Baladna Q.P.S.C.

CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2025

ERNST & YOUNG (QATAR BRANCH)
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INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF BALADNA Q.P.S.C.

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 as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

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 Standard Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code")* as applicable to audits of consolidated financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the consolidated financial statements of public interest entities in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter
The consolidated financial statements of the Group as at and for the year ended 31 December 2024 were audited by another auditor, whose audit report dated 6 February 2025, expressed an unmodified audit opinion on those consolidated financial statements.

Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. 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. For each matter below our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF BALADNAQ.P.S.C. (CONTINUED)

Report on the audit of the consolidated financial statements (continued)

Key audit matters (continued)

<table>
<tr><th>Key audit matter</th><th>How our audit addresses the key audit matter</th></tr>
<tr><td colspan="2">Valuation of biological assets</td></tr>
<tr><td>
The Group holds biological assets that are measured at fair value. As at 31 December 2025, the fair value of the Group’s biological assets amounted to QR 194.1 million (2024: QR 177.4 million). For the year ended 31 December 2025, the Group recognised a net fair value gain of QR 56.4 million (2024: QR 45.3 million).
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.
We identified the valuation of biological assets as a Key Audit Matter as 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.
The Group’s accounting policies, together with the related judgements, estimates, and disclosures, are presented in Note 3, Note 15, and Note 34 to the consolidated financial statements.
</td><td>
Our audit procedures included the following key areas, among others:

We performed walkthrough procedures and obtained understanding of the controls relating to the valuation of biological assets. We also checked the management’s process for collecting information to support the key assumptions and inputs used in the valuation of biological assets and assessed the appropriateness of information based on our knowledge of the Group and other audit procedures performed.
We reconciled the biological assets subledger with the general ledger account balances and. investigated any unusual and reconciling items based on the established testing threshold.
We attended the physical count of biological assets and observed the count process. Further, we obtained count results and compared with general ledger and sub ledger.
We assessed on a sample basis, the input data used in the valuations of biological assets, including landed cost, breeding costs, number of lactation cycles and culling rates, based on available historical data.
We assessed the adequacy of the related disclosures in the consolidated financial statements, including the disclosure of key assumptions and judgments.

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INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF BALADNAQ.P.S.C. (CONTINUED)

Report on the audit of the consolidated financial statements (continued)

Key audit matters (continued)

<table>
<tr><th>Key audit matter</th><th>How our audit addresses the key audit matter</th></tr>
<tr><td colspan="2">Property, plant and equipment</td></tr>
<tr><td>
As at 31 December 2025, the Group’s property, plant and equipment (“PPE”) amounted to QR 3,285,605,491 (2024: QR 3,188,264,216), representing 53.79% of the Group’s total assets (2024: 65.06%).
The major classes of PPE include land, buildings and structures, production machinery, and capital work in progress, which are fundamental to the Group’s dairy, juice and related production activities.
We identified PPE as a Key Audit Matter due to its significance to the Group’s total asset base and the scale of ongoing capital investments supporting core operations. The magnitude of these balances required increased auditor attention, including assessing the existence and valuation of assets and evaluating the appropriateness of capitalisation and depreciation policies applied by management.
The Group’s accounting policies relating to property, plant and equipment and the related disclosures are presented in Note 3 and Note 11 to the consolidated financial statements
</td><td>
Our audit procedures included the following key areas, among others:

We performed walkthrough procedures and obtained understanding of the controls relating to the PPE including capitalization, depreciation, depreciation methods, useful lives, and residual values , retirement and impairment review process.
We read and understood Group’s internal controls and accounting policies related to the recognition, capitalisation, depreciation, and impairment assessment of PPE
We performed test of controls relating to additions to PPE by inspecting supporting documentation such as contracts, purchase invoices, payment evidence, and internal approvals to determine whether the expenditures had been appropriately capitalized.
We checked the capital work in progress by reviewing project status and management’s assessment of when assets are ready for their intended use.
We checked the depreciation methods, useful lives, and residual values applied to significant categories of assets and assessing whether they reflect the pattern of economic benefits derived from those assets and appropriateness.
We checked whether there are any indicators of impairment existed for major asset groups and reviewing the reasonableness of management’s judgments in this area.
We reviewed the consolidated financial statement disclosures to assess whether the information presented regarding PPE, related judgements, and estimates was complete and appropriate

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INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF BALADNAQ.P.S.C. (CONTINUED)

Report on the audit of the consolidated financial statements (continued)

Other information included in the Group's 2025 Annual Report
Other information consists of the information included in the Group's 2025 Annual Report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Group's 2025 Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance 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.

Responsibilities of management and the Board of Directors for the consolidated financial statements
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, 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.

The Board of Directors is 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.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF BALADNAQ.P.S.C. (CONTINUED)

Report on the audit of the consolidated financial statements (continued)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors 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 the Board of Directors 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, 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 auditor's report unless law or regulation precludes 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 legal and other regulatory requirements

Furthermore, in our opinion, proper books of account have been kept by the Company, an inventory count has been conducted in accordance with established principles and the consolidated financial statements comply with the Qatar Commercial Companies' Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No. 8 of 2021 and the Company's Articles of Association. We have obtained all the information and explanations we required for the purpose of our audit, and are not aware of any violations of the above mentioned law or the Articles of Association having occurred during the year, which might have had a material adverse effect on the Group's financial position or performance.

Ahmed Sayed

Ahmed Sayed
of Ernst and Young
Auditor's Registration No. 326

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Date: 11 February 2026
Doha

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

	Notes	***2025*** ***QR***	*2024* *QR*
Revenue from contract with customers	4	**1,267,847,003**	1,145,227,183
Cost of sales	5	**(938,068,987)**	(884,890,199)
GROSS PROFIT		**329,778,016**	260,336,984
Other income	6	**93,232,041**	114,170,691
Gain on investment in financial assets at fair value through profit or loss	14	**408,007,466**	37,956,908
Selling and distribution expenses	7	**(95,389,019)**	(92,919,349)
General and administrative expenses	8	**(81,298,969)**	(74,436,384)
Net write off of advances for projects		**(35,789,509)**	-
Operating profit for the year		**618,540,026**	245,108,850
Finance cost	9	**(78,471,415)**	(58,915,256)
Profit before income tax		**540,068,611**	186,193,594
Income tax expense	10	**(1,293,253)**	(893,288)
NET PROFIT FOR THE YEAR		**538,775,358**	185,300,306
Net profit for the year attributable to:			
Equity holders of the parent		**539,736,320**	185,012,156
Non-controlling interests		**(960,962)**	288,150
		538,775,358	185,300,306
Basic and diluted earnings per share			
Basic and diluted earnings per share (2024: restated)	26	**0.252**	0.086

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The attached notes from 1 to 36 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	2025	*2024*
	QR	*QR*
Profit for the year	**538,775,358**	185,300,306
Other comprehensive income		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):		
Exchange difference on translation of foreign operation	**(198,961)**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**538,576,397**	185,300,306
Total comprehensive income for the year attributable to:		
Equity holders of the parent	**539,537,359**	185,012,156
Non-controlling interests	**(960,962)**	288,150
	538,576,397	185,300,306

The attached notes from 1 to 36 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31 December 2025

	Notes	2025 QR	2024 QR
ASSETS			
Non-current assets			
Property, plant and equipment	11	**3,285,605,491**	3,188,264,216
Right-of-use assets	12	**105,276,839**	110,394,944
Intangible assets	13	**4,914,015**	7,948,693
Investments in financial assets at fair value through profit or loss	14	**994,476,800**	523,694,449
Biological assets	15	**193,661,272**	176,904,780
Goodwill	16	**6,792,635**	6,792,635
Advance to suppliers	18	**372,583,615**	-
Other non-current assets		**3,524,427**	-
		4,966,835,094	4,013,999,717
Current assets			
Inventories	17	**400,494,534**	430,058,802
Trade and other receivables	18	**336,242,665**	404,279,931
Biological assets	15	**446,200**	482,800
Due from related parties	27	**29,457,007**	24,316,462
Cash and bank balances	19	**374,789,122**	27,623,729
		1,141,429,528	886,761,724
TOTAL ASSETS		**6,108,264,622**	4,900,761,441

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At 31 December 2025

	Notes	*2025 QR*	*2024 QR*
EQUITY AND LIABILITIES			
Equity			
Share capital	20	**2,143,984,962**	1,901,000,000
Legal reserve	21	**120,595,369**	66,621,737
Acquisition reserve	22	**201,123,011**	201,123,011
Retained earnings		**464,569,931**	235,285,613
Translation reserves		**(198,961)**	-
Equity attributable to equity holders of the parent		**2,930,074,312**	2,404,030,361
Non-controlling interests	30	**390,288,880**	3,011,202
TOTAL EQUITY		**3,320,363,192**	2,407,041,563
LIABILITIES			
Non-current liabilities			
Islamic financing contracts	23	**1,939,005,167**	1,707,522,765
Employees' end of service benefits	24	**22,244,706**	19,057,564
Lease liabilities	12	**87,245,526**	78,041,691
		2,048,495,399	1,804,622,020
Current liabilities			
Bank overdraft	19	**21,022,878**	104,846,659
Islamic financing contracts	23	**508,338,571**	366,657,764
Trade and other payables	25	**201,963,875**	212,831,282
Lease liabilities	12	**83,316**	77,030
Due to related parties	27	**7,997,391**	4,685,123
		739,406,031	689,097,858
TOTAL LIABILITIES		**2,787,901,430**	2,493,719,878
TOTAL EQUITY AND LIABILITIES		**6,108,264,622**	4,900,761,441

