundaries of excellence, ensuring both the well-being of our animals and the highest quality of our products. We are taking every opportunity to innovate, building on our strong foundations to set new benchmarks in dairy farming, and perfecting our model for continued success at home and prosperous new ventures abroad.

A best-in-class model in dairy farming and production

During the year Baladna announced a USD 3.5 billion agreement with the Algerian National Investment Fund to establish the world's largest dairy farm and production plant, modelled on our successful grass-to-glass approach. The Farming team played a crucial role this year by contributing expertise and leadership to shape an ambitious dairy farm project in Algeria. By applying our proven standards and deep knowledge that have driven our success in Qatar, we are laying the foundation for Baladna's journey in Algeria.

Optimising farming practices and improving cow welfare

In Qatar, a key farming focus this year was performance recording of young stock. By closely monitoring their growth and development, we optimised their health and productivity from the start. This data-driven approach allowed us to make informed decisions to ensure that each young animal reached its full potential, thus contributing to the long term sustainability of our herd.

Baladna provides exceptional care for pregnant cows by investing in specialised housing that supports their transition from milking to non-milking phases.

We also introduced biometric facial recognition at farm entry and exit points to enhance biosecurity with precise access control. This programme implements protocols for restricted access, contamination risk monitoring and protects the health and safety of our herd.

Caring for cows and calves

In our ongoing effort to enhance the well-being and comfort of our cows, Baladna provides exceptional care for pregnant cows by investing in specialised housing that supports their transition from milking to non-milking phases. This approach promotes healthier pregnancies and ensures a smooth return to milking after calving. Additionally, we installed new lighting in non-milking areas, allowing cows to rest optimally and stay in peak condition for calving and milking.

At Baladna, we are perfecting our approach to tailoring calf feeding based on age and size. By customising nutrition and optimising feed availability, each calf receives precisely what it needs to thrive. Paired with our genetic selection approach and a key focus on breeding for heat resistance, we are ensuring that our herd is not only healthier and stronger but also better equipped to withstand Qatar's intense summer heat and humidity, supporting resilience, high milk production and overall well-being in extreme conditions.

Deepening the skills of our teams with best-in-class expertise

Additional initiatives in 2024 included bringing in top consultants to upskill our team and implement advanced animal care practices, further enhancing cow comfort and care. Baladna continued its strategy of investing in innovative water and effluent

management systems, advancing the Company's sustainable farming practices and further reduced its impact on the environment.

Looking ahead to 2025

Baladna will continue to innovate in sustainable farming and is exploring feed farm acquisitions to meet internal demand.

In 2025, we will introduce robotics in our parlours to improve milking consistency and udder health, ensuring that each cow is milked with precision and care. In its global ventures, significant attention will be paid to progressing the new Algerian project.



Operating Review Operations

In 2024, Baladna made significant strides in its Manufacturing capabilities by consolidating existing facilities and introducing new cutting-edge technologies to enhance efficiencies and product quality.

2024 Highlights

Product Category	Total Production Volume 2024 (Kg/million litres)
Fresh and UHT Milk	85.9
Yoghurt	13.3
Laban and Ayran	8.3
Cheese	5.3
Labneh	1.0
Fresh and UHT Cream	5.8
Other Dairy Products (i.e., Custard, Desserts, Ghee, etc)	0.8
Chilled and Long-Life Juice	15.9
Evaporated milk	1.6
Total	137.9

Achieving best-in-class food safety and quality

In 2024, Baladna successfully implemented FSSC 22000 version 6.0 across its dairy production plants, reinforcing our commitment to delivering the safest and highest-quality products. As the first company in Qatar to be awarded this certification, we are proud to uphold global food safety standards while continuously improving our practices.

FSSC 22000 version 6.0 is a globally recognised food safety certification that addresses emerging challenges and consumer expectations, while supporting the United Nations Sustainable Development Goals. This latest version of the certification brings significant advancements to food production and certification processes, with a strong emphasis on effective management systems.

The certification highlights Baladna's unwavering dedication to food safety and quality. Key measures implemented include enhanced risk assessments, environmental monitoring, allergen management, stringent labelling practices, food defence strategies and food fraud mitigation. These initiatives align with evolving consumer needs, regulatory expectations and the integrity of our supply chain, ensuring the highest standards across all areas.

In addition to these technical improvements, Baladna has cultivated a robust food safety and quality culture, encouraging shared values and proactive behaviours within our teams. We have gone beyond basic compliance, demonstrating our deep commitment to food safety and quality at every level of our operations. Our holistic approach places equal emphasis on both

food safety and quality, from farm to fork.

Baladna Food Industries also successfully completed stage 1 and stage 2 of ISO 22000:2018 Food Safety Management System certification for its plastic packaging production facility. This further underscores our strong commitment to maintaining the highest standards in food safety and quality. The certification ensures that the packaging materials used in our food products are safe, secure and of the highest quality. It provides assurance to customers and consumers alike that the packaging used by Baladna adheres to the most stringent safety and quality standards, reinforcing our position as a trusted and responsible leader in the food industry in Qatar.

Proactive problem-solving drives delivery improvements

This year, we proudly achieved an exceptional 100% of our production plan, reflecting the outstanding collaboration between our manufacturing, production planning, inventory, warehouse, logistics and procurement teams. By aligning production schedules with customer demand, optimising manufacturing processes and streamlining warehouse and logistics operations, we were able to minimise delays, maximise output and ensure the timely delivery of high-quality products.

Our teams took a proactive approach to problem-solving by identifying potential issues early and addressing them before they could affect service, ensuring smooth operations throughout the year. This concerted effort not

only allowed us to meet but also exceed our service delivery targets, reinforcing our commitment to operational excellence and customer satisfaction. The remarkable teamwork and process optimisation demonstrated this year have set a new standard for efficiency, reliability and agility. Looking ahead, we remain focused on refining our processes, enhancing cross-functional collaboration and continuously elevating our service delivery standards to maintain our position as a trusted and valued partner for our customers.

In addition, we are thrilled to report an outstanding 99.8% sales order fulfilment rate for the year, underscoring our unwavering dedication to customer satisfaction and operational excellence. This achievement is the result of exceptional

teamwork across sales distribution, planning, manufacturing and the finished goods warehouse teams. Through seamless coordination, we ensured that every order was processed swiftly and accurately. Sales and Planning collaborated to align inventory with customer demand, preventing stockouts and ensuring smooth order execution. Our manufacturing team optimised production schedules to meet critical deadlines, while the finished goods warehouse team focused on efficient picking, loading and system transactions to guarantee on-time deliveries. This unified effort enabled us to consistently exceed customer expectations, and we are committed to sustaining and building on this momentum to deliver even greater value in the future.



Driving down costs to create financial value

During the period under review, our primary focus was on reducing operational costs while maintaining the excellence of our products and services. This was achieved through the adoption of Good Manufacturing Practices (GMP), which helped ensure product safety, reduce process inefficiencies and minimise waste. Additionally, we successfully transitioned production from our older plants to more advanced facilities, a move that further contributed to reducing operational costs.

As a result of these numerous enhancements, we were able to significantly lower operational expenditure. This was further supported by energy efficiency initiatives, including the conversion of our boilers from Diesel to Liquid Petroleum Gas (LPG). This change has not only helped reduce fuel costs but also aligned with our sustainability goals. The reduction in operational expenditure reflects our ongoing savings initiatives, excluding non-recurring or unusual costs, and provides a clearer picture of how we are continuously enhancing efficiency and reducing regular operating expenses.

These strategic actions reinforce our commitment to maintaining cost-effective operations while ensuring that product quality and customer service remain at the highest standards.

Advanced technologies and data-driven decision-making to improve performance

Our drive for operational excellence is guided by several key objectives, including the minimisation of process losses. Through this focus, we reduced material waste, downtime, rework, defects, excessive inventory and inefficiencies across various processes. We adopted lean methodologies, such as daily production meetings, to streamline operations, improve organisation and instil a culture of continuous improvement.

Leveraging cutting-edge technology, we implemented process automation, total productive maintenance and predictive maintenance techniques to improve equipment performance and reliability. These innovations helped to reduce unplanned downtime and enhance operational efficiency. Additionally, the integration of data-driven decision-making through the collection and analysis of Key Performance Indicators (KPIs) and real-time data analytics allowed us to proactively address operational challenges. We remain committed to innovation, with an ongoing objective of developing new cost-effective products that enrich our existing product portfolio to meet the evolving needs of our customers.

Continuous improvement in manufacturing

One of our major achievements this year was the successful commissioning of the Evaporated Milk Production (EVAP) line, which was seamlessly integrated into our existing production workflows. This upgrade has resulted in improvements in production performance and output.

In 2024, we also implemented Integrated Business Planning (IBP) to enhance business planning and coordination across functions. By integrating sales, operations and financial planning processes, IBP enabled us to utilise advanced tools for data-driven decision-making and scenario planning.

Our teams received comprehensive training to ensure the effective adoption of IBP tools, and we conducted ongoing monitoring to evaluate performance, align efforts with business goals and drive continuous improvement.

Through these initiatives, we are confident that we will continue to create financial value, improve performance and meet the evolving needs of our customers while optimising costs.

We are thrilled to report an outstanding 99.8% sales order fulfilment rate for the year, underscoring our unwavering dedication to customer satisfaction and operational excellence.

Looking ahead to 2025

As we move into 2025, our focus will be on further enhancing operational efficiency and product quality through the implementation of advanced technologies and strategic expansions. We are committed to strengthening our Manufacturing capabilities to meet growing production demands while streamlining our operations to reduce costs.

A key initiative for the year will be the expansion of our state-of-the-art facilities, ensuring we have the capacity to support increased production requirements. Alongside this, we will work on consolidating our manufacturing

operations to optimise processes, eliminate inefficiencies and drive down operational costs. We will continue to drive efficiencies by deepening our commitment to lean manufacturing principles. Training initiatives will be expanded, and lean activities will be integrated across all areas of manufacturing. This will include daily meetings, root cause analysis and waste reduction strategies, all aimed at ensuring continuous improvement and operational excellence.

We have plans to invest in fresh and UHT processing and filling lines to significantly boost production capacity. This will help

reduce risks by diversifying capabilities across 2 plants. Additionally, we are excited to introduce a new mozzarella production line, incorporating Individually Quick-Frozen (IQF) technology, which will enable us to produce fresh mozzarella at a higher capacity and with enhanced quality.

With these initiatives, we are confident that 2025 will be a year of growth, efficiency and enhanced product quality, positioning us to meet the evolving needs of our customers and maintain our leadership in the industry.



Operating Review

Marketing and Product Development

During the year under review, Baladna's Marketing and Product Development efforts once again focused on innovation and brand enhancement to ensure we maintained our momentum as Qatar's most loved dairy brand, repositioned and relaunched our Awafi brand and boosted our positioning in the Juices category with the full relaunch of our Chilled Juice portfolio.

Our determination to deliver a superior product range and our ever-increasing agility in responding to evolving consumer preferences and market trends resulted in an increase in our brand health tracker achieving product superiority from 2 segments to 6 segments in our latest brand health reading and an overall increase in our market share, to 54.1%.

Our share of the Fresh Milk market ended the year at 96.1%, driven by the launch of new flavours in the kids segment and an introduction of a full range of protein milks that target a new consumer base for Baladna. Our position in the UHT Milk market remained exceptionally strong, growing to 92.5% from 88.7% in 2023, while Baladna's Laban products now represent over 60% of the market. Our Labneh market share stands at 40.3%, while our Cheeses and Yoghurts stood at 25.4% and 46.6% respectively.

Cementing Baladna's position as Qatar's most popular dairy producer

We introduced 39 new SKUs in 2024, bringing the number of Baladna's Dairy and Juice products distributed in Qatar and beyond to 260. Among the new and exciting products were a range of added value vitamin enriched Milks, and a range of

high protein Milks and Yoghurts. Our entry into the protein range in both spoonable and drinkable formats offered a convenient and nutritious way for consumers to incorporate protein into their daily diets, catering to the demands of health-conscious individuals focusing on a fast-growing segment and targeting new consumers and moments of consumption. We further strengthened the success and growth of our Greek Yoghurt portfolio with new varieties such as mixed berry and blueberry flavours which have added incremental growth and secured our position as the number one Greek Yoghurt brand in Qatar.

A major undertaking during the year was the refresh and relaunch of our Fresh Juices portfolio, which included new and exciting flavours and new packaging, generating an improvement in consumer experience and brand appeal. This was extremely important in light of increased competition from major GCC brands which have entered the Qatar market. The relaunch has been a major success in so far as we have defended our position and share within this highly competitive category and continue to invest in communication on product sampling to ensure we maintain our leadership position. In 2025

we will extend our new design to our long-life juice range to complete our universal image.

Awafi, our second brand which plays a key role in offering choice and value to our consumers in plain dairy segments has undergone a massive relaunch in the third quarter of the year. Awafi has been repositioned as an everyday value, everyday nutritional brand offering essential goodness to all consumers. This has been further strengthened by a revamped design and image offering a modern and contemporary look and feel which was validated through our consumer research agency. The relaunch was supported with a 360-degree marketing campaign using our digital platforms and instore activations team. The results of which have been a growing and successful second brand within the Baladna portfolio.

Our position in the UHT Milk market remained exceptionally strong, growing to 92.5% from 88.7% in 2023, while Baladna's Laban products now represent over 60% of the market.

In 2024, Baladna engaged with consumers through meaningful campaigns and community events, including an expanded "Back to Fun & Learning" campaign that reintroduced Special Edition back-to-school packs and featured activities promoting our milks, yoghurts, juices, custards and cheese, along with a comic book for kids starring our mascot, Mila the cow. Our Ramadan campaign in March and early April, focused on the theme "Baladna, at the heart of every moment," highlighting our role in customers' daily lives. We

also enhanced our brand engagement by hosting events for Asian and other expatriate communities, building stronger connections with diverse audiences. The success of this campaign has resulted in Baladna becoming the first Qatar dairy and juice company to win the prestigious MENA Digital Award 2024 for the best creative brand campaign.

Looking ahead to 2025

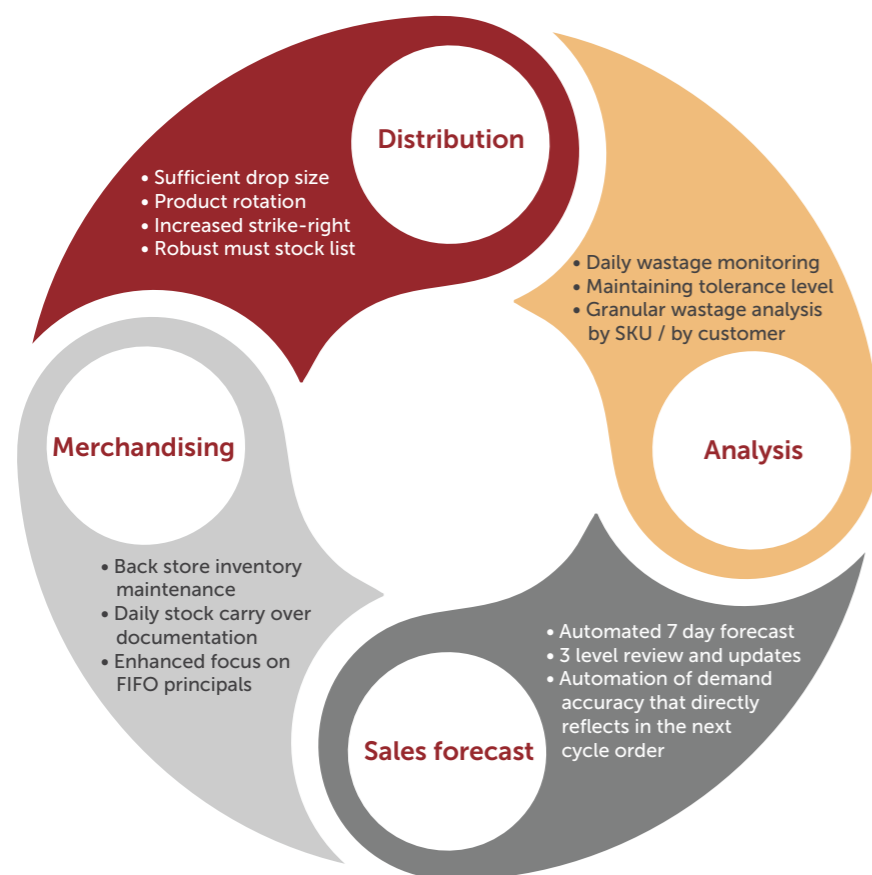
In the coming year, we will launch a new Baladna brand identity across our brands and markets to

drive greater consumer engagement. Elements of the revitalised brand will include innovative packaging and marketing, as well new products to cater to emerging consumer preferences and market trends. This includes expanding our high protein milk offering and further diversifying the Greek Yoghurt portfolio. We will also enhance social and digital communication platforms with an omni-channel approach that aligns with consumer needs and insights.



Operating Review Sales and Distribution

Our multi-channel approach and strategic partnerships once again played a critical role in ensuring widespread product availability and strong market penetration. Supported by our exceptional order fulfilment rate of 99.8%, the Sales and Distribution business demonstrated outstanding efficiency and reliability in meeting customer demands and contributing to the year’s outstanding performance. Operating 7 days a week, 365 days a year, we continue to be the number one food manufacturing and distribution company in Qatar offering an unrivalled level of service to both the Retail and HORECA channels.



In our key channels, we achieved strong growth, with HORECA comprising 34% of total revenue in 2024, representing an increase of 8% year on year. Similarly, our major retail accounts posted a 5% increase in sales to end the year, contributing 44% of total income, while traditional retail trade grew

8% to generate nearly a fifth of revenue.

Strategic deployment around key events

During 2024, we identified and capitalised on several key events and initiatives to achieve significant growth on multiple

fronts. The Asian Cup, which was hosted by Qatar this year, was a major highlight, allowing us to benefit from new consumers and drive higher volume.

We expanded our in-store presence with 10 new modern trade stores, complemented by the strategic implementation of below-the-line advertising, including point-of-sale materials, additional placements in both chilled and ambient sections, and retail leaflets. Shelf space in key accounts reached an all-time high, exceeding 7,000 metres. Supporting our in-store activities was our e-commerce platform, which we bolstered during the year by increasing our 3 platforms to 6 in total. This helped mirror Baladna’s strong presence in brick-and-mortar retailers, ensuring a seamless transition for our customers from in-store to digital shopping experiences. With this expanded reach, our e-commerce revenue rose substantially by 20% compared to 2023, further solidifying our leadership in the market. The combined effect of e-commerce and online was strong volume growth of 5% and revenue growth of 5% compared to 2023.

Our distribution network was substantially strengthened with the addition of 6 new routes in the second half of the year to support growing volumes across all channels, increasing basket sizes and ensuring that the Sales team is adequately staffed to meet the growing opportunities.

This year’s Ramadan accelerated the momentum established in the holy month in the previous 3 years. We furthered our brand alignment with consumer decision-making during this strategic period, supported by Ramadan-themed branding and additional in-store placements. In combination, they stimulated further growth that resulted in volume expansion of 4% and a revenue increase of 7% in line with expectations.

Profitable partnerships

Qatar Airways, an important national partner, maintained strong momentum with increased basket sizes and new tenders. In addition, we have formed a close Product Development relationship with Qatar Airways to successfully produce unique products that are suitable for use in recipes consumed both on the ground and in the air for Qatar Airways staff and customers. Our partnership with Widam Food was renewed for a further 3 years, cementing the strength of our contribution to food security and optimising farm profitability.

Baladna has built and commissioned a new plant that can fulfil the total requirement of evaporated milk for the Qatar market. This was built based on Baladna’s ability to tender for and win the government’s Tamween

tender. This process is lengthy and complicated with various steps along the way commencing with an invitation to tender, bid submission, technical evaluation, competitive pricing and ultimately the prize is awarding of the tender. With team collaboration and constant follow up and negotiation with the government tender committee we have successfully been awarded the 2025 Tamween Evaporated Milk tender worth QAR 100 million. Baladna will commence first delivery in January 2025 and will continue to supply daily up and until December 2025.

Our product basket in HORECA channels was expanded with imported offerings to further improve our service and status as the number one supplier of dairy and juice to the HORECA market. Products such as tomato paste, kashkaval, cheddar and Monterey Jack, amongst others have been successfully launched and we secured 12 additional tenders for previously unsupplied products. These developments made a meaningful contribution to our performance and as a preferred supplier to this growing sector.

Meeting the increase in foreign competition

The year had its challenges, however, namely the increased competition from new entrants from the Kingdom of Saudi Arabia, the United Arab Emirates and Kuwait in non-regulated categories like fresh juice, long-life juice and natural and processed cheeses. In addition, with the drop in European milk prices, imports of cheese, organic milk and labneh have intensified in terms of volumes and lower

selling prices. This puts downward pressure on selling prices for local producers. These categories have always been viewed by Baladna as offering substantial growth potential. Accordingly, our immediate priority is to defend our related market share and retail space, followed by the implementation of a plan to continue pursuing growth once we secure our current position.

Looking ahead to 2025

Addressing the rise in local GCC imports will be a key focus for Baladna in the coming years. We plan on executing a proactive strategy targeting major customers and key categories. This will involve enhancing product placement, improving in-store presence and boosting e-commerce initiatives, while also leveraging our new Product Developments. Beyond these initiatives, Baladna intends to expand into other markets, enhance existing sales channels and secure strategic partnerships to increase market penetration in key regions.

We expanded our in-store presence with 10 new modern trade stores, complemented by the strategic implementation of below-the-line advertising, including point-of-sale materials, additional placements in both chilled and ambient sections, and retail leaflets.

Operating Review New products

Our unwavering dedication to providing nutritious products is a testament to our commitment to deliver value every day. With a steadfast focus on quality and innovation, Baladna takes pride in offering delights that nourish the lives of our consumers.

Greek Yoghurt

Farm-fresh made to meet the growing demand for Greek Yoghurt and cater to diverse consumer preferences, we expanded our Greek Yoghurt line—crafted from 100% fresh milk—by introducing an array of exciting new flavors. We also launched a 0% fat Greek Yoghurt, offering a delicious and nourishing option for health-conscious consumers. These innovations have not only broadened our product portfolio but also reinforced our position in the competitive Greek Yoghurt market.



Fresh Flavored Milk & RTD Coffee

Purely crafted to delight consumers, we introduced Mango Flavored Milk, expanding our strong lineup of fresh-flavored milks. Additionally, we enhanced our RTD coffee segment with the launch of Mocha Latte. Both product lines are made from 100% fresh milk, reinforcing our commitment to quality and delivering an indulgent yet wholesome experience.



Hi-Protein Milk & Yoghurt

Naturally perfected to fuel the needs of fitness enthusiasts and gym-goers, we introduced a new line of high-protein dairy products made from 100% fresh milk. Our high-protein milk packs an impressive 30g of protein per bottle, delivering the essential muscle-building fuel for intense workouts and recovery. Complementing this, our high-protein yoghurts offer 12g of protein per cup, providing a delicious, convenient, and nutritious option for post-workout recovery or on-the-go nutrition.



Long Life Juices

Freshly blended to broaden our appeal to younger consumers, we introduced convenient 125ml juice packs across our Long Life Juice range. Featuring flavors like Apple, Mixed Fruit, and Mango with Mixed Fruit Nectars, these fun and portable options provide a fun and easy-to-enjoy choice for children.

Chilled Juices

Freshly made to enhance our chilled juice portfolio and meet evolving consumer tastes, we introduced the vibrant 'Fruit Fusion' range. This innovative collection features bold and refreshing blends, including Mango with Mixed Fruit and revitalized Mixed Berry and Mixed Fruit flavors. These tropical fusions offer consumers with a delightful and flavorful experience, reinforcing our strong presence in the chilled juice market while delighting consumers with every sip.



Cheese Triangles

Richly made to bring more variety to our cheese range, we introduced Cheese Triangles—offering a delicious, creamy, and easy-to-enjoy option for various occasions, including school lunchboxes. This launch has not only enriched our product portfolio but also provided consumers with a convenient and flavorful cheese choice.



Market Review

Global economy

In 2024, the global food industry operated within a highly dynamic environment influenced by geopolitical tensions, economic uncertainties and evolving consumer preferences. The global economy recorded a growth rate of 2.9%, reflecting a slowdown compared to previous years due to persistent inflation, disruptions in trade flows and rising energy costs.

Key geopolitical conflict created had a cascading impact across global food supply chains, extending beyond the primary affected routes. The Red Sea region, a critical trade route, faced significant disruptions due to escalating regional conflicts, including restricted shipping lanes and heightened security risks. These challenges impacted the timely transportation of food commodities, leading to increased costs and shortages in downstream markets. Additionally, geopolitical tensions in neighbouring areas further strained supply networks, underscoring the vulnerability of global food logistics to regional instability.

Despite these challenges, global food demand remained resilient. Factors such as population growth, urbanisation and increasing interest in health-

focused and sustainable food products continued to drive consumption. The dairy sector saw particular growth in functional and value-added products, including fortified milk, plant-based alternatives and lactose-free options.

Sustainability emerged as a central theme globally. Both governments and private enterprises prioritised climate-resilient agricultural practices, food waste reduction and investments in renewable energy for production processes. While the transition to greener operations increased Operational Costs, it created opportunities for businesses to align their activities with environmentally conscious consumers' preferences.

MENA region

The MENA region played a significant role in shaping global food trends in 2024, with the food and beverage industry recording a robust 6.7% Compounded Annual Growth Rate (CAGR). Governments across the region prioritised food security through enhanced domestic production, investments in advanced agricultural technologies and the establishment of resilient supply chains.

GCC countries, led by Qatar, Saudi Arabia and the UAE, accelerated investments in local

food production to reduce dependency on imports. In 2024, policies promoting self-sufficiency in dairy, poultry and fresh produce drove significant growth.

Moreover, a surge in demand for clean-label, organic and nutrient-rich products reflected consumers' growing focus on health and wellness. This trend was particularly strong in urban centres with higher disposable incomes.

The digitalisation of food retail also gained momentum, with the increased adoption of e-commerce platforms, online grocery shopping and delivery services. Regional food businesses leveraged these platforms to expand their reach and improve customer convenience.

In 2024, the regional dairy sector continued to thrive, particularly in Qatar and Saudi Arabia. This growth was supported by strong domestic production capacities, consumer preference for fresh products and innovation in functional and value-added dairy items.

The Qatar economy

Qatar's economic outlook for 2024 reflected a strategic balance between stability and growth. Inflation remained low,

contributing to steady consumer purchasing power and a favourable business environment. This controlled economic environment underscored the success of government-led initiatives in fostering resilience against external challenges.

The GDP grew by 2% for the year, supported by public investment and the ongoing LNG expansion project. Inflation eased to 1% during the year, a result of effective fiscal policies stabilising supply chains and controlling prices. Furthermore, Qatar reduced its public debt from 73% of GDP in 2020 to less than 44% by the end of 2023, showcasing its commitment to strong financial management.

Key sectors such as food security and digital transformation are at the forefront of Qatar's diversification strategy. Qatar's proactive policies in these areas are strengthening investor confidence and expanding opportunities across industries. Investments in these areas are designed to enhance domestic production while positioning the country as a regional hub for innovation.

The food and beverage sector continues to drive economic activity, supported by advancements in agricultural practices and strategic investments. The country's focus on these areas ensures long term

growth while aligning with its goal of achieving greater self-sufficiency. Businesses are well-placed to benefit from these favourable conditions, supported by a stable macroeconomic foundation.

Qatar's newly launched National Food Security Strategy 2030 aims to enhance the nation's resilience in the face of global supply chain challenges. This comprehensive strategy focuses on increasing domestic production of critical food items, bolstering strategic reserves and diversifying import sources. The plan includes initiatives to improve agricultural efficiency, reduce reliance on water-intensive farming and leverage innovative technologies to optimise production. By expanding storage capacities and establishing advanced risk monitoring systems, the strategy seeks to ensure a reliable food supply and strengthen Qatar's position as a key regional player in food security.

The dairy sector

The Middle East dairy sector has shown consistent growth, with a strong demand for fresh and value-added dairy products. The region's dairy market is projected to expand steadily, driven by population growth and increasing consumer awareness of nutritional benefits.

In Qatar, the dairy market has become a key pillar of food security efforts. The Qatar dairy products market size is expected to reach USD 723.75 million in 2025 and grow at a compounded annual growth rate of 5.35% to reach USD 939.21 million by 2030. This sector has overtaken broader agricultural growth as a key focus area, ensuring self-sufficiency and stability in food supplies.

Baladna has played a pivotal role in this transformation, achieving a self-sufficiency rate of over 85% for Fresh Milk and dairy products. This milestone underscores the effectiveness of Qatar's targeted investments and strategic planning. The success of the dairy sector is mirrored by the growth of other key areas, including livestock and poultry.

Qatar has achieved self-sufficiency in the dairy sector, marking a significant milestone in the country's food security efforts. This success is mirrored by strong growth across the livestock, poultry and fishery sectors, contributing to a more resilient and diversified agricultural landscape. Local vegetable production volume has almost doubled in the past five years, with the vegetable sector experiencing the most remarkable expansion. This growth reinforces Qatar's commitment to sustainable development and reducing reliance on imports.

Outlook

Looking ahead to 2025, Qatar's economic outlook is characterised by a stable macroeconomic environment, with inflation projected to remain low. This stability is expected to enhance consumer purchasing power, providing businesses with favourable conditions for growth. Government-led initiatives focusing on food security, digital transformation and sustainability are set to play a pivotal role in driving economic progress.

Reflecting on the previous year's performance, the food industry demonstrated resilience amid global economic and geopolitical challenges. The sector's ability to adapt and maintain growth underscores its robustness and the effectiveness of Qatar's strategic initiatives.

The Government of Qatar is heavily investing in local agriculture and food production to bolster food security and self-sufficiency, key pillars of Qatar National Vision 2030. Programmes under the Qatar Development Bank (QDB) provide subsidised loans, land allocations and access to advanced agricultural technologies, enabling local producers to scale operations. Simultaneously, investments in agri-tech solutions such as hydroponics and vertical farming are optimising resource use in agriculture, addressing Qatar's arid environment while increasing output. Strategic partnerships with international firms and local SMEs further strengthen the supply chain, with export-orientated processing units and research collaborations enhancing food production capabilities.

In addition, the government is expanding logistics and cold storage infrastructure to reduce post-harvest losses and ensure efficient distribution of fresh produce. Initiatives under the National Food Security Strategy have already achieved significant self-sufficiency in key food items, with continued funding set to increase availability of high quality, locally sourced food. These efforts are complemented by public awareness campaigns promoting the benefits of local produce and healthy eating, aligning with evolving consumer preferences for organic and sustainable options. These initiatives are shaping a resilient and dynamic food sector poised for robust growth in 2025.



Baladna has played a pivotal role in this transformation, achieving a self-sufficiency rate of over 85% for fresh milk and dairy products.



Chief Financial Officer's Review

Baladna delivered an impressive financial performance in 2024, generating significant growth in revenue and Net Profit, resulting in strong EBITDA margins that position the Company ahead of its regional peers. Increases in market share, higher sales volumes, new products, and a raft of measures to drive cost and operational efficiencies all played a role in this year's outcome, and contributed to the business plotting a steady course for its future sustainable growth.

The year was also significant for the finalisation of an agreement to build one of the world's largest vertically integrated dairy farms in Algeria. The new venture will play a substantial role in accelerating our growth and scaling our business into a global food enterprise.

Strong tailwinds accelerate revenue gains

Revenues in 2024 rose 8% to QR 1,145 million from QR 1,057 million last year, thanks to internally driven measures that spurred performance. These included higher sales volumes across our key channels, new product launches, and the impact of annualised price increases in second half of the previous year.

Initiatives such as targeted marketing campaigns made substantial contributions to market share growth in key categories. By the year end, our overall market share was 54.1% compared to 53.5% at the end of 2023, and we held a 62.7% share of the Qatar dairy segment, compared to 61.7% in the corresponding period.

Revenues in 2024 rose 8% to QR 1,145 million from QR 1,057 million last year, thanks to internally driven measures that spurred performance.

The increase in market share was accompanied by higher sales volumes in the HORECA and retail channels, which grew 8% and 6% respectively. During the year we also launched several new products that cater to our consumers' evolving needs and tastes. These new SKUs contributed significantly the overall top-line result, with the strongest performers being high protein milk and vitamilk categories.

Operational efficiencies drive net profit growth

The most significant aspect of our 2024 financial performance was the increase in our Net Profit attributable to Baladna shareholders, which rose 69% to QR 185 million from QR110 million in 2023. As a result, the Net Profit Margin improved significantly to 16.2% in comparison to 10.4% in the last year. Baladna's business performance delivered excellent value for shareholders in 2024, with earnings per share of QR 0.097, an increase of 69% on the previous year.

While a key contributor was our revenue performance, Net Profits were also boosted by reduction in material prices driven by stable commodity prices, enhanced operational efficiencies across the value chain, following prudent streamlining of most processes and activities. In tandem, we maintained a focus on disciplined cost control measures, which reduced General and Administrative Expenses by 23% for 2024.

During the final quarter of last year, Baladna negotiated better financing rates on its banking facilities, which had an annualised benefit on our bottom line. Additionally, Net Profits received a boost from the fair value gains on our equity investments, which appreciated considerably in 2024. Baladna holds these shares of companies listed on the Qatar and Egypt bourses to secure strategic advantages and create shareholder value.

Our EBITDA margin reached to 33.3% further strengthening Baladna's leading position among its regional peers.

Saifullah Khan
Chief Financial Officer



In EBITDA terms, Baladna reported significant growth of 17% reaching to QR 381 million from QR 325 million in the last year. EBITDA margin reached to 33.3% further strengthening Baladna's leading position among its regional peers.

Operational resilience amidst global challenges

During 2024, we rolled out a number of operational improvements that had a positive impact on our results. These included reducing process losses in Manufacturing; minimising wastage in Sales and Distribution; and enhancing milk yield in the Farming operations.

Baladna's expansion in its domestic market was boosted by the award of a substantial government contract to supply evaporated milk in 2025. The approximate value of this contract is QR 100 million, and the product will be manufactured in our newly constructed state-of-the-art QR 450 million factory.

In 2024, the region was beset by disruptions to global trade routes, in particular, the Red Sea, which is a vital sea corridor for Gulf countries. Geopolitical affairs had a substantial impact on the flow of goods across ports, adding to congestion, delays and inflation.

Baladna, on the other hand, displayed strength and flexibility to ensure that business carried on

as usual without interruption, demonstrating its productivity and value creation. We implemented several strategic measures, including identifying and switching to alternative shipping routes. Additionally, we stockpiled essential inventory to reduce production downtime caused by supply interruptions, and we made a concerted effort to deepen our relationships with key suppliers while forming new supply partnerships.

The outcome of all these measures was minimal impact on the business, as operations continued uninterrupted, transport costs and delays were reduced and our customers remained satisfied with our ability to deliver on time.

Business automation and technological advancements drive operational efficiencies

Technology remains a key driver of Baladna's operational success, playing a key role in improving efficiencies and optimizing processes across the organization. In the past year, we focused on strategic initiatives that delivered significant cost savings and accelerated decision-making capabilities. The Controlling Profitability Analysis project was a significant achievement, providing a more comprehensive and accurate understanding of profitability. This initiative enhanced visibility into the factors influencing product margins, enabling more informed and effective decision-making across the business.