These consolidated financial statements were approved and authorized for issuance by the Board of Directors on 11 February 2026 and signed on their behalf by:

Mr. Ramez Mhd Ruslan Al Khayat Managing Director	Mr. Marek Warzywoda Group Chief Executive Officer	Mr. Saifullah Khan Group Chief Financial Officer

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Attributable to the equity holders of the Parent							
	Share capital QR	*Legal reserve QR*	*Acquisition reserve QR*	*Retained earnings QR*	*Translation reserve 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
Profit for the year	-	-	-	185,012,156	-	185,012,156	288,150	185,300,306
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	185,012,156	-	185,012,156	288,150	185,300,306
Dividend (Note 28)	-	-	-	(132,119,500)	-	(132,119,500)	-	(132,119,500)
Increase in investment	-	-	-	-	-	-	361,970	361,970
Transfer to legal reserve (Note 21)	-	18,501,216	-	(18,501,216)	-	-	-	-
Transfer to social and sport fund (Note 29)	-	-	-	(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
Incorporation of a subsidiary	-	-	-	-	-	-	388,166,140	388,166,140
Increase in investment	-	-	-	-	-	-	72,500	72,500
Profit for the year	-	-	-	539,736,320	-	539,736,320	(960,962)	538,775,358
Other comprehensive income	-	-	-	-	(198,961)	(198,961)	-	(198,961)
Total Comprehensive income for the year	-	-	-	539,736,320	(198,961)	539,537,359	(960,962)	538,576,397
Bonus share issued (Note 28)	242,984,962	-	-	(242,984,962)	-	-	-	-
Transfer to legal reserve (Note 21)	-	53,973,632	-	(53,973,632)	-	-	-	-
Transfer to social and sport fund (Note 29)	-	-	-	(13,493,408)	-	(13,493,408)	-	(13,493,408)
As at 31 December 2025	**2,143,984,962**	**120,595,369**	**201,123,011**	**464,569,931**	**(198,961)**	**2,930,074,312**	**390,288,880**	**3,320,363,192**

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The attached notes from 1 to 36 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	Notes	***2025*** ***QR***	*2024* *QR*
OPERATING ACTIVITIES			
Profit before tax for the year		**540,068,611**	186,193,594
Adjustments for:			
Depreciation of property, plant and equipment	11	**136,468,596**	120,264,308
Depreciation of right-of-use assets	12	**11,825,665**	11,122,165
Amortization of intangible assets	13	**3,272,968**	3,422,895
Provision for employees' end of service benefits	24	**5,391,918**	5,193,918
(Reversal) / allowance for expected credit losses	18	**(75,433)**	78,561
Provision of slow-moving inventories	17	**1,000,000**	5,472,343
Gain on disposal of property, plant and equipment	6	**(196,925)**	(123,585)
Gain on investments in financial assets at fair value through profit or loss	14	**(408,007,466)**	(37,956,908)
Dividend income	6	**(3,299,277)**	(2,224,890)
Net fair value gain on biological assets	15	**(56,413,733)**	(45,297,535)
Loss from death and disposal of livestock		**12,059,179**	16,174,161
Finance cost	9	**78,471,415**	58,915,256
Net write off of advances for projects		**35,789,509**	-
Operating cashflow before working capital changes		**356,355,027**	321,234,283
Changes in:			
Inventories		**28,564,268**	(35,201,750)
Due from related parties		**(5,140,545)**	53,673,970
Trade and other receivables		**17,323,190**	6,716,851
Due to related parties		**3,312,268**	(407,433)
Trade and other payables		**(7,314,321)**	2,640,795
Cash generated from operating activities		**393,099,887**	348,656,716
Employees' end of service benefit paid	24	**(2,204,776)**	(2,138,322)
Finance cost paid		**(116,296,565)**	(120,975,266)
Finance cost on lease liabilities paid		**(322,970)**	(2,179,581)
Income tax paid		**(952,674)**	(213,959)
Net cash generated from operating activities		**273,322,902**	223,149,588
INVESTING ACTIVITIES			
Additions to property, plant and equipment	11	**(227,489,513)**	(112,991,577)
Proceeds from disposal of property, plant and equipment		**781,856**	717,366
Additions to intangible assets	13	**(29,894)**	(1,090,630)
Net movement in advance to suppliers – non-current		**(372,583,615)**	-
Acquisition of financial assets at fair value through profit or loss	14	**(62,774,885)**	(116,108,854)
Disposal of financial assets at fair value through profit or loss	14	**-**	2,212,437
Dividend received		**3,299,277**	2,224,890
Additions to biological assets	15	**(34,581,698)**	-
Additions to other non-current assets		**(3,524,427)**	-
Movement in biological assets		**62,216,360**	50,446,888
Net cash used in investing activities		**(634,686,539)**	(174,589,480)

The attached notes from 1 to 36 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended 31 December 2025

	Note	2025 QR	2024 QR
FINANCING ACTIVITIES			
Net movement in Islamic financing		**406,777,235**	80,144,874
Payment of principal portion of lease liabilities		**(77,030)**	(43,944,295)
Change in non-controlling interest		**386,945,387**	361,970
Dividend paid		**(1,093,820)**	(134,411,095)
Net movement in restricted bank balances		**(129,845,288)**	(10,287,484)
Net cash from / (used in) financing activities		**662,706,484**	(108,136,030)
Net increase / (decrease) in cash and cash equivalents		**301,342,847**	(59,575,922)
Foreign exchange differences		**(198,961)**	-
Cash and cash equivalents at 1 January		**(92,941,383)**	(33,365,461)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	19	**208,202,503**	(92,941,383)

Non-cash transactions:

Borrowing costs capitalized to property, plant and equipment amounted to QR 7,113,685 (2024: QR 10,080,203) has been adjusted with finance cost as non-cash transactions.

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1 CORPORATE INFORMATION AND PRINCIPAL ACTIVITIES

Baladna Q.P.S.C. (the "Company" or the "Parent") was incorporated 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 Alhawaya Farm, State of Qatar.

The principal activities of the Company and its subsidiaries (together referred as the "Group") are agricultural activities of production and sales of milk, juice, slaughter of animal, sale of meats and detergent. The Group is also engaged in the investment and management of agricultural projects, along with investments outside the State of Qatar.

2 BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Parent and its all subsidiaries as at 31 December at each year. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee,
including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses 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. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent 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 in line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2 BASIS OF CONSOLIDATION (CONTINUED)

These consolidated financial statements comprise of the financial statements of the Company and its subsidiaries (collectively, the "Group") as at 31 December 2025 as follows. The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company using consistent accounting policies.

Subsidiary Name	***Country of incorporation***	***Percentage of effective control***	
		2025	***2024***
Baladna Food Industries W.L.L. (Note i)	Qatar	**100%**	100%
Baladna Food Trading W.L.L. (Note ii)	Qatar	**100%**	100%
Baladna Business and Trading L.L.C. (Note iii)	Oman	**100%**	100%
Awafi W.L.L. (Note iv)	Qatar	**100%**	100%
Baladna for Trading and Investment W.L.L. (Note v)	Qatar	**100%**	100%
Agrocare Development S.R.L (Note vi)	Romania	**100%**	100%
E-Life Detergent Factory W.L.L. (Note vii)	Qatar	**75%**	75%
Baladna for Trading and Investment L.L.C. (QFC) (Note viii)	Qatar	**100%**	100%
Baladna Algeria S.P.A. *(ix)*	Algeria	**51%**	**-**
Qatar Vision for Support and Services *(x)*	Egypt	**100%**	**-**
Baladna Food Industries L.L.C. *(xi)*	Syria	**100%**	**-**

Notes:

(i) Baladna Food Industries W.L.L. is a limited liability company registered in the State of Qatar under Commercial Registration No. 64756 and is 100% owned by Baladna Q.P.S.C. The principal activity is production and sales of milk, juice, slaughter of animal and sale of meats.

(ii) Baladna Food Trading W.L.L. is a limited liability company registered in the State of Qatar under Commercial Registration No. 133592 and is 100% owned by Baladna Food Industries W.L.L. The principal activity is trading in the food materials.

(iii) Baladna Business and Trading L.L.C. is a limited liability registered in the Sultanate of Oman incorporated 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.

(iv) Awafi W.L.L. is a limited liability company registered in the State of Qatar under Commercial Registration No. 141419 and is 100% owned by Baladna Q.P.S.C. The principal activity is trading in food materials, packaging and dairy products.

(v) Baladna for Trading and Investment W.L.L. is a limited liability company registered in the State of Qatar under Commercial Registration No. 157435 and is 100% owned by Baladna Q.P.S.C. The principal activity is trading feed, investment and management of agricultural projects and investment outside Qatar.