At the same time, we enhanced our digital infrastructure through key system migrations and integrations. Notably, we upgraded SAP SuccessFactors to optimize human capital management and fully unlocked Microsoft Analytics Platform System (Microsoft APS's) potential to automate processes across multiple departments. We also improved Power BI dashboards, further strengthening our ability to visualize and analyze data for more informed decision-making. The Integrated Business Planning (IBP) project experienced significant progress, boosting demand forecasting accuracy, inventory management, and production planning within our Supply Chain Department.

New features, such as statistical forecasting, automatic data correction, product lifecycle management, and milk balance, have further optimized our operations, resulting in greater efficiency across the entire value chain. The SAP RISE Migration also marked a transformative milestone, enabling a fully integrated, digital-first environment.

Business expansion strategy

Baladna's expansion in its domestic market was boosted by the award of a substantial government contract to supply evaporated milk in 2025. The approximate value of this contract is QR 100 million, and the product will be manufactured in our newly constructed state-of-the-art QR 450 million factory. The investment in this

facility is an important element of our support for Qatar's objective of food self-sufficiency.

One of the year's highlights was the finalisation of a joint venture with the Algerian National Investment Fund to establish the largest vertically integrated dairy farms in the world. We will export our successful business model to this new venture and others currently under consideration, helping our partner countries strengthen their own food security while creating further

shareholder value for Baladna's investors.

Baladna achieved key milestones in the development of this ambitious Algerian project, including signing the framework and shareholder agreements, transferring the initial capital, and incorporating the new entity, "Baladna Algeria." A number of other crucial agreements, such as the Management Agreement, Definitive Agreement, and Off-Take Agreement, are scheduled for finalisation in the

coming weeks. The company also completed the inaugural Annual General Meeting of Baladna Algeria, culminating in the appointment of its Board of Directors. On the operational front, soil and water analyses have been conducted, with results expected shortly, while a detailed study on the project's total capital expenditure has been completed. In addition, discussions with key suppliers are progressing as planned to finalise contracts for capital procurement, marking a

		2024	2023	2022	2021	2020
Operational Performance						
Revenue	QR million	1,145	1,057	986	773	759
EBITDA	QR million	381	325	283	297	297
EBITDA Margin	%	33.3%	30.7%	28.7%	38.4%	39.1%
Net Profit	QR million	185	110	81	134	141
Net Profit Margin	%	16.2%	10.4%	8.2%	17.3%	18.6%
EPS	QR per share	0.097	0.058	0.042	0.070	0.074
Balance Sheet						
Total Assets	QR million	4,933	4,844	4,438	3,912	3,623
Debt	QR million	2,179	2,082	1,908	1,397	1,129
Equity	QR million	2,404	2,356	2,249	2,271	2,241
Debt to Equity	%	90.6%	88.4%	84.8%	61.5%	50.4%
Cash Flow						
Net Cash from Operating Activities	QR million	189	99	8	245	225
Finance Costs (Cash Flow) including lease interest	QR million	124	110	67	36	45
Capital Expenditure (excluding investing in shares and subsidiaries)	QR million	(63)	(131)	(319)	(232)	(188)
FCFF (Free Cash Flow to Firm)	QR million	251	78	(244)	49	81

significant step forward in realising this transformative venture.

Baladna continues to explore potential opportunity to sustainably expand our business, at home and abroad. Domestically, we see opportunities to continue expanding our market share in

categories where we already operate, while also identifying new and adjacent categories.

Cash flow management and financial position

Our emphasis remained on effective Working Capital management; accordingly, we implemented stringent controls over spending, supported by

rigorous investment analysis and business viability assessments. We were gratified by the resulting reduction in Capital Expenditure, which translated into a significant increase in internally generated free cash flow (FCF) to QR 251 million.

Dividend policy aligned to shareholders' interests

Baladna distributed a cash dividend of QR 132 million in March 2024 arising from the profits earned in 2023. In addition, I am pleased to mention that the Board of Directors has proposed to issue 100 million bonus shares to our valued shareholders as dividend distribution for the year 2024, upon the approval of the upcoming General Assembly Meeting. This move reflects the company's confidence in its future prospects and aims to reward its valued investors.

Baladna proposed to issue 100 million bonus shares as dividend distribution for the year 2024

We are fully committed to a robust dividend distribution policy that is aligned with shareholders' expectations and rewards the trust they place in us. Creating and delivering value for our shareholders is, and always will be, a priority. Our strategic vision to expand beyond Qatar will not affect this obligation. As we expand our business horizons, we are equally dedicated to ensuring the interests of our shareholders are upheld, balancing Baladna's growth aspirations with the delivery of short term and long term gains that are crucial to many of our investors.

Corporate governance and risk management

In 2024, Baladna further enhanced its risk management framework as part of an ongoing exercise to adhere to best-in-class governance. Our

comprehensive risk register and measures to mitigate all identified risks are now fully embedded in our strategic, operational and financial activities. During the year Baladna updated its written policies and procedures to align with evolving business requirements and industry best practices.

To mitigate the risk of global supply chain disruptions, Baladna maintains a strict inventory of all major materials, to ensure operational continuity. Mindful of the regional warfare situation and supply chain disruptions, such as in the Red Sea, we took every effort to minimise the risk to our business during 2024. Interest rate risk remained minimal for our business as we benefit from favourable financing rates provided by our banking partners, reflecting the strategic importance of our Company to the country. Most of our foreign transactions are conducted in US Dollars, on which the exchange rate is pegged, therefore, the associated exchange rate risk was negligible.

In an important development in the history of Baladna, a new Board of Directors was appointed following the Company's first independent nomination procedure. The current Board has a three-year tenure, ending in November 2027. The previous - and inaugural - Board was appointed for five years in terms of Baladna's Articles of Association in 2019. The new appointments were made in line with legal and corporate governance best practices.

Award-winning corporate reporting practices

In 2024, Baladna's exceptional commitment to enhance corporate reporting was again lauded by the region's most prestigious accolade. At the 16th Middle East Investor Relations Association awards, Baladna ranked amongst the Best Digital Annual Report Award 2023 in Small Cap category, reflecting our adoption of best practices in corporate reporting. This is the fourth consecutive year that Baladna has received an award, consolidating its reputation for exceptionally high standards of communication with shareholders.

The outlook for 2025

The normalisation of commodity prices during 2024 is expected to contribute favourably to Baladna's growth trajectory and operational efficiency. Our strategy remains focused on growing our key product categories, and expanding our share in segments with significant potential, such as cheese and juice. Additionally, we will continue to innovate new products to meet evolving consumer needs. Best-in-class technology and innovation remain crucial to supporting both Operational Excellence and long term sustainable growth.

The 2023 acquisition of the E-life detergent factory, which contributed positively to our results this year, is expected to continue performing in 2025, adding momentum to revenue growth.

Furthermore, our contract with the Government of Qatar to produce and supply evaporated milk in 2025, valued at approximately QR 100 million, will make an important contribution to revenue growth. A major focus for 2025 will be advancing our Algeria project to reach commercial production.

We will continue enhancing operational efficiencies and driving excellence across the value chain. The resulting stronger bottom line and value creation will support our policy to maintain a consistent payout of dividends.

Overall, we are optimistic about the year ahead and confident that our strategy will enable us to deliver strong financial results, drive operational improvements and create long term sustainable value for our shareholders.

Risk Management

In the fifth year of its implementation, Baladna’s enterprise risk management (ERM) continues to be embedded in day-to-day operations and decision-making. Baladna’s ERM methodology has equipped the Leadership Team to manage and reduce the impact of any potential risks to the Company and its ability to achieve strategic objectives

Baladna’s methodology to manage potential business risks is aligned with recognised industry standards and best practices based on the COSO Enterprise Risk Model for its Integrated Framework and ISO 31000 for its Risk Management principles and guidelines.

The methodology is reviewed regularly and, where necessary, adapted to ensure it evolves with the Company’s business needs, thereby allowing Baladna to manage risks effectively and efficiently, supporting the achievement of short and long term objectives.

The Baladna risk management process is aligned with the COSO model components, and the process defined in ISO 31000

Baladna’s Senior Management uses these risk management principles during strategy planning and making decisions. Management then plans, organises and directs the performance of sufficient actions to provide reasonable assurance that the Company’s objectives can be achieved while ensuring that associated risks are always kept within the agreed risk appetite.

Risk definition

Baladna defines risk as “the possibility of an event occurring that will have an impact on the strategic or business objectives of the Company”. Risks are evaluated via a combination of the consequences of an event and the likelihood of its occurrence.

Senior Management and oversight

Baladna’s Senior Management team is responsible for implementing risk management policies, procedures and practices across the Company, while the Audit Committee is responsible for oversight of the effectiveness of Baladna’s risk management systems. To this end, Senior Management relies primarily upon the Leadership Team and the operational reporting lines to manage day-to-day risks, based upon direction from Senior Management.

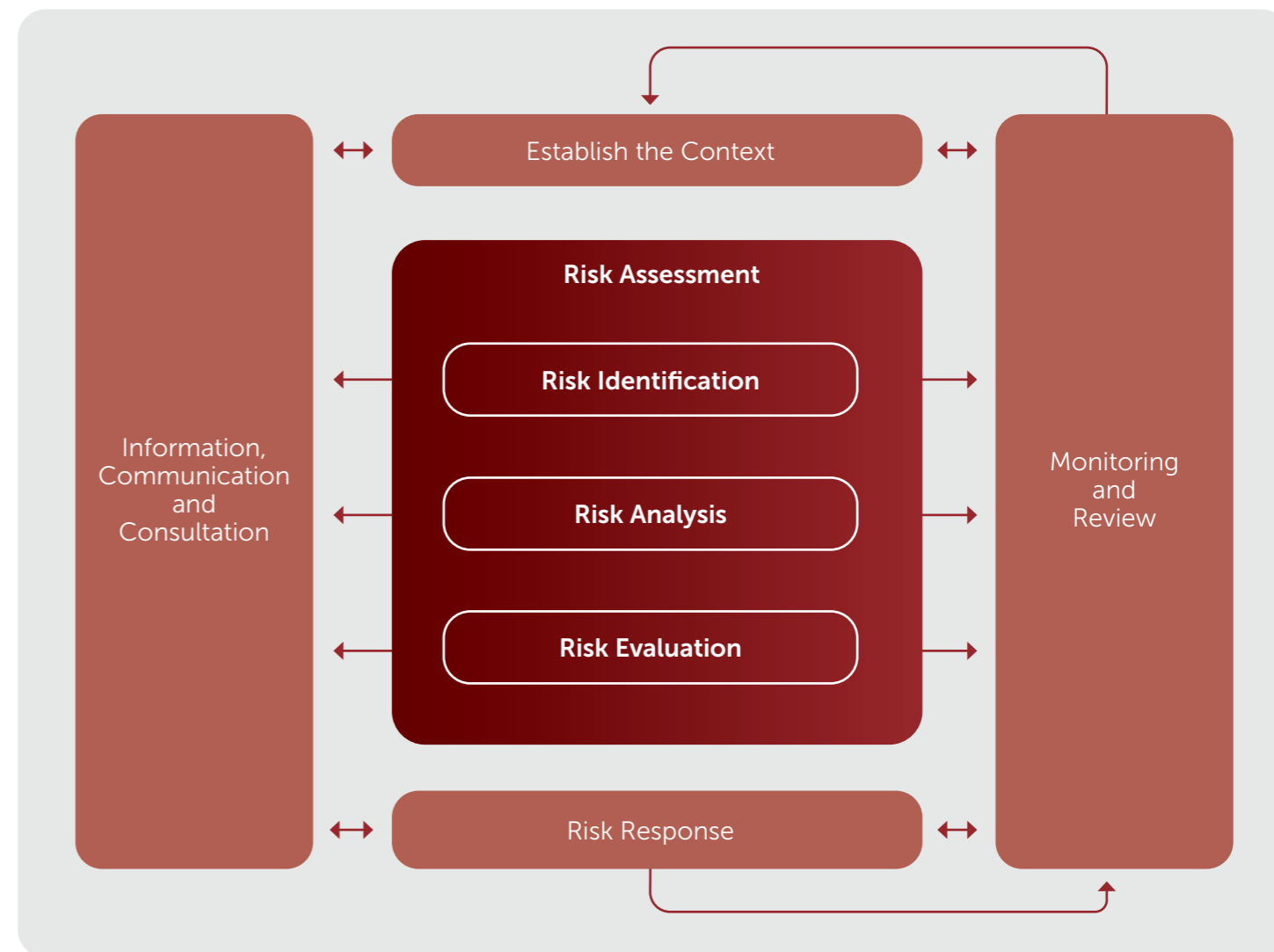
Approach

The Baladna risk management process is aligned with the COSO model components, and the process defined in ISO 31000. This cyclical process is supported by Baladna’s Corporate Services Department through the provision of education, training and monitoring, review and assessment. It is also supported through guidance to business

management teams and the use of an ancillary toolset for recording, analysing and reporting on risks.

Procedures that include competitive monitoring, training, risk prevention and protection, along with the initiatives of specialised departments, such as the Quality, Health and Safety and Information Security Departments, all contribute to the identification, analysis and management of risks.

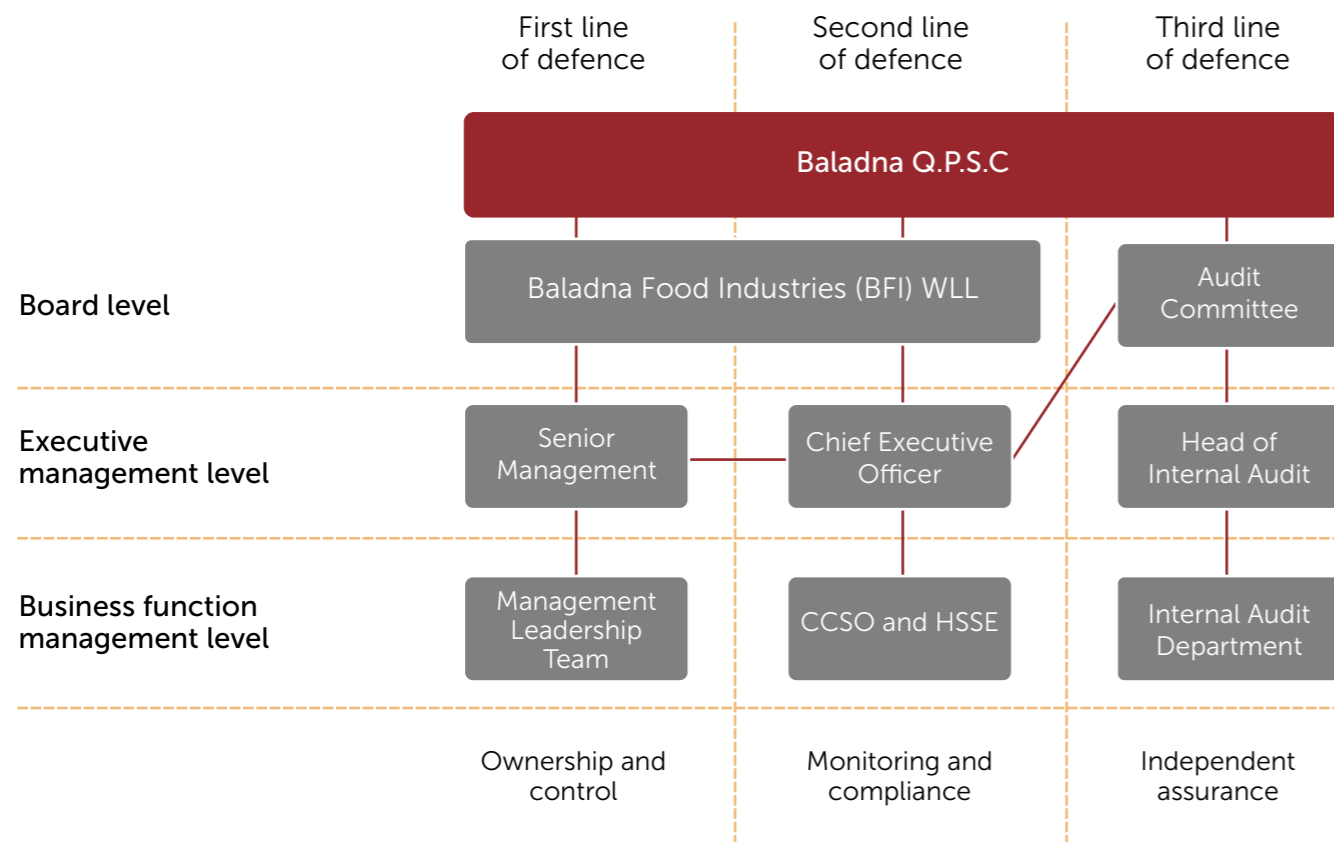
Baladna’s risk management process



Managing Risk

Aligned with industry-recognized and adopted best practice, Baladna operates Three lines of defense model to ensure accountability across the Company for governance, management and reporting of risks.

Baladna's 3 Lines of Defense model



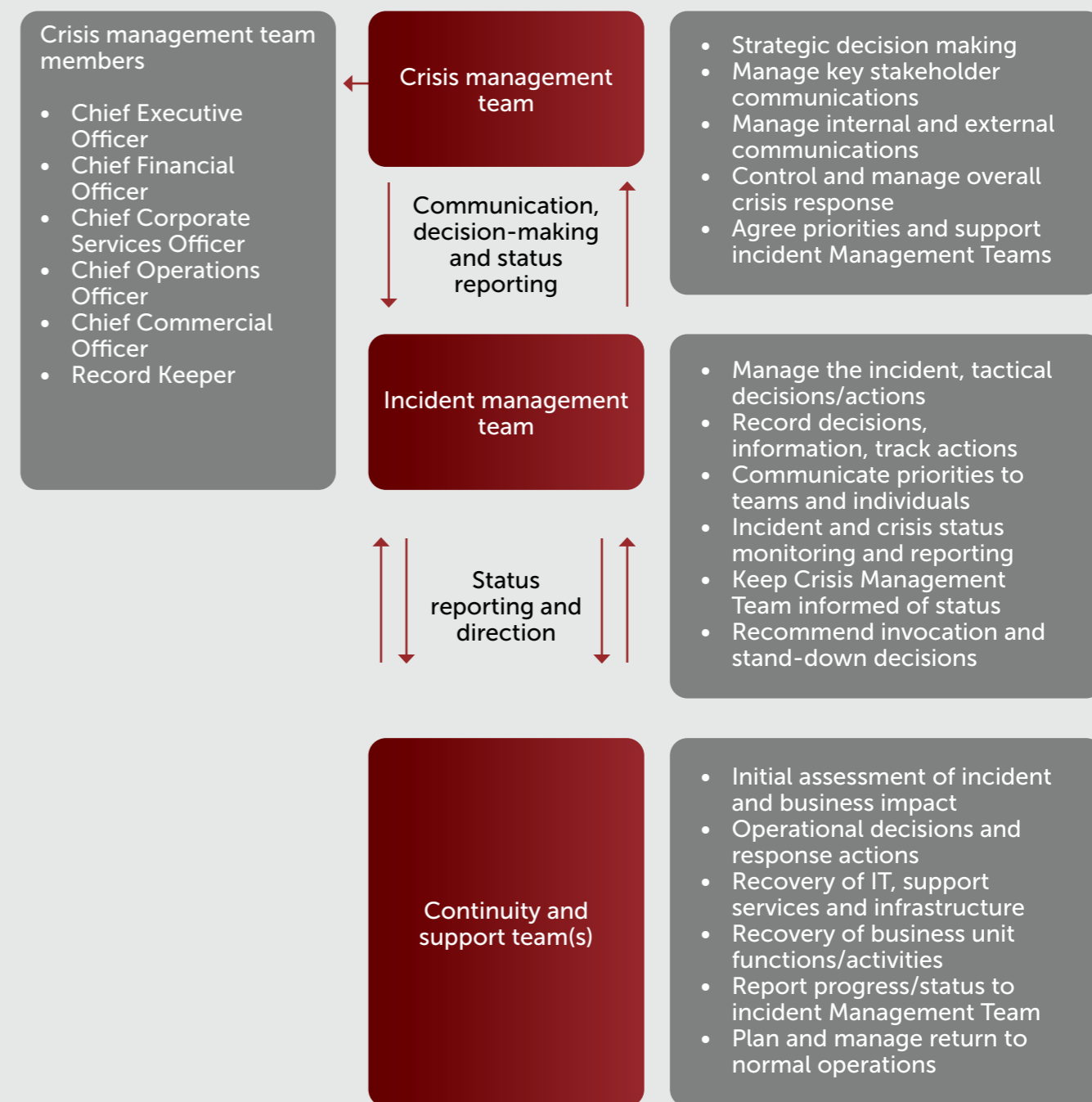
Risk monitoring and reporting

Baladna's business risk register is reviewed quarterly by the Baladna leadership team for each business area. It is then consolidated and challenged by the Corporate Services Department. The Corporate Services Department presents the most significant risks that Baladna faces to the Company's Chief Executive Officer and leadership team. A map of Baladna's principal risks and risk mitigation plans is reviewed and assessed, and this work serves as the basis for the presentations made to Baladna's Audit Committee.

Baladna's crisis management structure

Baladna has developed a major incident and crisis management protocol, which can be activated if an abnormal or unstable event threatens the Company's strategic objectives, reputation, or ongoing viability.

The approach to these types of incidents is based on industry standards and best practice. It incorporates a 3-tiered response system to ensure rapid decision-making and action.



Sustainability

Our commitment to sustainability creates lasting value for both society and business, demonstrating that responsible practices drive success. We have embedded sustainability into our operations, implementing a sustainability framework and roadmap to support economic, social, and environmental progress.

Aligned with Qatar’s Vision 2030, we contribute to national food security and continue to integrate sustainable practices across our operations. Through our sustainability initiatives, we actively support the United Nations Sustainable Development Goals (UNSDGs).

We offer a wide range of products designed to meet the nutritional needs of communities while upholding the highest quality and safety standards. Simultaneously, we remain committed to reducing our environmental footprint. Our standalone 2024 Sustainability Report provides detailed insights into our environmental, social, and governance commitments.

Our Sustainability Framework

Our Growth	Our Products	Our Planet	Our People	Our Community
<ul style="list-style-type: none"> Ethical business Practices Sustainable and Profitable Growth Effective Risk Management Public Policy 	<ul style="list-style-type: none"> Product Quality and Safety Healthy and Delicious Food Ethical Sourcing 	<ul style="list-style-type: none"> Water Stewardship Waste Management Energy Efficiency Sustainable Distribution Animal Care and Management Environmental Compliance 	<ul style="list-style-type: none"> Occupational Health and Safety Diversity, Equality, and Inclusion Employment and Income Creation 	<ul style="list-style-type: none"> CSR Engagement and Investment National Food Security Alignment with National Standards Healthy Community



Sustainability Alignment with strategic goals

Baladna is committed to supporting Qatar National Vision 2030 by enhancing food security, sustainability, and community well-being. Through its robust dairy production and sustainable farming practices, Baladna reduces reliance on imports, strengthens local food systems, and

aligns with UN Sustainable Development Goals (SDGs), particularly SDG 2 (Zero Hunger) and SDG 12 (Responsible Consumption and Production). Our initiatives in water conservation, and community engagement further reinforce its role in fostering a resilient and self-sufficient Qatar.

SDG	Our Contribution	SDG indicator
	Provide sustainable employment opportunities throughout our value chain	1.2
	Play a crucial role in Qatar's food security through sustainable growth	2.2 2.4
	Produce healthy and nutritious consumables Develop Baladna food nutrition criteria	3.4
	Collaborated with educational partners to educate students about food security	4.7
	Increasing women's participation in the workforces	5.5
	Increased treated wastewater usage for agriculture Reducing impact of production on water ecosystems	6.3 6.4
	Providing a safe working environment to all employees	8.8

SDG	Our Contribution	SDG indicator
	Updated waste treatment plant to treat more water Collaborating with universities to research relevant technological innovations	9.4 9.5 9.b
	Ensuring equal opportunity for employees irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status and protect them through HR policies	10.2 10.3 10.4
	Closed the water lagoons to get rid of resulting odours and unpleasant air quality and developed the water treatment plant to recycle wastewater	11.6
	Reduction of food waste in the supply chain process Reduction of waste generation in operations and food packaging	12.3 12.4 12.5
	Developed a strategy to take action to mitigate impacts of climate change and reduce carbon footprint	13.1
	Developed a solid waste management system to effectively manage and reduce solid waste from inland ecosystems	15.1
	Extended our expertise and resources to countries such as Malaysia, Uzbekistan and the Philippines Through strategic partnerships and knowledge sharing, we assist these nations in developing their own sustainable agricultural practices and achieving greater self-sufficiency in food production	17.7 17.14 17.17 17.19

Sustainability Our Growth

Baladna plays a key role in supporting Qatar's pursuit of its National Vision 2030 and food security ambitions. Driven by a strong sense of responsibility, we are dedicated to ensuring access to nutritious, safe, and affordable food for the country's expanding population. This dedication goes beyond being a business goal; it is a vital obligation that aligns seamlessly with Qatar's overarching priorities of sustainability and self-reliance.

Baladna focuses on industry leadership and long-term success, creating lasting value for shareholders and the community. Growth remains strong, consistent, and aligned with social responsibility and environmental care.

The 'grass to glass' model ensures excellence at every stage, from cultivating feed to delivering high-quality products. By managing the entire production chain, Baladna upholds strict quality standards, full traceability, and environmental responsibility.

Ethical business practices

Baladna is committed to fostering a responsible business environment where ethical conduct, transparency, and accountability are deeply embedded in our operations. We work closely with stakeholders to uphold the highest standards of integrity, ensuring that governance frameworks and compliance measures support ethical decision-making at all levels. By prioritizing these values, we strengthen trust and reinforce a culture of responsibility across our business.

In 2024, Baladna enhanced efficiency by expanding digital approval workflows, increasing approvals by 47% (from 5,622 to 8,274), streamlining operations, and reducing costs. Additionally, consolidating production in Plants 3 and 4 reduced transportation emissions by 2.7%, reinforcing our commitment to sustainability and operational excellence.

The 'grass to glass' model ensures excellence at every stage, from cultivating feed to delivering high-quality products.



Sustainability Our Product

Baladna upholds the highest global standards for food safety and quality by actively delivering products that exceed customer and stakeholder expectations. The team continuously implements advanced technologies to improve production processes and ensure exceptional efficiency. Additionally, Baladna is committed to ethical sourcing, ensuring that all ingredients and raw materials are procured responsibly, supporting sustainable practices and fair trade principles across its supply chain.

As a leader in the Qatar's food and beverage industry, we understand the importance of maintaining an ethical and sustainable supply chain. We prioritize building long-term relationships with trusted suppliers who align with our values and contribute positively to our operations, communities, and the environment. Our Procurement Policy and Code of Ethics set clear guidelines to ensure fair, transparent, and ethical sourcing. All our suppliers must comply with our Health, Safety, Security, and Environmental (HSSE) standards, ensuring that Baladna partners with businesses that uphold sustainability, quality, and ethical standards.

Rigorous supplier evaluation

To ensure ethical procurement, we conduct a rigorous evaluation of potential suppliers through our Supplier Registration Questionnaire, assessing their business practices, quality

standards, and performance. Suppliers are required to meet key compliance requirements, including ISO 22000 and Halal Certifications, GMO and allergen declarations, pesticide and heavy metal disclosures, and food-grade packaging certification.

Vendor Management and Auditing

Baladna enforces strict vendor oversight to ensure sustainability and quality across its supply chain. Through rigorous audits, local sourcing, and sustainable procurement, we uphold ethical business practices.

Before onboarding, raw material and packaging suppliers undergo pre-audits to verify ingredient quality, food safety, and hygiene compliance. Additionally, feed samples for our dairy operations are tested in USDA-accredited labs to meet international standards. Our farm quality team conducts regular supplier inspections, with vendors audited

every three to five years based on certifications such as FSSC 22000, BRC Food Safety, and IFS Food Standard.

Baladna cut cardboard usage by 27.7 MT/year by transitioning from cartons to steel cages, highlighting our dedication to sustainability and waste reduction.

We upheld our commitment to food safety excellence by achieving zero product recalls and maintaining consumer trust. Simultaneously, our sustainability efforts in packaging led to a 7% reduction in PET resin usage, saving 32.8 MT through bottle lightweighting and we hope to achieve 113 MT next year. Additionally, Baladna cut cardboard usage by 27.7 MT/year by transitioning from cartons to steel cages, highlighting our dedication to sustainability and waste reduction.

Sustainability Our Planet

Baladna leads the way in sustainable dairy production, meeting Qatar’s needs with a strong focus on environmental responsibility. Through advanced technology and ongoing research, we continuously improve processes to reduce waste and minimize impact, setting a new benchmark for sustainability in the industry.

Baladna actively drives sustainability in dairy and juice production by implementing innovative eco-friendly practices. We reduce water and energy consumption, limit the use of cleaning chemicals, and minimize manufacturing waste. Understanding the importance of water as a vital resource, we manage and conserve it responsibly.

Our sustainability framework strengthens environmental efficiency by optimizing processes. By focusing on waste reduction and resource conservation, we ensure sustainability across all aspects of production.

Responsible water management remains a core part of our environmental initiatives. We treat water as more than just an

operational resource, recognizing it as a valuable natural asset that requires protection.

Responsible Water Management

Baladna places water conservation at the core of its sustainability strategy, recognizing its vital role in responsible dairy and juice production. By implementing innovative water management solutions, Baladna ensures efficient resource use while maintaining high-quality production standards.

Our smart soaker trials cut water usage by 60%, improving efficiency and sustainability. Additionally, a new water recycling plant will enable up to 100% reuse of treated water for cleaning and operations, reinforcing our commitment to resource conservation.

Responsible Waste Management

Baladna adopts a circular approach to food security, transforming waste into valuable resources through sorting, recycling, and waste reduction. Our operations manage wastewater, manure, and packaging waste, converting liquid waste for treatment and solid waste into compost. The Sand Manure Separating system recycles sand bedding, optimizing resource use.

Baladna’s waste segregation and recycling initiatives diverted 60 MT/year from landfills, while internal recycling saved 7.7 MT/year of HDPE materials, reinforcing our commitment to sustainability.

Our smart soaker trials cut water usage by 60%, improving efficiency and sustainability.



Sustainability Our People

Baladna’s progress in 2024 was driven by a strong culture within a talented and diverse workforce that embraced collaboration and innovation, propelling Baladna to expand new horizons this year. By strengthening our leadership, fostering a collaborative environment, and embracing the depth of diversity across our talent base, we are equipping our organisation to meet evolving challenges with resilience, creativity and a global perspective.

By the numbers

- Training and Development: Delivered 4,779 training hours through 117 programs, reaching 81% of employees
- Workforce Diversity: A diverse team of 30+ nationalities, including 13% women of staff, driving collaboration and innovation
- Workplace Safety: Progressing toward ISO 45001 certification to enhance employee well-being and safety practices

Elevating Leadership Excellence

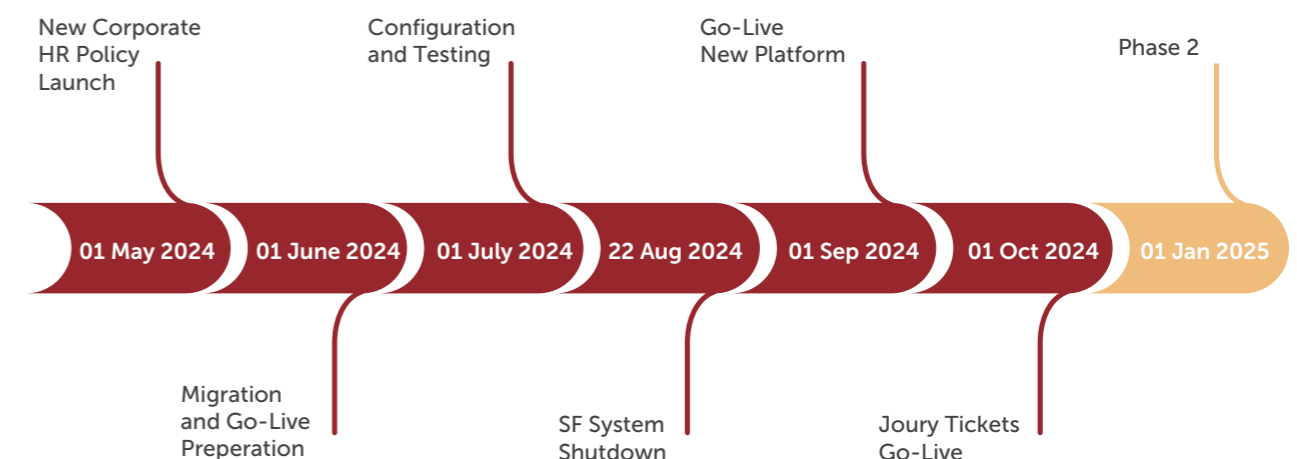
Our leadership development has advanced through the award-winning Situational Leadership II (SLII) programme, in partnership with Blanchard, an expert training

company. SLII equips managers with practical tools to enhance leadership, communication, and team performance. Feedback from participants has been highly positive, underscoring the SLII® Model’s effectiveness in

addressing complex leadership challenges. Encouraged by these results, we are extending SLII workshops over 12 months to all managers, ensuring consistent leadership development.



Success Factors System Migration Roadmap



Building a Diverse and Inclusive Workforce for a Stronger Future

We maintain a fair and transparent recruitment process to attract and onboard diverse talent aligned with Baladna’s goals. Our policy ensures compliance, equity, and efficiency in both internal and external hiring.

Committed to inclusivity, we support Qatari national growth while embracing diversity, employing talent from over 30 nationalities. Baladna’s hiring practices adhere to the highest legal and ethical standards, evaluating candidates solely on qualifications, experience, skills, and role suitability.

Our strength lies in the shared knowledge and experiences of our diverse workforce. Celebrating diversity reminds us that our greatest asset is the variety of voices and perspectives that drive innovation. Each nationality within our organization enriches our workplace, enhances problem-solving, and fosters creativity with a global mindset.



Empowering Baladna’s Future

A Training Needs Analysis ensured employees have the skills to maintain excellence. Our 2024 training plan focused on technical skills, soft skills, and health & safety, empowering teams to uphold high standards. Senior leadership completed risk management training to enhance their ability to identify and mitigate risks, reinforcing our commitment to proactive risk management and sustainable growth.

In 2024, we strengthened talent development with the Organisational Talent Review (OTR) program and Succession Planning, ensuring future leadership continuity. Our Individual Development Plans (IDPs), using Korn Ferry’s KF4D assessments, provide tailored growth opportunities to Baladna’s future leaders. We also launched Star of the Quarter and Year awards to recognize top performers and increased internal promotions, fostering career growth and a culture of excellence.



Enhancing Employee Well-being

Baladna upgraded its camp facilities for safer, high-quality living and expanded health programs through an in-house clinic that offers blood pressure, sugar monitoring, and safety training to its employees which has reduced workplace incidents. The improvements in catering services ensure healthier meals for our employees, while a new intranet portal enhances communication and engagement amongst them, reinforcing Baladna’s commitment to a supportive and high-performing workplace.

Celebrating remarkable 2024 achievements

At the end of the year, our management team gathered to celebrate significant accomplishments in 2024 and set ambitious goals for an even brighter future. In a dedicated workshop, we reviewed our progress, assessed achievements against last year’s benchmarks, and outlined key areas for future growth and excellence.

Empowering Our People for Success in 2025

As we approach 2025, we remain committed to a resilient workplace by fostering professional growth, trust, and collaboration. Investing in talent development empowers future leaders and strengthens our organization. We will leverage insights from the Situational Leadership II Program, enhance

individual development plans, and expand training through top institutional partnerships.

Additionally, we will advance our Employee Experience Initiative by prioritizing feedback, recognition programs, and well-being support to cultivate an inclusive workplace.

Baladna is dedicated to enhancing HR platforms and systems for seamless engagement and career growth. In 2024, Baladna achieved internal mobility rate of 50% ensuring growth of our people within the organisation and we target further 20% increase in internal promotions in 2025, reinforcing continuous

development. These initiatives attract and retain top talent, creating a strong foundation for future success. We look forward to sharing progress in future reports as we achieve our 2025 goals.



Sustainability Our Community

Baladna’s approach to corporate social responsibility (CSR) is a strategic and multi-dimensional effort aimed at generating a positive impact across various domains. We advocate for responsible production and consumption of our products, support a sustainable and economically viable dairy industry in targeted countries, and actively collaborate with key local stakeholders.

We integrate corporate social responsibility (CSR) into our operations, including marketing and stakeholder engagement, strengthening our brand while benefiting the community, environment, and stakeholders.

Our commitment to CSR drives impactful initiatives. Aligning marketing strategies with sustainability, community involvement, and environmental

stewardship enhances consumer engagement, communicates brand value, and reinforces our position as a market leader.

Engagement with local stakeholders and the community

Baladna’s initiatives are diverse, encompassing sponsorships in sports, education, entertainment, arts, and cultural heritage, including significant events like

the Amir’s Sword and Ramadan campaign. Beyond these sponsorships, CSR funds are channelled into infrastructure improvements and support for local charities, reinforcing Baladna’s commitment to our CSR objectives. We have supported local wellness programs benefiting over 2,000 community members.

Community engagement initiatives and partnerships

Al Rayyan Club Sponsorship

Al-Rayyan Sports Club is a Qatari multisport club fielding teams in a number of sports such as football, futsal, basketball, volleyball, handball, athletics, table tennis, and swimming. It is based at the Ahmed bin Ali Stadium in Umm Al Afaei in the city of Al Rayyan. Baladna has sponsored to Al Rayyan Club towards the promotion of Football in the country.

Sponsorship for Qatar Museum

Qatar Museum is a well-known cultural entity which has the institutional aim of promoting the arts, architecture, archeological and heritage sites, and within such as it is engaged in the organization of important cultural projects and art exhibitions and of enterprises connected to the world of art. As Baladna this expense is towards being the official sponsor of Gallery 2 at the Qatar Children’s Museum.

Ramadan Donation

Partnership in Ramadan charity campaigns such as Rafeeq Al Khair.

Al Khor Sports Club Sponsorship

Baladna has sponsored to Al Khor Sports Club towards the promotion of Football in the country. Al Khor Sports Club has a long history. While not in Doha, it is the only sports center of this scale in the Al Khor municipality and the largest near Ras Laffan industrial city. Professional teams of this club gather fans and encourage people to do sports. Being a part of realization of the Qatar National Vision 2030, as well as Sports Sector Strategy in Qatar it acts like professional sports education center for the society.



Dadu, Children’s Museum of Qatar provides cutting-edge child development surroundings and resources to help children, and their families thrive. DADU mission to nurture children’s creativity, imagination, and love of learning is too important to wait until we open our doors. We feel we are needed at this time to support families, and to connect people and ideas despite being physically apart.

Sponsorship with Dream for Summer Camp 2024

The Dreama is a pioneering center that take care of orphans and integrate them into the community. Dreama organizes events and campaigns to raise awareness and reinforce public engagement to support orphans in Qatar.

Other sponsorships contributing to society

Sponsorship to participate in the Qatar National Day 2024 event with Al Khor and Al Dhakhira Municipality.

Baladna’s participation in Expo Treasure Hunt Event.

Baladna and UDST Partnerships for Sports and Wellness

Baladna and UDST partnerships for sports and wellness which includes summer camps, students educational events, and Children’s Day.

Sponsorship of the “CSR and Sustainability Fair Event” - Education above all

Education Above All (EAA) works to ensure equal access to education and to harness the power of quality education for positive, sustainable, and inclusive change. EAA works to empower millions of out-of-school children to overcome barriers to quality primary education and ensure access to quality education programs for marginalised youth etc. By supporting this event, Baladna promotes equal education for every children.



Contributing to Qatar’s food security and resilience

Baladna supports Qatar’s food security and self-sufficiency, delivering safe, nutritious food while balancing national well-being and shareholder value. We mitigate challenges like inflation through operational efficiency and cost control, reinforcing its leadership in the

National Food Security Programme.

To enhance resilience, Baladna trains Qatari Armed Forces in dairy production for emergency preparedness and upskills the local workforce in farm and factory operations, fostering self-reliance and community strength.

Looking Ahead

Baladna remains committed to advancing sustainability initiatives, reducing environmental impact, and creating value for stakeholders. For a comprehensive overview of our progress, please refer to our standalone 2024 Sustainability Report.

Baladna and Dadu Unite Families for Ramadan

Baladna partnered with Dadu, Children’s Museum of Qatar, to host Ghabga dinners, creating a vibrant Ramadan celebration. Families enjoyed live cooking sessions, creative culinary activities, henna painting, Fawazer storytelling, Fanoos decoration, and festive games, fostering cultural engagement.

By supporting this initiative, Baladna reinforced its commitment to community enrichment and cultural traditions, ensuring families shared a memorable and meaningful Ramadan experience.



04

Governance

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Introduction

This Corporate Governance Report (hereinafter “the Report”) covers the period from 1 January 2024 to 31 December 2024 (hereinafter “the Period”) and is prepared in accordance with the provisions of the Corporate Governance Code for Companies and Legal Entities listed on the main market, issued by Qatar Financial Markets Authority’s (QFMA) Board pursuant to Decision No. (5) of 2016 especially the provisions of Articles 2 and 4.

The Report forms a part of Baladna’s Annual Report for the same period.

This report gives an overview of Baladna’s Corporate Governance systems and procedures as of 31 December 2024. It has been filed with Qatar Financial Markets Authority (QFMA) and posted on Baladna’s website.

1. Corporate Governance Report

1.1 Baladna’s Governance Practices

Baladna Q.P.S.C. is committed to the application of the principles of corporate governance to the highest level and has derived its values from a system which integrates ethics, corporate integrity and leading compliance practices. Transparency, fairness, disclosure and accountability have been central to the working philosophy of the Company, its management and the Board of Directors.

To this end, the Company’s corporate governance framework takes into account the principles adopted and standards set by Qatar Financial Markets Authority and Qatar Commercial Companies Law, number (11) for 2015 amended by Law number (8) for 2021, and the Corporate Governance Code for Companies and Legal Entities listed on the main market, issued by Qatar Financial Markets Authority and other related laws and regulations set by QFMA.

Furthermore, Baladna is keen on strengthening its corporate governance framework in compliance with the requirements of governance rules and related laws and regulations set by QFMA and the Qatar Stock Exchange (QSE) as well as compliance with the provisions of the Company’s Articles of Association, Board and sub-committee charters, the Company’s policies and procedures, and the implementation of best practices adopted in the State of Qatar.

At Baladna, we affirm our commitment to the provisions and rules of governance, disclosure requirements and relevant laws.

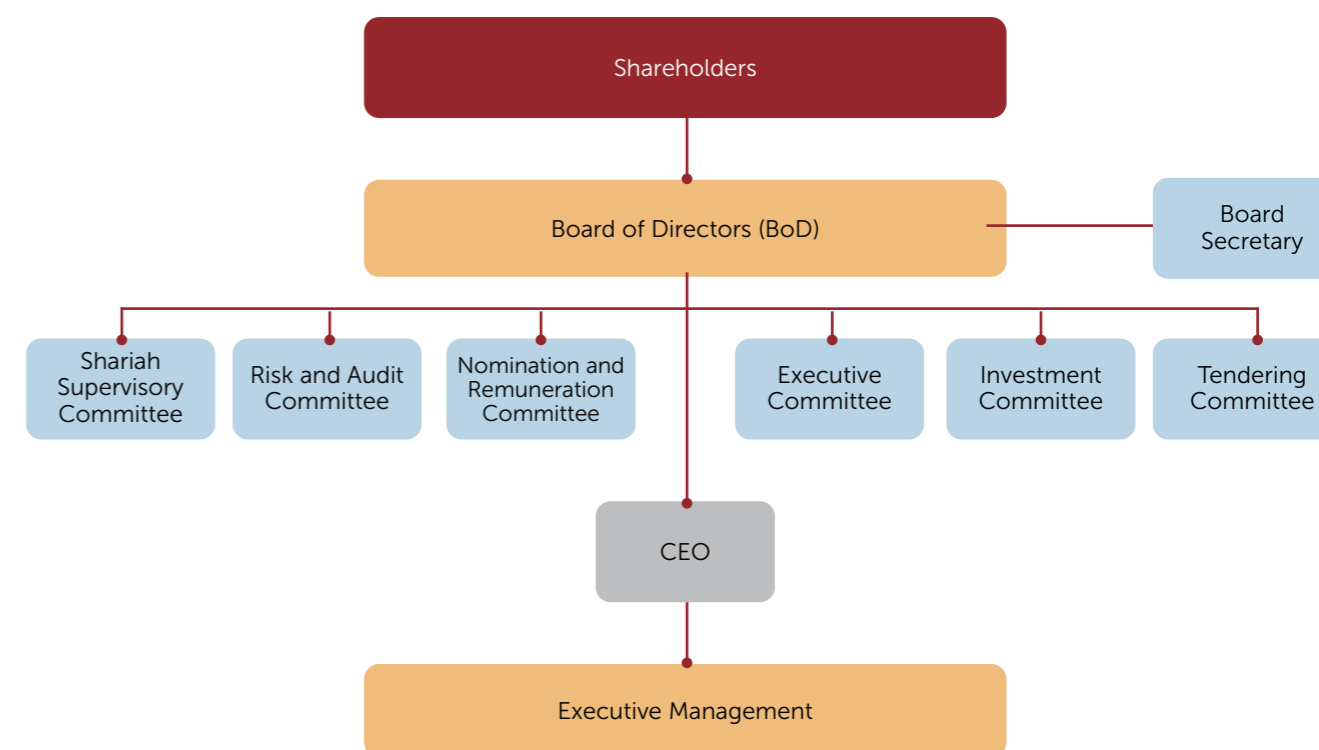
1.2 Corporate Governance Principles

The following are some examples of the Company’s application of the principles of corporate governance:

- During the period, a total of eight meetings were held periodically and convened by the Board of Directors. Furthermore, the Board Committees held periodic meetings: the Audit Committee held six meetings; the Nomination and Remuneration Committee held four meetings; the Executive Committee held six meetings and there were two regular General Assembly Meetings. In addition, the Shariah Supervisory Committee held one meeting and the Investment Committee held one meeting. The Board of Directors and its Committees discharged their responsibilities according to the powers granted to them
- The Audit Committee and the Board of Directors conducted reviews over the system of financial controls and its governing accounting and financial policies to ensure proper application of such policies and procedures

- It has been ensured that the transactions carried out by the Board members and Executive Management are in compliance with the prevailing laws and regulations
- During the period, the Company adhered to the regulations concerning the transparency in disclosures made, including the disclosures of the Board’s meeting dates and any decisions that might have an effect over the share price

1.3 Baladna’s Governance Structure



2. Board of Directors

2.1 The Board of Directors Structure and Composition

The Board of Directors was elected at the Ordinary General Assembly meeting held on 24 November 2024, for a period of three years, in accordance with the provisions of Articles 95 and 96 of the Commercial Companies Law. The Board of Directors was elected by the shareholders and after obtaining the required approvals from the Qatar Financial Markets Authority and the Ministry of Commerce and Industry.

The composition of the current Board of Directors is consistent with the provisions of the Company's Articles of Association (Articles 29 and 30), as the elected Board of Directors was formed with nine members, including six Non-Independent members and three Independent members.

The following table shows the details of the Board of Directors' members.

Name	Position	Executive	Non-Executive	Member Since	Academic Qualification and Experience
Mr. Mohamed Moutaz Al Khayyat	Chairman of the Board of Directors and Non-Independent Board member		✓	24 November 2024	Holds a Bachelor's degree in Global Business from the University of the West of Scotland. A distinguished entrepreneur who always seeks to discover new business opportunities with an economical strategy to maintain the business and provide clients with cutting-edge and complete solutions.
Mr. Ali Hilal Al-Kuwari (representing special shareholder - Hassad Food)	Vice Chairman of the Board of Directors and Non-Independent member		✓	24 November 2024	Holds a Bachelor's degree in Yoghurtineering from Qatar University and an MBA from the University of Northampton in the UK. He has extensive experience in the field of food and agricultural investment, a clear strategic vision, and extensive knowledge of the investments of local and international companies, as well as the requirements of the local market, which he acquired through his work at Hassad Company for more than 13 years.
Mr. Ramez Al Khayyat	Non-Independent Board member/Managing Director	✓		24 November 2024	Holds a Bachelor's degree in Global Business from the University of the West of Scotland. A competent leader and entrepreneur known for his distinguished experience in operational management, risk management and business development.
Mr. Abdulaziz Mahmoud Al-Zeyara (representing special shareholder - General Retirement and Social Insurance Authority (Military Fund))	Non-Independent Board member		✓	24 November 2024	Holds a Bachelor of Agricultural Sciences degree from Qatar University. He has more than 20 years of experience in the field of livestock and agricultural development, where he has worked as Director of the Livestock Department since 2018. He was the head of the Agricultural Quarantine unit in the Agricultural Development Department. He also headed the Veterinary Quarries section of the Animal Resources Department. He holds membership in several official committees, including the FAO, the Transboundary Animal Diseases Committee of the Arab Organisation for Agricultural Development and the Sea Ports Management Committee. He is also the representative of the State of Qatar to the World Animal Health Organisation.
Mr. Hamad Bin Abdullah Bin Khalid Al-Attiya (representing special shareholder - General Retirement and Social Insurance Authority (Civil Fund))	Non-Independent Board member		✓	24 November 2024	Holds a Bachelor's degree in Business Administration from the University of Wales in the UK. He holds an Executive MBA degree from HEC Paris, majoring in Innovation and Social Business. He has 13 years of experience in investment, pension fund investments, corporates and banking, listed equities, and local and global portfolios.
Mr. Mazen Alsbeti	Non-Independent Board member		✓	24 November 2024	Holds a Bachelor of Science (BSc) degree in Zoology from North Carolina State University and a Master of Science (MS) in Business Administration and Management from the University of North Carolina. He has 23 years of comprehensive experience as an Executive Director, initiating growth policies as a Senior Executive. His expertise includes planning, execution, monitoring and resource balancing skills, with the ability to support multiple projects in a matrix of organisational structure.
Sheikh Suhaim bin Abdulaziz Al Thani	Independent Board member		✓	24 November 2024	He holds a Bachelor's degree in Business Administration and Marketing from the Arab Academy for Science, Technology and Maritime Transport and an MBA from Plymouth University. He has comprehensive experience of 12 years, starting his career in the Financial Department at the Amiri Diwan and moving to work in the Protocol Department at the Amiri Diwan. He also holds the position of Vice Chairman of the Board of Directors of Qatar Sports Club.
Mr. Nasser Hassen Al-Ansari	Independent Board member		✓	24 November 2024	He holds a Bachelor of Engineering degree from the University of Miami and an Executive MBA from HEC Paris. With 34 years of extensive experience in various fields, he has been involved in managing a number of prominent projects in Qatar, such as Hamad International Airport, Hamad Port, Lusail Project, Al Qutaifiya Lagoon Project and other infrastructure projects.
Mr. Aidan Tynan	Independent Board member		✓	24 November 2024	Holds a Master's degree in Management from York University in the UK. He is a Graduate of the Chartered Institute of Marketing, UK, and a Graduate of the Marketing Institute of Ireland. He has over 30 years of general management experience across multiple sectors including dairy, food, leisure, retail, insurance, e-commerce, property development and acquisitions.

Special Share

The State of Qatar, represented by the Ministry of Commerce and Industry, has allotted one special share, and the special share will have specific rights to appoint certain Directors, veto particular decisions of the Company, and other rights. The special shareholder, as holder of the special share, has the rights set out in Article 28 of Baladna's Articles of Association.

Members of the Board of Directors representing special share

In accordance with the provisions of Article 29 of the Company's Articles of Association, the nomination of the representative of Hassad Food Company (Hassad) as a representative of the Ministry of Commerce and Industry, a representative of the special share, a member of the Company's Board of Directors, and as the Vice Chairman of the Board of Directors, has been approved.

2.2 Board of Directors Profile

Non-Independent Board Members



Mr. Mohamed Moutaz Al Khayyat

Chairman of the Board of Directors

Mr. Mohamed Moutaz Al Khayyat comes from a family that has had great success in the field of general contracting since 1983. He grew his company, Urbacon Holding, into a regional player in the contracting world, undertaking several large and complex projects. These projects range from highways and bridges to infrastructure works, factories, commercial complexes and luxury residential and hotel facilities.

He diversified his interests in several businesses across different sectors. He is the Chairman of Estithmar Holdings Q.P.S.C. and Founder and Chairman of Assets Group. He also ventured into hospitality and entertainment and is the Chairman of Aura Group. Mr. Moutaz Al Khayyat owns and operates several homegrown brands along with franchised international brands.

As Group Chairman of Power International Holding, he leads more than 40 companies spanning general contracting, agro-food industries, real estate development, healthcare, lifestyle (hospitality, entertainment and catering) and general services.

In addition to his business interests, Mr. Moutaz Al Khayyat is involved in philanthropic work through the Al Khayyat Foundation, which he founded in 2015.

Mr. Moutaz Al Khayyat holds a Bachelor's degree in Global Business from the University of the West of Scotland.



Mr. Ali Hilal Al-Kuwari

Vice Chairman

Mr. Ali Hilal Al-Kuwari is the Chief Executive Officer of Hassad Food Company since August 2023. He has vast experience in the field of food and agribusiness investments, a clear strategic vision and deep knowledge of Hassad's local and international investments, that he gained throughout his professional journey with Hassad, which exceeded 13 years.

Previously, he held several leadership positions at Hassad such as Vice President, Director of Operations and Director of Project Management. Prior to Hassad, Mr. Al-Kuwari spent around 10 years at Qatar General Electricity & Water Corporation (Kahramaa), where he held many senior positions. Moreover, he currently holds several other senior positions including Chairman of A'Saffa Foods, Vice Chairman of Al Meera Consumer Goods Company and Vice Chairman of the Arab Qatari Company for Poultry Production (Al-Waha).

Mr. Al-Kuwari holds an Engineering degree from Qatar University and an MBA from Northampton University in the UK.



Mr. Ramez Al Khayyat

Board member/Managing Director

Mr. Ramez Al Khayyat is a well-known entrepreneur and proven leader who brings a wealth of knowledge and experience in operations, risk management and business development. Mr. Ramez Al Khayyat started his career as a Board member for Al Khayyat Contracting and Trading, working to expand and develop the company. In 2011, he and his brother, Mr. Mohamed Moutaz Al Khayyat, founded Urbacon Trading and Contracting (UCC) in Qatar, a subsidiary of Urbacon Holding. UCC has constructed many internationally renowned projects. As second-generation owners, Mr. Ramez Al Khayyat is the President of Urbacon Holding, the privately held company.

In 2015, Mr. Ramez Al Khayyat received recognition from the Socrates Committee in Oxford, UK, as Manager of the Year. They also recognised UCC as one of the best enterprises in the field of construction in Qatar.

As the Vice Chairman and Group CEO of Power International Holding, Mr. Ramez Al Khayyat co-owns and manages a multitude of companies, operating in general contracting, agriculture and food industries, real estate development and lifestyle (hospitality, entertainment and catering).

The companies have grown horizontally by creating various affiliates. These operate worldwide, including Qatar, Europe, the UK, Turkey, Oman, the Maldives and Guyana, with plans for further expansion. Mr. Ramez Al Khayyat is also the Vice Chairman of Estithmar Holdings Q.P.S.C.

Mr. Ramez Al Khayyat holds a Bachelor's degree in Global Business from the University of the West of Scotland.



Mr. Abdulaziz Mahmoud Al-Zeyara

Board member

Mr. Abdulaziz Mahmoud Al-Zeyara has vast experience in agriculture and livestock, bringing in a wealth of knowledge and skills of more than 20 years in these fields. He has been the Director of the Livestock Department since 2018 and is also a member of several official committees, including the FAO, Transboundary Animal Diseases Committee of the Arab Organisation for Agricultural Development, Maritime Ports Management Committee and is the Representative of the State of Qatar to the World Animal Health Organisation. Previously, he was the Head of the Agricultural Quarantine Unit at the Agricultural Development Department. He also headed the Veterinary Quarries section of the Livestock Department.

Mr. Al-Zeyara holds a Bachelor's degree in Agricultural Sciences from Qatar University.



Mr. Hamad Bin Abdullah Bin Khalid Al-Attiya

Board member

Mr. Hamad Bin Abdullah Bin Khalid Al-Attiya is a senior investment analyst with 13 years of overall experience in investment, pension fund investments, corporates and banking, listed equities, and local and global portfolios.

In 2007, he started as a Bank Monitor in Qatar Central Bank's Provision and Control Department. He later joined the General Retirement and Social Insurance Authority's Investment Department, where he specialised in investment analyses and covered all local and global portfolios' listed equities.

Mr. Al-Attiya holds a degree in Business Administration from the University of Wales, UK, and is also an HEC Paris Executive Master holder, majoring in Innovation and Social Business



Mr. Mazen Alsbeti

Board member

Mr. Mazen Alsbeti is an accomplished specialist in the industry, with 23 years of comprehensive and successful experience as an Executive Director, initiating growth policies as a Senior Executive. He has outstanding planning, execution, monitoring and resource balancing skills, with the ability to support multiple projects in a matrix of organisational structure.

Mr. Alsbeti is the main contact person for business stakeholders in providing accurate reporting and information regarding ongoing projects, developing and executing strategies, and working and forming relationships with prominent members of the media, government and the public, to uphold a positive image for the Company and generate new business opportunities.

Mr. Alsbeti holds a Bachelor of Science (BSc) degree in Zoology from North Carolina State University and a Master of Science (MS) in Business Administration and Management from the University of North Carolina.

Independent Board Members



Sheikh Suhaim bin Abdulaziz Al Thani

Board member

Sheikh Suhaim bin Abdulaziz Al Thani, a prominent figure with extensive professional experience, serves as the Chairman of Al Bidda Group, an investment house that has investments in various sectors including manufacturing, real estate, hospitality, healthcare, services and others and in various geographical areas including, Qatar, Spain and the UK.

He also served as the Vice Chairman of Qatar Sports Club (QSC) which is a sports club based in Doha, Qatar and founded in 1961. Among other sports, QSC is best known for its football team which competes in the Qatar Stars League. The club has strongly contributed to the growth of Qatar football and is located in Al Dafna area.

Sheikh Suhaim also serves as a Board member of Estithmar Holdings Q.P.S.C, a rapidly growing integrated business group that provides many services in various fields and is characterised by reliability, sustainability and quality. It operates in various sectors such as healthcare, industries, contracting, projects and services.

Sheikh Suhaim holds a Bachelor's degree in Business Administration and Marketing from the Arab Academy of Sciences in Egypt and a Master's degree in Business Administration from the University of Plymouth in the UK.



Mr. Nasser Hassen Al-Ansari

Board member

Mr. Nasser Hassen Al-Ansari is a distinguished figure who played a major role in the private and public sectors in diversifying Qatar's economy, whether in the engineering field or in the development of investment and developmental projects, which are fundamental pillars of Qatar National Vision 2030.

Throughout his career, Mr. Al-Ansari has gained extensive experience across various domains. His dedication and exceptional talents have propelled him swiftly up the career ladder. He has played a pivotal role in managing several high-profile projects in Qatar, such as Hamad International Airport and Hamad Port, where he served as a member of the Steering Committee and Chief Engineer of the Technical Committee at Hamad International Airport. Additionally, he has been instrumental in projects like the Lusail project, Legtaifiya Lagoon project and other infrastructure initiatives. He has supervised the design and execution of projects valued at up to QR 180 billion. Mr. Al-Ansari has held the position of CEO of Qatari Diar, one of Qatar's leading real estate companies, and Chairman of QDVC (a joint venture between Qatari Diar and the French company Vinci), among other significant roles that have greatly contributed to his expertise and success in his career.

Mr. Al-Ansari holds a degree in Civil Engineering from the University of Miami, along with an Executive MBA from HEC Paris.



Mr. Aidan Tynan

Board member

Mr. Aidan Tynan specialises in business turnarounds and has a proven track record of success across the GCC and Middle East. He has over 30 years of general management experience across multiple sectors including dairy, food, leisure, retail, insurance, e-commerce property development and acquisitions.

Prior to joining Baladna Mr. Tynan was employed by Danone PLC., a world-leading food company. He held the position of Chief Operating Officer of Al Safi Danone and was Acting CEO from 2013 to 2017. Mr. Tynan was also appointed to the Board of Al Safi Danone Iraq and was a member from 2015 to 2017.

Mr. Tynan's previous positions in the Middle East include Group Consultant for the Al Othman Group, Head of E-commerce and Retail for Arabian Shield Insurance Plc., Chief Sales and Trade Marketing Officer for SADAFCO Plc., Head of Sales for Almarai Plc, for seven years and in Ireland, he was CEO of the Irish Greyhound Board and Business Development Manager for Fleming Group. Mr. Tynan is an Executive Director of two Irish property-related companies: Buildvalue Limited and Exhibitside Limited.

Mr. Tynan holds a Master's degree in Management from York University in the UK, in addition to being a graduate of the Chartered Institute of Marketing, UK, and a graduate of the Marketing Institute of Ireland.

2.3 Board of Directors' Membership

Membership of boards of directors in other publicly listed companies and their titles in any other prominent entities.

Board Member	Company/Entity	Position
Mr. Mohamed Moutaz Al Khayyat	Estithmar Holdings Q.P.S.C	Chairman of the Board
Mr. Ali Hilal Al-Kuwari (representing special shareholder - Hassad Food)	Al Meera Consumer Goods Company	Vice Chairman
Mr. Ramez Al Khayyat	Estithmar Holdings Q.P.S.C	Vice Chairman
Sheikh Suhaim bin Abdulaziz Al Thani	Estithmar Holdings Q.P.S.C	Board member
Mr. Abdulaziz Mahmoud Al-Zeyara (representing special shareholder - General Retirement and Social Insurance Authority (Military Fund))	-	-
Mr. Hamad Bin Abdullah Bin Khalid Al-Attiya (representing special shareholder - General Retirement and Pensions Authority (Civil Fund))	-	-
Mr. Nasser Hassen Al-Ansari	-	-
Mr. Mazen Alsabeti	-	-
Mr. Aidan Tynan	-	-

2.4 Board of Directors' Remuneration and Sitting Fees

The provisions of the Companies Law and the provisions of the Article 48 of the Company's Articles of Association stipulate that the General Assembly determines the remuneration of the members of the Board of Directors, and these remunerations may not be estimated at more than 5% of the net profit after deducting the legal reserves and the deductions stipulated in the law, including the distribution of a profit of not less than 5% of the Company's paid-up capital to shareholders.

In compliance with the provisions of the corporate governance system, the Nominations and Remuneration Committee established the general policy for granting remuneration in the Company annually, including the method for determining the remuneration of the Chairman and members of the Board, which was approved by the General Assembly.

The policy of rewards and incentives for members of the Board of Directors and the Company's Executive Management has set clear standards linked to performance and is consistent with the nature of the risks surrounding the Company, to achieve the purpose of granting these rewards, with the aim of attracting, retaining and motivating professional competencies.

During the period from 1 January 2024 to 31 December 2024, the remuneration and sitting fees of the members of the Board of Directors and its Committees were estimated at QR 3,142,883 which will be distributed immediately upon approval of the Company's General Assembly. The Company did not provide any cash loans, guarantees or credits to the Chairman or any of the members of the Board during the financial year ending 31 December 2024.

2.5 Board of Directors' Meetings

The following table lists the Board of Directors' meeting attendance during the year 2024 for the period from 1 January 2024 until the end of the first Board term on 24 November 2024 and the meeting of the elected Board on 24 November 2024 until 31 December 2024.

Meeting No.	Date	Mr. Mohamed Moutaz Al Khayyat	Mr. Ali Hilal Al-Kuwari	Sheikh Suhaim bin Abdulaziz Al Thani (from 24 November 2024)	Mr. Ramez Al Khayyat	Mr. Hamad Bin Abdullah Bin Khalid Al-Attiya	Mr. Abdulaziz Mahmoud Al-Zeyara	Mr. Nasser Hassen Al-Ansari (from 24 November 2024)	Mr. Mazen Alsabeti	Mr. Aidan Tynan
1/2024	25/02/2024	■	■	N/A	■	■	■	N/A	■	■
2/2024	22/04/2024	■	■	N/A	■	■	■	N/A	■	■
3/2024	24/04/2024	■	■	N/A	■	■	■	N/A	■	■
4/2024	23/07/2024	■	■	N/A	■	■	■	N/A	■	■
5/2024	9/10/2024	■	■	N/A	■	■	■	N/A	■	■
6/2024	27/10/2024	■	■	N/A	■	■	■	N/A	■	■
7/2024	24/11/2024	■	■	■	■	■	■	■	■	■
8/2024	29/12/2024	■	■	■	■	■	■	■	■	■

■ Attended ■ Absent

The details are in the following table.

Board Member	Membership	AGM	Board of Directors	Meetings					
				Nomination and Remuneration Committee	Audit Committee	Shariah Supervisory Committee	Executive Committee	Tendering Committee	Investment Committee
Mr. Mohamed Moutaz Al Khayyat	Chairman	2	8	N/A	N/A	N/A	N/A	N/A	N/A
Mr. Ali Hilal Al-Kuwari	Vice Chairman/ Nomination and Remuneration Committee Chairman/ Audit Committee member (until 24th November 2024)	2	8	4	5	N/A	N/A	N/A	N/A
Mr. Ramez Al Khayyat	Board member/ Managing Director/ Executive Committee member/ Investment Committee Chairman	1	6	N/A	N/A	N/A	6	N/A	2
Mr. Abdulaziz Mahmoud Al-Zeyara	Board member/Audit Committee member (from 24 November 2024)	2	6	N/A	1	N/A	N/A	N/A	N/A
Mr. Hamad Bin Abdullah Bin Khalid Al-Attiya	Board member/Audit Committee member (until 24 November 2024)	2	7	N/A	4	N/A	N/A	N/A	N/A
Mr. Mazen Alsabeti	Board member/ Nomination and Remuneration Committee member/ Executive Committee member (until 24 November 2024) Tendering Committee member	2	8	4	N/A	N/A	6	1	N/A
Mr. Aidan Tynan	Board member/Audit Committee Chairman	2	8	N/A	6	N/A	N/A	N/A	N/A
Sheikh Suhaim bin Abdulaziz Al Thani (from 24 November 2024)	Board member/ Nomination and Remuneration Committee member (from 24 November 2024)	N/A	2	N/A	N/A	N/A	N/A	N/A	N/A
Mr. Nasser Hassen Al-Ansari (from 24 November 2024)	Board member/Audit Committee member/ Nomination and Remuneration Committee member (from 24 November 2024)	N/A	2	N/A	1	N/A	N/A	N/A	N/A
Mr. Khaled Zialnon	Investment Committee member (until 24 November 2024)/ Tendering Committee Chairman/Executive Committee member	N/A	N/A	N/A	N/A	N/A	6	1	2
Mr. Eyad Abdulrahim	Investment Committee member (until 24 November 2024)/ Executive Committee member/Tendering Committee member/ Shariah Supervisory Committee member	N/A	N/A	N/A	N/A	1	6	1	2
Prof. Dr. Sheikh Ali Al Qaradaghi	Shariah Supervisory Committee Chairman	N/A	N/A	N/A	N/A	1	N/A	N/A	N/A
Dr. Sheikh Walid Bin Hadi	Shariah Supervisory Committee member	N/A	N/A	N/A	N/A	1	N/A	N/A	N/A
Mr. Murad Sahawneh (until 24 November 2024)	Nomination and Remuneration Committee member	N/A	N/A	4	N/A	N/A	N/A	N/A	N/A
Mr. Ismaeel Makdisi (until 24 November 2024)	Investment Committee member	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2

2.6 Duties and Responsibilities of the Board of Directors

The Board of Directors' role is to represent the shareholders and be accountable to them for creating and delivering sustainable value through the effective governance of the business. It is the Board's responsibility to ensure effective management is in place to implement Baladna's strategy.

The Board of Directors' role and responsibility has been fully illustrated through the Articles of Association of the Company and the Board charter, as stated in the Commercial Companies Law No. (11) for 2015 and the Corporate Governance Code for Companies and Legal Entities listed on the main market issued by Qatar Financial Markets Authority, in particular Articles 8 and 9.

The following are the responsibilities of the Board of Directors:

- Oversee the Company's management optimally
- Ensure compliance with relevant laws, regulations, rules and the Company's Articles of Association
- Protect the Company from illegal, arbitrary or inappropriate business and practices
- Each Board member should discharge duties with good faith, seriousness and concern, and its decisions must be based on adequate information from the Executive Management, or from any other reliable source
- Each Board member represents all shareholders and adheres to what is in the best interest of the Company
- The Board must specify the powers that it delegates to the Executive Management, the procedures for making decisions and the duration of the delegation. The Board also determines the issues it retains the power to decide on, and the Executive Management submits periodic reports on its practices of delegated powers
- Ensure procedures are in place to familiarise the new Board members with the Company's work, especially the financial and legal aspects, in addition to training them if necessary
- Ensure the Company provides sufficient information about its affairs to all members of the Board in general, and the Non-Executive Board members in particular, in order to enable them to carry out their duties and tasks efficiently
- Submit a detailed statement of transactions and deals with any related party in the event that the related party has an interest that may conflict with the Company's interest, at least a week before the date specified for the General Assembly Meeting, by considering the Company's budget and the Board's report of shareholders
- Follow up on developments in the field of corporate governance and the application of best practices in this regard
- Ensure all disclosures made by the Company are accurate, correct and not misleading
- Ensure employees are treated according to the principles of justice and equality without any discrimination on the basis of race, gender or religion
- Adopt a mechanism that allows employees to report suspicious, illegal or harmful behaviours in the Company. The Board ensures the complaint is safe and reliable and that the confidentiality of the complainant is maintained. The Board ensures the complainant receives the necessary protection from any form of retaliation. This includes, but is not limited to, protection from retaliation in the form of an adverse employment action such as termination, compensation decreases or poor work assignments and threats of physical harm
- Prepare an annual detailed statement that is submitted to shareholders a week prior to when the General Assembly convenes to consider the Company's budget and the Board of Directors' report, so that it includes the following data:
 1. All the amounts obtained by the Chairman of the Company's Board of Directors, and every member of this Board in the fiscal year, from wages, fees and salaries, in exchange for attending the meetings of the Board of Directors and an allowance for expenses, and any other sums in any capacity
 2. In-kind and cash benefits enjoyed by the Chairman of the Board of Directors, and every member of the Board of Directors in the fiscal year
 3. The rewards that the Board of Directors proposes to distribute to its members

4. The amounts allocated to each current Board member
5. Transactions in which a member of the Board of Directors or manager has an interest that conflicts with the Company's interests and requires disclosure or prior approval in accordance with Article (109) of this Law, in addition to the details of the transactions and deals
6. The exact amount spent for the sake of advertising in any form, with the details of each amount
7. Donations with an indication of the entity that was donated to, and the reasons for the donation and its details.
8. Allowances paid to any member of the Executive Management.