(vi) Agrocare Development S.R.L. is a limited liability company registered in Romania under Commercial Registration No. 593753 and is 100% owned by Baladna for Trading and Investment W.L.L. The principal activity of the company is growing of cereals, leguminous Crops and Oil Seeds.

(vii) E-Life Detergent Factory W.L.L. is a limited liability Company registered in the State of Qatar under Commercial Registration No. 106993 and is 75% owned by Baladna Food Industries W.L.L. During the year, there was an increase in the investment amounting to QR 290,000 (2024: QR 1,447,875). The principal activity is trading in medical cosmetics and production of liquid and powder detergents.

(viii) Baladna for Trading and Investment L.L.C, is a limited liability company registered in the State of Qatar under Qatar Financial Centre Authority License No. 02713 and is 100% owned by Baladna Q.P.S.C. 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, sale of meat and detergent.

2 BASIS OF CONSOLIDATION (CONTINUED)

Notes: (continued)

(ix) Baladna Algeria S.P.A. is a joint stock Company registered in Algeria under Commercial Registration No. 16/00-1282922B25. It is 51% owned by Baladna for Trading and Investment L.L.C. The principal activities are agricultural production and sales of powder milk.

(x) Qatar Vision for Support and Services. is a limited liability Company registered in Egypt under Commercial Registration No. 272138 and is 100% owned by Baladna for Trading and Investment L.L.C. The company's principal activities are providing technical support and related consulting services, excluding legal consulting, valuation-related studies for capital increases or acquisitions, and financial consulting on securities.

(xi) Baladna Food Industries L.L.C is a limited liability Company registered in Syria under Commercial Registration No. 341 and is 99% owned by Baladna for Trading and Investment L.L.C. and 1% owned by Baladna Food Industries W.L.L. The principal activities of the company are the production and sale of dairy products, beverages, and fruit-based items, along with related wholesale, retail, import, export, and related activities.

3 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

The consolidated financial statements have been prepared on a historical cost basis except for investment in financial assets at fair value through profit or loss and biological assets which have been measured at fair value.

These consolidated financial statements have been prepared in Qatari Riyals ("QR"), which is the Group's functional and presentation currency.

3.2 Statement of compliance

The consolidated financial statements are in compliance with the requirements of the Commercial Companies Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No.8 of 2021 and the Company's Articles of Association.

3.3 New and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial period, except for the following new and amended standard and amendment, which are effective for annual periods beginning on or after 1 January 2025. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Content	***Effective date***
Lack of exchangeability – Amendments to IAS 21	1 January 2025

Lack of exchangeability – Amendments to IAS 21
For annual reporting periods beginning on or after 1 January 2025, Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments did not have any impact on the Group's financial statements.

3 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.4 New and amended standards issued but not yet effective and not early implemented

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Content	***Effective date***
Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
Amendments to IFRS 9 & IFRS 7 – Classification and Measurement of Financial Instruments	1 January 2026
Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7	1 January 2026
IFRS 18 - Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	1 January 2027

The Group did not early adopt any other standards, interpretations or amendments that have been issued but are not yet effective.

3.5 Material accounting policy information

Business combinations and goodwill
Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After 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 that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

3 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Material accounting policy information (continued)

Business combinations and goodwill (continued)
Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Non-controlling interests
Non-controlling interests represent the portion of profit or loss and net assets not owned, directly or indirectly, by the Group and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position, separately from parent partners' equity. Acquisitions of non-controlling interests are accounted for using the parent entity extension method, whereby, the difference between the consideration and the fair value of the share of the net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired (i.e. a discount on acquisition) is recognised directly in the consolidated statement of profit or loss and other comprehensive income in the year of acquisition.

Revenue from contracts with customers

Sale of dairy, livestock for meat and consumables
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 at point in time when control of goods or services are transferred to the customer, generally upon delivery of the goods and acceptance by the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services.

The Group has concluded that it is the principal in its revenue arrangements because it typically controls the products before transferring them to the customer.

Products are sold principally on a sale or return basis. Allowances for expected sales returns are calculated based on the forecasted return of expired products based on historical experience. Expected sales returns are netted off against revenue with the corresponding impact in trade and other payables.

Variable consideration
If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with a right to return the goods within a specified period. The Group also provides retrospective volume rebates to certain customers once the quantity of goods purchased during the period exceeds the threshold specified in the contract. The rights of return and volume rebates give rise to variable consideration.

Right of return
The Group uses the expected value method to estimate the variable consideration given the large number of contracts that have similar characteristics. The Group then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability is recognised for the goods that are expected to be returned (i.e., the amount not included in the transaction price). A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover the goods from the customer.

Volume rebates
The Group applies either the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value method is used for those with more than one volume threshold.

3 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Material accounting policy information (continued)

Revenue from contracts with customers (continued)

Volume rebates (continued)
The Group then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability is recognised for the expected future rebates (i.e., the amount not included in the transaction price).

Contract balances

Trade receivables
A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities
A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Assets and liabilities arising from rights of return
Right of return assets
A right of return asset is recognised for the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods and any potential decreases in value. The Group updates the measurement of the asset for any revisions to the expected level of returns and any additional decreases in the value of the returned products.

Refund liabilities
A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Group’s refund liabilities arise from customers’ right of return and volume rebates. The liability is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Other income
Other income represents income generated by the Group that arises from activities outside of the principal activities of the Group. Key components of other income are recognised as follows:

Government grants/support
Government grants are recognized when there is reasonable assurance that grants will be received and the Group will comply with all conditions attached to the grants. When the grants relates to an asset, it is recognised as income in equal amount over the expected useful life of the related assets.

The Group receives government grant related to the investments made in the field of dairy production in the State of Qatar. Government grant 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.

The Group has elected to present the grant in the consolidated statement of financial position which is recognised in the conolidated statement of profit or loss and other comprehensive income on a systematic and rational basis.

Rental income
Rental income arising from operating leases on properties is accounted for on a straight-line basis over the lease terms.

Dividend income
Dividend income is recognised when the Group’s right to receive the dividend is established.

3 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Material accounting policy information (continued)

Finance cost

Finance costs are costs that the Group incurs in connection with the borrowing of funds and lease liabilities. The Group recognises it as an expense in the period incurred. The Group capitalises financing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. A qualifying asset for finance cost capitalisation is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

The Group begins capitalising financing costs as part of the cost of a qualifying asset on the commencement date. The commencement date for capitalisation is the date when the Group first meets all of the following conditions:

a) incurs expenditures for the asset;
b) incurs borrowing costs; and
c) 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 financing costs eligible for capitalisation as the actual financing costs incurred on that financing during the period less any investment income on the temporary investment of those financings, if any. The financing costs applicable to the financing of the Group that are outstanding during the period, are capitalised by applying a capitalisation rate to the expenditures on that asset.

The amount of financing costs that the Group capitalises during the period is not to exceed the amount of financing costs it incurred during that period. The Group suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset, and ceases capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

BEPS Pillar Two

On 27 March 2025, the State of Qatar published Law No. (22) of 2024 amending the Income Tax Law No. (24) of 2018 in the Official Gazette. These amendments introduce an Income Inclusion Rule (IIR) and a Domestic Minimum Top-up Tax (DMTT) applicable to multinational groups, in accordance with the Base Erosion and Profit Shifting (BEPS) Pillar Two Global Anti-Base Erosion framework (GloBE Rules or Pillar Two). The GloBE Rules in Qatar are effective for accounting periods beginning on or after 1 January 2025.

These rules incorporate various mechanisms that were introduced into domestic legislation with the aim to ensure that large multinational enterprises maintain a minimum effective tax rate of 15% calculated on the profits in every jurisdiction that they operate.

The Group has performed a preliminary assessment on the applicability of the GloBE Rules and assessed that it does not meet the requirements. Accordingly, the Group is out of scope of Pillar Two and is not subject to Pillar Two top up taxes for the year ended 31 December 2025.

The Group will continue to monitor developments in Pillar Two tax legislation and related regulations in Qatar and other jurisdictions in which it operates. The Group will continue to assess the applicability of the GloBE Rules and evaluate any potential future impact on its consolidated income statement, financial position and cash flows should circumstances change.

3 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Material accounting policy information (continued)

Taxation (continued)

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences,

- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Material accounting policy information (continued)

Foreign currency transactions
The Group’s consolidated financial statements are presented in Qatari Riyals, which is also the parent company’s functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions in foreign currencies are initially recorded by the Group’s entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

On consolidation, the assets and liabilities of foreign operations are translated into Qatari Riyals at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Property, plant and equipment
Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

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

Land and capital work-in-progress are not depreciated.

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 year in which the change has occurred and for each future year 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.

3 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Material accounting policy information (continued)

Property, plant and equipment (continued)
Capital work-in-progress comprises cost incurred for property, plant and equipment and 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 con statement of profit or loss and other comprehensive income in the year the asset is derecognised.

Leases
The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee
The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets
The Group recognises right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Buildings	10 years
Lands	5-48 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are recorded in a separate line item in the consolidated statements of financial position under current and non-current.

3 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Material accounting policy information (continued)

Leases (continued)

Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

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.

The useful lives of intangible assets are assessed as either finite or indefinite.

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.