2.7 Board Activities during the Period from 1 January to 31 December 2024

During the above-mentioned period, Baladna's Board of Directors achieved the following governance goals:

2.7.1 In relation to the General Assembly Meetings

Baladna held its Annual Ordinary General Assembly Meeting on 19 March 2024 and the following decisions were taken:

1. The General Assembly approved the Board of Directors' report on the Company's activities and the financial position for the financial year ended 31 December 2023, as well as the Company's business plan for the year 2024
2. The General Assembly approved the external Auditor's report on the Company's Financial Statements for the year ended 31 December 2023
3. The General Assembly approved the Company's consolidated and audited Financial Statements, for the financial year ended 31 December 2023, including the profit and loss and balance sheet statements
4. The General Assembly approved the Company's Corporate Governance Report for the year ended 31 December 2023
5. The General Assembly approved the proposal of the Board of Directors to distribute cash dividends to the shareholders at a rate of 6.95% of the nominal value of the shares for the year ended 31 December 2023
6. The General Assembly approved the discharging of the Board of Directors from any liability relating to their directorship duties and responsibilities for the financial year ended 31 December 2023, and approved not to pay bonuses to the Chairman and the Board of Directors
7. The General Assembly approved the appointment of Moore Stephens as the Company's Auditors for the financial year 2024 and approved their fees as per the Board's recommendation
8. The General Assembly endorsed the Board of Directors decision to donate QR 1 million to Qatar Charity, in support of the joint campaign "Palestine's Duty"

Baladna Company also held its Ordinary General Assembly on 24 November 2024 to elect members of the Board of Directors for a three-year period (November 2024 – November 2027), which resulted in the formation of the current Board of Directors.

2.7.2 In relation to the Board of Directors and its Committee meetings

During the year 2024, Baladna held its regular Board meetings and Committee meetings where the following decisions were taken:

- Approved the strategic plan and main objectives of the Company and supervised their implementation
- Supervised internal controls
- Organisational restructure of the Company
- Invited nominations for membership on the Board of Directors for the next three years (November 2024 – November 2027)
- Formation of the elected Board of Directors
- Restructured the Board Committees
- Approved the financial budget and financing plan for the year 2025
- Approved the Company's delegation of authority matrix

2.8 Board of Directors Evaluation

During the year, the Board of Directors conducted semi-annual and annual evaluations of the Board's overall performance. The Board members, Board Committees and the Executive Management were evaluated, taking into account the extent to which the Board is committed to achieving Baladna's ambitions, as the Board of Directors is collectively responsible for developing strategic policies and objectives for the Company and its subsidiaries. They are also responsible for effectively monitoring the performance of the Company and its subsidiaries, and ensuring succession planning for management, as well as protecting shareholders' rights and long term development. In particular, the following criteria were considered in evaluating the performance of the Board of Directors:

- Number of meetings held annually
- Regularity of the meetings held annually
- Percentage of attendance of meetings held annually
- Prompt and efficient completion of the issues on the Board's agenda
- The extent to which the Board of Directors has complied with the transparency and disclosure requirements
- Interacting with the Board's Committees and implementing their recommendations
- Achieving plans, objectives and compliance with the adopted policies
- Any other measures that require the Board's assessment and objectivity

The results of the semi-annual and annual evaluations showed that the Board of Directors had fully complied with the provisions of the Laws and Articles of Association, the governance system, the transparency and disclosure procedures and any other regulations and rules governing the Board of Directors mandate. Accordingly, the Board's performance showed its supposed strengths and did not show any weakness.

2.9 Board of Directors Disclosure

In their duties, Baladna's Board of Directors are fully aware of, and clearly understand, all applicable laws, rules and regulations in order to comply with them under any circumstances. Therefore, the Directors fulfil their responsibilities diligently and in accordance with the principles of integrity and fairness, and in compliance with the professional standards and their full commitment to trading ban periods.

The following table shows the Company's shares owned by the Board of Directors as at 31 December 2024.

Board Member Name	Position	Total shares as of 31 December 2024
Mr. Mohamed Moutaz Al Khayyat	Chairman	257,713,509
Mr. Ali Hilal Al-Kuwari (representing special shareholder - Hassad Food)	Vice Chairman	-
Mr. Ramez Al Khayyat	Board member/ Managing Director	261,278,594
Mr. Abdulaziz Mahmoud Al-Zeyara (representing special shareholder - General Retirement and Social Insurance Authority (Military Fund))	Board member	-
Mr. Hamad Bin Abdullah Bin Khalid Al-Attiya (representing special shareholder - General Retirement and Social Insurance Authority (Civil Fund))	Board member	-
Mr. Mazen Alsabeti	Board member	100,000
Mr. Aidan Tynan	Board member	14,135
Mr. Nasser Hassen Al-Ansari	Board member	849,565
Sheikh Suhaim bin Abdulaziz Al Thani	Board member	20,000

2.10 Board Members' Continuous Development

Recognising the value and importance of development for the Board, the Nomination and Compensation Committee worked closely to prepare a suite of development materials for the Board of Directors. The topics that were covered included environmental, social and governance.

2.11 Board Secretary

The Board Secretary is the focal point for communication with the Board of Directors and Senior Management and plays a key role in the administration of important corporate governance matters.

The Board Secretary has the following key responsibilities:

- Organise Director's meetings in accordance with procedures to be agreed upon from time to time by the Chairman and the Board
- Prepare notices, agendas of meetings and supporting reports and documentation in a timely manner
- Attend Board meetings and undertake secretarial responsibilities, including organising minute taking at each meeting
- In conjunction with the Chief Executive Officer and other Senior Management, carry out instructions of the Board and give practical effect to the Board's decisions
- Report to the Board with respect to all corporate secretarial responsibilities
- Arrange/organise shareholders' meetings

On 23 January 2024, the Board of Directors appointed Mr. Wissam Al-Haj Ali as the Company's Secretary of the Board of Directors. Mr. Ali has extensive legal experience. On 24 November 2024, Mr. Ahmed El Basha was appointed Secretary to the Board of Directors.

Mr. Ali holds a Bachelor's degree in Law and a Master's degree in Private Law and Mr. El Basha holds a Bachelor's degree in Law.

3. Board Committees

Board Committees assist the Board in discharging its responsibilities. The Committees operate in line with their respective charters approved by the Board. The charters set out their roles, responsibilities, scope of authority, composition and procedures for reporting to the Board. The charter of each Committee has verified that it is in line with the Articles of Association of the Company and the Commercial Companies Law No. 11 for 2015, and the Corporate Governance Code of the Qatar Financial Markets Authority.

The Committees affiliated with the Board of Directors are as follows:

- Audit Committee
- Nomination and Remuneration Committee
- Shariah Supervisory Committee
- Executive Committee
- Investment Committee (until 24 November 2024)
- Tendering Committee

3.1 Audit Committee

The Audit Committee, appointed by the Board of Directors, consists of 3 members. Headed by an Independent Board member and 2 other members, the Committee assists Baladna's Board in overseeing the integrity of the Company's Financial Statements. It also consults to the Board on the efficiency and adequacy of internal control systems and arrangements for risk management. The Committee is responsible for ensuring internal and external audit functions are independent and objective. In addition, the Committee advises the Board on all matters that need attention and require a decision. The Committee places great importance on investigating any violations in the Company.

The Audit Committee maintains free and open communication between the external Auditors, internal Auditors and Senior Management.

The responsibilities of the Audit Committee include:

- Monitoring the integrity of Baladna's Financial Statements and any formal announcements relating to the Company's financial performance, as well as reviewing significant financial reporting judgements that they contain
- Reviewing Baladna's internal controls, risk management and compliance with the relevant regulations
- Establishing, monitoring and reviewing the effectiveness of the Company's Internal Audit Department, systems and processes
- Making recommendations to the Board in relation to the appointment, reappointment, resignation, discharge and remuneration of the external Auditor and ensuring a timely response by the Board on the matters contained in the external Auditor's letter
- Reviewing and monitoring the external Auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant professional and regulatory requirements
- Developing and implementing guidelines on the engagement of the external Auditor to supply non-audit services
- Reporting to the Board on matters that in the Committee's opinion require action or improvement and providing recommendations on the necessary steps required to achieve such improvement
- Reviewing the whistleblower system whereby employees can anonymously report their doubts on potential abnormalities in the financial report or internal controls or any other matter and ensuring proper arrangements for independent and fair investigations of such matters
- Reviewing any related party transaction and reviewing compliance with such rules for the conduct and approval of such transactions
- Determining the appointment, compensation, benefits, performance appraisal, discipline, replacement, reassignment or dismissal of the Head of Internal Audit

In 2024, the Committee completed a number of major works, including:

- Reviewed the annual and quarterly internal audit reports
- Reviewed the annual disclosure results for 2024
- Monitored the execution of the annual audit plan for the year 2024
- Approved the Internal Audit Department's annual audit plan (risk-based) for the year 2025
- Reviewed quarterly and annual financial statements and submitted recommendations to the board of directors
- Reviewed the updates on Baladna's Internal Audit charter, Code of Conduct, Whistleblowing policy and Board Governance charter
- Approved the budget of the Internal Audit Department for 2025
- Reviewed the Corporate Governance Report and ensured full compliance with QFMA requirements and submitted it to the Board for approval

Audit Committee members

Mr. Aidan Tynan

Audit Committee Chairman

Mr. Aidan Tynan specialises in business turnarounds and has a proven track record of success across the GCC and the Middle East. He has over 30 years of general management experience across multiple sectors including dairy, food, leisure, retail, insurance, e-commerce property development and acquisitions.

Prior to joining Baladna, Mr. Tynan was employed by Danone Plc., a world-leading food company as Chief Operating Officer of Al Safi Danone and Acting CEO (2013 to 2017). In addition, Mr. Tynan was appointed to the Board of Al Safi Danone Iraq (2015 to 2017).

Previous Middle East positions include Group Consultant for the Al Othman Group, Head of E-commerce and Retail for Arabian Shield Insurance Plc, Chief Sales and Trade Marketing Officer for SADAFCO Plc and Head of Sales for Almarai Plc for seven years, and in Ireland, Chief Executive Officer of the Irish Greyhound Board and Business Development Manager for Fleming Group. Mr. Tynan is an Executive Director of two Irish property-related companies - Buildvalue Limited and Exhibitside Limited.

Mr. Tynan holds a Master's degree in Management from York University in the UK, in addition to being a graduate of the Chartered Institute of Marketing (UK) and a graduate of the Marketing Institute of Ireland.

Mr. Ali Hilal Al-Kuwari (Until 24 November 2024)

Committee member

Mr. Ali Hilal Al-Kuwari has vast experience in the field of food and agribusiness investments, a clear strategic vision and deep knowledge of Hassad's local and international investments that he gained throughout his professional journey with Hassad, which exceeded 13 years. Previously, he held several leadership positions at Hassad such as Vice President, Director of Operations and Director of Project Management.

Prior to Hassad, Mr. Al-Kuwari spent around 10 years at Qatar General Electricity & Water Corporation (Kahramaa), where he held many senior positions

Mr. Al-Kuwari holds an Engineering degree from Qatar University and an MBA from Northampton University in the UK.

Mr. Hamad Bin Abdullah Bin Khalid Al-Attiya (Until 24 November 2024)

Committee member

Mr. Hamad Bin Abdullah Bin Khalid Al-Attiya is a Senior Investment Analyst with 13 years overall experience in investment, pension funds' investments, corporates, banking, listed equities and local global portfolios.

He started at Qatar Central Bank in 2007 in the Provision and Control Department as a Bank Monitor and later joined the General Retirement and Social Insurance Authority's Investment Department, where he specialised in investment analyses and covered all local and global portfolios listed equities.

Mr. Al-Attiya holds a degree in Business Administration from the University of Wales in the UK and is also an HEC Paris Executive Master holder, majoring in Innovation and Social Business.

Mr. Nasser Hassen Al-Ansari (From 24 November 2024)

Committee member

Mr. Nasser Hassen Al-Ansari is a distinguished figure who played a major role in the private and public sectors in diversifying Qatar’s economy.

Throughout his career, Mr. Al-Ansari has gained extensive experience across various domains. His dedication and exceptional talents have propelled him swiftly up the career ladder. He has played a pivotal role in managing several high-profile projects in Qatar, such as Hamad International Airport and Hamad Port, where he served as a member of the Steering Committee and Chief Engineer of the Technical Committee at Hamad International Airport.

Mr. Al-Ansari holds a degree in Civil Engineering from the University of Miami, along with an Executive MBA from HEC Paris.

Mr. Abdulaziz Mahmoud Al-Zeyara (From 24 November 2024)

Committee member

Mr. Abdulaziz Mahmoud Al-Zeyara has vast experience in agriculture and livestock, bringing in a wealth of knowledge and skills of more than 20 years in these fields.

He is the Director of the Livestock Department and is also a member of several official committees, including the FAO, Transboundary Animal Diseases Committee of the Arab Organisation for Agricultural Development and the Maritime Ports Management Committee, and is the Representative of the State of Qatar to the World Animal Health Organisation.

Mr. Al-Zeyara holds a Bachelor’s degree in Agricultural Sciences from Qatar University.

The Chairman of the Audit Committee, Mr. Aidan Tynan acknowledges responsibility for discharging the Audit Committee’s mandate at Baladna including the review of its work mechanism and ensuring its effectiveness in line with the approved charter of the Audit Committee.

During the 2024 financial year, the Audit Committee held six meetings.

Meeting No.	Date	Mr. Aidan Tynan	Mr. Ali Hilal Al-Kuwari (until 24 November 2024)	Mr. Hamad Bin Abdullah Bin Khalid Al-Attiya (until 24 November 2024)	Mr. Abdulaziz Mahmoud Al-Zeyara (from 24 November 2024)	Mr. Nasser Hassen Al-Ansari (from 24 November 2024)
1/2024	25/02/2024	■	■	■	N/A	N/A
2/2024	24/04/2024	■	■	■	N/A	N/A
3/2024	23/07/2024	■	■	■	N/A	N/A
4/2024	09/10/2024	■	■	■	N/A	N/A
5/2024	27/10/2024	■	■	■	N/A	N/A
6/2024	29/12/2024	■	N/A	N/A	■	■

■ Present ■ Absent

3.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee is responsible for the review of Baladna’s HR framework and compensation programmes. The Committee issues its recommendations to the Board on the remuneration, allowances and terms of service of the Company’s Senior Executives to ensure they are fairly rewarded for their individual contribution to Baladna. Two Committee members are Non-Executive Directors of the Board while one member is a Non-Independent Board member.

Nomination and Remuneration Committee members

Mr. Ali Hilal Al-Kuwari

Committee Chairman

Mr. Ali Hilal Al-Kuwari is the Chief Executive Officer of Hassad Food Company since August 2023. He has vast experience in the field of food and agribusiness investments, a clear strategic vision and deep knowledge of Hassad’s local and international investments that he gained throughout his professional journey with Hassad, which exceeded 13 years. Previously, he held several leadership positions at Hassad such as Vice President, Director of Operations and Director of Project Management.

Prior to Hassad, Mr. Al-Kuwari spent around 10 years at Qatar General Electricity & Water Corporation (Kahramaa), where he held many senior positions. Moreover, he currently holds several other senior positions including Chairman of A’Saffa Foods, Vice Chairman of Al Meera Consumer Goods Company and Vice Chairman of the Arab Qatari Company for Poultry Production (Al-Waha).

Mr. Al-Kuwari holds an Engineering degree from Qatar University and an MBA from Northampton University in the UK.

Mr. Mazen Alsbeti (Until 24 November 2024)

Committee member

Mr. Mazen Alsbeti is an accomplished specialist in the industry, with 23 years of comprehensive and successful experience as an Executive Director, initiating growth policies as a Senior Executive. He has outstanding planning, execution, monitoring and resource balancing skills, with the ability to support multiple projects in a matrix of organisational structure.

Mr. Alsbeti is the main contact person for business stakeholders in providing accurate reporting and information regarding ongoing projects, developing and executing strategies, working and forming relationships with prominent members of the media, government and the public, to uphold a positive image for the Company and generate new business opportunities.

Mr. Alsbeti holds a Bachelor of Science (BSc) in Zoology from North Carolina State University and a Master of Science (MS) in Business Administration and Management from the University of North Carolina.

Mr. Murad Sahawneh (Until 24 November 2024)

Committee member

Mr. Murad Sahawneh is a senior management executive, and a global HR thought leader with progressive and hands-on experience in all functional areas of strategic human resources and digital transformation management. His forward-thinking leadership enables organisations to embrace change and take employee experience to the next level.

Mr. Sahawneh assumes the responsibility of the Group Chief Human Resource Officer at PIH leading the diversified Group’s HR strategy and making sure that execution is fit for purpose in support of the vision and growth plans.

Mr. Sahawneh holds an MBA degree from the University of Bedfordshire in the UK in addition to global HR credentials (SHRM-SCP, GPHR, SPHR, SPHRI) from the world’s top HR institutes in the USA.

Sheikh Suhaim bin Abdulaziz Al Thani (From 24 November 2024)

Committee member

Sheikh Suhaim bin Abdulaziz Al Thani, a prominent figure with extensive professional experience, serves as the Chairman of Al Bidda Group, an investment house that has investments in various sectors including manufacturing, real estate, hospitality, healthcare, services and others and in various geographical areas including, Qatar, Spain and the UK.

He also served as the Vice Chairman of Qatar Sports Club (QSC) which is a sports club based in Doha, Qatar and founded in 1961. Among other sports, QSC is best known for its football team which competes in the Qatar Stars League. The club has strongly contributed to the growth of Qatar football and is located in Al Dafna area.

Sheikh Suhaim also serves as a Board member of the Estithmar Holdings Q.P.S.C, a rapidly growing integrated business group that provides many services in various fields and is characterised by reliability, sustainability and quality. It operates in various sectors such as healthcare, industries, contracting, projects and services.

Sheikh Suhaim holds a Bachelor’s degree in Business Administration and Marketing from the Arab Academy of Sciences in Egypt and a Master’s degree in Business Administration from the University of Plymouth in the UK.

Mr. Nasser Hassen Al-Ansari (From 24 November 2024)

Committee member

Mr. Nasser Hassen Al-Ansari is a distinguished figure who played a major role in the private and public sectors in diversifying Qatar’s economy.

Throughout his career, Mr. Al-Ansari has gained extensive experience across various domains. His dedication and exceptional talents have propelled him swiftly up the career ladder. He has played a pivotal role in managing several high-profile projects in Qatar, such as Hamad International Airport and Hamad Port, where he served as a member of the Steering Committee and Chief Engineer of the Technical Committee at Hamad International Airport.

Mr. Al-Ansari holds a degree in Civil Engineering from the University of Miami, along with an Executive MBA from HEC Paris.

The responsibilities of the Nomination and Remuneration Committee include:

- Ensuring Independent Non-Executive Directors remain independent on a continuous basis
- Reviewing the potential for conflicts of interest and judgement, and that there are appropriate safeguards against such conflicts
- Formulating and reviewing annually the remuneration, benefits and incentives of the Chief Executive Officer and Senior Executives, and ensuring that the remuneration and benefits given to Senior Management are reasonable and in line with Baladna’s performance
- Consideration and submission for Board approval, proposals on remuneration adjustments, performance bonuses and long term incentives
- Driving the performance-based remuneration culture within the Company through an annual performance review of Baladna’s Senior Executives and succession planning
- Determining Baladna’s needs for qualified staff at the level of Senior Executives and the basis of selection
- Reviewing and approving the Qatarisation strategy, with a work plan for the strategy and how it will be implemented
- Reviewing the Remuneration policy and the Training policy to encourage the development and growth of Qatari national employees
- Reporting to the Board on matters that in the Committee’s opinion require action or improvement and providing recommendations

While it is the Committee’s responsibility to exercise independent judgement, it does request advice from management and third-party independent sources as appropriate, to ensure that its decisions are fully informed given the internal and external environment

The Chairman of the Nomination and Remuneration Committee, Mr. Ali Hilal Al-Kuwari acknowledges responsibility for discharging the Nomination and Remuneration Committee’s mandate at Baladna, reviewing its work mechanism, and ensuring its effectiveness in line with the approved charter of the Nomination and Remuneration Committee.

During the year, four Nomination and Remuneration Committee meetings were held:

Meeting No.	Date	Mr. Ali Hilal Al-Kuwari	Mr. Mazen Alsbeti (until 24 November 2024)	Mr. Murad Sahawneh (until 24 November 2024)	Sheikh Suhaim bin Abdulaziz Al Thani (from 24 November 2024)	Mr. Nasser Hassen Al-Ansari (from 24 November 2024)
1/2024	22/02/2024	■	■	■	N/A	N/A
2/2024	21/03/2024	■	■	■	N/A	N/A
3/2024	09/10/2024	■	■	■	N/A	N/A
4/2024	22/10/2024	■	■	■	N/A	N/A

■ Present ■ Absent

3.3 Shariah Supervisory Committee

Baladna QPSC is supervised from a Shariah perspective by a Shariah Supervisory Committee, which is appointed by Baladna’s Board of Directors. The Committee consists of renowned and qualified Shariah scholars who are independent of the Company and its Board of Directors. The Committee is responsible for assisting the Board in fulfilling its responsibilities related to monitoring the compatibility of the Company’s Financial Statements with the provisions and the application of Islamic principles, and ensures that all of Baladna’s Islamic banking products, services and operations are in compliance with the Shariah principles.

Shariah Supervisory Committee members

Prof. Dr. Sheikh Ali Al Qaradaghi

Committee Chairman

Prof. Dr. Sheikh Ali Al Qaradaghi is currently a Professor of the Principles of Islamic Jurisprudence at Qatar University, and the Secretary General of the International Union of Muslim Scholars (IUMS). He holds several professional positions including Vice President of the European Council for Fatwa and Research, Chairman of the Board of Trustees of the University of Human Development in Iraqi Kurdistan, President and an Executive member of the Fatwa and Shariah Supervisory Board for a number of Islamic banks and insurance companies in the Arabian Gulf and other regions.

He has published more than 30 books and 100 academic papers. He was awarded the State Incentive Award in Islamic Comparative Jurisprudence by the state of Qatar and received the Medal of Pride by the religious administration and the Council of Muftis in Russia.

Prof. Al Qaradaghi received his PhD with honours in Shariah and Law from Al Azhar University in the field of contracts and financial transactions.

Dr. Sheikh Walid Bin Hadi

Committee member

Dr. Sheikh Walid Bin Hadi started his career as a Judge at the Shariah Court in Qatar in 1991. He is also a Shariah Committee member for various organisations including Qatar Islamic Bank, Qatar International Islamic Bank, Bank al-Rayyan, European Finance House (EFH), Solidarity Family Islamic Insurance Co. and Syrian International Islamic Bank. He has published various books and articles on Islamic Faith, Hadith, Usul al-Fiqh, Islamic Economy, Islamic Finance and Shariah Audit.

Dr. Hadi (Qatari) graduated with a Bachelor’s degree in Shariah and Usul-Eldeen from the University of Qatar. He also holds a Master’s degree in Shariah Law from the Omdurman Islamic University in Sudan and a PhD in Shariah from Imam Muhammad Bin Saud Al-Islamiyah University in Riyadh.

Mr. Eyad Abdulrahim

Committee member

Mr. Eyad Abdulrahim brings over 25 years of experience in leading finance departments in the region. He has led major publicly listed companies and family business finance departments and has also assumed board and top management positions within. He has also performed on major regional and international boards of directors. Mr. Abdulrahim has worked with some of the major institutions within the Middle East and GCC including Emaar, The Economic City, Al Futtaim Group Real Estate, Dubai Properties Group, Arabtec Holding, DEPA LTD, Standard Chartered Bank and Arab Bank. He has led several IPOs in the region in addition to major restructuring, complex money market transactions and growth responsibilities within his career. Mr. Abdulrahim is a well-proven leader within the finance community in the MENA region and the GCC in particular.

Mr. Abdulrahim holds an MBA degree from UOWD and a degree in Accounting and Finance.

The responsibilities of the Executive Committee include:

- Providing Islamic advice and guidance at the request of the Company’s management
- Reviewing the statutory Auditors reports and ensuring the application of the rules of Islamic principles and submitting a report to the Board of Directors on this matter
- Determining whether the contracts and transactions offered to them are compatible with Islamic Shariah
- The Committee submits its periodic reports on the results of its work, and its recommendations to the Board of Directors for approval

The Chairman of the Shariah Supervisory Committee, Prof. Dr. Sheikh Ali Al Qaradaghi, acknowledges responsibility for discharging the Committee’s mandate at Baladna, reviewing its work mechanism and ensuring its effectiveness in line with the approved Committee charter.

During the 2024 financial year, the Shariah Supervisory Committee held one Shariah Supervisory Committee meeting.

Meeting No.	Date	Prof. Dr. Sheikh Ali Al Qaradaghi	Dr. Sheikh Walid Bin Hadi	Mr. Eyad Abdulrahim
1/2024	15/02/2024	■	■	■

■ Present ■ Absent

3.4 Executive Committee

The primary objective of the Executive Committee is to provide strategic guidance, oversee major decisions and support the execution of the Company's vision and goals. The Executive Committee acts as a bridge between the Board of Directors and the operational management, ensuring effective communication, decision-making and implementation of strategies.

Executive Committee members

Mr. Ramez Al Khayyat

Committee Chairman

Mr. Ramez Al Khayyat is a Qatari businessman based in Doha, with extensive experience in operations, risk management and business developments. He is a second-generation entrepreneur with years of executive experience in his family's contracting company, a practical mind, and an eye for detail. He is a competent leader and entrepreneur known for his distinguished experience in operations management, risk management and business development.

Mr. Ramez Al Khayyat is the Vice Chairman of Power International Holding, a group of sustainable, innovative and successful companies across five different sectors, building value and contributing to the development of economies around the world, across Qatar, Europe, the UK, Turkey, Oman, the Maldives and Guyana.

Mr. Mazen Alsbeti (Until 24 November 2024)

Committee member

Mr. Mazen Alsbeti is an accomplished specialist in the industry, with 23 years of comprehensive and successful experience as an Executive Director, initiating growth policies as a Senior Executive. He has outstanding planning, execution, monitoring and resource balancing skills, with the ability to support multiple projects in a matrix of organisational structure.

Mr. Alsbeti is the main contact person for business stakeholders in providing accurate reporting and information regarding ongoing projects, developing and executing strategies, working and forming relationships with prominent members of the media, government and the public, to uphold a positive image for the Company and generate new business opportunities.

Mr. Alsbeti holds a Bachelor of Science (BSc) in Zoology from North Carolina State University and a Master of Science (MS) in Business Administration and Management from the University of North Carolina.

Mr. Eyad Abdulrahim

Committee member

Mr. Eyad Abdulrahim brings over 25 years of experience in leading finance departments in the region. He has led major publicly listed companies and family business finance departments and has also assumed board and top management positions within. He has also performed on major regional and international boards of directors. Mr. Abdulrahim has worked with some of the major institutions within the Middle East and GCC including Emaar, The Economic City, Al Futtaim Group Real Estate, Dubai Properties Group, Arabtec Holding, DEPA Ltd, Standard Chartered Bank and Arab Bank. He has led several IPOs in the region in addition to major restructuring, complex money market transactions and growth responsibilities within his career. Mr. Abdulrahim is a well-proven leader within the finance community in the MENA region and the GCC in particular.

Mr. Abdulrahim holds an MBA degree from UOWD and a degree in Accounting and Finance.

Mr. Khaled Zialnon

Committee member

Mr. Khaled Zialnon is a distinguished executive leader with a proven track record in business strategy, operations, problem-solving and risk management. He currently serves as the Group Chief Governance Officer at Power International Holding, a dynamic international conglomerate based in Qatar. Mr. Zialnon has extensive experience in governance, compliance and supply chain management, along with proven expertise in corporate policy management, delegation of authority and business process engineering.

Throughout his career, he has held significant roles, including Group Chief Supply Chain Officer, General Manager - New Ventures, General Manager - Supply Chain and Procurement Director. Mr. Zialnon commenced his career in Italy in international trade and moved to Qatar in 2017 as the Procurement Director at Baladna QPSC, where he played a pivotal role in the Company's initial success. He then progressed to lead the Supply Chain Department as a General Manager, managing the end-to-end supply chain process. Subsequently, he took on the role of General Manager for the New Ventures Department, spearheading business diversification and expansion in Qatar and the international market. In terms of board involvement, Mr. Zialnon serves on the Board of Directors for Estithmar Holding Q.P.S.C and other private companies.

His leadership and strategic acumen make him a valuable asset in governance and boardroom decision-making, and his extensive experience and multifaceted skill set position him as an influential contributor to the organisations he serves.

The responsibilities of the Executive Committee include:

- Reviewing and endorsing, for Board approval, the long term strategy of the Company. This involves a comprehensive analysis of economic and market conditions, aligned with directives from the Board of Directors
- Reviewing and endorsing, for Board approval, annual business plans and budgets across the Company. Ensuring alignment with the long term strategy and incorporating adjustments based on changes in economic, market and regulatory environments
- Monitoring the Company's quarterly performance against the established strategy, business plan and budgets. Ensuring that the organisation stays on track and can promptly address any deviations from the set objectives
- Reviewing and approving the corporate social responsibility strategy
- Reviewing and consolidating the marketing and communication plans, along with resource distribution plans. Ensuring efficient and effective alignment to support business development and growth initiatives
- Reviewing and consolidating business development strategies, product alignments and resource distribution across the Company. This involves optimising resource allocation to maximise growth opportunities
- Undertaking other responsibilities delegated by the Board. This flexibility allows the Committee to address emerging issues and contribute to the overall success of the Company
- Establishing and setting targets and reviewing monthly key performance indicators (KPI) for the organisation
- Monitoring KPIs and financial results and overseeing digitisation progress across the Company

The Chairman of the Executive Committee, Mr. Ramez Al Khayyat, acknowledges responsibility for discharging the Committee's mandate at Baladna, reviewing its work mechanism and ensuring its effectiveness in line with the approved Committee charter.

During the 2024 financial year, the Executive Committee held six meetings.

Meeting No.	Date	Mr. Ramez Al Khayyat	Mr. Mazen Alsbeti (until 24 November 2024)	Mr. Eyad Abdulrahim	Mr. Khaled Zialnon
1/2024	30/01/2024	■	■	■	■
2/2024	13/03/2024	■	■	■	■
3/2024	13/05/2024	■	■	■	■
4/2024	27/05/2024	■	■	■	■
5/2024	21/07/2024	■	■	■	■
6/2024	22/08/2024	■	■	■	■

■ Present ■ Absent

3.5 Investment Committee (Until 24 November 2024)

The primary objective of the Investment Committee is to provide strategic guidance, oversee major decisions and support the execution of the Company’s vision and goals. The Investment Committee acts as a bridge between the Board of Directors and the operational management, ensuring effective communication, decision-making and implementation of investment strategies.

Investment Committee members

Mr. Ramez Al Khayyat (Until 24 November 2024)

Committee Chairman

Mr. Ramez Al Khayyat is a Qatari businessman based in Doha, with extensive experience in operations, risk management and business developments. He is a second-generation entrepreneur with years of executive experience in his family’s contracting company, a practical mind and an eye for detail. He is a competent leader and entrepreneur known for his distinguished experience in operations management, risk management and business development.

Mr. Ramez Al Khayyat is the Vice Chairman of Power International Holding, a group of sustainable, innovative and successful companies across five different sectors, building value and contributing to the development of economies around the world, across Qatar, Europe, the UK, Turkey, Oman, the Maldives and Guyana.

Mr. Eyad Abdulrahim (Until 24 November 2024)

Committee member

Mr. Eyad Abdulrahim brings over 25 years of experience in leading finance departments in the region. He has led major publicly listed companies and family business finance departments and has also assumed board and top management positions within. He has also performed on major regional and international boards of directors. Mr. Abdulrahim has worked with some of the major institutions within the Middle East and GCC including Emaar, The Economic City, Al Futtaim Group Real Estate, Dubai Properties Group, Arabtec Holding, DEPA LTD, Standard Chartered Bank, and Arab Bank. He has led several IPOs in the region in addition to major restructuring, complex money market transactions and growth responsibilities within his career. Mr. Abdulrahim is a well-proven leader within the finance community in the MENA region and the GCC in particular.

Mr. Abdulrahim holds an MBA degree from UOWD and a degree in Accounting and Finance.

Mr. Khaled Zialnon (Until 24 November 2024)

Committee member

Mr. Khaled Zialnon is a distinguished executive leader with a proven track record in business strategy, operations, problem-solving and risk management. He currently serves as the Group Chief Governance Officer at Power International Holding, a dynamic international conglomerate based in Qatar. Mr. Zialnon has extensive experience in governance, compliance and supply chain management, along with proven expertise in corporate policy management, delegation of authority and business process engineering.

Throughout his career, he has held significant roles, including Group Chief Supply Chain Officer, General Manager - New Ventures, General Manager - Supply Chain, and Procurement Director. Mr. Zialnon commenced his career in Italy in international trade and moved to Qatar in 2017 as the Procurement Director at Baladna QPSC, where he played a pivotal role in the Company’s initial success. He then progressed to lead the Supply Chain Department as a General Manager, managing the end-to-end supply chain process. Subsequently, he took on the role of General Manager for the New Ventures Department, spearheading business diversification and expansion in Qatar and the international market. In terms of board involvement, Mr. Zialnon serves on the Board of Directors for Estithmar Holdings Q.P.S.C and other private companies.

His leadership and strategic acumen make him a valuable asset in governance and boardroom decision-making, and his extensive experience and multifaceted skill set position him as an influential contributor to the organisations he serves.

Mr. Ismaeel Makdisi (Until 24 November 2024)

Committee member

Mr. Ismaeel Makdisi is a distinguished professional with an extensive and varied career history. As the current Group Chief Legal Officer at Power International Holding (PIH), he leads all legal aspects for PIH, both domestically in Qatar and on a global scale, aligning with the organisation’s strategic plans for international growth. Previously, he served as the CEO of Intigral, a pioneering digital convergence company that supports telecommunication operators and ISPs across the Middle East and North Africa (MENA) region. Prior to ascending to CEO, Mr. Makdisi was the General Counsel and Vice President of Corporate Affairs at Intigral, where he managed the company’s legal and corporate communication strategies.

Mr. Makdisi’s academic credentials are equally notable. He earned a Juris Doctor (JD) from Chicago-Kent and a PhD in Political Sociology from the University of Illinois in Chicago, USA, equipping him with a robust understanding of law and sociology that he has skilfully leveraged throughout his professional journey.