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 consolidated statement of profit or loss and other comprehensive income when the asset is derecognised.

Amortisation is calculated using the straight-line method. The amortization expense on intangible assets with finite lives is recognised as an expense in the consolidated statement of profit or loss and other comprehensive income.

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 consolidated income statement when the asset is derecognised.

Amortisation is calculated on a straight-line basis over the estimated useful economic life of the assets as follows:

Trademark/license	3 to 10 years

Biological assets
Biological asset is a living animal or plant. Biological assets of the Group consist of cows. Biological assets are measured at fair value less cost to sell except when fair value cannot be measured reliably. Where 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.

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 the 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.

The Group expenses out all the costs incurred in raising immature biological assets and appreciates their values from birth till their first calving considering the costs incurred on rearing or raising them to their respective age. The appreciation is carried out on a basis considering that immature biological assets would mature by the age of 25 months by benchmarking on the cost incurred to acquire the biological assets.

Once the biological asset is matured and enters the lactation cycle it is depreciated on a straight-line basis over 5 lactation cycles till it reached its residual value.

3 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Material accounting policy information (continued)

Impairment of non-financial assets
The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

Impairment losses are recognised in the consolidated statement of profit or loss and other comprehensive income in those expense categories consistent with the function of the impaired asset, except for assets previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation. An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit or loss and other comprehensive income unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Financial instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income "(OCI)", and fair value through profit or loss.

Classification
The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Business model: the business model reflects how the Group manages the assets in order to generate cash flows. That is, whether the Group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at fair value through profit or loss ('FVTPL"). Factors considered by the Group in determining the business model for a Group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

3 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)
SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at Fair value through profit or loss "(FVTPL)".

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)
The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate "(EIR)" method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost include trade receivables, amount due from related parties, government support, accrued income, staff receivables, other receivables, bank balances and cash.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised as other income in the statement of profit or loss and other comprehensive income when the right of payment has been established.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

3 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Derecognition (continued)
When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets
The Group recognises an allowance for expected credit losses "(ECLs)" for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, staff receivables, other receivables, government support, accrued income, and amount due from related parties, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, Islamic financing contracts, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of Islamic financing contracts and payables, net of directly attributable transaction cost.

The Group's financial liabilities include trade payable, amount due to related parties, Islamic financing contracts, bank overdraft, lease liabilities, accrued expenses and other payables.

Subsequent measurement
The measurement of financial liabilities depends on their classification.

Islamic financing contracts (Amortised cost)
This is the category most relevant to the Group. After initial recognition, finance-bearing Islamic financing contracts are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the separate statement of profit or loss and other comprehensive income when the liabilities are derecognised as well as through the EIR amortisation process.

3 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Material accounting policy information (continued)

Subsequent measurement (continued)

Islamic financing contracts (Amortised cost) (continued)
Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the separate statement of profit or loss and other comprehensive income.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Inventories
Inventories are stated at the lower of cost and net realizable value. Costs are those expenses incurred in bringing each item to its present location and condition. Cost of the inventory is determined as follows;

- Raw material: by the weighted average cost methods and includes invoiced cost and other expenditures incurred in bringing the inventories to their present location and condition.
- Finished goods and semi-finished goods: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Agriculture produce harvested from biological assets are measured at fair value less cost to sell at the point of harvest.

Cash and cash equivalents
Cash and bank balances in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a remaining maturity of less than 1 year, that are readily convertible to a known amount of cash. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and bank balances, short-term deposits with an original maturity of three months or less, net of bank overdrafts and restricted cash if any as they are considered an integral part of the Group’s cash management.

Dividends
The Group recognises a liability to make cash distributions to equity holders of the Parent when the cash distribution is authorised and the distribution is no longer at the discretion of the Group. As per the Qatar Commercial Companies Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No.8 of 2021, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. Dividends for the year that are approved after the reporting date of the consolidated financial statements are considered as an event after the reporting date.

Bonus shares
Bonus shares represent a capitalisation of the parent company’s reserves and do not involve any inflow or outflow of cash or other assets. Accordingly, the issue of bonus shares does not result in any change in the total equity of the Group. When bonus shares are issued, an amount equal to the nominal value of the shares issued is transferred from retained earnings or other distributable reserves to share capital. No consideration is received from shareholders in respect of bonus shares and no gain or loss is recognised in profit or loss.

3 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Material accounting policy information (continued)

Provision for employees' end of service benefits
The Group provides end of service benefits to its employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. The Group has no expectation of settling all its employees' end of service benefits within the next 12 month period and hence has classified the same as a non-current liability.

Under Law No. 14 of 2014 on Retirement and Pension, the Company is required to make contributions to a Government fund scheme for Qatari employees calculated as a percentage of the Qatari employees' salaries. The Company'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 an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and the costs to settle the obligation are both probable and able to be reliably measured.

Contingent liabilities and contingent assets
Contingent liabilities are not recognised in the consolidated financial statements, but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognised in the consolidated financial statements but are disclosed when an inflow of economic benefits is probable.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

3 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Material accounting policy information (continued)

Current versus non-current classification (continued)
For assets that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Current versus non-current classification
The Group presents assets and liabilities based on current/non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when it is:
- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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 and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Events after the reporting date
The Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its separate financial statements. The Group will adjust the amounts recognised in its consolidated financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its consolidated financial statements, but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

Earnings per share (“EPS”)
Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

4 REVENUE FROM CONTRACT WITH CUSTOMERS

The following sets out the disaggregation of the Group's revenue from contracts with customers:

	2025	*2024*
	QR	*QR*
Type of goods		
Dairy sales	**1,132,924,050**	1,012,218,029
Juice sales	**70,699,654**	73,935,069
Livestock sales	**38,031,308**	35,910,139
Detergent sales	**20,403,033**	17,767,256
Plastic sales	**3,224,198**	2,816,729
Compost and manure sales	**2,564,760**	2,565,275
Feed sales	**-**	14,686
	1,267,847,003	1,145,227,183

	2025	*2024*
	QR	*QR*
Timing of satisfaction of performance obligation		
Goods transferred at point in time	**1,267,847,003**	1,145,227,183
Geographical location		
State of Qatar	**1,259,795,642**	1,138,094,131
Outside of Qatar	**8,051,361**	7,133,052
	1,267,847,003	1,145,227,183
Type of customers		
External customers	**1,234,469,928**	1,107,209,557
Related parties (Note 27)	**33,377,075**	38,017,626
	1,267,847,003	1,145,227,183

Contract balances
The Company's contract balances at gross amounts are as follows:

	2025	*2024*
	QR	*QR*
Contract asset		
Trade receivables (Note 18)	**133,871,323**	115,537,249
Contract liabilities		
Refund liabilities		
Arising from volume rebates (Note 25)	**11,143,959**	7,844,206

Unsatisfied performance obligations:
Details of unsatisfied performance obligations at the reporting date are as follows:

	2025	*2024*
	QR	*QR*
Unsatisfied performance obligation relating to the delivery of goods	**2,223,596**	2,319,394

5 COST OF SALES

	2025	*2024*
	QR	*QR*
Cost of materials	**573,113,618**	513,308,766
Depreciation of property, plant and equipment (Note 11)	**131,660,123**	114,081,287
Direct labour cost and related expenses	**81,998,850**	83,925,218
Rent and maintenance	**58,855,427**	65,554,438
Cost of sale, death, slaughter, disposal and transfer of biological asset (Note 15)	**74,275,539**	66,621,049
Utilities	**28,700,942**	35,357,963
Production related indirect expenses	**24,171,870**	21,612,796
Depreciation of right-of-use assets (Note 12)	**8,402,873**	7,994,847
Insurance expenses	**7,602,139**	7,278,769
Provision for slow moving inventories (Note 17)	**1,000,000**	5,472,343
New product development cost	**425,150**	825,657
Inventory written off	**89,309**	-
Amortization of intangible assets (Note 13)	**4,091**	32,836
Others	**4,182,789**	8,121,765
	994,482,720	930,187,734
Net fair value gain on biological assets (Note 15)	**(56,413,733)**	(45,297,535)
	938,068,987	884,890,199

6 OTHER INCOME

	2025	*2024*
	QR	*QR*
Government support *(Note i)*	**83,752,375**	104,933,491
Dividend income	**3,299,277**	2,224,890
Rental income	**69,521**	816,788
Gain on disposal of property, plant and equipment	**196,925**	123,585
Stock holding charges	**3,600,000**	3,600,000
Miscellaneous income	**2,313,943**	2,471,937
	93,232,041	114,170,691

Note i:
During the year, the Group’s has recognised a support from the Government amounting to QR 83,752,375 (2024: 104,933,491). The support is granted to the Group 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 2025, management believes that these conditions have been satisfactorily achieved, accordingly, the support has been recognised on an accrued basis (Note 18).

7 SELLING AND DISTRIBUTION EXPENSES

	2025	*2024*
	QR	*QR*
Staff cost	**42,390,465**	43,135,985
Advertising and promotion expenses	**36,853,329**	31,037,599
Utilities and maintenance expenses	**7,206,682**	6,617,487
Depreciation of property, plant and equipment (Note 11)	**3,141,845**	3,760,849
Depreciation of right-of-use assets (Note 12)	**3,381,611**	3,064,470
(Reversal) / allowance for expected credit losses (Note 18)	**(75,433)**	78,561
Insurance expenses	**422,805**	438,063
Amortization of intangible assets (Note 13)	**267,239**	287,897
Others	**1,800,476**	4,498,438
	95,389,019	92,919,349

8 GENERAL AND ADMINISTRATIVE EXPENSES

	2025	*2024*
	QR	*QR*
Staff cost	**35,672,185**	29,216,915
Professional charges	**14,527,436**	13,446,646
Communication and SAP expenses	**7,572,529**	9,513,080
Management fees (Note 27)	**9,000,000**	9,000,000
Board remuneration (Note 27)	**6,504,353**	3,142,883
Amortization of intangible assets (Note 13)	**3,001,638**	3,102,162
Depreciation of property, plant and equipment (Note 11)	**1,666,628**	2,422,172
Bank charges	**1,083,057**	2,054,780
Insurance expenses	**895,887**	975,209
Utilities, rent and maintenance expenses	**958,266**	913,313
Stationery and printing expenses	**184,710**	316,816
Governmental fees	**191,099**	269,560
Depreciation of right-of-use assets (Note 12)	**41,181**	62,848
	81,298,969	74,436,384

9 FINANCE COST

	2025	*2024*
	QR	*QR*
Finance cost on Islamic financing contracts	**72,540,997**	62,546,943
Finance cost on bank overdrafts	**10,141,542**	4,268,935
Finance cost on lease liabilities (Note 12)	**2,902,561**	2,179,581
	85,585,100	68,995,459
Finance costs capitalised (Note 11)	**(7,113,685)**	(10,080,203)
	78,471,415	58,915,256

10 INCOME TAX

Income tax

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.

Current year income tax details of the Group are as follows:

	2025	*2024*
	QR	*QR*
Current income tax		
Income tax expense *Note (i)*	**1,293,253**	893,288

Reconciliation between profit before income tax expense as per the statement of comprehensive income and taxable profit of a subsidiary is as follows:

	2025	*2024*
	QR	*QR*
Accounting profit before tax	**157,091,363**	146,270,199
Add: Non-deductible expense	**4,907,960**	17,998,460
Less: deductible provisions	**(31,499,523)**	(60,397,961)
Taxable income	**130,499,800**	103,870,698
Effective tax rate applicable foreign partners share of profit	**0.9910%**	0.8600%
Income tax expenses for the year	**1,293,253**	893,288

The movement of income tax payable is as below;

	2025	*2024*
	QR	*QR*
At 1 January	**1,460,031**	780,702
Provided during the year	**1,293,253**	893,288
Payment during the year	**(952,674)**	(213,959)
At 31 December (Note 25)	**1,800,610**	1,460,031

Note (i):
The income tax represents amounts recognised by a subsidiary company.

Deferred tax

The Group has not recognised deferred tax assets relating to temporary differences amounted to QR 9,589,444 as at 31 December 2025 (2024: QR 8,496,227).

11 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 2025	55,200,100	1,991,059,772	1,065,064,858	84,340,010	47,644,169	668,452,052	3,911,760,961
Additions	-	8,183,575	16,258,124	4,213,448	500,307	205,447,744	234,603,198
Transfers	-	255,536,215	185,006,864	4,717,934	3,238,911	(448,499,924)	-
Disposals	-	-	(597,162)	(1,890,074)	(1,719,123)	-	(4,206,359)
Transfer to intangible assets (Note 13)	-	-	-	-	-	(208,396)	(208,396)
As at 31 December 2025	55,200,100	2,254,779,562	1,265,732,684	91,381,318	49,664,264	425,191,476	4,141,949,404
Accumulated depreciation:							
As at 1 January 2025	-	348,701,831	290,063,313	44,095,017	40,636,584	-	723,496,745
Charge for the year	-	63,082,085	59,675,870	8,732,961	4,977,680	-	136,468,596
Related to disposals	-	-	(535,946)	(1,370,155)	(1,715,327)	-	(3,621,428)
As at 31 December 2025	-	411,783,916	349,203,237	51,457,823	43,898,937	-	856,343,913
Net book value:							
As at 31 December 2025	**55,200,100**	**1,842,995,646**	**916,529,447**	**39,923,495**	**5,765,327**	**425,191,476**	**3,285,605,491**

11 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	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	-	1,290,912	6,548,964	7,702,404	2,176,198	105,353,302	123,071,780
Transfers	-	15,560,724	11,127,042	112,645	92,744	(26,893,155)	-
Disposals	-	-	(3,404,133)	(2,339,530)	(1,533,815)	-	(7,277,478)
Transfer to intangible assets (Note 13)	-	-	-	-	-	(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	-	-	(3,404,133)	(1,750,055)	(1,529,509)	-	(6,683,697)
As at 31 December 2024	-	348,701,831	290,063,992	44,094,338	40,636,584	-	723,496,745
Net book value:							
As at 31 December 2024	55,200,100	1,642,357,941	775,000,866	40,245,672	7,007,585	668,452,052	3,188,264,216

Notes:

i. Depreciation expenses charged for the year have been allocated as follows:

	2025 ***QR***	*2024* *QR*
Cost of sales (Note 5)	**131,660,123**	114,081,287
Selling and distribution expenses (Note 7)	**3,141,845**	3,760,849
General and administrative expenses (Note 8)	**1,666,628**	2,422,172
	136,468,596	120,264,308

ii. Capital work-in-progress represents expenses incurred by the Group in respect of construction of farm and factories.

iii. Additions during the year included borrowing capitalized amounted to QR 7,113,685 (2024: QR 10,080,203).

12 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Right-of-use assets
The Group leases land used for farm and leasehold building for employee accommodation. Information about the leases for which the Group is a lessee is presented below:

	Land ***QR***	***Building*** ***QR***	***Total*** ***QR***
Cost:			
As at 1 January 2025	8,544,215	138,326,847	146,871,062
Expiration	(578,964)	-	(578,964)
Remeasurement	-	6,707,560	6,707,560
As at 31 December 2025	7,965,251	145,034,407	152,999,658
Accumulated depreciation:			
As at 1 January 2025	804,161	35,671,957	36,476,118
Relating to expiration	(578,964)	-	(578,964)
Charge for the year	177,006	11,648,659	11,825,665
As at 31 December 2025	402,203	47,320,616	47,722,819
Net carrying amounts:			
As at 31 December 2025	**7,563,048**	**97,713,791**	**105,276,839**

	Land *QR*	*Building* *QR*	*Total* *QR*
Cost:			
As at 1 January 2024	8,544,215	138,326,847	146,871,062
As at 31 December 2024	8,544,215	138,326,847	146,871,062
Accumulated depreciation:			
As at 1 January 2024	531,017	24,822,936	25,353,953
Charge for the year	273,144	10,849,021	11,122,165
As at 31 December 2024	804,161	35,671,957	36,476,118
Net carrying amounts:			
As at 31 December 2024	7,740,054	102,654,890	110,394,944

Depreciation expenses of right of use assets have been allocated in the statement of profit and loss are as follows:

	2025 ***QR***	*2024* *QR*
Cost of sales (Note 5)	**8,402,873**	7,994,847
Selling and distribution expenses (Note 7)	**3,381,611**	3,064,470
General and administrative expenses (Note 8)	**41,181**	62,848
	11,825,665	11,122,165

12 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

Lease liabilities
Below are the carrying amounts of lease liabilities and the movements during the year:

	2025	*2024*
	QR	*QR*
As at 1 January	**78,118,721**	122,063,016
Remeasurement	**6,707,560**	-
Finance cost charged (Note 9)	**2,902,561**	2,179,581
Repayments during the year	**(400,000)**	(46,123,876)
As at 31 December	**87,328,842**	78,118,721

The lease liabilities are presented in the consolidated statement of financial position as follows:

	2025	*2024*
	QR	*QR*
Non-current	**87,245,526**	78,041,691
Current	**83,316**	77,030
	87,328,842	78,118,721

The following are the amounts recognised in consolidated statements of profit or loss and other comprehensive income for the year:

	2025	*2024*
	QR	*QR*
Depreciation on right-of-use assets	**11,825,665**	11,122,165
Finance cost on lease liabilities (Note 9)	**2,902,561**	2,179,581
Short term and variable leases rent	**16,739,496**	20,934,944
	31,467,722	34,236,690

13 INTANGIBLE ASSETS

	2025	*2024*
	QR	*QR*
Cost:		
As at 1 January	**21,086,043**	17,206,242
Additions	**29,894**	1,090,630
Transfer from property, plant and equipment (Note 11)	**208,396**	2,789,171
As at 31 December	**21,324,333**	21,086,043
Accumulated depreciation:		
As at 1 January	**13,137,350**	9,714,455
Charge for the year	**3,272,968**	3,422,895
As at 31 December	**16,410,318**	13,137,350
Net carrying amounts:		
As at 31 December	**4,914,015**	7,948,693

13 INTANGIBLE ASSETS (CONTINUED)

Amortization expenses charged for the year ended 31 December is allocated as follows:

	2025	*2024*
	QR	*QR*
Cost of sales (Note 5)	**4,091**	32,836
Selling and distribution expenses (Note 7)	**267,239**	287,897
General and administrative expenses (Note 8)	**3,001,638**	3,102,162
	3,272,968	3,422,895

14 INVESTMENTS IN FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The movement in investment in financial assets at fair value through profit or loss is as follows:

	2025	*2024*
	QR	*QR*
As at 1 January	**523,694,449**	371,841,124
Addition during the year	**62,774,885**	116,108,854
Cost of disposal during the year	**-**	(1,820,715)
Net change in fair value of financial investments *(Note i)*	**408,007,466**	37,565,186
As at 31 December	**994,476,800**	523,694,449

As at 31 December 2025 and 31 December 2024, investment in financial assets at fair value through profit and loss represent equity shares quoted in the Qatar Stock Exchange and the Egyptian Exchange.