The responsibilities of the Investment Committee include:

- Ensuring the Board of Directors is informed about the Company’s investment portfolio including all ongoing and upcoming investments within the Company. Conducting project appraisals following a structured pattern and utilising project metrics that align with monitoring standards
- Providing assurance that the investment arrangements remain appropriate, and confirming that the investment portfolio is being managed in accordance with the Investment policy
- Overseeing and periodically reviewing the performance of Company’s investments including the impact of such performance on the Company’s investment policies and guidelines
- Assessing and reviewing the economic benefits to be achieved through the investment of capital and operating funds as set out in Company strategic priorities
- Reviewing the objectives, strategies and policies in relation to the investment of funds, both capital and operational
- Reviewing the short and long term investment plans and recommending their adoption as required
- Overseeing the systems and processes in place, that support good governance of individual projects and investment programmes, and that they are consistent with the risk appetite statements
- Ensuring the investment opportunity/business idea yields investment returns as established
- Reviewing and reporting in detail the performance of the investment portfolio
- Reviewing engagement of advisors for investments and approve their scope and remunerations

The Chairman of the Investment Committee, Mr. Ramez Al Khayyat, acknowledges responsibility for discharging the Committee’s mandate at Baladna, reviewing its work mechanism and ensuring its effectiveness in line with the approved Committee charter.

During the 2024 financial year, the Investment Committee held two meetings.

Meeting No.	Date	Mr. Ramez Al Khayyat (until 24 November 2024)	Mr. Eyad Abdulrahim (until 24 November 2024)	Mr. Khaled Zialnon (until 24 November 2024)	Mr. Ismaeel Makdisi (until 24 November 2024)
1/2024	27/05/2024	■	■	■	■
2/2024	01/09/2024	■	■	■	■

■ Present ■ Absent

3.6 Tendering Committee

The primary objective of the Tendering Committee is to provide strategic guidance, oversee major decisions and support the execution of the Company’s vision and goals. The Tendering Committee acts as a bridge between the Board of Directors and the operational management, ensuring effective communication, decision-making and implementation of tendering strategies.

Tendering Committee members

Mr. Khaled Zialnon

Committee Chairman

Mr. Khaled Zialnon is a distinguished executive leader with a proven track record in business strategy, operations, problem-solving and risk management. He currently serves as the Group Chief Governance Officer at Power International Holding, a dynamic international conglomerate based in Qatar. Mr. Zialnon has extensive experience in governance, compliance and supply chain management, along with proven expertise in corporate policy management, delegation of authority and business process engineering.

Throughout his career, he has held significant roles, including Group Chief Supply Chain Officer, General Manager - New Ventures, General Manager - Supply Chain and Procurement Director. Mr. Zialnon commenced his career in Italy in international trade and moved to Qatar in 2017 as the Procurement Director at Baladna QPSC, where he played a pivotal role in the Company’s initial success. He then progressed to lead the Supply Chain Department as a General Manager, managing the end-to-end supply chain process. Subsequently, he took on the role of General Manager for the New Ventures Department, spearheading business diversification and expansion in Qatar and the international market. In terms of board involvement, Mr. Zialnon serves on the Board of Directors for Estithmar Holdings Q.P.S.C and other private companies.

His leadership and strategic acumen make him a valuable asset in governance and boardroom decision-making, and his extensive experience and multifaceted skill set position him as an influential contributor to the organisations he serves.

Mr. Eyad Abdulrahim

Committee member

Mr. Eyad Abdulrahim brings over 25 years of experience in leading finance departments in the region. He has led major publicly listed companies and family business finance departments and has also assumed board and top management positions within. He has also performed on major regional and international boards of directors. Mr. Abdulrahim has worked with some of the major institutions within the Middle East and GCC including Emaar, The Economic City, Al Futtaim Group Real Estate, Dubai Properties Group, Arabtec Holding, DEPA Ltd, Standard Chartered Bank and Arab Bank. He has led several IPOs in the region in addition to major restructuring, complex money market transactions and growth responsibilities within his career. Mr. Abdulrahim is a well-proven leader within the finance community in the MENA region and the GCC in particular.

Mr. Abdulrahim holds an MBA degree from UOWD and a degree in Accounting and Finance.

Mr. Mazen Alsbeti

Committee member

Mr. Mazen Alsbeti is an accomplished specialist in the industry, with 23 years of comprehensive and successful experience as an Executive Director, initiating growth policies as a Senior Executive. He has outstanding planning, execution, monitoring and resource balancing skills, with the ability to support multiple projects in a matrix of organisational structure.

Mr. Alsbeti is the main contact person for business stakeholders in providing accurate reporting and information regarding ongoing projects, developing and executing strategies, working and forming relationships with prominent members of the media, government and the public, to uphold a positive image for the Company and generate new business opportunities.

The responsibilities of the Tendering Committee include:

- Supporting the Board by reviewing and recommending significant matters pertaining to the Group’s supply chains
- Upholding and reinforcing corporate governance, integrity and transparency throughout the supply chain process and contract management process
- Ensuring transparency, objectivity and compliance with the Company’s policies and procedures in the procurement process
- Ensuring the supply chain processes are transparent, fair and impartial. Verifying compliance with the organisation’s policies and procedures
- Reviewing, monitoring and providing approval for matters concerning the Group’s supply chains. This includes the evaluation and approval of bids in accordance with the prevailing delegated authority limits set and approved as per the Delegation of Authority Matrix (DOA), as well as structures, policies and any other matters pertaining to the supply chain function
- Reviewing and approving the list of tenderers to be invited for selective tenders and direct negotiations, staying within the limits defined as per the approved DOA
- Evaluating bids, including the pre-qualification score of the vendors, as per the limits defined in the approved DOA. Reviewing the bids rank based on their technical and financial merits
- Regularly reviewing policies and procedures related to the supply chain, including the framework adopting best and transparent practices. Proposing any changes to the framework and contributing to the development of new policies for subsequent approval as per the approved DOA
- Overseeing the tendering process, evaluating bids, negotiating with potential suppliers and selecting the most suitable supplier based on the evaluation criteria and other relevant factors

The Chairman of the Investment Committee, Mr. Khaled Zialnon acknowledges responsibility for discharging the Committee’s mandate at Baladna, reviewing its work mechanism and ensuring its effectiveness in line with the approved Committee charter.

During the 2024 financial year, the Tendering Committee held one meeting.

Meeting No.	Date	Mr. Khaled Zialnon	Mr. Eyad Abdulrahim	Mr. Mazen Alsbeti
1/2024	12/8/2024	■	■	■

■ Present ■ Absent

3.7 Delegation of Authority

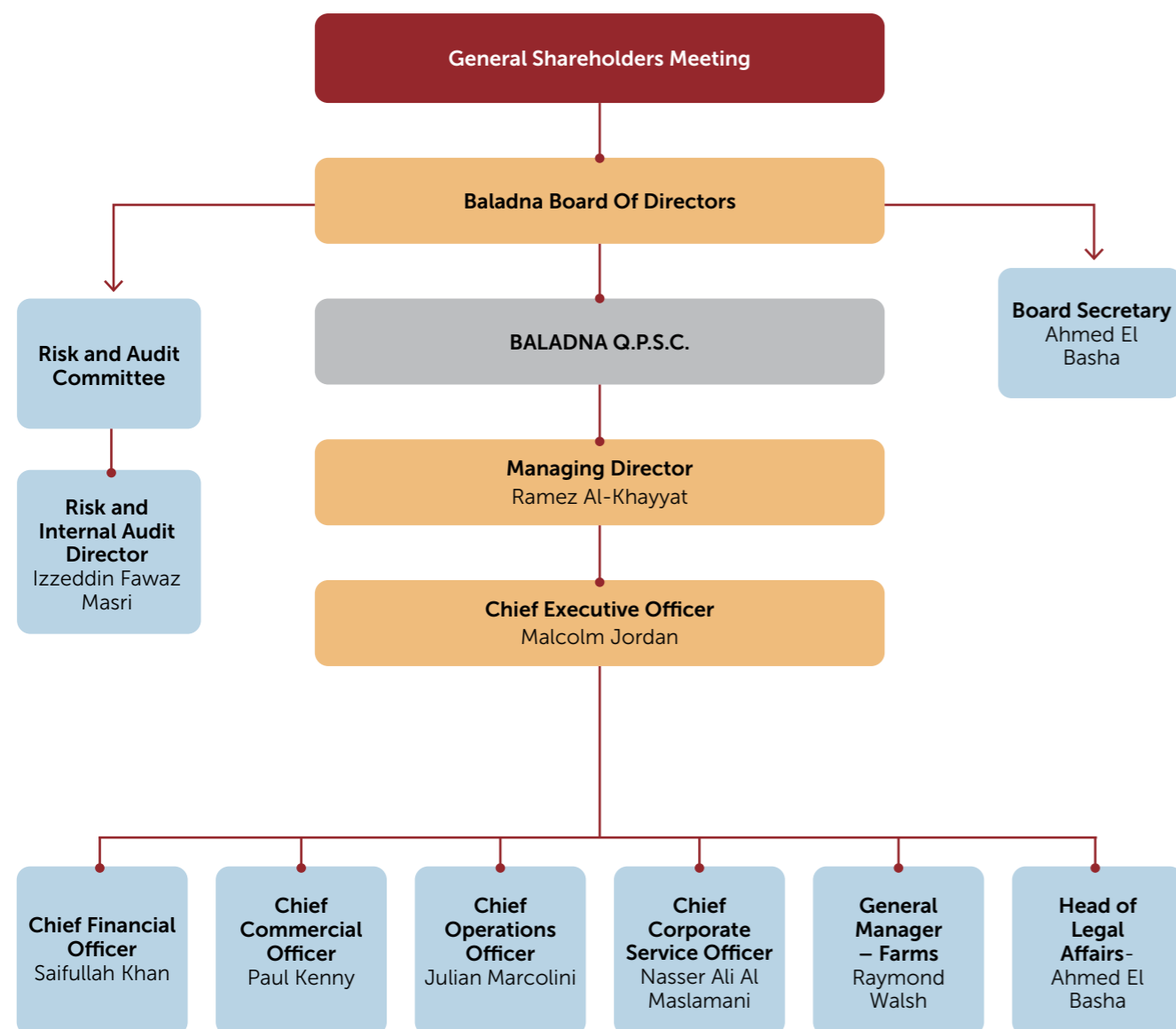
The Board is and shall remain responsible for the overall governance of the Company and for those matters that are reserved for the Board. The Board provided the Chairman and Vice Chairman with powers and authorities on behalf of the Board with the right of delegation. The Board, under Special Power of Attorney, delegated key authorities to the Managing Director, such as:

- Manage the Company and its subsidiaries operations
- Represent and manage the Company and its subsidiaries in all transactions and documents before the government
- Sign all contracts and agreements on behalf of the Company inside and outside of Qatar
- Represent the Company in any manufacturing and/or distribution deals
- Represent the Company before the banks for opening and closing accounts, applying for loans and financial facilities, and signing LCs, bank guarantees and other bank documents
- Incorporate companies and branches within Qatar and abroad and sign their Articles of Association

In pursuance of the special powers and authorities delegated to the Managing Director – who in turn delegates decision-making and approval authorities to the management as specified in the Authority Matrix approved by Board – the Delegation of Authority framework and policy was established to define the limits of authority designated to specific positions of responsibility within the Company. The Authority Matrix ensures efficient and effective decision-making which balances empowerment against controls.

On 29 December 2024, the Board of Directors reviewed the matrix of delegation of powers and responsibilities for the Company, and unanimously approved the amendments to the matrix of delegation of powers and responsibilities, as well as the matrix of authorised signatories in banks and the authorised signatories in commercial registers.

4. Macro Organisational Chart



5. Executive Management

5.1 Executive Management’s Profiles



Mr. Ramez Al Khayyat
Managing Director

Mr. Ramez Al Khayyat is a well-known entrepreneur and proven leader who brings a wealth of knowledge and experience in operations, risk management and business development. Mr. Al Khayyat started his career as a Board member for Al Khayyat Contracting and Trading, working to expand and develop the company.

In 2011, he and his brother, Mr. Mohamed Moutaz Al Khayyat, founded Urbacon Trading and Contracting (UCC) in Qatar, a subsidiary of Urbacon Holding. As second-generation owners, Mr. Ramez Al Khayyat runs Urbacon Holding, the privately held company and holds the position of President. UCC has constructed many internationally renowned projects.

In 2015, Mr. Al Khayyat received recognition from the Socrates Committee in Oxford, UK, as Manager of the Year. They also recognised UCC as one of the best enterprises in the field of construction in Qatar.

As the Vice Chairman and Group CEO of Power International Holding, Mr. Al Khayyat co-owns and manages a multitude of companies, operating in general contracting, agriculture and food industries, real estate development and lifestyle (hospitality, entertainment and catering).

The companies have grown horizontally by creating various affiliates. These operate across the world including Qatar, Europe, the UK, Turkey, Oman, the Maldives and Guyana, with plans for further expansion.

Mr. Ramez is also the Vice Chairman of Estithmar Holdings Q.P.S.C.

Mr. Ramez holds a degree in Global Business from the University of the West of Scotland.



Mr. Malcolm Jordan
Chief Executive Officer

Mr. Malcolm Jordan re-joined Baladna as the CEO at the beginning of the year. He led Baladna during the COVID-19 pandemic and its IPO.

Prior to joining Baladna, Mr. Jordan was part of the leadership team of Almarai, the largest food manufacturer and distributor in the Middle East and the largest integrated dairy company in the world. During his tenure at Almarai, Mr. Jordan held several executive positions including Executive Vice President - New Business, CEO-IPNC, General Manager - Marketing and General Manager - Quality, Product Development and Innovation.

Having worked in the region for the past 28 years, Mr. Jordan has a proven track record of delivering superior commercial results, building highly motivated teams and leading business transformation, value chain optimisation and major innovation projects.

Mr. Jordan is a graduate in Food Technology from the West of Scotland Agricultural College in Scotland and holds a Certificate in Leadership Development from IMD in Switzerland.



Mr. Saifullah Khan
Chief Financial Officer

Mr. Saifullah Khan is responsible for the strategic management of Baladna’s financial functions, leading the Company’s IPO and international expansion to different geographies to maintain growth. He has considerable experience in scaling financial operations and organisational restructuring and has a strong track record in delivering improved financial performance, productivity and governance.

Mr. Khan’s career has spanned a range of sectors including construction, manufacturing and dairy, and he has served in senior level financial positions with a range of multinational companies such as NLC Pakistan and Qatar Power Construction.

Mr. Khan holds a Bachelor’s degree in Accounting, a Master’s degree in Finance, CPA Certification and an Executive MBA degree from HEC Paris.



Mr. Paul Kenny
Chief Commercial Officer

Mr. Paul Kenny is an accomplished Senior Commercial and Marketing Executive with 30 years of experience in major international and regional FMCG companies. Specialising in business turnarounds and building local and international brands, the last 20 years have been spent within the GCC, working with all major dairy players, most recently Al Safi Danone, Nadec and Almarai. He has extensive experience in managing complex integrated businesses, developing and executing new routes to market models and creating fully integrated 360-degree brand campaigns.

Mr. Kenny possesses a process-driven approach to formulating customised strategies, particularly in under-performing business units, by leveraging a unique ability to enhance profitability through effective people management.

Mr. Kenny holds a Graduateship of Marketing from the Marketing Institute of Ireland.



Mr. Julian Marcolini
Chief Operations Officer

Mr. Julian Marcolini joined Baladna Food Industries as the General Manager of Quality, Product Development, Health and Safety, Security and Environment. Mr. Marcolini is an accomplished senior management professional, with more than 20 years' experience in the areas of quality, food safety, manufacturing, supply chain and continuous improvement.

Mr. Marcolini has worked in the Middle East for the last 12 years for Almarai and has held several senior positions including Group Head of Quality and Head of Supply Chain for Almarai Infant Nutrition.

Mr. Marcolini holds a Master's in Business Administration from the University of Warwick, he is a food science management graduate from the University of Salford and holds a Certificate in Leadership Development from IMD, Switzerland.



Mr. Nasser Ali Al Maslamani
Chief Corporate Services Officer

Mr. Nasser Ali Al Maslamani has an array of experience from key sectors, ranging from the energy sector and financial sector to the sports sector and the tourism sector.

Prior to joining Baladna, Mr. Al Maslamani served as the Director of Planning and Quality for Qatar Tourism. Before that, he served as the Human Resources Director for Qatar Stars League, and as a Project Manager for Qatar Financial Centre Authority. He was one of the founders of the Qatar Finance and Business Academy during his tenure.

Mr. Al Maslamani holds a Master's in Business Administration from Henley Business School.



Mr. Ahmed El Basha
Head of Legal Affairs

Mr. Ahmed El Basha is the Head of Legal Affairs at Baladna. He joined the Company in 2019 and was a key participant in the establishment and listing of the Company.

Mr. El Basha has more than 17 years of professional experience. Prior to joining Baladna, he worked as a Legal Adviser to GMC Investments Company (Arab Republic of Egypt), Legal Adviser to a CIB company (Arab Republic of Egypt) and Shareholder Affairs Officer for Salam International Investment Company S.I.L (Qatar).

Mr. El Basha holds a Bachelor of Law degree from the Arab Republic of Egypt, where he began his career as a lawyer and a member of the Arab Lawyers Union.

5.2 The Executive Management

The Executive Management, composed of Senior Executives of Baladna, is responsible for the management of the business and meets on a regular basis. The Executive Management members report to the Chief Executive Officer. The primary role of the Executive Management is to review business performance and organisational and operational matters, set strategies/initiatives and monitor their successful execution, and review key business KPIs and progress on key projects.

5.3 Compensation for the Key Management Personnel

	For the year ended 31 December 2024 (QR)
Salary, bonus and other allowances	12,029,980
Employees' end of service benefits	368,290
Total compensation of key management personnel	12,398,270

Baladna did not provide any cash loans, guarantees or credits to the Chairman or any members of the Executive Management during the fiscal year ending 31 December 2024.

6. Insider Trading

One of the main responsibilities of the Board of Directors is to ensure proper governance is implemented at Baladna for insider trading. An Insider Trading policy has been approved by the Board of Directors to ensure the highest level of integrity, transparency and disclosure. These rules are binding upon members of the Board, management of the Company and its employees, with the following obligations:

- Members of the Company's Board of Directors, as well as Senior Executives and major shareholders or controlling shareholders, are obliged to disclose the number of shares they hold within 15 days of their membership, as well as at the end of each financial year, and all trading, in compliance with the laws, the regulations and instructions issued in this regard
- The Chairman, members of the Board of Directors with listed securities in the market, its general manager or any employees who are familiar with the Company's material information, are prohibited from trading in the market, whether by himself, or in any other capacity, for the account of third parties in the securities of the same company, the parent company, subsidiary sister or ally of that company, if any of these companies are listed on the market, during the prohibition periods stipulated in the applicable laws and regulations
- The Company is obliged to disclose information about the dealings of insider persons and their relatives in securities issued by the Company, parent company, subsidiaries or sister companies, including members of the Board of Directors in accordance with the regulations, laws and instructions issued in this regard through the preparation of a special and integrated register for all insider persons, including those who may be considered temporarily insider persons and who have access to the Company's internal information prior to publication. The register also contains prior and subsequent disclosures of insider persons
- Board members and any insider employees shall not use confidential information that may affect the price of securities for personal gain and any such act or transaction shall be null and void

7. Internal Control

Baladna's system of internal control aims to ensure the Board and management are able to fulfil the Company's business objectives. An effective internal control framework contributes to safeguarding the shareholders' investment and the Company's assets. The objective of Baladna's internal control framework is to ensure internal controls are established; that policies and procedures are properly documented, maintained and adhered to and are incorporated by the Company within its normal management and governance processes.

In accordance with the requirements set out in the Corporate Governance Code for Companies and Legal Entities Listed on the main market issued by the QFMA's Board pursuant to Decision No. (5) of 2016, management performs an ongoing process of identifying, evaluating and managing the risks faced by Baladna and establishes and maintains effective controls for the risks identified, including those over financial reporting.

The Company carries out the review of its internal controls over financial reporting on an annual basis with respect to all material financial balances, whereby the management assesses the adequacy of design and operating effectiveness of such internal controls over financial reporting. This assessment is reviewed by the Company's independent Auditors.

Management has assessed the adequacy of the design and the operating effectiveness of the Company's internal controls over financial reporting as at 31 December 2024. Based on the assessment, management has concluded the internal controls over financial reporting are adequately designed and operating effectively with no material weaknesses identified.

Baladna's operating policies and procedures are considered to be adequate and effective, while recognising that such a system is designed to mitigate rather than eliminate the risk of failure to achieve business objectives and can provide reasonable but not absolute assurance against material misstatement or loss.

The Board of Directors acknowledges its responsibility for Baladna's internal control framework. The Board has delegated responsibility for oversight of the Internal Audit Department (IAD) to the Audit Committee. The Head of Internal Audit is appointed by the Audit Committee. The Audit Committee reviews the effectiveness of the IAD's function.

The objective of the IAD's function is to provide independent assurance and consulting services using a disciplined systematic approach to improve the effectiveness of risk management, internal control, compliance and governance process, and the integrity of Baladna's operations. The function is also responsible for monitoring the compliance of the Company and its employees with the law, regulations and resolutions, as well as internal policies and procedures. Baladna's IAD's functions are governed by a charter which sets out the purpose, authority and responsibility of the function, in addition to Baladna's Internal Audit Procedural manual.

During the period 1 January to 31 December 2024, no significant operational internal control failures were identified. However, process level improvements were identified by the IAD and accepted by management for implementation towards the continuous improvement of Baladna's internal controls. On an ongoing basis, the Audit Committee monitors the progress that management has made with respect to remedial actions taken on issues and findings raised by the IAD.

On 9 October 2024, Mr. Izzeddin Fawaz Masri was appointed as the Risk and Internal Audit Director and Head of the Internal Control Unit reporting to the Audit and Risk Committee.

Qualifications of Mr. Izzeddin Fawaz Masri

Mr. Izzeddin Fawaz Masri is a dedicated and results-driven leader with over 16 years of extensive experience leading internal audit, risk management, compliance and corporate governance functions.

Prior to joining Baladna, Mr. Masri left a distinguished legacy in establishing internal audit departments for a number of listed companies in the State of Qatar, with a wealth of experience in formulating audit strategies, improving operations and promoting a culture of integrity.

Mr. Masri holds a Bachelor of Science degree in Administrative Sciences with a major in Accounting, and a minor in Financial and Banking Sciences and is a Certified Public Accountant (CPA) from American Institute of Certified Public Accountants.

8. Risk Management

Risk management is integral to Baladna's strategy and to the achievement of our long term goals. The Board has established a risk and control structure designed to manage the achievement of strategic business objectives. In doing so, we take an embedded approach that places risk management at the core of the Leadership Team's agenda, which is where we believe it should be.

The Board provides oversight of Baladna's risk management strategy and has the overall responsibility for setting the Company's risk appetite. Risk appetite guides the Company in determining the nature and extent of risk it would ordinarily accept, while executing the business model for creating sustainable shareholder value.

Baladna accepts and applies a moderate risk appetite as it seeks a balanced management of opportunities for sustained business growth along with focused identification and exploitation of opportunities generated through its business. The Audit Committee oversees compliance with risk management processes and the adequacy of risk management activities related to Baladna's operations. In addition, management reviews the risk appetite and makes recommendations to the Board through the Audit Committee and ensures adequate controls/mitigating actions are in place against key identified risks. The Company applies a structured and robust enterprise risk management approach whereby the risk management process is implemented in defined steps: identify, assess, prioritise, mitigate, monitor and report.

9. External Auditors

The appointment and remuneration of the external Auditors was approved by the General Assembly Meeting of Baladna held on 19 March 2024. The shareholders appointed Moore Stephens and Partners certified Public Accountants - Qatar as the external Auditors for the year 2024 for a professional fee of QR 309,000, in accordance with the provisions of Article 141 of the Companies Law.

Moore Stephens and Partners Certified Public Accountants is a multinational professional services firm headquartered in the United Kingdom. It is one of the recognised audit firms and has been the only external Auditor of the Company since it was listed on the Qatar Exchange, since their appointment at the Constitutive General Assembly Meeting held on 26 November 2019. Mr. Fathi Abu Farah is the partner issuing the Independent Auditor's Report.

There have been no qualified opinions reported by our external Auditors on Baladna's interim semi-annual and annual consolidated Financial Statements as at 31 December 2024. Please refer to the Independent Auditor's Report in the Financial Statements for further details.

10. Corporate Social Responsibility

Baladna’s approach to corporate social responsibility (CSR) centres on the idea of creating shared value for all of its stakeholders through economic, environmental and social actions. Accordingly, the CSR programme has four pillars: Community, Workplace, Nutrition and Well-being, and Environment and Sustainability. At Baladna, the heart of the shared value concept rests on the ability of a company to create private value and transform this into public value for the society.

The total amount spent during the period from 1 January to 31 December 2024 on CSR initiatives was QR 11,647,277. One of the key initiatives or sponsorships during the period was the support of the Social and Sports Activities Fund.

11. Protection of Shareholders’ and Stakeholders’ Rights

Baladna is committed to protecting shareholders’ and stakeholders’ rights in accordance with the required bylaws, regulations and as part of its corporate governance framework. To accomplish this, Baladna exercises diligence and care in conducting all its operations, including effective and efficient use of resources to maximise shareholder benefits.

Baladna ensures all shareholders are entitled to their rights fairly and equally and that they are protected against any violation to those rights. To ensure shareholders’ assets are protected against any misuse that may occur from the Board of Directors, Executive Management or relevant stakeholders, Baladna maintains a robust Shareholders’ and Stakeholder’s Rights policy.

The Company adopts the principle of justice and equality. The stakeholders are equal in rights, and no discrimination is made between them on any basis. They have all the rights resulting from share ownership. In accordance with the provisions of the Company’s Articles of Association and the provisions of the Board of Directors’ charter, the Company is committed to guaranteeing the rights of shareholders that enable them to exercise their rights. Enjoying these rights includes the following:

- Shareholders’ rights related to profits
- Shareholder’s right to obtain information
- Shareholder rights related to the General Assembly, voting and election of Board members
- Facilitating effective participation in decision-making
- Shareholders’ rights related to major transactions
- The right to complain and litigate

12. Dealing with Rumours

Baladna has a policy for disclosure and communication that includes a policy for dealing with rumours. The charter of the Board of Directors also stipulates the appointment of an official spokesperson for the Company, who is responsible for making official statements, responding to rumours and all enquiries, as well as providing the correct information to the public.

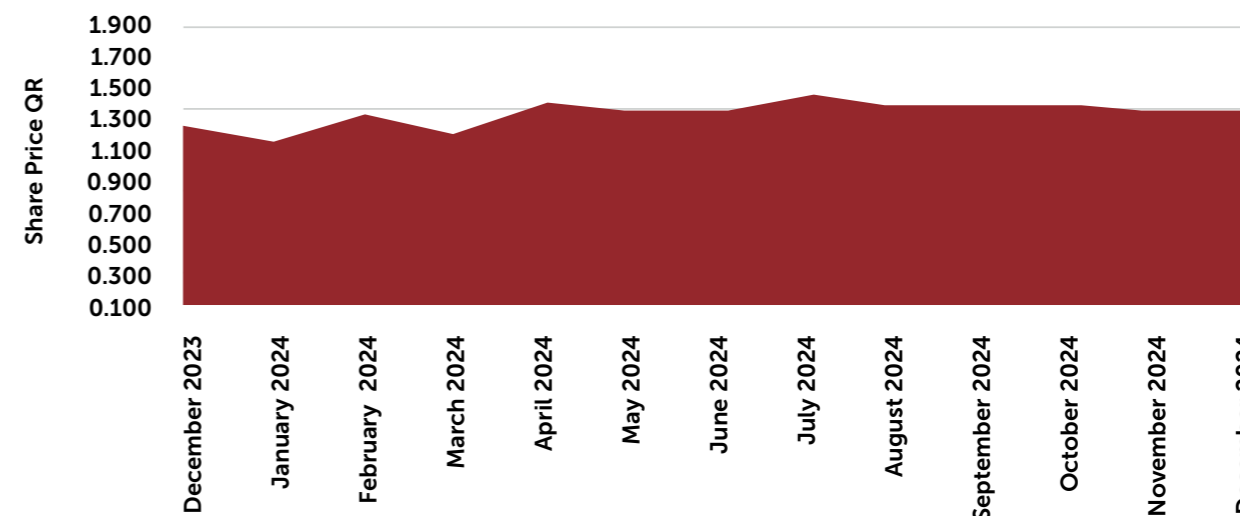
13. Ownership Structure and Share Performance

Share Performance

Baladna share price at the end of each month in 2024 compared with the market and industry index.

Month	Closing Price (QR)	Maximum Price (QR)	Minimum Price (QR)	Average Price (QR)	Market Index	Sector Index
January	1.119	1.246	1.103	1.175	10,089.20	7,171.55
February	1.275	1.280	1.064	1.174	10,474.91	7,306.07
March	1.142	1.298	1.142	1.237	9,847.10	7,189.77
April	1.350	1.400	1.150	1.287	9,727.01	7,301.90
May	1.305	1.369	1.271	1.331	9,319.10	6,975.93
June	1.303	1.330	1.287	1.308	9,964.48	7,438.33
July	1.420	1.447	1.295	1.373	10,154.05	7,587.67
August	1.359	1.421	1.309	1.361	10,203.04	7,590.66
September	1.360	1.418	1.350	1.379	10,614.09	7,838.32
October	1.355	1.404	1.325	1.366	10,524.34	7,806.00
November	1.323	1.358	1.315	1.331	10,417.82	7,595.61
December	1.317	1.349	1.301	1.325	10,571.09	7,666.76

Share Price



Shareholder Information

Share distribution as at 31 December 2024

	National		GCC		Arab		Foreign		Total	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Individual	1,079,736,963	56.798%	1,540,104	0.081%	39,800,893	2.094%	30,620,902	1.611%	1,151,698,862	60.584%
Companies	435,728,462	22.921%	18,329,167	0.964%	434,865	0.023%	72,866,139	3.833%	527,358,633	27.741%
Governments	221,769,005	11.666%	-	0.000%	-	0.000%	-	0.000%	221,769,005	11.666%
Institutions	173,500	0.009%	-	0.000%	-	0.000%	-	0.000%	173,500	0.009%
Total	1,737,407,930	91.394%	19,869,271	1.045%	40,235,758	2.117%	103,487,041	5.444%	1,901,000,000	100.000%

Shareholders owning 5% or more shares

Shareholder	No. of Shares as at 31 December 2024	%
Mr. Mohamed Moutaz Al Khayyat	257,713,509	13.557%
Mr. Ramez Al Khayyat	261,278,594	13.744%
General Retirement and Social Insurance Authority (GRSIA)	178,376,663	9.383%
Total	697,368,766	36.684%

Share distribution based on the size of ownership as of 31 December 2024

Ownership of Shares	No. of Shareholders	Shares Owned	Shares as a Percentage of Capital
Less than 50,000 shares	27,222	183,172,732	9.636%
50,000 - less than 500,000 shares	1,654	184,579,070	9.710%
500,000 - less than 5,000,000 shares	188	239,199,395	12.583%
More than or equal 5,000,000 shares	34	1,294,048,803	68.071%
Total	29,098	1,901,000,000	100.000%

14. Shareholders' Register

On a monthly basis, Baladna receives updates on its shareholders' register from the Central Securities Depository (QCSD). Furthermore, Baladna sends updates on its list of insiders to QCSD regularly and/or whenever it gets updated.

15. Investor Relations

To comply with the Qatar Exchange's rules and controls over investor relations for listed companies, Baladna has implemented the following:

- Appointment of an Investor Relations Officer: Mr. Samith Kandearachchi is the Investor Relations Officer in addition to his role as Baladna's Senior Accounting Manager. The following are his contact details:
E-mail: s.kandearachchi@baladna.com
Phone: +974 50272948
- Maintenance of effective communication with the shareholders: Baladna regularly announces its results to the Qatar Financial Markets Authority (QFMA), the Qatar Exchange (QE) and shareholders by way of interim statements, quarterly, semi-annual and annual results. Significant matters relating to share trading or business development are disclosed to the QFMA, the QE and the general public by way of market disclosures and announcements in accordance with the related provisions of applicable laws and regulations, in addition to press releases and postings on Baladna's website

Furthermore, Baladna's investor relations function includes:

- Quarterly conference calls on financial results with the investment community
- Responding to enquiries from shareholders through Baladna's investor relations function
- Meetings between investors, analysts and Senior Management
- Regular investor conferences organised by the investment community
- A section dedicated to investors on Baladna's website, which comprises of Annual Reports, quarterly results, Corporate Governance Report, investor presentations, share price and dividend information

(<https://baladna.com/corporate>)

The Company uses the above link to update and publish information and data that has already been disclosed, in addition to other information related to the Company and its shareholders.

16. Disclosure and Transparency

The Board of Directors is committed to the best practices of disclosure and communication in compliance with the principles and rules of governance, integrity and transparency. The Company adheres to all disclosure requirements and issues all financial reports, audit reports and all essential information related to the Company. This is in line with international best practices.

The Board has adopted a clear policy of disclosure and communication to establish a relationship of transparency and integrity with shareholders, by informing them of the Company's developments on a regular basis with the aim of encouraging investment in the Company's shares, which adopted the following:

- Disclosing the number of shares of Board members, Executive Management and major or controlling shareholders
- Disclosing any essential information related to current projects, the projects it intends to enter or any projects or information that affects the stock price
- Publishing financial reports in local newspapers, on the stock exchange's website and on the website
- Disclosing the names of the members of the committees emanating from the Board, and the framework and systems of their work
- Publishing the Financial Statements in two local daily newspapers, on the Company's website and on the stock exchange's website
- Annually publishing a governance report on its website
- Appointing an official spokesperson authorised to issue statements and press releases on everything related to the Company, who is responsible for responding to rumours and all enquiries
- Providing all information that concerns shareholders on its website in a way that ensures easy access, and is updated periodically

17. General Assembly Meeting

Baladna held its Annual General Assembly Meeting on 19 March 2024, and the following decisions were taken:

1. The General Assembly approved the Board of Directors' report on the Company's activities and the financial position for the financial year ended 31 December 2023, and the Company's business plan for the year 2024
2. The General Assembly approved the external Auditor's report on the Company's Financial Statements for the year ended 31 December 2023
3. The General Assembly approved the Company's consolidated and audited Financial Statements, for the financial year ended 31 December 2023, including the profit and loss, and balance sheet statements
4. The General Assembly approved the Company's Corporate Governance Report for the year ended 31 December 2023
5. The General Assembly approved the proposal of the Board of Directors to distribute cash dividends to the shareholders at a rate of 6.95% of the nominal value of the shares for the year ended 31 December 2023
6. The General Assembly approved discharging the Board of Directors from any liability relating to their directorship duties and responsibilities for the financial year ended 31 December 2023 and approved not to pay bonuses to the Chairman and the Board of Directors
7. The General Assembly approved the appointment of Moore Stephens as the Company's Auditors for the financial year 2024 and approved their fees as per the Board's recommendation
8. The General Assembly endorsed the Board of Directors decision to donate QR 1 million to Qatar Charity, in support of the joint campaign "Palestine's Duty".

On 24 November 2024, the Company held an Ordinary General Assembly to elect a Board of Directors for a three-year term from November 2024 to November 2027.

The General Assembly elected six members to occupy six seats on the Board of Directors as Non-Independent members, and three members to occupy seats of the Board of Directors as Independent members.