Note i
During 2024, net change in fair value of financial investments include a realized gain amounted to QR 391,722.

15 BIOLOGICAL ASSETS

The Group's livestock balance primarily comprises cows which are used in the production of milk and meat. The Group's biological assets stock comprises both immature and mature biological assets.

Immature biological assets 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 biological assets is determined by reference to meat price of veal, adjusted to reflect the age of the immature biological assets and cost to acquire a heifer.

Mature biological assets include cows, which have begun milk production. The fair value of the matured cows is determined by reference to the latest landed cost of a heifer adjusted to reflect the decline in productivity through the lactation cycles and the meat price at the point of slaughter.

The movement in the value of biological assets during the year is as follows:

	2025	*2024*
	QR	*QR*
As at 1 January	**177,387,580**	198,711,094
Addition	**34,581,698**	-
Net fair value gain on biological assets (Note 5)	**56,413,733**	45,297,535
Cost of sale, death, slaughter, disposal and transfer of biological asset (Note 5)	**(74,275,539)**	(66,621,049)
As at 31 December	**194,107,472**	177,387,580

15 BIOLOGICAL ASSETS (CONTINUED)

The value of biological assets presented in the consolidated statement of financial position is as follows:

	2025	*2024*
	QR	*QR*
Current	**446,200**	482,800
Non-current	**193,661,272**	176,904,780
	194,107,472	177,387,580

	2025	*2024*
	QR	*QR*
Mature biological assets	**131,786,202**	115,662,580
Immature biological assets	**62,321,270**	61,725,000
	194,107,472	177,387,580

The quantity (number) of biological assets owned by the Group is as follows:

	2025	*2024*
	QR	*QR*
Mature biological assets	**10,369**	9,818
Immature biological assets	**9,581**	8,762
	19,950	18,580

16 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 Groups share of subsidiary as of the date of acquisition was QR 7,047,365. 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.

17 INVENTORIES

	2025	*2024*
	QR	*QR*
Packaging and raw material	**195,577,664**	228,770,150
Feed inventories	**85,854,572**	72,407,162
Spare parts	**77,163,487**	72,286,341
Finished goods	**22,498,836**	34,551,079
Others	**20,446,898**	25,670,502
	401,541,457	433,685,234
Less: Provision for slow moving inventories	**(1,046,923)**	(3,626,432)
	400,494,534	430,058,802

17 INVENTORIES (CONTINUED)

At 31 December 2025, the provision for slow-moving inventories amounted to QR 1,046,923 (2024: QR 3,626,432). The movement in provision for slow moving inventories is recognized in the consolidated statement of financial position as follows:

	2025	*2024*
	QR	*QR*
As at 1 January	**3,626,432**	9,574,827
Provision during the year (Note 5)	**1,000,000**	5,472,343
Write-off during the year	**(3,579,509)**	(11,420,738)
As at 31 December	**1,046,923**	3,626,432

18 TRADE AND OTHER RECEIVABLES

	2025	*2024*
	QR	*QR*
Trade receivables (Note 4)	**133,871,323**	115,537,249
Government support (Note 6)	**83,752,375**	104,933,491
Prepayments, other advances and receivables *(Note ii)*	**90,921,125**	150,355,259
Advances to suppliers (*Note iii)*	**23,175,372**	30,571,376
Deferred expenses	**4,055,111**	4,336,690
Staff receivables	**31,065**	30,413
Other receivables	**1,845,408**	-
	337,651,779	405,764,478
Less: Allowance for expected credit loss *(Note i)*	**(1,409,114)**	(1,484,547)
	336,242,665	404,279,931

Note i
Allowance for expected credit loss as at 31 December 2025 is QR 1,409,114 (2024: QR 1,484,547). The movement in expected credit loss on receivables is as follows:

	2025	*2024*
	QR	*QR*
As at 1 January	**1,484,547**	1,484,636
(Reversal) / provided during the year (Note 7)	**(75,433)**	78,561
Written off during the year	-	(78,650)
As at 31 December	**1,409,114**	1,484,547

Note ii
During the year, the Group has written off a net amount of QR 35,789,509 in the statement of profit or loss relating to advances for projects and excess budgetary accruals.

18 TRADE AND OTHER RECEIVABLES (CONTINUED)

Note iii
Advance to suppliers
Advances to suppliers is presented in the consolidated statement of financial position as follows:

	2025 ***QR***	*2024* *QR*
Current	**23,175,372**	30,571,376
Non-current*	**372,583,615**	-
	395,758,987	30,571,376

* These are the capital advances paid to various contractors mainly relating to the construction of plant in a subsidiary located in Algeria.

* This includes QR 71,200,547 paid to Urbacon Trading and Contracting W.L.L., a related party of the Group.

19 CASH AND BANK BALANCES

	2025 ***QR***	*2024* *QR*
Cash on hand	**415,367**	452,708
Cash in transit	**674,653**	74,760
Bank balances *(Note i)*	**373,699,102**	27,096,261
Cash and bank balances	**374,789,122**	27,623,729
Bank overdrafts	**(21,022,878)**	(104,846,659)
Restricted bank balances *(Note i)*	**(145,563,741)**	(15,718,453)
Cash and cash equivalents	**208,202,503**	(92,941,383)

Note i
Restricted bank balances are primarily related to unclaimed dividends amounting to QR 14,624,633 (2024: 15,718,453) and an amount of QR 130,939,108 pertaining to a letter of credit issued for the Algeria project, which was established against a cash margin.

20 SHARE CAPITAL

	2025		*2024*	
	No of shares	***Amount QR***	*No of shares*	*Amount QR*
Authorised, issued and paid-up ordinary and special shares QR 1 per each share				
As at 1 January	**1,901,000,000**	**1,901,000,000**	1,901,000,000	1,901,000,000
Bonus share issued (1:19) (Note 28)	**100,052,631**	**100,052,631**	-	-
Bonus share issued (1:14) (Note 28)	**142,932,331**	**142,932,331**	-	-
	2,143,984,962	**2,143,984,962**	1,901,000,000	1,901,000,000

The Group's authorized, issued and paid-up share capital amounting to QR 2,143,984,962 (2024: QR 1,901,000,000) is divided into 2,143,984,961 (2024: 1,900,9999) ordinary shares and one special share, the nominal value is QR 1 of each share.

The bonus shares were issued by capitalizing an equivalent amount from retained earnings (Note 28).

20 SHARE CAPITAL (CONTINUED)

There was no impact on the total earnings attributable to shareholders, however, the number of shares used in the EPS calculation increased, resulting in a proportionate decrease in EPS (Note 26).

Special share
The State of Qatar, represented by the Ministry of Commerce and Industry, has been 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 Company's Article of Association.

21 LEGAL RESERVE

In accordance with Qatar Commercial Companies' Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No.8 of 2021 and the Company's Article of Association, 10% of the profit for the year is to be transferred to the legal reserve. The Group may resolve to discontinue such annual transfers when the reserve totals 50% of the share capital. This reserve is not available for distribution except in the manner stated in Qatar Commercial Companies' Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No.8 of 2021.

22 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. The reserve is recognized directly in equity and is not subject to subsequent remeasurement.

23 ISLAMIC FINANCING CONTRACTS

	2025 ***QR***	*2024* *QR*
Long term financing *(Note a)*	**834,327,521**	892,327,525
Long term financing *(Note b)*	**834,975,960**	888,240,384
Long term financing *(Note c)*	**71,012,467**	77,769,637
Long term financing *(Note d)*	**372,113,685**	60,339,185
Short term financing *(Note e)*	**334,914,105**	155,503,798
	2,447,343,738	2,074,180,529

Islamic financing is presented in the consolidated statement of financial position as follows:

	2025 ***QR***	*2024* *QR*
Non-current	**1,939,005,167**	1,707,522,765
Current	**508,338,571**	366,657,764
	2,447,343,738	2,074,180,529

The movement in Islamic financing contracts during the year is as follows:

	2025 ***QR***	*2024* *QR*
At 1 January	**2,074,180,529**	1,994,035,655
Drawdowns during the year	**515,524,376**	256,938,950
Repayments during the year	**(142,361,167)**	(176,794,076)
At 31 December	**2,447,343,738**	2,074,180,529

23 ISLAMIC FINANCING CONTRACTS (CONTINUED)

Notes:

(a) This represents an Islamic finance (Murabaha) facility obtained from a bank in the State of Qatar to finance the construction of cow farm and working capital requirements. The facility is repayable in agreed quarterly instalments maturing in 2036. This facility carries an annual profit rate of 5.25%.