No	Name of the member	Title
1	Mr. Mohamed Moutaz Al Khayyat	Non-Independent member
2	Mr. Ali Hilal Al-Kuwari representing Hassad Food Company	Non-Independent member
3	Mr. Ramez Al Khayyat	Non-Independent member
4	Mr. Hamad Bin Abdullah Bin Khalid Al-Attiya representing the Civil Pension Fund General Retirement Authority	Non-Independent member
5	Mr. Abdulaziz Mahmoud Al-Zeyara representing the Military Pension Fund General Retirement Authority	Non-Independent member
6	Mr. Mazen Alsbeti	Non-Independent member
7	Sheikh Suhaim bin Abdulaziz Al Thani	Independent member
8	Mr. Nasser Hassen Al-Ansari	Independent member
9	Mr. Aidan Tynan	Independent member

18. Whistleblowing

Baladna maintains robust guidelines, channels, safeguards and protection mechanisms to encourage whistleblowing in Baladna. The Whistleblowing policy at Baladna encourages employees to raise genuine concerns within the Company without fear of reprisals, rather than overlooking a problem. The Whistleblowing policy at Baladna provides guidelines on the whistleblowing concept and sets minimum standards for these matters within Baladna, to ensure any such cases reported by the employees in good faith are properly dealt with. Thus, the objective of this policy is to provide employees with a channel for whistleblowing, to ensure appropriate action is taken on a timely basis and to ensure Baladna's reputation is maintained.

Generally, this misconduct is a violation of law(s), rule(s) and regulation(s): fraud, bribery, health and safety violations, corruption and/or a direct threat to public interest. Whistleblowing encourages employees to report wrongdoings or violations that they are aware of or have suspicions or concerns about, to earmark the responsible and designated internal authority within Baladna, so that appropriate action can be taken immediately to resolve the problem. Furthermore, it serves to minimise the Company's exposure to reputational or financial damage that may occur when employees circumvent internal mechanisms and demonstrates to employees and stakeholders that Baladna is serious about adherence to its Code of Conduct.

19. The Company's Irregularities and Violations

Baladna's Board of Directors and its Executive Management are keen to implement all rules and regulations outlined in the Corporate Governance Code for the companies and legal entities listed on the main market issued by Qatar Financial Markets Authority and Commercial Companies Law No. (11) for 2015 and its amendments.

During the period 1 January 2024 to 31 December 2024, no fines or material penalties were imposed on the Company by the Qatar Financial Markets Authority or any other legal authority in any matter related to the financial markets.

20. Lawsuits

There are no material lawsuits filed against the Company that may affect the Company's activity, Financial Statements or the stock price.

21. Conflict of Interests and Code of Conduct

The Company adopts a policy that ensures the confidentiality and integrity of any reports of illegal actions relating to employees and general performance measures, which are clarified in Baladna's Code of Conduct. The code includes the expected behaviour of employees, particularly regarding compliance with laws and regulations.

Employees must avoid conflicts of interest, particularly in commercial transactions, business administration and activities, using the Company's assets, records and information and relationships with related parties outside the Company. No employee may accept or request gifts or bribes, loans or bonuses, prizes or commissions. The Company is resolved to combat all forms of conflicts of interest in addition to other matters.

Furthermore, the Company complies with Articles 108,109, 110 and 111 of the Commercial Companies Law No. 11 for 2015 and its amendments that states the following:

1. The Chairman or a Board member may not participate/engage in any business that competes with the Company's business, or may not be involved, either on his/her own behalf or on others' behalf, in any type of business or activities in which the Company is engaged, otherwise the Company is entitled to ask him/her for compensation or take the ownership of the activities he/she is engaged in.
2. The Chairman, a Board member or a Director is not permitted to practice any activity that is similar to the Company's activities, or to have any direct or indirect interest in contracts, projects and covenants made in favour of the Company.
3. The Company may not offer a cash loan of any kind to any member of its Board of Directors or to guarantee any loan held by one of them with others or make an agreement with banks or other credit companies to lend money to any of the Board members or open a facility or guarantee a loan with

other parties beyond the terms and conditions set by the Central Bank of Qatar. Agreements beyond the provisions of this Article will be considered null and void, and the Company retains its rights to request compensation, when necessary, from the offending parties.

4. It is prohibited for the Chairman and the Board members, or the Company's staff, to take advantage of any information delivered to his/her knowledge by virtue of his/her membership or position for the benefit of him/herself, his/her spouse, his/her children or any of his relatives to fourth degree either directly or indirectly, as a result of dealing in securities of the Company. Nor may they have any interest, directly or indirectly, with any entity conducting operations intended to make a change in the securities prices issued by the Company. This ban stays in effect for three years after the expiry of the person's membership on the Board of Directors or the expiry of his work at the Company.

22. Related Party Transactions

Sales and Purchases

Related Party	Relationship	Nature of the Transaction	For the year ended 31 December 2024	
			Sales QR	Purchases QR
Yemek Doha Catering Services W.L.L.	Related party	Dairy and juice sales	29,192,389	-
Aura Hospitality W.L.L.	Related party	Brand income from restaurant/ dairy, juice and detergent sales	6,001,625	1,249,958
Aura Entertainment W.L.L.	Related party	Brand income from park/ dairy and juice sales/ promotional expenses	729,654	1,780,500
Elegancia Group W.L.L.	Related party	Detergent sales	1,724,540	-
QA Aura Restaurant W.L.L.	Related party	Dairy and juice sales	100,496	-
Orient Pearl Restaurant W.L.L.	Related party	Dairy and juice sales/ catering services	-	28,500
Urbacon Plant, Machinery and Vehicles (A branch of Urbacon Trading and Contracting Company W.L.L.)	Related party	Equipment rental income/ equipment rental expenses	-	117,600
Elegancia Landscape W.L.L.	Related party	Compost sales/ landscaping services	24,184	17,400
Urbacon Trading and Contracting W.L.L.	Related party	Detergent sales/ camp and warehouse rentals	38,200	13,039,120
Power International Holding W.L.L.	Related party	Shared service expenses	-	12,587,853
Stark Security W.L.L.	Related party	Security services	-	2,096,018
Joury Tour & Travels W.L.L.	Related party	Staff tickets and business travel expenses	-	2,207,806
Elegancia Facility Management Limited W.L.L.	Related party	Landscaping services	148,153	861,472
Credo Trading Company W.L.L.	Related party	Chemical supplies	-	357,708
Printshop for Printing Services W.L.L.	Related party	Printing services	-	24,881
General Pension and Social Security Authority	Related party	Employee pension	-	279,993
Retaj Baywalk Residence W.L.L.	Related party	Staff accommodation services	-	50,000
Assets Real Estate Development Co. W.L.L.	Related party	Staff accommodation services	58,385	11,954
Mall of Qatar W.L.L.	Related party	Advertising expenses	-	1,000,000
Aura International for Hospitality Services W.L.L.	Related party	Warehouse rentals	-	153,611
Elegancia Water Solutions W.L.L. (previously Watermaster Qatar W.L.L.)	Related party	Fountain maintenance service	-	30,700
Newrest Gulf L.L.C.	Related party	Food expenses	-	9,000
Total			38,017,626	35,904,074

Capital Expenditure

Related Party	Relationship	Nature of the Transaction	For the year ended 31 December 2024 (QR)
Elegancia Electro Mechanical Services W.L.L.	Related party	Supply and installation of utilities	4,099,531
Joury Tour & Travels W.L.L.	Related party	Logistics for construction work	2,521,618
Golden Bay Trading and Contracting W.L.L.	Related party	Construction work	1,580,100
Urbacon Trading and Contracting W.L.L.	Related party	Construction work	1,366,666
Elegancia Water Solutions W.L.L. (previously Watermaster Qatar W.L.L.)	Related party	Construction work	1,071,712
Credo Trading Company W.L.L.	Related party	Construction work	437,878
Retaj Baywalk Residence W.L.L.	Related party	Accommodation for construction	78,613
			11,156,118

Due from Related Parties

Related Party	Relationship	As at 31 December 2024 (QR)
Urbacon Trading and Contracting W.L.L.	Related party	32,704,261
Yemek Doha Catering Services W.L.L.	Related party	8,579,127
Power International Holding W.L.L.	Related party	6,713,303
Aura Hospitality and Food Services W.L.L.	Related party	4,592,122
Aura Entertainment W.L.L.	Related party	2,604,047
Elegancia Group W.L.L.	Related party	1,021,513
Elegancia Landscape W.L.L.	Related party	232,520
Sazeli Restaurant W.L.L.	Related party	230,816
Damasca Restaurant W.L.L.	Related party	134,091
Printshop for Printing Services W.L.L.	Related party	130,594
Assets Real Estate Development Co. W.L.L.	Related party	44,282
Ghassan Khalid Al Salama	Related party	26,047
Retaj Baywalk Residence W.L.L.	Related party	8,000
		57,020,723

Directors' Report on Internal Controls Over Financial Reporting (ICOFR)

Due to Related Parties

Related Party	Relationship	As at 31 December 2024 (QR)
Elegancia Electro Mechanical Services W.L.L.	Related party	2,386,868
Elegancia Water Solutions W.L.L. (previously Watermaster Qatar W.L.L.)	Related party	479,412
Golden Bay Trading and Contracting W.L.L.	Related party	197,900
Elegancia Facility Management W.L.L.	Related party	191,320
Essa Ahmed Jabor Ali Abdullah	Related party	161,776
Urbacon Plant, Machinery and Vehicles (A branch of Urbacon Trading and Contracting Company W.L.L.)	Related party	117,600
Joury Tour & Travels W.L.L.	Related party	67,035
Credo Trading Company W.L.L.	Related party	32,423
Aura International for Hospitality Services W.L.L.	Related party	25,800
Newrest Gulf L.L.C.	Related party	9,000
		3,669,134

23. Significant Events during 2024

- Successfully launched 39 new SKUs across all categories/channels and increased market share in major product categories
- Relaunched portfolio with improved flavours and a refreshed look and revitalised and refreshed the Awafi product range with a distinct brand proposition
- Distribution of QR 132 million cash dividend to shareholders for the year 2023, the highest distribution in Baladna's history
- Signed landmark agreement for USD 3.5 billion investment to develop the world's largest integrated dairy farming and production project in Algeria with the Algerian Ministry of Agriculture and Rural Development
- Signed Shareholder Agreement for Algeria project with the Algerian National Investment Fund
- Signed a Memorandum of Understanding (MOU) with the Algerian Ministry of Industry and Pharmaceutical Production to explore the establishment of an infant milk production project, in partnership with the Algerian National Investment Fund
- Won the government tender worth of QR 100 million to supply evaporated milk for the year 2025

Assessment Report on Internal Controls over Financial Reporting:

The Board of Directors of Baladna (Q.P.S.C.) (the Company) is responsible for establishing and maintaining adequate internal controls over financial reporting (ICOFR) as required by the Qatar Financial Markets Authority (QFMA). Our internal controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's consolidated Financial Statements for external reporting purposes in accordance with International Financial Reporting Standards (IFRS). ICOFR also includes our disclosure controls and procedures designed to prevent misstatements.

We have conducted an evaluation of the design, implementation and the operating effectiveness of internal controls over financial reporting, as of 31 December 2024, based on the framework and the criteria established in Internal Control - Integrated Framework (2013), issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO).

We have covered all the material aspects of the business in its assessment of internal controls over financial reporting as at 31 December 2024, for the period from 1 January 2024 to 31 December 2024.

The Company's statutory Auditor, Moore Stephens and Partners Certified Public Accountants (Moore), Qatar has issued a reasonable assurance report on our assessment of ICOFR.

Risks in Financial Reporting

The main risks in financial reporting are that either financial statements do not present a true and fair view due to unintentional or intentional errors (fraud) or the publication of financial statements is not done on a timely basis. A lack of fair presentation arises when one or more financial statement amounts, or disclosures, contain misstatements (or omissions) that are material.

Misstatements are deemed material if they could, individually or collectively, influence economic decisions that users make based on the financial statements.

To restrain those risks of financial reporting, Baladna has established ICOFR with the aim of providing reasonable but not absolute assurance against material misstatements. The Company conducted an assessment of the effectiveness of Baladna's internal controls over financial reporting based on the framework established in the Internal Control Integrated Framework (2013), issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO). COSO recommends the establishment of specific objectives to facilitate the design and evaluate adequacy of a control system. The COSO framework includes 17 basic principles, and the following five components:

- Control environment
- Risk assessment
- Control activities
- Information and communication
- Monitoring

Controls covering each of the 17 principles and five components have been identified and documented. As a result, in establishing ICOFR, management has adopted the following financial statement objectives:

- Existence/Occurrence – assets and liabilities exist, and transactions have occurred
- Completeness – all transactions are recorded; account balances are included in the Financial Statements
- Valuation/Measurement – assets, liabilities and transactions are recorded in the financial reports with the correct amounts
- Rights, Obligations and Ownership – rights and obligations are appropriately recorded as assets and liabilities
- Presentation and Disclosures – classification, disclosure and presentation of financial reporting is appropriate

However, any internal control system, including ICOFR, no matter how well conceived and operated, can provide only reasonable, but not absolute assurance that the objectives of that control system are met. As such, disclosure controls and procedures or systems for ICOFR may not prevent all errors and fraud. Furthermore, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs.

Organisation of the Internal Control System

Functions involved in the system of internal control over financial reporting

Controls within the system of ICOFR are performed by all business functions and infrastructure functions with an involvement in reviewing the reliability of the books and records that underlie the Financial Statements on a quarterly basis. As a result, the operation of ICOFR involves staff based in various functions across the organisation.

Controls to minimise the risk of financial reporting misstatement

The system of ICOFR consists of a large number of internal controls and procedures aimed at minimising the risk of misstatement of the Financial Statements.

Such controls are integrated into the operating process and include those which:

- Are ongoing or permanent in nature such as supervision within written policies and procedures or segregation of duties
- Operate on a periodic basis such as those which are performed as part of the annual Financial Statement preparation process
- Are preventative or detective in nature
- Have a direct or indirect impact on the Financial Statements themselves. Controls which have an indirect effect on the Financial Statements include entity level controls and IT general controls such as system access and deployment controls whereas a control with a direct impact could be, for example, a reconciliation which directly supports a balance sheet line item
- Feature automated and/or manual components. Automated controls are control functions embedded within system processes such as application enforced segregation of duty controls and interface checks over the completeness and accuracy of inputs. Manual internal controls are those operated by an individual or group of individuals such as authorisation of transactions

Measuring Design, Implementation and Operating Effectiveness of Internal Control

The Company has undertaken a formal evaluation of the adequacy of the design, implementation and operating effectiveness of the system of ICOFR. This evaluation incorporates an assessment of the design, implementation and operating effectiveness of the control environment as well as individual controls which make up the system of ICOFR taking into account:

- The risk of misstatement of the Financial Statement line items, considering such factors as materiality and the susceptibility of the particular Financial Statement item to misstatement
- The susceptibility of identified controls to failure, considering such factors as the degree of automation, complexity, risk of management override, competence of personnel and the level of judgement required

These factors, in aggregate, determine the nature and extent of evidence that management requires to be able to assess whether or not the system of ICOFR is effective. The evidence itself is generated from procedures integrated within the daily responsibilities of staff or from procedures implemented specifically for purposes of the ICOFR evaluation. Information from other sources also form an important component of the evaluation since such evidence may either bring additional control issues to the attention of management or may corroborate findings.

The evaluation has included an assessment of the design, implementation, and operating effectiveness of controls within various processes including revenue, receipts and receivables, Treasury, procure to pay, Human Resources and payroll, fixed assets and intangibles, inventory, general ledger and financial reporting, IT controls, entity level controls and disclosure controls.

As a result of the assessment of the design, implementation and operating effectiveness of ICOFR, management did not identify any material weaknesses and concluded that ICOFR is appropriately designed, implemented and operated effectively as of 31 December 2024.

Conclusion and Signature

Baladna's commitment to sustainability and cooperation among various stakeholders will ensure long term growth and responsible business practices. This strategy serves as a model for companies and other countries prioritising food security.

The 2024 Corporate Governance Report demonstrates and confirms the Company's adherence to corporate governance standards, best practices and all corporate governance requirements issued by the Qatar Financial Markets Authority, ensuring the sustainability and growth of Baladna, and enhancing the confidence of shareholders, investors and all stakeholders.

As we welcome the new year with a new perspective and positive outlook, we are proud that Baladna continues to fulfil its commitment to supporting Qatar's vision of achieving self-sufficiency and food security.

Accordingly, and in accordance with the provisions of the Articles 2 and 4 of the Corporate Governance Code, the Board of Directors has prepared the Corporate Governance Report and disclosed the Company's commitment to implementing the provisions of this code, including all information related to the application of its principles and provisions.

Mohamed Moutaz Al Khayyat
Chairman

Independent External Auditor's Assurance Reports

Independent Assurance Report to the shareholders of Baladna Q.P.S.C in connection with compliance to the Qatar Financial Markets Authority's Law and relevant legislations, including the Governance Code for Companies and Legal Entities Listed on the Main Market Issued by the Qatar Financial Markets Authority's (QFMA's) Board pursuant to Decision No. (5) of 2016 as of 31 December 2024

To the shareholders of Baladna Q.P.S.C
Doha - State of Qatar

In accordance with the requirements of Article 24 of the Governance Code for Companies & Legal Entities Listed on the Main Market Issued by the Qatar Financial Markets Authority (QFMA) Board pursuant to Decision No. (5) of 2016, we have carried out a limited assurance engagement over the Board of Directors' assessment of compliance of Baladna Q.P.S.C referred as the "Company" with the QFMA's law and relevant legislations, including the Governance Code for Companies and Legal Entities Listed on the Main Market (the "Code") as of 31 December 2024 as noted in the Board of Director's Corporate Governance Report (Corporate Governance Report), excluding provisions listed under Other Information section of this report.

Responsibilities of the directors and those charged with governance

The Board of Directors of the Company are responsible for preparing the accompanying Corporate Governance Report that covers at a minimum the requirements of Article 4 of the Code.

The Board of Directors are also responsible for ensuring the Company's compliance with the QFMA's law and relevant legislations and the Governance Code for Companies & Legal Entities Listed on the Main Market issued by the QFMA's Board pursuant to Decision No. (5) of 2016 and preparing the "Report on compliance with the QFMA's law and relevant legislations, including the Code", as set out in the Corporate Governance Report.

Responsibilities of the Assurance Practitioner

Our responsibilities are to issue a limited assurance conclusion on whether anything has come to our attention that causes us to believe that the "Board of Directors' Governance Report on compliance with the QFMA's law and relevant legislations, including the Code" presented in the Corporate Governance Report do not present fairly, in all material respects, the Company's compliance with the QFMA's law and relevant legislations, including the Code, based on our limited assurance procedures.

Reporting on compliance with QFMA's law and relevant legislations, including the Code

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the International Auditing and Assurance Standards Board (IAASB). This standard requires that we plan and perform our procedures to obtain limited assurance about whether anything has come to our attention that causes us to believe that the Board of Directors' statement of compliance with the QFMA's law and relevant legislations, including the Code, taken as a whole, is not prepared in all material respects, in accordance with the QFMA's law and relevant legislations, including the Code.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We did not perform procedures to identify additional procedures that would have been performed if this were a reasonable assurance engagement.

A limited assurance engagement involves assessing the risks of material misstatement of the Board of Directors' statement of compliance with the QFMA's law and relevant legislations, including the Code, whether due to fraud or error and responding to the assessed risks as necessary in the circumstances. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

Accordingly, we do not express a reasonable assurance opinion about whether the Board of Directors' statement of compliance with the QFMA's law and relevant legislations, including the Code, taken as a whole has been prepared, in all material respects, in accordance with the QFMA's law and relevant legislations, including the Code.

The procedures we performed were based on our professional judgement and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of reporting policies of the Company, and agreeing with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- made inquiries of management to obtain an understanding of the processes followed to identify the requirements of the QFMA's law and relevant legislations, including the Code (the "Requirements"); the procedures adopted by management to comply with these Requirements and the methodology adopted by management to assess compliance with these Requirements. This included analyzing the key processes and controls for reporting compliance with the Requirements
- considered the disclosures by comparing the contents of the Corporate Governance Report against the requirements of Article 4 of the Code
- agreed the relevant contents of the Corporate Governance Report to the underlying records maintained by the Legal and Compliance Department of the Company
- performed limited substantive testing on a selective basis, when deemed necessary, to assess compliance with the Requirements, and observed evidence gathered by the Company's management and assessed whether violations of the Requirements, if any, had been disclosed by the Board of Directors, in all material respects

Our limited assurance procedures do not involve assessing the qualitative aspects or effectiveness of the procedures adopted by management to comply with the Requirements. Therefore, we do not provide any assurance as to whether the procedures adopted by management were functioning effectively to achieve the objectives of the QFMA's law and relevant legislations, including the Code.

Our independence and quality management

In carrying out our work, we have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior and the ethical requirements that are relevant in Qatar. We have fulfilled our other ethical responsibilities in accordance with these requirements and the (IESBA) Code.

Our firm applies International Standard on Quality Management 1 and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Inherent limitations

Many of the procedures followed by entities to adopt governance and legal requirements depend on the personnel applying the procedure, their interpretation of the objective of such procedure, their assessment of whether the compliance procedure was implemented effectively, and in certain cases would not maintain audit trail. It is also noticeable that the design of compliance procedures would follow best practices that vary from one entity to another and from one country to another, which do not form a clear set of criteria to compare with.

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the Governance Report and the methods used for determining such information.



Other information

The Board of Directors are responsible for the other information. The other information comprises the Corporate Governance Report (but does not include the Directors' Report on compliance with QFMA's law and relevant legislations including the Code presented in the "Directors' Statement" which we obtained prior to the date of this assurance report.

Our conclusion on the Board of Director's Corporate Governance Report on compliance with applicable QFMA's law and relevant legislations including the Code does not cover the other information and we do not, and will not, express any form of assurance conclusion thereon.

In connection with our assurance engagement on the applicable sections of the Corporate Governance Report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Corporate Governance report or our knowledge obtained in the engagement, or otherwise appears to be materially misstated.

If, based on the work we have performed, on the other information that we obtained prior to the date of this report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the complete Corporate Governance Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and the QFMA.

Conclusion

Based on our limited assurance procedures described in this report, nothing has come to our attention that causes us to believe that the Board of Directors' report on compliance with QFMA's law and relevant legislations, including the Code, as presented in Board of Director's Corporate Governance Report, do not present fairly, in all material respects, the Company's compliance with the QFMA's law and relevant legislations, including the Code as at 31 December 2024.

Moore Stephens and Partners
Certified Public Accountants



Fathi Abu Karan
Member of Qatar Association of
Certified Public Accountant
License No. 294
QFMA Auditor License No. 120189

Doha – Qatar
6 February 2025

Independent Assurance Report to the shareholders of Baladna Q.P.S.C on the suitability of the design, implementation and operating effectiveness of internal controls over financial reporting of significant processes as of 31 December 2024 in connection with the Governance Code for Companies & Legal Entities Listed on the Main Market Issued by the Qatar Financial Markets Authority's (QFMA's) Board pursuant to Decision No. (5) of 2016

To the Shareholders of Baladna Q.P.S.C.
Doha – State of Qatar

Report on the Directors' assessment of the suitability of the design, implementation and operating effectiveness of internal controls over financial reporting of significant processes as of 31 December 2024 of Baladna Q.P.S.C hereinafter referred to as the "Company" and its subsidiaries together referred as the "Group" in connection with the Governance Code for Companies & Legal Entities Listed on the Main Market Issued by the Qatar Financial Markets Authority's (QFMA's) Board pursuant to Decision No. (5) of 2016.

In accordance with the requirements of Article 24 of the Governance Code for Companies & Legal Entities Listed on the Main Market Issued by the Qatar Financial Markets Authority (QFMA) Board pursuant to Decision No. (5) of 2016, we have carried out a reasonable assurance engagement over the Management's Internal Control Statement on assessment of suitability of the design, implementation and operating effectiveness of the Group's internal controls over financial reporting (Management Internal Control Statement) as of 31 December 2024, based on the framework issued by the Committee of Sponsoring Organisations of the Treadway Commission "COSO framework".

Responsibilities of the directors and those charged with governance

The Board of Directors are responsible for implementing and maintaining effective internal controls over financial reporting. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate policies, and making accounting estimates and judgements that are reasonable in the circumstances.

The Group's assessment of its internal control system is presented by the Management to the Board of Directors in the form of the Management's Internal Control Statement contained in the Corporate Governance Report, which includes:

- the management's assessment of the suitability of design, implementation and operating effectiveness of the internal control framework over financial reporting;
- the description of the process and internal controls over financial reporting for the Significant Processes (general IT and application controls, entity level controls, revenues, receivables, inventory management, fixed assets, treasury and cash management, biological assets, payroll, financial reporting and periodic closing of the financial records);
- the control objectives; including identifying the risks that threaten the achievement of the control objectives;
- designing, implementing and maintaining controls to achieve the stated control objectives; and
- identification of control gaps and failures; how they are remediated; and procedures set to prevent such failures or to close control gaps.

The Group has assessed the design, implementation and operating effectiveness of its internal control system as at 31 December 2024, based on the criteria established in the Internal Control-Integrated Framework 2013 issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO framework). These responsibilities include the design of adequate internal financial controls that would ensure the orderly and efficient conduct of its business, including:



- adherence to the Group's policies;
- the safeguarding of its assets;
- the prevention and detection of frauds and errors;
- the accuracy and completeness of the accounting records;
- the timely preparation of reliable financial information; and
- compliance with applicable laws and regulations, including the QFMA's law and relevant legislations and the Governance Code for Companies & Legal Entities Listed on the Main Market issued by the QFMA's Board pursuant to Decision No. (5) of 2016.

Responsibilities of the Assurance Practitioner

Express a reasonable assurance opinion on the fairness of the presentation of Management's Internal Control Statement, based on the criteria established in the COSO framework, including its conclusion on the effectiveness of design, implementation and operating effectiveness of the Group's internal controls over financial reporting of "Significant Processes" presented in the Corporate Governance Report to achieve the related control objectives stated in that description based on our assurance procedures.

Reporting on internal controls over financial reporting

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the International Auditing and Assurance Standards Board (IAASB). This standard requires that we plan and perform our procedures to obtain reasonable assurance on the Management's Internal Control Statement over assessment of suitability of the design, implementation and operating effectiveness of the Group's internal controls over financial reporting of significant processes (general IT and application controls, entity level controls, revenues, receivables, inventory management, fixed assets, treasury and cash management, biological assets, payroll, financial reporting and periodic closing of the financial records) in all material respects, to achieve the related control objectives stated in the description of the relevant processes by management, based on the COSO framework.

A process is considered significant if a misstatement due to fraud or error in the stream of transactions or financial statement amount would reasonably be expected to impact the decisions of the users of financial statements. For the purpose of this engagement, the processes that were determined as significant are: revenues, receivables, inventory management, fixed assets, treasury and cash management, investment management, payroll, financial reporting and periodic closing of the financial records.

An assurance engagement of this type also includes evaluating Board of Directors' assessment of the suitability of the design, implementation and operating effectiveness of the controls in an organization involves performing procedures to obtain evidence about the suitability of design and operating effectiveness of the controls. Our procedures on internal controls over financial reporting included:

- obtaining an understanding of internal controls over financial reporting for significant processes;
- assessing the risk that a material weakness exists; and
- testing and evaluating the design, implementation and operating effectiveness of internal controls based on the assessed risk.

In carrying out our engagement, we obtained an understanding of the following components of the control system:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring

The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the suitability of design and operating effectiveness, whether due to fraud or error. Our procedures also included assessing the risks that the controls were not suitably designed or operating effectively to achieve the related control objectives stated in the Corporate Governance Report. Our procedures included testing the operating effectiveness of those controls that we consider necessary to provide reasonable assurance that the related control objectives stated in the Corporate Governance Report were achieved.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion on the management's Internal Control Statement over their assessment of the suitability of design and operating effectiveness of the Group's internal controls over financial reporting.

Our independence and quality management

In carrying out our work, we have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior and the ethical requirements that are relevant in Qatar. We have fulfilled our other ethical responsibilities in accordance with these requirements and the (IESBA) Code.

Our firm applies International Standard on Quality Management 1 and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Meaning of internal controls over financial reporting

An entity's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards. An entity's internal control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the entity;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with the International Financial Reporting Standards, and that receipts and expenditures of the entity are being made only in accordance with authorizations of the management of the entity; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the entity's assets that could have a material effect on the consolidated financial statements.

Inherent limitations

Because of the inherent limitations of internal financial controls over financial reporting and compliance with relevant laws and regulations, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Therefore, internal controls over financial reporting may not prevent or detect all errors or omissions in processing or reporting transactions and consequently cannot provide absolute assurance that the control objectives will be met. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Furthermore, the controls activities designed, implemented and operated as of 31 December 2024 covered by our assurance report will not have retrospectively remedied any weaknesses or deficiencies that existed in relation to the internal controls over the financial reporting and compliance with applicable laws and regulations prior to the date those controls were placed in operation.



Other information

The Board of Directors are responsible for the other information. The other information comprises the Corporate Governance Report but, does not include management’s Internal Control Statement.

Our conclusion on the management’s Internal Control Statement does not cover the other information and we do not, and will not, express any form of assurance conclusion thereon.

If, based on the work we have performed, on the other information that we obtained prior to the date of this report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the complete Corporate Governance Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and the QFMA.

Opinion

In our opinion, the Directors’ Report on Internal Controls over Financial Reporting (ICOFR) forming part of the Annual Corporate Governance Report, is fairly stated, in all material respects, based on the criteria established in the COSO Framework, including its conclusion on the effectiveness of design, implementation and operating effectiveness of Internal Control over Financial Reporting as of 31 December 2024.

Moore Stephens and Partners
Certified Public Accountants

Doha – Qatar
6 February 2025



Fathi Abu Karan
Member of Qatar Association of
Certified Public Accountant
License No. 294
QFMA Auditor License No. 120189





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INDEPENDENT AUDITOR'S REPORT

To the Shareholders
Baladna Q.P.S.C.
Al Khor, State of Qatar

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Baladna Q.P.S.C. (the "Company"), and its subsidiaries (together referred to as the "Group") which comprise the consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year ended 31 December 2024, and a summary of material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position, consolidated financial performance and its consolidated cash flows for the year ended 31 December 2024 in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the other ethical requirements that are relevant to our audit of the Group's consolidated financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addressed the key audit matters
<p>Revenue recognition</p> <p>The Group reported revenue of QR 1,145,227,183 from agriculture activities and sale of detergents.</p> <p>The Group's sales arrangements are made on the basis of the point of sale, with the provision of return rights for customers in the event that the sold product is expired.</p> <p>We identified revenue recognition as a key audit matter because it is one of the key performance indicators of the Group and given rise to an inherent risk of misstatement to meet expectations or targets.</p> <p>Refer to the following notes of the consolidated financial statements.</p> <ul style="list-style-type: none"> Note 3.2 – Material accounting policies; Note 4 – Critical accounting estimates and judgments; and Note 5 – Revenue 	<p>We tested revenue through a combination of controls testing, data analytics and substantive audit procedures covering, in particular:</p> <ul style="list-style-type: none"> Updating our understanding of the significant revenue processes and identifying the relevant controls (including IT systems, interfaces and reports); Performing automated and manual controls tests and substantive tests, to ascertain accuracy and completeness of revenue; Assessing and testing the Group's revenue accounting policies, including the key judgements and estimate applied by management in consideration of the requirements of IFRS 15; Performing data analysis, and analytical reviews on significant revenue streams; <p>We also assess the overall presentation, structure and content of revenue related disclosures in notes 3.2, 4 and 5 to the consolidated financial statements.</p>

Key Audit Matters	How our audit addressed the key audit matters
<p>Fair valuation of biological assets</p> <p>IAS 41 "Agriculture" requires biological assets to be measured at fair value less costs to sell, unless the fair value cannot be reliably measured. Management has used valuation method developed based on past information, assumptions, market prices of livestock of similar age, pregnancy, lactations and milk production.</p> <p>The calculation of the fair value of biological assets involves a significant degree of judgement, particularly in respect of landed cost, market prices for calves and heifers.</p> <p>Refer to the following notes of the consolidated financial statements.</p> <p>Note 3.2 – Material accounting policies; Note 4 – Critical accounting estimates and judgments; and Note 16 – Biological assets.</p>	<p>Our audit procedures included:</p> <p>Understanding management's process for collecting the information to support the key assumptions and inputs adopted in the valuation of biological assets and assessing the information based on our knowledge of the Group and other audit procedures performed.</p> <p>Assessing the methodologies adopted in the valuation of biological assets with reference to the requirements of the prevailing accounting standards with the consultation from our internal technical team.</p> <p>Assessing on a sample basis, the input data used in the valuations of biological assets, including breeding costs, milk production volumes and culling rates, based on available historical data.</p> <p>Evaluating the adequacy of the disclosure in Financial Statements, including disclosures of key assumptions, judgments and sensitivities.</p> <p>We also assess the overall presentation, structure and content of biological assets related disclosures in notes 3.2, 4 and 16 to the consolidated financial statements.</p>

Key Audit Matters	How our audit addressed the key audit matters
<p>Carrying value of property, plant and equipment</p> <p>The Group's consolidated statement of financial position as of 31 December 2024 includes property, plant and equipment of net book value amounting to QR 3,188,264,216 and it represents 65% of the Group's total assets.</p> <p>Refer to the following notes of the consolidated financial statements.</p> <ul style="list-style-type: none"> Note 3.2 – Material accounting policies; Note 4 – Critical accounting estimates and judgments; and Note 12 – Property, plant and equipment 	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> Evaluating whether the models used by management to calculate the value in progress of subject assets or applicable cash generating units ("CGU") are complied with IAS 36 Impairment of assets. Evaluating the key controls for recording property, plant and equipment on the database and on fixed assets register. Evaluating the recognition criteria applied for the capitalized and incurred costs during the financial year against the relevant accounting policies. Assessing the reasonableness of Group management's assertions and estimates related to the estimated useful lives and residual value. Evaluating the depreciation methodology used and reasonableness of the underlying assumptions based on our knowledge of these criteria and recalculating the depreciation expense and comparing it with the depreciation expense reported in the consolidated financial statements. <p>We also assess the overall presentation, structure and content of property, plant and equipment related disclosures in notes 3.2, 4 and 12 to the consolidated financial statements.</p>

Other information

Management is responsible for other information. The other information comprises of Annual report, which is expected to be made available to us after the date of auditor's report. The other information does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, applicable provisions of Qatar Commercial Companies Law and Company's Articles of Association and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors report under law and regulation preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Further, as required by the Qatar Commercial Companies Law, we report the following:

- We are also in the opinion that proper books of account were maintained by the Group, physical inventory verification has been duly carried out and the contents of the directors' report are in agreement with the Group's accompanying consolidated financial statements.
- We obtained all the information and explanations which we considered necessary for the purpose of our audit.
- To the best of our knowledge and belief and according to the information given to us, no contraventions of the applicable provisions of Qatar Commercial Companies Law and the Company's Articles of Associations, were committed during the period which would materially affect the Group's consolidated financial position or its consolidated financial performance.

Fathi Abu Farah
Partner
Moore Stephens and Partners
License No. 294
QFMA Auditor's Registration No. 120189

06 February 2025
Doha, State of Qatar

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 QR	2023 QR
Revenue	5	1,145,227,183	1,056,759,702
Cost of revenue	6	(884,890,199)	(863,113,237)
Gross profit		260,336,984	193,646,465
Other income	7	111,087,411	117,662,204
Gain on financial investments held at fair value through profit or loss		37,956,908	30,198,217
Dividend income		2,224,890	2,284,393
Selling and distribution expenses	8	(92,919,349)	(89,056,119)
General and administrative expenses	9	(72,381,604)	(73,286,072)
Operating profit for the year		246,305,240	181,449,088
Finance cost and bank charges	10	(60,111,646)	(71,453,524)
Profit before income tax		186,193,594	109,995,564
Income tax expense	11	(893,288)	(606,408)
Profit after tax for the year		185,300,306	109,389,156
Other comprehensive income		–	–
Total comprehensive income for the year		185,300,306	109,389,156
Net profit attributable to:			
Equity holders of the parent		185,012,156	109,628,571
Non-controlling interest		288,150	(239,415)
		185,300,306	109,389,156
Other comprehensive income attributable to:			
Equity holders of the parent		–	–
Non-controlling interest		–	–
		–	–
Basic and diluted earnings per share (Expressed in QR per share)	29	0.097	0.058

The attached notes from 1 to 38 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	2024 QR	2023 QR
ASSETS			
Non-current assets			
Property, plant and equipment	12	3,188,264,216	3,188,839,696
Right-of-use assets	13	110,394,944	121,517,109
Intangible assets	14	7,948,693	7,491,787
Financial investments held at fair value through profit or loss	15	523,694,449	371,841,124
Biological assets	16	176,904,780	196,432,194
Goodwill	17	6,792,635	6,792,635
Total non-current assets		4,013,999,717	3,892,914,545
Current assets			
Inventories	18	430,058,802	400,329,395
Trade and other debit balances	19	404,279,931	410,301,851
Biological assets	16	482,800	2,278,900
Due from related parties	30(b)	57,020,723	77,990,432
Cash and bank balances	20	27,623,729	59,711,283
Total current assets		919,465,985	950,611,861
TOTAL ASSETS		4,933,465,702	4,843,526,406
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	21	1,901,000,000	1,901,000,000
Legal reserve	22	66,621,737	48,120,521
Acquisition reserve	23	201,123,011	201,123,011
Retained earnings		235,285,613	205,519,477
Total equity attributable to equity holders of the parent		2,404,030,361	2,355,763,009
Non-controlling interest		3,011,202	2,361,082
TOTAL SHAREHOLDERS' EQUITY		2,407,041,563	2,358,124,091
LIABILITIES			
Non-current liabilities			
Islamic financing	24	1,707,522,765	1,720,822,007
Employees' end of service benefits	25	19,057,564	16,001,968
Lease liabilities	26	102,724,863	111,943,670
Total non-current liabilities		1,829,305,192	1,848,767,645
Current liabilities			
Current portion of Islamic financing	24	211,153,966	176,309,615
Short term financing	27	85,252,291	96,904,033
Trade and other credit balances	28	212,831,282	260,563,345
Bank overdraft	20	175,098,166	87,645,775
Lease liabilities	26	9,114,108	10,119,346
Due to related parties	30(c)	3,669,134	5,092,556
Total current liabilities		697,118,947	636,634,670
TOTAL LIABILITIES		2,526,424,139	2,485,402,315
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		4,933,465,702	4,843,526,406

The attached notes from 1 to 38 are an integral part of these consolidated financial statements.

The consolidated financial statements were approved and authorized for issuance by the Board of Directors on 06 February 2025.

Mr. Ramez Mhd Ruslan Al Khayat
Managing Director

Mr. Malcolm Jordan
Chief Executive Officer

Mr. Saifullah Khan
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

	Share capital QR	Legal reserve QR	Acquisition reserve QR	Retained earnings QR	Total QR	Non-controlling interests QR	Total equity QR
As at 1 January 2024	1,901,000,000	48,120,521	201,123,011	205,519,477	2,355,763,009	2,361,082	2,358,124,091
Net movement in non-controlling interest	-	-	-	-	-	361,970	361,970
Profit for the year	-	-	-	185,012,156	185,012,156	288,150	185,300,306
Dividend declared during the year (Note 31)	-	-	-	(132,119,500)	(132,119,500)	-	(132,119,500)
Transfer to legal reserve (Note 22)	-	18,501,216	-	(18,501,216)	-	-	-
Transfer to social and sport fund (Note 36)	-	-	-	(4,625,304)	(4,625,304)	-	(4,625,304)
As at 31 December 2024	1,901,000,000	66,621,737	201,123,011	235,285,613	2,404,030,361	3,011,202	2,407,041,563
As at 1 January 2023	1,901,000,000	37,157,664	201,123,011	109,594,477	2,248,875,152	-	2,248,875,152
Acquisition of subsidiary	-	-	-	-	-	2,349,122	2,349,122
Net movement in non-controlling interest	-	-	-	-	-	251,375	251,375
Profit for the year	-	-	-	109,628,571	109,628,571	(239,415)	109,389,156
Transfer to legal reserve (Note 22)	-	10,962,857	-	(10,962,857)	-	-	-
Transfer to social and sport fund (Note 36)	-	-	-	(2,740,714)	(2,740,714)	-	(2,740,714)
As at 31 December 2023	1,901,000,000	48,120,521	201,123,011	205,519,477	2,355,763,009	2,361,082	2,358,124,091

The attached notes from 1 to 38 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 QR	2023 QR
OPERATING ACTIVITIES			
Profit before tax for the year		186,193,594	109,995,564
Adjustments for:			
Depreciation of property, plant and equipment	12	120,264,308	127,652,819
Depreciation of right-of-use assets	13	11,122,165	12,817,283
Amortization of intangible assets	14	3,422,895	2,771,323
Provision for employees' end of service benefits	25	5,193,918	4,509,467
Impairment loss allowance on trade receivables	19	78,561	816,958
Gain on disposal of property, plant and equipment	7	(123,585)	(57,874)
Gain on financial investments at FVTPL		(37,956,908)	(30,198,217)
Dividend income		(2,224,890)	(2,284,393)
Gain arising from change in fair value of biological assets	6	(45,297,535)	(61,496,763)
Cost of slaughtered animals transferred and disposed		7,427,012	2,610,895
Loss from death of livestock	6	8,747,149	19,136,416
Finance cost on lease liabilities	26	2,179,581	635,325
Finance cost		57,932,065	70,818,199
Operating cash flow before movement in working capital		316,958,330	257,727,002
Changes in:			
Inventories		(29,729,407)	45,791,317
Due from related parties		20,969,709	(46,849,470)
Trade and other debit balances		6,716,851	(71,802,949)
Due to related parties		(1,423,422)	(55,727)
Trade and other credit balances		2,640,795	27,048,539
Cash generated from operating activities		316,132,856	211,858,712
Employees' end of service benefit paid	25	(2,138,322)	(2,204,108)
Finance cost paid		(122,171,656)	(109,376,594)
Finance cost on lease liabilities paid		(2,179,581)	(635,325)
Income tax paid		(213,959)	(580,338)
Net cash generated from operating activities		189,429,338	99,062,347
INVESTING ACTIVITIES			
Purchase of property, plant and equipment (i)	12	(112,991,577)	(163,751,731)
Proceeds from disposal of property, plant and equipment		717,366	98,271
Investment in subsidiary		-	(6,845,721)
Purchase of intangible assets	14	(1,090,630)	(2,019,490)
Disposal of investment securities		2,212,437	45,890,827
Acquisition of financial investments at fair value through profit or loss		(116,108,854)	(169,408,782)
Dividend received		2,224,890	2,284,393
Net movement in biological assets		50,446,888	34,793,498
Net cash used in investing activities		(174,589,480)	(258,958,735)
FINANCING ACTIVITIES			
Net movement in financing		9,893,367	185,507,618
Principal elements of lease payments		(10,224,045)	(15,207,146)
Change in non-controlling interest		361,970	251,375
Dividend paid		(134,411,095)	(1,464,642)
Net movement in restricted cash		5,430,969	14,070,062
Net cash (used in)/generated from financing activities		(128,948,834)	183,157,267
Net (decrease)/ increase in cash and cash equivalents		(114,108,976)	23,260,879
Cash and cash equivalents at beginning of the year		(33,365,461)	(56,626,340)
Cash and cash equivalents at the end of the year	20	(147,474,437)	(33,365,461)

i) An amount of QR 10,080,203 (2023: QR 16,892,829) has been excluded from the purchase of property, plant and equipment for the cash flow statement as it represents the finance cost capitalized during the year.

The attached notes from 1 to 38 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Corporate information

Baladna Q.P.S.C. (the "Company") was established in the State of Qatar under commercial registration number 140310, as Qatari Public Shareholding Company. The Company finalized legal documentation for the process of establishment and issuance of the Commercial registration on 2 December 2019 (the "Establishment Date"), pursuant to the provisions of Qatar Commercial Companies Law. The Company's registered office is at P.O Box 3382, Um Alhawayya Farm, State of Qatar.

These consolidated financial statements comprise of the financial statements of the Company and its subsidiaries (collectively, the "Group"), as follows:

Subsidiary Name	Country of incorporation	Type of interest	Percentage of effective control
Baladna Food Industries W.L.L. (Note i)	Qatar	Subsidiary	100%
Baladna Food Trading W.L.L. (Note ii)	Qatar	Subsidiary	100%
Baladna Business and Trading L.L.C. (Note iii)	Oman	Subsidiary	100%
Awafi W.L.L. (Note iv)	Qatar	Subsidiary	100%
Baladna for Trading and Investment W.L.L. (Note v)	Qatar	Subsidiary	100%
Agrocare Development S.R.L. (Note vi)	Romania	Subsidiary	100%
E-Life Detergent Factory W.L.L. (Note vii)	Qatar	Subsidiary	75%
Baladna for Trading and Investment L.L.C. (QFC) (Note viii)	Qatar	Subsidiary	100%

Notes:

- Baladna Food Industries W.L.L. is a limited liability company established under Commercial Registration No. 64756 and is owned 100% by the Company. The principal activity is production and sales of milk, juice, slaughter of animals and sale of meat.
- Baladna Food Trading W.L.L. is a limited liability company established under Commercial Registration No. 133592 and is owned 100% by Baladna Food Industries W.L.L. The principal activity is trading in the food materials.
- Baladna Business and Trading LLC is a limited liability company established under Commercial Registration No.1343623 and is owned 99% by Baladna Food Industries W.L.L. and 1% by Baladna Food Trading W.L.L. The principal activities are as follows:
 - Retail sale in specialized stores of dairy products, eggs, olive and pickles;
 - Activities of export and import offices; and
 - Wholesale of soft drinks, juices and mineral water.
- Awafi W.L.L. is a limited liability company established under Commercial Registration No. 141419 and is owned 100% by the Company. The principal activity is trading in the food materials, packaging and dairy products.
- Baladna for Trading and Investment W.L.L. is a limited liability company established under Commercial Registration No. 157435 and is owned 100% by the Company. The principal activity is trading feed, investment and management of agricultural projects and investment outside Qatar.
- Agrocare Development S.R.L. is a limited liability company established under Commercial Registration No. 593753 and is owned 100% by Baladna for Trading and Investment W.L.L. The principal activity of the Company is growing of cereals (except rice), leguminous Crops and Oil Seeds.
- E-Life Detergent Factory W.L.L. is a limited liability company established under Commercial Registration No. 106993 and is owned 75% by Baladna Food Industries W.L.L. The company was acquired by the Group in 2023. The principal activities are as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

- Manufacturing of liquid and powder detergents;
- Manufacturing of dishwashing liquids, hand sanitizers, hand washing liquids,
- Manufacturing of cleaning materials for tiles, porcelain, glass and mirrors; and
- Manufacturing of other detergent materials, soap and cosmetics.

viii. Baladna for Trading and Investment L.L.C. is a limited liability company established under Qatar Financial Centre Authority License No. 02713 and is owned 100% by the Company. The principal activity of the company is holding subsidiary companies.

The principal activities of the Group are agricultural activities of production and sales of milk, juice, slaughter of animal and sale of meats and detergent.

2. Adoption of new and revised International Financial Reporting Standards (IFRSs)

2.1. New standards and amendments effective in the period on or after 1 January 2024

The consolidated financial statements have been drawn up based on accounting standards, interpretations and amendments effective at 1 January 2024. The Group has adopted the following new and revised Standards and Interpretations issued by International Accounting Standards Board and the International Financial Reporting Interpretations Committee, which were effective for the current accounting period:

- Amendments to IAS 7 & IFRS 7 Supplier Financing Arrangements**

This amendment will have no impact on the amounts recognised in the consolidated financial statements but will require additional disclosures to be provided around the Group's use of supplier financing arrangements.

- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current & Amendments to IAS 1 – Non-current Liabilities with Covenants**

These amendments together impact the classification of liabilities with covenants and any convertible notes that the Group issues with liability classified conversion features. It may impact the classification of some of the Group's debts and will require additional disclosure about the effect of the covenants on the Group. The Group is still currently assessing the impact of these amendments.

- Amendment to IFRS 16 Leases—Lease Liability in a Sale and Leaseback**

IFRS 16 adds subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date. The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease.

A seller-lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, which is defined as the beginning of the annual reporting period in which the entity first applied IFRS 16.

2.2. New standards and amendments issued but not yet effective for the year ended 31 December 2024

The Group has not applied the below new or amended standards and interpretations that have been issued by the IASB but are not yet mandatory for the financial year ended 31 December 2024. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

- Amendments to IAS 21 - Lack of Exchangeability**

The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not. This amendment will be effective for annual periods beginning on or after 1 January 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

- **Amendments to IFRS 9 and IFRS 7**

Amendments to the Classification and Measurement of Financial Instruments, effective for annual periods beginning on or after 1 January 2026

- **IFRS 18 Presentation and Disclosures in Financial Statements**

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share. This amendment will be effective for annual periods beginning on or after 1 January 2027.

- **IFRS 19 Subsidiaries without Public Accountability: Disclosures**

IFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. This amendment will be effective for annual periods beginning on or after 1 January 2027.

3 Basis of preparation and material accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated

3.1 Basis of preparation

Statement of compliance

These consolidated financial statements of the Group have been prepared in accordance with IFRS issued by the International Accounting Standards Board (IASB), applicable provisions of Qatar Commercial Companies Law and the Company's Articles of Association, and the applicable provision of the Qatar Commercial Companies Law No. 11 of 2015 and subsequent amendments by Law No. 8 of 2021.

The consolidated financial statements have been prepared in Qatari Riyals (QR), which is the Group's functional and presentation currency and all financial information has been rounded off to the nearest QR, unless otherwise indicated.

Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for financial investments held at fair value through profit or loss and biological assets which have been measured at fair value.

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies selected for use by the Group. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in relevant notes as summarised in note 4. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and entities controlled by the Company and its subsidiaries. The control is achieved when the Company:

- has power over the investee
- is exposed, or has rights, to variable returns from its involvement with the investee, and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

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When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributable to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra company assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Subsidiaries

Subsidiaries are those entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by another entity, are considered when assessing whether an entity is controlled. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The financial statements of subsidiaries are prepared for the same reporting period as the parent company.

Change in interests of a subsidiary

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in consolidated statement of profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intercompany balances and transactions, and any unrealized gains arising from intercompany transactions are eliminated in preparing the consolidated financial statements.

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Non-controlling interests

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated income statement and within equity in the consolidated financial position, separately from parent shareholders' equity. Losses applicable to the minority in excess of the minority's interests are allocated against the interest of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover losses.

The interest of the minority shareholders in the acquire is initially measured at the minority's proportion of net fair value of the assets, liabilities and contingent liabilities recognized

Business combinations and goodwill

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operational policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

The Group measures goodwill at the acquisition date as:

- The fair value of the consideration transferred; plus
- The recognized amount of any non-controlling interests in the acquiree; plus
- If the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquire; less
- The net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognized immediately in the consolidated income statement.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units, or groups of cash generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units. Each unit or group of units to which the goodwill is allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and is not larger than a segment based on either the Group's primary or the Group's secondary reporting format determined in accordance with IFRS 8 Operating Segment.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts generally are recognized in income statement.

Transactions costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity.

Otherwise, subsequent changes in the fair value of the contingent consideration are recognized in the income statement.

Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units), to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount of the cash-generating unit (group of cash-generating units) to which goodwill has been allocated, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

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Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill at year-end.

Where goodwill forms part of a cash-generating unit (group of cash generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash generating unit retained.

If subsidiaries are sold, the difference between the selling price and the net assets plus cumulative translation differences and unamortized goodwill is recognized in the consolidated income statement.

3.2 Material accounting policies

The principal accounting policies that have been applied consistently by the Group to all periods presented in these consolidated financial statements, are set out below.

Revenue recognition

Revenue from contract with customers

"Revenue from contract with customer" outlines a single comprehensive model of accounting for revenue arising from contract with customers and supersedes current revenue recognition guidance found across several Standards and Interpretations within IFRS. It establishes a new five-step model that will apply to revenue arising from contract with customers.

Step 1: Identify the contract(s) with customer.

Step 2: Identify the performance obligation in the contract.

Step 3: Determine the transaction price.

Step 4: Allocate transaction price to the performance obligation in the contract.

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

The Group is in the business of producing milk from cows for the sale of fresh milk, long life milk, cheese, yoghurt and other dairy products and the slaughter of cows for the sale of meat, production and sale of chilled and long-life juices and production and sale of liquid and powder detergents and other cleaning agents. Revenue from contracts with customers is recognised when goods are delivered to and have been accepted by the customer and are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those products. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the products before transferring them to the customer.

Sale of dairy, livestock for meat, consumables and detergents

Revenues are generally recognised when the goods are delivered to and have been accepted by the customer. Invoices are generated and revenue is recognised at that point in time. Credit invoices are usually payable within 15 - 60 days. Invoice is generated and recognised as revenue net of applicable discounts which relate to the items sold. No customer loyalty points are offered to customer and therefore there is no deferred revenue to be recognised for the items sold.

Right of return

When a contract provides a customer with a right to return the goods within a specified period, the Group estimate the expected returns using expected value method and recognise revenue net of such right of return.

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Volume rebates

Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Group applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold.

There is no other variable consideration attached to the Group's products as the Group does not operate any loyalty program schemes, no significant financing components are embedded in its contract with customer and warranty obligations are not applicable.

Rental income

Rental income from other property is recognised as other income.

Dividend income

Dividends from investments are recognised when the shareholder's right to receive payment has been established.

Government support

The Group receives government support related to the investments made in the field of dairy production in the State of Qatar. Government support is recognized in the consolidated statement of profit or loss and other comprehensive income when there is reasonable assurance that it will be received and the Group will comply with the conditions associated with the support.

Government support is expected to be received in fixed instalments on a systematic basis to match the losses incurred by the Group during the prior years and to match its future depreciation expenses on the dairy manufacturing facilities.

Cost and expense recognition

Expenses are also recognized in the consolidated statement of profit or loss and other comprehensive income when decrease in future economic benefit related to a decrease in an asset or an increase in a liability that can be measured reliably has arisen. Expenses are recognized in the consolidated statement of profit or loss and other comprehensive income on the basis of a direct association between costs incurred and the earning of specific items of income; on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting years and the association can only be broadly or indirectly determined; or immediately when an expenditure produces no future economic benefits or when, and to the extent that future economic benefits do not qualify, or cease to qualify, for recognition in the consolidated statement of financial position as an asset.

Finance cost

Finance cost that is directly attributable to the acquisition, construction, or production of a qualifying asset is included in the cost of that asset until such time as the assets are substantially ready for their intended use or sale. All other finance cost is reported in the statement of profit or loss and other comprehensive income in the period in which it is incurred.

Income tax

Income tax is computed on the net profit adjusted for the tax purposes in accordance with the provisions of Law no. 24 of 2018 concerning Qatari income tax.

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Tax expense

Current taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- A transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- A business combination.

Current taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees, if any.

Where the effect of the assumed conversion of the convertible notes and the exercise of all outstanding options have anti-dilutive effect, basic and diluted EPS are stated at the same amount

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any impairment in value. Land is not depreciated.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Buildings and structures	5 - 40 years
Machineries	2 - 25 years
Motor vehicles	5 - 12 years
Furniture and fixtures	3 - 5 years

Buildings and structures includes porta cabins, cow barns, factories and buildings due to which the useful life of the assets has been spread over a period of 5 to 40 years. However, individually, it varies.

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

The useful lives are reviewed at each financial reporting date. The change in estimated useful life of assets affects depreciation expense for the period in which the change has occurred and for each future period during the assets' remaining useful life.

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property, plant and equipment. All other expenditure is recognised in the consolidated statement of profit or loss and other comprehensive income as the expense is incurred.

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Capital work-in-progress will be transferred to the appropriate classification of property, plant and equipment upon its completion. Capital work in progress is not depreciated.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the consolidated statement of profit or loss and other comprehensive income in the year the asset is derecognised.

Finance costs capitalization

Finance cost and other costs that the Group incurs in connection with the finance of funds. A qualifying asset for finance cost capitalization is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The Group capitalizes finance costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The Group recognizes other finance costs as an expense in the period in which it incurs them.

The Group begins capitalizing finance costs as part of the cost of a qualifying asset on the commencement date. The commencement date for capitalization is the date when the Group first meets all of the following conditions:

- i) Incurs expenditures for the asset;
- ii) Incurs finance costs; and
- iii) Undertakes activities that are necessary to prepare the asset for its intended use or sale.

To the extent that the Group borrows funds specifically for the purpose of obtaining a qualifying asset, the Group determines the amount of finance costs eligible for capitalization as the actual finance costs incurred on that finance during the period less any investment income on the temporary investment of those financing, if any.

The financing costs applicable to the financing of the Group that are outstanding during the period, other than those specific financing mentioned above as made specifically for the purpose of obtaining a qualified asset, are capitalized by applying a capitalization rate to the expenditures on that asset. The amount of financing costs that the Group capitalizes during the period is not to exceed the amount of financing costs it incurred during that period.

The Group suspends capitalization of financing costs during extended periods in which it suspends active development of a qualifying asset, and ceases capitalizing financing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Leases

The Group leases land and leasehold building for employee accommodation. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices unless it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

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Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the finance rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental financing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of finance on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's investment in the relevant leases. Income from finance leases is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the relevant leases.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and any change in estimate is accounted for on prospective basis.

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Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the separate statement of profit or loss and other comprehensive income when the asset is derecognised.

Amortization is charged on intangible assets so as to write off the cost or valuation of assets, over their estimated useful lives, less estimated residual value, using the reducing balance method on the following bases:

Intangible assets represent the cost of trade mark and computer software. Useful life of intangibles ranges from 3 to 10 years and carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method.

Goodwill

Goodwill arising on consolidation represents the excess of the fair value of consideration transferred over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition. Goodwill is recognised as an asset as it represents synergies the Group expects to receive from the acquisition. Goodwill is tested for impairment on an annual basis in respect of the cash generating unit to which the goodwill attaches, as it is not subject to amortisation. If the recoverable amount of the cash generating unit is less than the carrying amount of the investment, the impairment to the related goodwill is recognised in profit or loss.

Goodwill arising on the acquisition of an associate is included within the carrying amount of the associate.

Goodwill arising on the acquisition of subsidiaries is presented separately in the statement of financial position.

On disposal of a subsidiary, associate or jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Where the net fair value of assets acquired exceeds the fair value of consideration transferred (a gain on bargain purchase) such excess is recognised immediately in profit or loss.

Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses (except for goodwill), the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

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Financial instruments - initial recognition and subsequent measurement

Recognition and derecognition of financial instruments

Financial instruments, other than derivative financial instruments, are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets that are regular way purchased or sold are recognised using the trade date accounting i.e. that is when the Group commits to purchase or sell.

Financial instruments that are not trade receivables are initially measured at fair value, which generally equates to acquisition cost, which includes transaction costs for financial instruments not subsequently measured at fair value.

Trade receivables are recognised at transaction cost if they do not contain a significant financing element (IFRS 15).

Financial assets are derecognised when:

- The contractual rights to cash flows from the financial asset expire, or
- the asset is transferred such that contractual rights to cash flows of the assets and the risks and rewards of ownership are transferred,

On de-recognition, the Group recognised the differences between carrying amount and consideration.

In factoring arrangements and guaranteed receivables, transfer may not result in de-recognition, because the Group retains exposure to risks and rewards to some extent. The Group assesses its extended involvement and recognises a liability, such that the net of asset and liability represents the rights and obligations retained, measured based on the classification of the original asset.

Financial liabilities (or a part of) are derecognised when, and only when the obligation is extinguished — i.e. when the obligation specified in the contract is discharged or cancelled or expires. The gain or loss between the carrying value and amount paid is recognised in profit or loss.

If the terms of an existing financial liability (financings) are substantially modified this will be considered to meet the criteria for derecognition of the original liability, and a new financial liability is recognised.

Classification and subsequent measurement of financial assets

Measurement of financial assets depends on the classification, which is determined by the business model for holding the asset and characteristics of its cash flows.

i. Amortised cost

Assets are held for the purpose of obtaining contractual cash flows, which are solely finance cost and principal, such as vanilla debt instruments, financing and receivables including contract assets. Finance cost is calculated using effective return method and included in finance income in profit or loss. Impairment is presented in a separate line in profit or loss.

ii. Fair value through other comprehensive income (FVOCI)

If in addition to above, if the business model also includes selling the assets, then these assets are measured at fair value with changes in FVOCI. finance income is calculated and presented as above. Impairment is included in profit or loss and reduces/ increases the fair value gain/ loss recognised in OCI reserve.

On derecognition, gains and losses are recycled to profit or loss and included in other gains/ losses.

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iii. Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria above are measured as FVTPL with changes in fair value presented in other gains/ losses.

For equity investments that the Group considers to be long term strategic investments, the Group has taken the election in IFRS 9 to present the changes in FVOCI. Unlike ii) above however, on sale of investments, the cumulative OCI gain/ loss will be transferred within equity and will not be recycled through profit or loss.

Dividends are recognised as other income when there is a right to receive payment.

Classification and measurement of financial liabilities

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

i. Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities, which are measured at amortised cost. Financial liabilities are classified at FVTPL if they are either held for trading or they are otherwise designated within this classification. Gains and losses on such financial liabilities are recognised within other gains and losses in the statement of comprehensive income.

A financial liability is classified as held for trading if (a) it has been acquired principally for the purposes of subsequent short-term repurchase; (b) on initial recognition it is part of a portfolio of identified financial instruments which have a pattern of short-term profit taking; or (c) it is a derivative financial instrument that is not designated and effective as a hedging instrument.

A financial liability may otherwise be designated at FVTPL upon initial recognition if such designation eliminates or reduces significantly a measurement or recognition inconsistency that would otherwise arise; or (b) the financial liability forms part of a group of financial assets, financial liabilities or both, which is managed and its performance evaluated on a fair value basis as a part of the Group's documented risk management and investment strategies; and (c) it forms part of a contract containing one or more embedded derivatives and the entire contract can be so designated in accordance with applicable financial reporting standards.

Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective return method, with finance expense recognised on an effective yield basis, within finance costs in the statement of comprehensive income.

The Group derecognises financial liabilities when the obligations of the Group are discharged, cancelled or have expired.

ii. Embedded derivatives

Derivatives embedded in other financial instruments or non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of host contracts and the host contracts are not measured at FVTPL.

However financial liabilities which contain multiple embedded derivatives are not separated and are treated as FVTPL.

Compound financial instruments issued by the Group comprise convertible financing notes that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

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The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective return method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

The finance expense on the liability component is calculated by applying the effective return method. This is obtained by calculating the present value of future cash flows at a market rate for a financing without the convertible component. The difference between the effective finance rate and the finance cost paid is added to the carrying amount of the convertible financing note.

Finance cost, dividends, losses and gains relating to the financial liability are recognised in profit or loss. Distributions to the equity holders are recognised in equity, net of attributable taxation.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Currently the Group does not offset financial assets and financial liabilities.

Impairment

The following assets have specific characteristics for impairment testing:

Impairment of financial assets

The Group considers bank balances to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective finance rate of the financial asset.

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Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the customer or issuer;
- a breach of contract such as a default or being more than 360 days past due;
- the restructuring of a loan in advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the customer will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Impairment losses related to financial assets are presented under net impairment (loss)/reversal on financial assets in the consolidated income statement.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Biological assets

A biological asset is a living animal or plant. Biological assets consist of cows. Biological assets are measured at fair value less cost to sell, with any change therein recognised in consolidated statement of profit or loss and other comprehensive income.

Where the fair value cannot be measured reliably, in such a case, that biological asset shall be measured at its cost less any accumulated depreciation and any accumulated impairment losses. Once the fair value of such a biological asset becomes reliably measurable, an entity shall measure it at its fair value less costs to sell.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and, where applicable, direct labor costs and those overheads that have been incurred in bringing the inventories to their present location and condition, excluding financing costs. Cost of the inventory is determined by the weighted average cost methods and includes invoiced cost and other expenditures incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Trade receivables

Trade receivables are amounts due from customers for sale performed in the ordinary course of business. Trade receivables are financial assets stated initially at fair value which is taken to be their transaction cost and subsequently at their amortised cost less any loss allowance. Loss allowance is based on lifetime expected credit losses assess and determined at initial recognition and subsequently adjusted for any changes in expectation.

Trade receivables expected to be received in the next year are classified as current assets. If not, they are presented as non-current assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with banks and highly liquid financial assets with original maturities of three months or less that are subject to an insignificant risk of change in their fair value, and are used by the Group in the management of its short-term commitments. Cash and cash equivalents are carried at amortised cost in the consolidated statement of financial position.

Shareholders' equity

Share capital represents the total capital per commercial registration which is treated as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments.

Retained earnings include all accumulated profits or losses of the Group less any dividends, legal reserve and social and sports fund.

Dividend

Dividend distributions to the Group's shareholders are recognized as a liability in the consolidated financial statements in the period in which the dividend is approved by the shareholders. Dividend for the year that are approved after the reporting date of the consolidated financial statements are considered as an event after the reporting date.

Financing

After initial recognition at fair value net of directly attributable transaction costs, Islamic financing, short term financings and bank overdraft are subsequently measured at amortised cost using the effective return rate method. Gains and losses are recognised in the consolidated statement of comprehensive income when the liabilities are derecognised as well as through the effective return rate method amortisation process.

Employees' end of service benefits

The end of service benefits to its employees is in accordance with Qatar Labor Law. The entitlement to these benefits is based upon the employees' final salary and length of service. The expected costs of these benefits are accrued over the period of employment.

Under Law No. 24 of 2002 on Retirement and Pension, the Group is required to make contributions to a Government fund scheme for Qatari employees calculated as a percentage of the Qatari employees' salaries. The Group's obligations are limited to these contributions, which are expensed when due.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Foreign currency transactions

Transactions in foreign currencies are recorded in Qatari Riyals (QR) at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in other comprehensive income or profit or loss are also recognized in other comprehensive income or profit or loss, respectively).

Segmental reporting

An operating segment is a component of the Group that engages in the business activities from which it may earn revenues and incur expenses, including revenue and expenses that relate to transactions with any of Group's other components. The segmental results that are reported to the Group's chief operating decision makers ("CODM") to make decision about the resources to be allocated to segment and to assess its performance.

Financial information on operating segments is presented in note 33 to the consolidated financial statements.

Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. When measuring fair value of an asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from the past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

Contingent liabilities are not recognised but are disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as provision.

Events after the reporting date

Post year-end events that provide additional information about the Group's financial position at reporting date (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

4. Critical accounting estimates and judgements

In preparing the consolidated financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Certain areas of consolidated financial statements require management to make judgements and estimates in application of accounting policies and measurement of reported amounts. These are continuously monitored for any factors that would lead to a change in assumption or lead to a different decision. Any changes in estimates are accounted for prospectively.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are noted below with reference to relevant notes containing further assessment of the nature and impact of the assumptions.

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Satisfaction of performance obligation

The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognizing revenue. For sale of goods through retail outlets, hotels, restaurants and cafeteria's revenue recognized by the Group at a point in time when the goods are sold and control is transferred to customer.

Determination of transaction price

The Group is required to determine the transaction price in respect of each of its contracts with customers. In making such judgement, the entity assesses the impact of any variable consideration in the contract, due to discounts, rights of return, the existence of any significant financing component and any con-cash consideration in the contract.

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how Groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Significant increase in credit risk

ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward looking information.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP of the country in which it sells its goods to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. During the current financial year, there has been no revision in the lease terms.

Going concern

The Group's management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue a going concern. Therefore, the financial statements are prepared on a going concern basis.

Classification of investments

Management decides on acquisition of an investment whether to classify it as financial asset at fair value through other comprehensive income or financial asset through profit or loss. The Group classifies investment as financial asset at fair value through profit or loss if the investment is classified as held for trading and upon initial recognition it is designated by the Group as at fair value through profit or loss.

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

Trade receivables and due from related parties

The Group applies the simplified approach to measuring expected credit losses to its trade receivables and due from related parties, which uses a provision matrix. The provision rates are based on days past due for groupings of various customer segments that substantially share the same risk characteristics or loss patterns. The provision rates are initially based on the Group's historical observed default rates and adjusted with current conditions and the Group's view of economic conditions over the expected lives of the receivables. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Cash and bank balances

Impairment on cash and bank balances has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and bank balances and restricted grants have low credit risk based on the external credit ratings of the counterparties. While cash and bank balances are also subject to impairment, the identified impairment loss is considered immaterial.

Useful lives of property, plant and equipment and intangible assets

The Group's management determines the estimated useful lives of its property, plant and equipment and intangible assets for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Use of incremental rate of financing

For measuring the lease liability, the Group discounted the lease payments based on its incremental rate of financing i.e. 4%. The definition of incremental financing rate states that the rate should reflect what the Group would be charged to borrow over a similar term and under similar circumstances. To determine an appropriate rate, the Group has obtained the relevant information from its bankers.

Provision for slow moving inventories

Inventories are held at the lower of cost or net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence.

Measurement of biological assets

Biological assets are measured at fair value less cost to sell, with any change therein recognised in consolidated statement of profit or loss and other comprehensive income. The fair value of immature livestock is determined by reference to meat price of veal, adjusted to reflect the age of the calves and to the landed cost of a heifer by reference to the recent purchases of the Group. The fair value of mature cows is determined by reference to landed cost of a heifer by reference to the recent purchases adjusted to reflect the decline in productivity through the lactation cycles, the meat price at the point of slaughter. Where the fair value cannot be measured reliably, in such a case, that biological asset shall be measured at its cost less any accumulated depreciation and any accumulated impairment losses. Once the fair value of such a biological asset becomes reliably measurable, an entity shall measure it at its fair value less costs to sell.

Goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which the goodwill has been allocated. Management tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

5 Revenue

The following sets out the disaggregation of the Group's revenue from contracts with customers:

a) Type of goods or services

	2024 QR	2023 QR
Dairy sales	1,012,218,029	948,205,915
Juice sales	73,935,069	70,882,284
Livestock sales	35,910,139	22,258,152
Plastic sales	2,816,729	3,279,545
Compost and manure sales	2,565,275	1,818,425
Feed sales	14,686	1,287,449
Other sales	-	11,025
	1,127,459,927	1,047,742,795
Detergent sales	17,767,256	9,016,907
	1,145,227,183	1,056,759,702

b) Timing of satisfaction of performance obligation

	2024 QR	2023 QR
Goods transferred at point in time	1,145,227,183	1,056,759,702

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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6. Cost of revenue

	2024 QR	2023 QR
Cost of dairy, juice raw material and packaging material	317,842,548	279,858,061
Cost of feeds	177,062,583	216,578,734
Depreciation of property, plant and equipment (Note 12)	114,081,287	121,023,262
Direct wages	83,925,218	89,893,879
Rent and maintenance	65,554,438	64,164,037
Cost of sale of livestock	50,446,888	34,793,498
Utilities	35,357,963	28,588,066
Production related indirect expenses	21,612,796	18,742,769
Cost of detergent raw material and packaging material	10,069,522	4,547,458
Cost of medicine	9,127,565	10,970,835
Loss from death of livestock	8,747,149	19,136,416
Depreciation of right-of-use assets (Note 13)	7,994,847	9,127,187
Insurance expenses	7,278,769	8,003,894
Product disposal and provision for slow moving inventories	5,472,343	10,853,731
Cost of slaughtered animals	6,626,579	2,318,758
Cost of disposed slaughtered animals	800,433	292,137
Amortization of intangible assets (Note 14)	32,836	33,264
Cost of feeds sold	12,137	1,294,552
Others	8,141,833	4,389,462
	930,187,734	924,610,000
Less:		
Net fair value gain on biological assets (Note 16)	(45,297,535)	(61,496,763)
	884,890,199	863,113,237

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

7. Other income

	2024 QR	2023 QR
Government support (Note i)	104,933,491	110,079,177
Rental income	816,788	2,320,074
Gain on disposal of property, plant and equipment	123,585	57,874
Miscellaneous income	5,213,547	5,205,079
	111,087,411	117,662,204

Note i:

During the year, the Group's wholly owned subsidiary has recognised a support from the Government amounting to QR 104,933,491. The support is granted to the subsidiary on account of the investment made in the field of dairy manufacturing to ensure the country's food supplies. There are certain conditions that need to be met by the Group in order to be entitled to the government support. As at 31 December 2024, management believes that these conditions have been satisfactorily achieved, accordingly, the support has been recognised.

8. Selling and distribution expenses

	2024 QR	2023 QR
Staff cost	43,135,985	43,770,115
Advertising and promotion expenses	31,037,599	28,748,408
Utilities and maintenance expenses	6,617,487	6,470,070
Depreciation of property, plant and equipment (Note 12)	3,760,849	4,024,037
Depreciation of right-of-use assets (Note 13)	3,064,470	3,615,756
Provision for expected credit losses (Note 19)	78,561	816,958
Insurance expenses	438,063	448,329
Amortization of intangible assets (Note 14)	287,897	383,213
Communication expenses	178,976	301,525
Transportation expenses	58,690	55,275
Government fees	42,298	200
Others	4,218,474	422,233
	92,919,349	89,056,119

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

9. General and administrative expenses

	2024 QR	2023 QR
Staff cost	29,216,915	29,620,554
Professional charges	13,446,646	12,535,868
Communication expenses	9,513,080	13,454,240
Management fees	9,000,000	9,000,000
Board remuneration	3,142,883	–
Amortization of intangible assets (Note 14)	3,102,162	2,354,846
Depreciation of property, plant and equipment (Note 12)	2,422,172	2,605,520
Insurance expenses	975,209	680,677
Utilities, rent and maintenance expenses	913,313	2,455,356
Stationery and printing expenses	316,816	222,356
Governmental fees	269,560	282,315
Depreciation of right-of-use assets (Note 13)	62,848	74,340
	72,381,604	73,286,072

10. Finance cost and bank charges

	2024 QR	2023 QR
Finance cost and charges on bank financing	54,521,520	64,739,420
Finance cost on bank overdrafts	4,268,935	2,748,371
Finance cost on lease liabilities (Note 26)	2,179,581	635,325
Exchange (gain)/loss	(858,390)	3,330,408
	60,111,646	71,453,524

11. Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major component of income tax expense in the consolidated statement of profit or loss are:

	2024 QR	2023 QR
Income tax expense	893,288	606,408
Income tax rate	10%	10%

Note 1:

In December 2019, a new Executive Regulations for the tax was introduced in the State of Qatar, replacing the previous executive regulations. The tax exemption provided under Article 4 (paragraph 13) of the New Tax Law in relation to non-Qatari investors' share in profits in listed entities shall not be extended to subsidiaries/associates of listed entities. Accordingly, if a listed entity holds shares in a non-listed entity, the share of profits in the non-listed entity attributable to the listed entity would be subject to tax to the extent of the profit share attributable to non-Qatari shareholders in the listed entity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

12. Property, plant and equipment

	Land QR	Building and structures QR	Machineries QR	Motor vehicles QR	Furniture and fixtures QR	Capital work in progress QR	Total QR
Cost:							
As at 1 January 2024	55,200,100	1,974,208,136	1,050,792,985	78,864,491	46,909,042	592,781,076	3,798,755,830
Additions during the year	–	1,290,912	6,548,964	7,702,404	2,176,198	105,353,302	123,071,780
Transfers during the year	–	15,560,724	11,127,042	112,645	92,744	(26,893,155)	–
Disposals during the year	–	–	(3,404,133)	(2,339,530)	(1,533,815)	–	(7,277,478)
Transfer to intangible assets during the year (Note 14)	–	–	–	–	–	(2,789,171)	(2,789,171)
As at 31 December 2024	55,200,100	1,991,059,772	1,065,064,858	84,340,010	47,644,169	668,452,052	3,911,760,961
Accumulated depreciation:							
As at 1 January 2024	–	294,719,273	240,935,057	38,191,227	36,070,577	–	609,916,134
Charge for the year	–	53,982,558	52,533,068	7,653,166	6,095,516	–	120,264,308
Related to disposals during the year	–	–	(3,404,812)	(1,749,376)	(1,529,509)	–	(6,683,697)
As at 31 December 2024	–	348,701,831	290,063,313	44,095,017	40,636,584	–	723,496,745
Net book value							
As at 31 December 2024	55,200,100	1,642,357,941	775,001,545	40,244,993	7,007,585	668,452,052	3,188,264,216

	Land QR	Building and structures QR	Machineries QR	Motor vehicles QR	Furniture and fixtures QR	Capital work in progress QR	Total QR
Cost:							
As at 1 January 2023	55,200,100	1,936,300,541	1,040,071,091	77,407,620	46,499,647	455,753,560	3,611,232,559
Acquisition of subsidiary	–	8,075,000	1,890,995	109,000	53,233	–	10,128,228
Additions during the year	–	4,020,700	5,528,345	1,630,850	1,872,308	167,592,357	180,644,560
Transfers during the year	–	25,811,895	3,364,664	9,345	545,055	(29,730,959)	–
Disposals during the year	–	–	(62,110)	(292,324)	(820,133)	–	(1,174,567)
Transfer to intangible assets during the year (Note 14)	–	–	–	–	(1,241,068)	(833,882)	(2,074,950)
As at 31 December 2023	55,200,100	1,974,208,136	1,050,792,985	78,864,491	46,909,042	592,781,076	3,798,755,830
Accumulated depreciation:							
As at 1 January 2023	–	235,762,520	187,880,356	31,153,809	28,351,054	–	483,147,739
Acquisition of subsidiary	–	230,714	228,563	19,476	13,540	–	492,293
Reclassification	–	10,082	(12,642)	2,560	–	–	–
Charge for the year	–	58,715,957	52,900,884	7,277,517	8,758,461	–	127,652,819
Related to disposals during the year	–	–	(62,104)	(262,135)	(809,931)	–	(1,134,170)
Transfers to intangible assets during the year (Note 14)	–	–	–	–	(242,547)	–	(242,547)
As at 31 December 2023	–	294,719,273	240,935,057	38,191,227	36,070,577	–	609,916,134
Net book value							
As at 31 December 2023	55,200,100	1,679,488,863	809,857,928	40,673,264	10,838,465	592,781,076	3,188,839,696

Notes:

(a) Capital work-in-progress represents expenses incurred by the Group in respect of construction of farm and factories.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Additions and capital work in progress to the property, plant and equipment during the year included the following transactions with related parties:

Related party	Nature of transactions	2024 QR	2023 QR
Elegancia Electro Mechanical Services W.L.L.	Supply and installation of utilities	4,099,531	6,581,707
Joury Tour & Travels W.L.L.	Logistics for construction work	2,521,618	2,804,570
Golden Bay Trading and Contracting W.L.L.	Construction work	1,580,100	–
Urbacon Trading and Contracting W.L.L.	Construction work	1,366,666	4,822,786
Elegancia Water Solutions W.L.L. (previously Watermaster Qatar W.L.L.)	Construction work	1,071,712	195,000
Credo Trading Company W.L.L.	Construction work	437,878	–
Retaj Baywalk Residence W.L.L.	Accommodation for construction work	78,613	124,000

Depreciation expenses charged for the year ended 31 December are allocated as follows:

	2024 QR	2023 QR
Cost of revenue (Note 6)	114,081,287	121,023,262
Selling and distribution expenses (Note 8)	3,760,849	4,024,037
General and administrative expenses (Note 9)	2,422,172	2,605,520
	120,264,308	127,652,819

13. Right-of-use assets

The Group leases land, and leasehold building for employee accommodations. Information about the leases for which the Group is a lessee is presented below:

	2024 QR	2023 QR
Cost:		
As at 1 January	146,871,062	33,593,196
Lease modification during the year	–	113,277,866
Remeasurement	–	–
As at 31 December	146,871,062	146,871,062
Accumulated depreciation:		
As at 1 January	25,353,953	12,536,670
Charge for the year	11,122,165	12,817,283
As at 31 December	36,476,118	25,353,953
Net carrying amounts as at 31 December	110,394,944	121,517,109

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Depreciation expenses charged for the year ended 31 December are allocated as follows:

	2024 QR	2023 QR
Cost of revenue (Note 6)	7,994,847	9,127,187
Selling and distribution expenses (Note 8)	3,064,470	3,615,756
General and administrative expenses (Note 9)	62,848	74,340
	11,122,165	12,817,283

14. Intangible assets

	2024 QR	2023 QR
Cost:		
As at 1 January	17,206,242	13,111,802
Additions during the year	1,090,630	2,019,490
Transfer from property, plant and equipment (Note 12)	2,789,171	2,074,950
As at 31 December	21,086,043	17,206,242
Accumulated amortization:		
As at 1 January	9,714,455	6,700,585
Charge for the year	3,422,895	2,771,323
Transfer from property, plant and equipment (Note 12)	–	242,547
As at 31 December	13,137,350	9,714,455
Net carrying amounts as at 31 December	7,948,693	7,491,787

Amortization expenses charged for the year ended 31 December are allocated as follows:

	2024 QR	2023 QR
Cost of revenue (Note 6)	32,836	33,264
Selling and distribution expenses (Note 8)	287,897	383,213
General and administrative expenses (Note 9)	3,102,162	2,354,846
	3,422,895	2,771,323

15. Financial investments held at fair value through profit or loss

	2024 QR	2023 QR
Movement in financial investments:		
As at 1 January	371,841,124	218,124,952
Addition during the year	116,108,854	169,408,782
Cost of disposal during the year	(1,820,715)	(55,921,223)
Net change in fair value of financial investments	37,565,186	40,228,613
As at 31 December	523,694,449	371,841,124

As at 31 December 2024, equity investments represent equity shares quoted in Qatar Stock Exchange and Egyptian Exchange.

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16. Biological assets

The Group's livestock balance primarily comprises of cows which are used in the production of milk and meat. The Group's biological assets stock comprises both immature and mature livestock.

Immature livestock comprise of calves that are intended to be reared to mature. These calves are held to produce milk, but have not started to produce milk. The fair value of the immature livestock is determined by reference to meat price of veal, adjusted to reflect the age of the calves and landed cost of a heifer.

Mature livestock includes cows, which have begun milk production. The fair value of the matured cows is determined by reference to the latest landed cost over heifer adjusted to reflect the decline in productivity through the lactation cycles and the meat price at the point of slaughter.

The value of livestock as follows:

	2024 QR	2023 QR
As at 1 January	198,711,094	220,755,140
Gain arising from change in the fair value of biological assets (Note 6)	45,297,535	61,496,763
Net movement in livestock	(66,621,049)	(83,540,809)
As at 31 December	177,387,580	198,711,094

The value of livestock as follows:

	2024 QR	2023 QR
Current livestock	482,800	2,278,900
Non-current livestock	176,904,780	196,432,194
As at 31 December	177,387,580	198,711,094

	2024 QR	2023 QR
Mature livestock	115,662,580	118,584,793
Immature livestock	61,725,000	80,126,301
As at 31 December	177,387,580	198,711,094

The quantity of livestock owned by the Group is as follows:

	2024	2023
Mature livestock	9,818	10,253
Immature livestock	8,762	12,062
As at 31 December	18,580	22,315

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17. Goodwill

During 2023, the Group acquired 75% shareholding in the subsidiary E-Life Detergent Factory W.L.L for purchase consideration of QR 13,840,000. The net asset value of the subsidiary as of the date of acquisition was QR 9,396,487. The Group has therefore, recognised goodwill of QR 6,792,635 on acquisition.

The Group has considered the acquired subsidiary as a single cash-generating unit. The recoverable amount of this cash-generating unit has been determined based on value-in-use calculations, based on projected cash flows and forecasted revenues prepared and approved internally by management.

18. Inventories

	2024 QR	2023 QR
Dairy packaging and raw material inventory	218,209,845	156,653,747
Feed inventory	72,407,162	122,760,676
Spare parts	72,286,341	63,567,599
Dairy finished goods inventory	28,496,484	19,327,091
Chemical and medicine inventory	11,709,947	11,788,782
Juice packaging and raw material inventory	7,369,756	12,987,757
Juice finished goods inventory	5,412,006	7,795,237
Detergent packaging and raw material inventory	3,190,549	1,094,780
Plastic inventory	2,914,002	2,405,588
Detergent finished goods inventory	642,589	796,152
Others	11,046,553	10,726,813
	433,685,234	409,904,222
Less: Provision for slow moving inventories	(3,626,432)	(9,574,827)
As at 31 December	430,058,802	400,329,395

Movement in provision for slow moving inventories is is recognized in the consolidated statement of financial position as follows:

	2024 QR	2023 QR
As at 1 January	9,574,827	3,779,538
Net movement during the year	(5,948,395)	5,795,289
As at 31 December	3,626,432	9,574,827

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19. Trade and other debit balances

	2024 QR	2023 QR
Trade receivables	115,537,249	117,216,079
Less: Impairment loss allowance	(1,484,547)	(1,484,636)
	114,052,702	115,731,443
Prepayments, other advances and receivables	150,355,259	127,330,500
Government support (Note 7)	104,933,491	110,079,177
Advance to suppliers	30,571,376	53,532,282
Deferred expenses	4,336,690	3,226,812
Staff receivables	30,413	401,637
As at 31 December	404,279,931	410,301,851

Movement in impairment loss allowance on trade receivables is recognized in the consolidated statement of financial position as follows:

	2024 QR	2023 QR
As at 1 January	1,484,636	486,678
Provided during the year (Note 8)	78,561	816,958
Written off during the year	(78,650)	–
Other adjustments	–	181,000
As at 31 December	1,484,547	1,484,636

(a) Unimpaired receivables are considered collectible based on historic experience and no finance cost is charged on the trade receivables.

(b) The other classes within trade and other receivables do not contain impaired assets.

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20. Cash and cash equivalents

	2024 QR	2023 QR
Cash on hand	527,468	931,201
Bank balances (Note i)	27,096,261	58,780,082
Cash and bank balances	27,623,729	59,711,283
Restricted bank balances	–	(5,430,969)
	27,623,729	54,280,314
Bank overdraft	(175,098,166)	(87,645,775)
Cash and cash equivalents	(147,474,437)	(33,365,461)

Note i:

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective countries. Accordingly, management of the Group estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 months ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the bank, the management of the Group have assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

21. Share capital

	2024		2023	
	No of shares	Amount QR	No of shares	Amount QR
Authorised, issued and paid-up ordinary and special shares QR 1 per each share	1,901,000,000	1,901,000,000	1,901,000,000	1,901,000,000

The Group's authorized, issued and paid-up share capital amounting to QR 1,901,000,000 is divided into 1,900,999,999 ordinary shares and one special share, the nominal value is QR 1 of each share.

Special share

The State of Qatar, represented by the Ministry of Commerce and Industry, has allotted one Special Share, and the Special Share will have specific rights to appoint certain Directors, veto particular decisions of the Company, and other rights. The Special Shareholder, as holder of the Special Share, has the rights set out in Article 28 of Baladna's Article of Association.

22. Legal reserve

In accordance with the provision of the Qatar Commercial Law and Group's Article of Association, a minimum amount of 10% of the profit in each year is required to be transferred to legal reserve until the balance in the legal reserve becomes equal to 50% of the Group's paid up share capital. This reserve is not available for distribution, except in circumstances specified in the above-mentioned law.

23. Acquisition reserve

This balance represents the issuance of shares to the Founders against the transferring of ownership in capital of Baladna Food Industries W.L.L. and settling of their current account.

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24. Islamic financing

	2024 QR	2023 QR
Islamic financing 1 (Note i)	892,327,525	964,827,522
Islamic financing 2 (Note ii)	888,240,384	850,000,000
Islamic financing 3 (Note iii)	77,769,637	82,304,100
Islamic financing 4 (Note iv)	60,339,185	–
	1,918,676,731	1,897,131,622

Islamic financing is presented in the consolidated statement of financial position as follows

	2024 QR	2023 QR
Non-current portion	1,707,522,765	1,720,822,007
Current portion	211,153,966	176,309,615
	1,918,676,731	1,897,131,622

Notes:

(i) This represents Murabaha facility obtained by the Company's subsidiary (Baladna Food Industries W.L.L.) from a local bank to finance the construction of cows' farm and working capital requirements.

(ii) This represents financing facility obtained by the Company's Subsidiary (Baladna Food Industries W.L.L.) from a local bank to support expansion and business development.

(iii) This represents financing facility obtained by the Company's Subsidiary (Baladna Food Industries W.L.L.) from a local bank to support expansion and business development.

(iv) This represents margin facility obtained by the Company from a local bank to support the investment in equity securities.

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25. Employees' end of service benefits

	2024 QR	2023 QR
As at 1 January	16,001,968	13,589,562
Acquisition of subsidiary	–	107,047
Provision made during the year	5,193,918	4,509,467
Payments made during the year	(2,138,322)	(2,204,108)
As at 31 December	19,057,564	16,001,968

26. Lease liabilities

The Group leases land, and leasehold building for employee accommodations. Information about the leases for which the Group is a lessee is presented below:

	2024 QR	2023 QR
As at 1 January	122,063,016	23,992,296
Lease modification during the year	–	113,277,866
Finance cost charged (Note 10)	2,179,581	635,325
Repayments during the year	(12,403,626)	(15,842,471)
As at 31 December	111,838,971	122,063,016

Lease liabilities are presented in the consolidated statement of financial position as follows:

	2024 QR	2023 QR
Non-current portion	102,724,863	111,943,670
Current portion	9,114,108	10,119,346
	111,838,971	122,063,016

27. Short term financings

	2024 QR	2023 QR
Financings	85,252,291	96,904,033

This represents document credit facility obtained from a local bank in order to finance the working capital requirements.

28. Trade and other credit balances

	2024 QR	2023 QR
Trade payables	111,262,582	172,903,354
Accrued expenses	79,616,859	66,071,966
Provision for social and sports fund (Note 36)	4,625,304	2,740,714
Other liabilities	17,326,537	18,847,311
	212,831,282	260,563,345

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29. Basic and diluted earnings per share

	2024	2023
Profit attributable to equity holders of the parent (in QR)	185,012,156	109,628,571
Weighted average number of shares outstanding as of the year end	1,901,000,000	1,901,000,000
Basic and diluted earnings per share (in QR)	0.097	0.058

30. Related party disclosures

In the normal course of its business, the Group enters into transactions with the parties who fall under the definition of a related party as per IAS 24 "Related party disclosures". Related parties represent major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

Balances and transactions between the Group and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions between the Group, affiliates and Board of Directors are disclosed below. The details of the transactions and the balances with such related parties during the year are as follows:

a) Related party transactions

	2024		2023	
	Sales QR	Purchases QR	Sales QR	Purchases QR
Yemek Doha Catering Services W.L.L.	29,192,389	–	26,079,881	–
Power International Holding W.L.L.	–	12,587,853	–	12,638,492
Urbacon Trading and Contracting W.L.L.	38,200	13,039,120	38,263	14,164,733
Aura Hospitality W.L.L.	6,001,625	1,249,958	7,260,670	–
Elegancia Group W.L.L.	1,724,540	–	1,506,094	–
Joury Tour & Travels W.L.L.	–	2,207,806	–	1,267,365
Stark Security W.L.L.	–	2,096,018	–	1,582,701
Aura Entertainment W.L.L.	729,654	1,780,500	1,662,044	600,000
Mall of Qatar	–	1,000,000	–	–
Aura International for Hospitality W.L.L.	–	153,611	–	–
Elegancia Facility Management Limited W.L.L.	148,153	861,472	–	540,000
Credo Trading Company W.L.L.	–	357,708	–	533,571
General Pension and Social Security Authority	–	279,993	–	294,787
Urbacon Plant, Machinery and Vehicles (A Branch of Urbacon Trading and Contracting Company W.L.L.)	–	117,600	58,650	3,299,533
QA Aura Resturant W.L.L.	100,496	–	284,147	–
Assets Real Estate Development Co. W.L.L.	58,385	11,954	–	8,243
Elegancia Landscape W.L.L.	24,184	17,400	57,395	181,250
Retaj Baywalk Residence W.L.L.	–	50,000	–	60,000
Elegancia Water Solutions W.L.L. (previously Watermaster Qatar W.L.L.)	–	30,700	–	–
Orient Pearl Restaurant W.L.L.	–	28,500	165,365	7,200
Printshop for Printing Services W.L.L.	–	24,881	–	303,525
Newrest Gulf L.L.C.	–	9,000	–	–
Arab Builders W.L.L.	–	–	–	221,162
Sazeli Restaurant W.L.L.	–	–	186,593	–
Damasca Restaurant W.L.L.	–	–	129,117	–
	38,017,626	35,904,074	37,428,219	35,702,562

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b) Due from related parties

	2024 QR	2023 QR
Urbacon Trading and Contracting W.L.L.	32,704,261	44,819,060
Yemek Doha Catering Services W.L.L.	8,579,127	8,191,759
Power International Holding W.L.L.	6,713,303	–
Aura Hospitality and Food Services W.L.L.	4,592,122	14,722,334
Aura Entertainment W.L.L.	2,604,047	3,309,046
Elegancia Group W.L.L.	1,021,513	749,383
Elegancia Landscape W.L.L.	232,520	4,751,560
Sazeli Restaurant W.L.L.	230,816	891,059
Damasca Restaurant W.L.L.	134,091	271,624
Printshop for Printing Services W.L.L.	130,594	155,475
Assets Real Estate Development Co. WLL	44,282	–
Ghassan Khalid Al Salama	26,047	–
Retaj Baywalk Residence W.L.L.	8,000	8,000
QA Aura Restaurant W.L.L.	–	121,132
	57,020,723	77,990,432

c) Due to related parties

	2024 QR	2023 QR
Elegancia Electro Mechanical Services W.L.L.	2,386,868	1,957,475
Elegancia Water Solutions W.L.L. (previously Watermaster Qatar W.L.L.)	479,412	68,800
Golden Bay Trading and Contracting W.L.L.	197,900	–
Elegancia Facility Management W.L.L.	191,320	–
Essa Ahmed Jabor Ali Abdullah	161,776	770,000
Urbacon Plant, Machinery and Vehicles (A Branch of Urbacon Trading and Contracting Company W.L.L.)	117,600	712,055
Joury Tour & Travels W.L.L.	67,035	596,235
Credo Trading Company W.L.L.	32,423	103,971
Aura International for Hospitality Services W.L.L.	25,800	–
Newrest Gulf L.L.C.	9,000	–
Power International Holding W.L.L.	–	440,000
Elegancia Hospitality Services W.L.L.	–	240,001
Ghassan Khalid Al Salama	–	148,525
Elegancia Steel Trading W.L.L.	–	34,585
Assets Real Estate Development Co. W.L.L.	–	9,309
General Pension and Social Security Authority	–	5,775
Others	–	5,825
	3,669,134	5,092,556

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d) Compensation of key management personnel

	2024 QR	2023 QR
Salaries and short-term benefits	12,029,980	12,967,625
Employees' end of service benefits	368,290	1,364,038
	12,398,270	14,331,663

31. Dividend

On 19 March 2024, the General Assembly approved the final dividend of QR 132,119,500, equivalent to QR 0.0695 per share.

32. Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk
- Capital risk

The board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board has established a finance committee which is responsible for developing and monitoring the Group's risk management strategy and policies. The committee reports regularly to the board of directors on its activities. There have been no changes to the Group's exposures to risk or the methods used to measure and manage these risks during the year.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in the light of the risks faced by the Group.

The Group's financial instruments consists mainly of due from related parties, trade and other debit balances, cash and bank balances, financings, bank overdrafts, trade and other credit balances, lease liabilities and due to related parties.

Market risk

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

Currency risk

The Group manages its currency risk by regularly assessing current and expected foreign currency exchange rate movements. Management believes that there is minimal risk of significant losses since most of the foreign currency rates are constant against Qatari Riyal.

Finance rate risk

The Group is exposed to finance rate risk as it borrows funds at both fixed and floating finance rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate.

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For financings, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting finance rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in finance rates.

At 31 December 2024, if finance rates on QR denominated financing had been 25 basis point higher/lower with all other variables held constant, profit for the year would have been QR 5,447,568 (2023: QR 5,204,204) lower/higher, mainly as a result of higher/lower finance expense on financings.

The Group's exposures to finance rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty.

Credit risk arises on trade receivables, government support, due from related parties and bank balances.

The credit risk on bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. Bank balances are held with reputed banks in and outside Qatar. Given this, management do not expect these banks to fail on their obligations.

Trade receivables have adopted the same simplified approach and loss allowance is calculated based on lifetime expected credit losses. Contract assets and trade receivables are determined to have the same credit risk exposures as fundamentally based on the same customers.

The Group's maximum exposure to credit risk as at the reporting date is the carrying amount of its financial assets, which are the following:

2024	Note	12 month or lifetime ECL	Gross carrying amount QR	Loss allowance QR	Net carrying amount QR
Trade receivables	19	Lifetime ECL	115,537,249	(1,484,547)	114,052,702
Government support	19	Lifetime ECL	104,933,491	–	104,933,491
Due from related parties	30	Lifetime ECL	57,020,723	–	57,020,723
Bank balances	20	12-month ECL	27,096,261	–	27,096,261
			304,587,724	(1,484,547)	303,103,177

2023	Note	12 month or lifetime ECL	Gross carrying amount QR	Loss allowance QR	Net carrying amount QR
Trade receivables	19	Lifetime ECL	117,216,079	(1,484,636)	115,731,443
Government support	19	Lifetime ECL	110,079,177	–	110,079,177
Due from related parties	30	Lifetime ECL	77,990,432	–	77,990,432
Bank balances	20	12-month ECL	58,780,082	–	58,780,082
			364,065,770	(1,484,636)	362,581,134

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Trade receivables

The following table provides information about the exposure to credit risk and ECLs for trade receivables from customers as at 31 December.

2024	Days past due						Total QR
	Upto 30 days QR	31-60 days QR	61-90 days QR	91-120 days QR	121-365 days QR	Over 365 days QR	
Expected credit loss rate	–	–	15%	72%	100%	100%	
Gross carrying amount	100,188,320	10,379,569	3,988,722	367,322	438,075	175,241	115,537,249
Loss allowance	–	–	(605,340)	(265,891)	(438,075)	(175,241)	(1,484,547)
Net trade receivables	100,188,320	10,379,569	3,383,382	101,431	–	–	114,052,702

2023	Days past due						Total QR
	Upto 30 days QR	31-60 days QR	61-90 days QR	91-120 days QR	121-365 days QR	Over 365 days QR	
Expected credit loss rate	–	–	–	–	29%	100%	
Gross carrying amount	108,275,513	2,660,393	1,734,075	1,089,509	2,784,227	672,362	117,216,079
Loss allowance	–	–	–	–	(812,274)	(672,362)	(1,484,636)
Net trade receivables	108,275,513	2,660,393	1,734,075	1,089,509	1,971,953	–	115,731,443

Due from related parties

Management believes that there is no credit risk from the due from the related parties, because these counter parties are under the control of the shareholders of the Group. As a result, they did not record any allowance for impairment loss under the ECL for the current year and previous year.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below summarises the maturities of the Group's financial liabilities at 31 December 2024 and 2023:

2024	Less than 1 year QR	Between 1 and 2 years QR	Between 2 and 5 years QR	Over 5 years QR	Total QR
	Financings	296,406,257	150,814,783	489,944,342	1,066,763,640
Bank overdraft	175,098,166	–	–	–	175,098,166
Trade and other credit balances	212,831,282	–	–	–	212,831,282
Due to related parties	3,669,134	–	–	–	3,669,134
Lease liabilities	9,114,108	9,547,346	30,940,821	62,236,696	111,838,971
	697,118,947	160,362,129	520,885,163	1,129,000,336	2,507,366,575

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2023	Less than 1 year QR	Between 1 and 2 years QR	Between 2 and 5 years QR	Over 5 year QR	Total QR
Financings	273,213,648	182,100,000	372,300,000	1,166,422,007	1,994,035,655
Bank overdraft	87,645,775	–	–	–	87,645,775
Trade and other credit balances	260,563,345	–	–	–	260,563,345
Due to related parties	5,092,556	–	–	–	5,092,556
Lease liabilities	10,119,346	9,144,479	29,729,769	73,069,422	122,063,016
	636,634,670	191,244,479	402,029,769	1,239,491,429	2,469,400,347

Capital risk

The Group's objective when managing capital is to ensure its ability to maintain a strong credit rating and healthy capital ratios in order to support its business to provide returns for its shareholders and to provide best returns on capital investment by pricing goods and services commensurately with the level of risk.

The Group sets the amount of capital funds in accordance with the planned level of operations and in proportion to the levels of risk. The Group manages the shareholder's funds and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholder, return capital to shareholder, issue new shares or realise assets in order to reduce debt. The Group's equity comprises share capital, legal reserve, retained earnings, acquisition reserve, non-controlling interest and is measured at QR 2,407,041,563 (2023: QR 2,358,124,091).

The Group is not subject to externally-imposed capital requirements.

33. Segment reporting

The Group has single significant business operation which is an agricultural activity of production and sales of dairy product in addition to other related products and activities. All other business segments are not significant.

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34. Fair value measurements

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the financial assets held at fair value through profit of loss and biological assets by following valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at 31 December, the Group held the following financial and non-financial assets measured at fair value:

	2024 QR	Level 1 QR	Level 2 QR	Level 3 QR
Financial assets				
Financial investments held at fair value through profit or loss	523,694,449	523,694,449	–	–
Non-financial assets				
Biological assets	177,387,580	–	177,387,580	–

	2023 QR	Level 1 QR	Level 2 QR	Level 3 QR
Financial assets				
Financial investments held at fair value through profit or loss	371,841,124	371,841,124	–	–
Non-financial assets				
Biological assets	198,711,094	–	198,711,094	–

Biological assets are measured at fair value less cost to sell, based on local and international market prices, whenever available, of livestock of similar age, breed and genetic merit with adjustments, where necessary, to reflect the differences.

The fair value of immature livestock is determined by reference to meat price of veal, adjusted to reflect the age of the calves and to the landed cost of a heifer by reference to the recent purchases of the Group. The fair value of mature cows is determined by reference to latest landed cost of a heifer by reference to the recent purchases adjusted to reflect the decline in productivity through the lactation cycles, the meat price at the point of slaughter.

During the year ended to 31 December 2024, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements on biological assets. There were no movements within Level 3 fair value measurements.

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FOR THE YEAR ENDED 31 DECEMBER 2024

35. Commitments and contingencies

As at 31 December 2024, the Group has contingent liabilities in respect of various banks' letters of credit and other guarantees arising in the ordinary course of business from which it is anticipated that no material liabilities will arise are as follows:

	2024 QR	2023 QR
Guarantees and letters of credit	66,724,202	46,069,045

36. Social and sports fund

In accordance with Law No. 13 of 2008, the Group is required to provide a provision for the support of sports, social, cultural, and charitable activities with an amount equivalent to 2.5% of the annual net profit. This social and sports contribution is considered as an appropriation of retained earnings of the Group and presented in the consolidated statement of changes in shareholders equity.

37. Subsequent events

There were no significant events after the reporting date, which have a bearing on these consolidated financial statements.

38. Comparative figure

Certain comparative amounts in the Group's consolidated financial statements and notes to the consolidated financial statements have been reclassified to conform to the current year's presentation.

a) The following reclassifications were made in the consolidated statement of profit or loss and other comprehensive income to better align the expenses within the relevant functional areas.

	31 December 2023 (Previously reported) QR	Reclassification QR	31 December 2023 (Reclassified) QR
Cost of revenue	846,354,708	16,758,529	863,113,237
Selling and distribution expenses	85,289,624	3,766,495	89,056,119
General and administrative expenses	93,811,096	(20,525,024)	73,286,072
	1,025,455,428	-	1,025,455,428

The summary of reclassification is as below.

i) Reclassification of depreciation of right-of-use assets.

	31 December 2023 (Previously reported) QR	Reclassification QR	31 December 2023 (Reclassified) QR
Cost of revenue	-	9,127,187	9,127,187
Selling and distribution expenses	-	3,615,756	3,615,756
General and administrative expenses	12,817,283	(12,742,943)	74,340
	12,817,283	-	12,817,283

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ii) Reclassification of insurance expenses.

	31 December 2023 (Previously reported) QR	Reclassification QR	31 December 2023 (Reclassified) QR
Cost of revenue (production related indirect expenses)	18,964,582	(221,813)	18,742,769
Cost of revenue (insurance expenses)	-	8,003,894	8,003,894
General and administrative expenses	8,462,758	(7,782,081)	680,677
	27,427,340	-	27,427,340

iii) Reclassification of selling and distribution related employee costs.

	31 December 2023 (Previously reported) QR	Reclassification QR	31 December 2023 (Reclassified) QR
Cost of revenue (direct wages)	90,044,618	(150,739)	89,893,879
Selling and distribution expenses (staff costs)	43,619,376	150,739	43,770,115
	133,663,994	-	133,663,994

b) Further, the receivables from Widam Food Company Q.P.S.C. were reclassified from amounts due from related parties to trade receivables in the consolidated statement of financial position.

	31 December 2023 (Previously reported) QR	Reclassification QR	31 December 2023 (Reclassified) QR
Trade and other debit balances	408,503,392	1,798,459	410,301,851
Due from related parties	79,788,891	(1,798,459)	77,990,432
	488,292,283	-	488,292,283

These reclassifications are made purely for presentation purposes and do not impact the Group's total assets, total liabilities, or net profit for the period. Management believes that these adjustments provide a clearer and more accurate representation of the consolidated financial statements.



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