(b) This represents an Islamic finance facility obtained from a bank in the State of Qatar to finance the property, plant and equipment. The facility is repayable at agreed quarterly instalments maturing in 2038. This facility carries an annual profit rate of 4.9%.

(c) This represents an Islamic finance facility obtained from a bank in the State of Qatar to finance the construction of cow farm and working capital requirements. The facility is repayable in agreed quarterly instalments maturing in 2034. The bank facility carries an annual profit rate of 5.15%.

(d) This represents an Islamic finance facility (Murabaha) obtained from a bank in State of Qatar (through a foreign branch) to finance the Algeria projects. The total facility is USD 570 million of which USD 100 million has been drawn down as at 31 December 2025. The facility is expected to be re-paid from 2035 to 2044. The expected Murabaha profit rates during the repayment period is US$ 3 months SOFR + 2.75% margin with a minimum profit rate of 5.25%. The Master Murabaha agreement is still awaiting formal sign off from the Bank. This facility is secured against corporate guarantee of Baladna for Trading and investment L.L.C., Baladna Food Industries W.L.L. and bank account of the project Company.

(e) Short-term financing is maintained to provide working capital support, primarily for meeting supplier payment obligations through trade finance instruments and direct fund transfers. The Group currently maintains two such short-term working capital facilities: (i) a QR denominated working capital facility with a bank bearing a fixed interest rate of 5.25% per annum; and (ii) a USD denominated working capital facility with a bank priced at EIBOR 6M, transitioning to a flat rate of 5.00% per annum in 2025. Both facilities are structured with a repayment tenor of 180 days.

There are no securities and collaterals against the long-term financing except stated otherwise.

24 EMPLOYEES' END OF SERVICE BENEFITS

	2025	*2024*
	QR	*QR*
As at 1 January	**19,057,564**	16,001,968
Provided during the year	**5,391,918**	5,193,918
Paid during the year	**(2,204,776)**	(2,138,322)
As at 31 December	**22,244,706**	19,057,564

25 TRADE AND OTHER PAYABLES

	2025	*2024*
	QR	*QR*
Trade payables	**85,582,302**	111,262,582
Accrued expenses	**73,033,689**	71,772,653
Refund liabilities relating to volume rebates (Note 4)	**11,143,959**	7,844,206
Dividend payable	**14,624,633**	15,718,453
Provision for social and sports fund (Note 29)	**13,493,408**	4,625,304
Income tax payable (Note 10)	**1,800,610**	1,460,031
Other liabilities	**2,285,274**	148,053
	201,963,875	212,831,282

26 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity holders of the Parent by the weighted average number of ordinary shares outstanding during the year.

There were no potentially diluted shares outstanding at any time during the year and, therefore, the diluted earnings per share is equal to the basic earnings per share.

The following reflects the profit and share data used in the basic and diluted earnings per share computations:

	2025 ***QR***	*2024* *QR* *(Restated)*
Profit attributable to equity holders of the parent (QR)	**539,736,320**	185,012,156
Number of shares outstanding during the period after bonus share adjustment (Note 20 & 28)	**2,143,984,962**	2,143,984,962
Basic and diluted earnings per share (QR)	**0.252**	0.086

27 RELATED PARTY DISCLOSURES

Related parties represent associates, affiliate entities, partners, 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.

Related party transactions
Transactions with related parties included in the consolidated income statement are as follows:

	31 December 2025		
	Revenue ***QR***	***Purchases*** ***QR***	***Services*** ***QR***
Affiliate			
Yemek Doha Catering Services W.L.L.	**25,653,809**	**-**	**-**
Aura Hospitality W.L.L.	**4,312,696**	**-**	**174,975**
Elegancia Group W.L.L.	**1,752,987**	**-**	**-**
Distri Mart L.L.C.	**872,992**	**-**	**-**
Elegancia Facility Management Limited W.L.L.	**356,809**	**-**	**1,010,966**
Assets Real Estate Development Co. W.L.L.	**225,763**	**-**	**-**
Elegancia Landscape W.L.L.	**132,400**	**-**	**-**
Power International Holding W.L.L. *(Note i)*	**-**	**-**	**16,924,679**
Aura Entertainment W.L.L.	**-**	**-**	**985,016**
Aura International for Hospitality Services W.L.L.	**-**	**19,152**	**219,032**
Urbacon Plant, Machinery and Vehicles (A Branch of Urbacon Trading and Contracting Company W.L.L.)	**-**	**-**	**574,443**
Joury Tour & Travels W.L.L.	**-**	**-**	**4,008,180**
Stark Security W.L.L.	**-**	**-**	**2,161,334**
Printshop for Printing Services W.L.L.	**-**	**-**	**82,737**
Credo Trading Company W.L.L.	**-**	**206,920**	**-**
General Pension and Social Security Authority	**-**	**-**	**276,802**
Newrest Gulf L.L.C.	**-**	**-**	**8,179,550**
Gemini-X Trading	**-**	**-**	**215,250**
Others	**69,619**	**9,493**	**450,203**
	33,377,075	**235,565**	**35,263,167**

27 RELATED PARTY DISCLOSURES (CONTINUED)

Related party transactions (continued)

	31 December 2024	
	Revenue	*Services*
	QR	*QR*
Affiliates		
Yemek Doha Catering Services W.L.L.	29,192,389	-
Aura Hospitality W.L.L.	6,001,625	1,249,958
Elegancia Group W.L.L.	1,724,540	-
Aura Entertainment W.L.L.	729,654	1,780,500
Elegancia Facility Management Limited W.L.L.	148,153	861,472
QA Aura Restaurant	100,496	-
Urbacon Trading and Contracting W.L.L.	38,200	-
Power International Holding W.L.L. *(Note i)*	-	12,587,853
Aura International for Hospitality Services W.L.L.	-	153,611
Urbacon Plant, Machinery and Vehicles (A Branch of Urbacon Trading and Contracting Company W.L.L.)	-	117,600
Joury Tour & Travels W.L.L.	-	2,207,806
Stark Security W.L.L.	-	2,096,018
Credo Trading Company W.L.L.	-	357,708
Mall of Qatar W.L.L.	-	1,000,000
General Pension and Social Security Authority	-	279,993
Other	82,569	158,555
	38,017,626	22,851,074

Note i:
This includes management fee amounted to QR 9,000,000 (2024: QR 9,000,000) charged by Power International Holding (PIH) for providing the HR, IT, and other support services to the Group as per the signed agreement by the Group and PIH.

Note ii:
The Group has a contract with a related party, Urbacon Trading and Contracting W.L.L., for the lease of staff accommodation as disclosed in Note 12. The Company did not make any lease payment during the year (2024: QR 45,606,588).

Note iii:
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***	***2025 QR***	*2024 QR*
Urbacon Trading and Contracting W.L.L.	Construction work	**3,137,048**	1,366,666
Elegancia Electro Mechanical Services W.L.L.	Supply and installation of utilities	**3,056,513**	4,099,531
Golden Bay Trading and Contracting W.L.L.	Construction work	**1,909,293**	1,580,100
Aura Entertainment W.L.L.	Construction work	**1,530,837**	-
Joury Tour & Travels W.L.L.	Logistics for Construction work	**923,207**	2,521,618
Elegancia Water Solutions W.L.L. (previously Watermaster Qatar W.L.L.)	Construction work	**107,171**	1,071,712
Credo Trading Company W.L.L.	Construction work	**43,878**	437,878
Others		**30,000**	78,613

27 RELATED PARTY DISCLOSURES (CONTINUED)

Related party balances

Balances with related parties included in the consolidated statement of financial position are as follows:

Due from related parties:

	2025	*2024*
	QR	*QR*
Affiliates		
Aura Hospitality and Food Services W.L.L.	**10,028,939**	4,592,122
Eleganica Steel Trading W.L.L.	**7,050,000**	-
Yemek Doha Catering Services W.L.L.	**5,952,405**	8,579,127
Golden Bay Trading and Contracting W.L.L.	**1,505,000**	-
Urbacon Trading and Contracting W.L.L.	**1,315,776**	-
Elegancia Group W.L.L.	**1,089,985**	1,021,513
Distri Mart L.L.C	**872,992**	-
Power International Holding W.L.L.	**547,911**	6,713,303
Elegancia Landscape W.L.L.	**364,920**	232,520
Assets Real Estate Development Co. WLL	**275,243**	44,282
Aura Lifestyle W.L.L.	**179,262**	-
Elegancia Facility Management W.L.L.	**151,091**	-
Al Maha Island W.L.L.	**69,516**	-
Printshop for Printing Services W.L.L.	**46,057**	130,594
Aura Entertainment W.L.L.	**-**	2,604,047
Sazeli Restaurant W.L.L.	**-**	230,816
Damasca Restaurant W.L.L.	**-**	134,091
Ghassan Khalid Al Salama	**-**	26,047
Retaj Baywalk Residence W.L.L.	**-**	8,000
Others		
QLM Life and Medical Insurance	**7,910**	-
	29,457,007	24,316,462

Due to related parties:

	2025	*2024*
	QR	*QR*
Affiliates		
Elegancia Electro Mechanical Services W.L.L.	**2,546,290**	2,386,868
Aura Entertainment W.L.L	**2,523,349**	-
Power International Holding W.L.L.	**1,190,000**	-
Newrest Gulf L.L.C.	**640,276**	9,000
Aura International for Hospitality Services W.L.L.	**458,178**	25,800
Joury Tour & Travels W.L.L.	**227,555**	67,035
Elegancia Water Solutions W.L.L. (previously Watermaster Qatar W.L.L.)	**118,371**	479,412
Gemini-X Trading L.L.C.	**117,950**	-
The Zone Gym W.L.L	**50,000**	-
Urbacon Plant, Machinery and Vehicles (A Branch of Urbacon Trading and Contracting Company W.L.L.)	**43,950**	117,600
Credo Trading Company W.L.L.	**43,788**	32,423
Stark Security W.L.L.	**29,200**	-
Elegancia Gabro Trading and Transport W.L.L.	**7,693**	-
Union Iron Steel L.L.C. (United Arab Emirates)	**791**	-
Urbacon Trading and Contracting W.L.L.	**-**	1,015,989
Golden Bay Trading and Contracting W.L.L.	**-**	197,900
Elegancial Facility Management W.L.L.	**-**	191,320
Others		
Essa Ahmed Jabor Ali Abdullah	**-**	161,776
	7,997,391	4,685,123

27 RELATED PARTY DISCLOSURES (CONTINUED)

Terms and conditions of transactions with related parties
Transactions with related parties are made at normal market prices or contractually agreed terms. Outstanding balances as of 31 December 2025 are unsecured, interest-free and the settlement normally occurs in cash. This condition is being yearly monitored based on the financial decision and economic condition of the management.

Compensation of key management personnel

	2025	*2024*
	QR	*QR*
Salaries and short-term benefits	**13,389,951**	12,029,980
Employees' end of service benefits	**786,573**	368,290
	14,176,524	12,398,270
Director’s remuneration *(Note i)*	**6,504,353**	3,142,883

Note i
Directors’ remuneration for the year 2025 is subject to the approval of the Group's Annual General Assembly (2024: QR 3,142,883, approved by the shareholders of the Group at the Annual General Meeting held on 3 March 2025). During 2025, an amount of QR 810,353 (2024: Nil) related to sitting fees for a subsidiary’s board of directors.

28 DIVIDENDS

The shareholders of the Parent at the Extraordinary General Meetings held on 9 March 2025 and 6 November 2025 approved to issue bonus shares to existing shareholders in the ratio of one bonus share for every nineteen shares held [1:19] and one bonus share for every twenty-four shares held [1:14] from the profit of 2024 and 2025 amounting to QR 100,052,631 and QR 142,932,331 respectively.

The shareholders of the Parent at the General Assembly held on 19 March 2024 approved a cash dividend of QR 0.0695 per ordinary share, amounting to a total of QR 132,119,500.

29 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 the equity. The Group appropriated accounted for QR 13,493,408 for the social contribution funds during the year ended 31 December 2025 (2024: QR 4,625,304) (Refer Note 25).

30 NON-CONTROLLING INTERESTS

The financial information of Group’s material non-controlling interests are provided below:

	2025	*2024*
	QR	*QR*
Name of the subsidiary		
E-Life Detergent Factory W.L.L.	**25%**	25%
Baladna Algeria S.P.A.	**49%**	-

30 NON-CONTROLLING INTERESTS (CONTINUED)

Proportion of equity interest held by non-controlling interests are as follows:

	2025 ***QR***	*2024* *QR*
Name of the subsidiary		
E-Life Detergent Factory W.L.L.	**3,384,315**	3,011,202
Baladna Algeria S.P.A.	**386,904,565**	-
	390,288,880	3,011,202

Summarised statement of comprehensive income for the year ended 31 December:

	2025		*2024*	
	E life Detergent Factory W.L.L. QR	***Baladna Algeria S.P.A. QR***	*E life Detergent Factory W.L.L. QR*	*Baladna Algeria S.P.A. QR*
Revenues and gains	**20,518,779**	**-**	17,946,171	-
Expenses and losses	**(19,316,322)**	**(2,574,646)**	(16,793,572)	-
Profit / (loss) for the year	**1,202,457**	**(2,574,646)**	1,152,599	-
Total comprehensive loss for the year	**1,202,457**	**(2,574,646)**	1,152,599	-
Attributable to:				
Equity holders of the parent	**901,843**	**(1,313,070)**	864,449	-
Non-controlling interests	**300,614**	**(1,261,576)**	288,150	-

Summarised statement of financial position as at 31 December:

	2025		*2024*	
	E life Detergent Factory W.L.L. QR	***Baladna Algeria S.P.A. QR***	*E life Detergent Factory W.L.L. QR*	*Baladna Algeria S.P.A. QR*
Non-current assets	**9,812,745**	**482,787,409**	9,711,684	-
Current assets	**12,803,020**	**327,734,835**	10,700,022	-
Non-current liabilities	**(456,522)**	**-**	(348,530)	-
Current liabilities	**(8,621,985)**	**(20,921,095)**	(8,018,375)	-
Total equity	**13,537,258**	**789,601,149**	12,044,801	-
Attributable to:				
Equity holders of the parent	**10,152,942**	**402,696,585**	9,033,599	-
Non-controlling interests	**3,384,316**	**386,904,564**	3,011,202	-

30 NON-CONTROLLING INTERESTS (CONTINUED)

Summarised statement of cash flows for the year ended 31 December:

	2025	*2024*
	QR	*QR*
Operating activities	**12,963,724**	(237,528)
Investing activities	**(483,565,815)**	(714,176)
Financing activities	**660,108,574**	1,447,875
Net increase in cash and cash equivalents	**189,506,483**	496,171

31 COMMITMENT AND CONTINGENT LIABILITIES

Commitments
As at 31 December 2025, the Group had the following capital commitments relating to the projects in progress.

	2025	*2024*
	QR	*QR*
Capital commitments	**847,943,058**	49,515,550

Contingent liabilities
The Group has contingent liabilities in respect of 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:

	2025	*2024*
	QR	*QR*
Letters of credits	**62,768,111**	38,944,378
Guarantees	**25,489,949**	25,352,713
Bill for collection	**1,089,608**	2,427,112

32 FINANCIAL RISK MANAGEMENT

Objective and policies
The Group's principal financial liabilities comprise trade payables, amounts due to related parties, accrued expenses, lease liabilities, Islamic financing contracts, bank overdrafts and other payables. The main purpose of these financial liabilities is to manage the working capital requirements for the Group's operations. The Group has various financial assets such as trade receivables, amounts due from related parties, government support, accrued income, staff receivables, other receivables, cash and bank balances and investment in financial assets at fair value through profit or loss, which arise directly from its operations.

The main risks arising from the Group's financial instruments are market risk, credit risk and liquidity risk and other risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

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

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Group's exposure to the risk of changes in market interest rate relates primarily to the Group's financial instruments with floating interest rates.

32 FINANCIAL RISK MANAGEMENT (CONTINUED)

Market risk (continued)

Interest rate risk (continued)
The following table demonstrates the sensitivity of the consolidated statement of profit or loss to reasonably possible changes in interest rates by 25 basis points, with all other variables held constant. The sensitivity on the consolidated income statement is the effect of the assumed changes in interest rates for one year, based on the floating rate financial instruments held at 31 December.

The effect of decreases in interest rates is expected to be equal and opposite to the effect of the increases shown.

	Increase in basis points	*Effect on profit QR*
2025	**+25**	**1,997,658**
2024	+25	845,300

Currency risk
Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. As the Qatari Riyal is pegged to the US Dollar, balances in US Dollars are not considered to represent significant currency risk. In addition, as other GCC currencies, with the exception of Kuwaiti Dinar, are pegged to the US Dollar, balances in other GCC currencies are also not considered to represent significant currency risk. The Group does not have any balances in Kuwaiti Dinar as at 31 December 2025. GCC countries comprise the members of the Gulf Co-operation Council being Kingdom of Bahrain, State of Kuwait, Sultanate of Oman, State of Qatar, Kingdom of Saudi Arabia and the United Arab Emirates.

The following table illustrates the effect of a reasonable possible change of the material relevant foreign currencies against the Qatari Riyal, with all other variables held constant, on the consolidated statement of profit or loss. An equal decrease in each of the below mentioned currencies against the Qatari Riyal is expected to have an equal but opposite impact.

	Percentage change	***2025 QR***	*2024 QR*
EUR	**5%**	**(140,437)**	(177,749)
GBP	**5%**	**(3,135)**	(4,158)
EGP	**5%**	**18,126,800**	19,216,504
DZD	**5%**	**15,928,442**	-

Equity price risk
Equity price risk arises from fluctuations in equity indices and prices. The following table demonstrates the sensitivity of the effect of cumulative changes in fair values recognised in the equity to reasonably possible changes in equity prices, with all other variables held constant. The effect of decreases in equity prices is expected to be equal and opposite to the effect of the increases shown.

The following table demonstrates the sensitivity of the effect of cumulative changes in fair values recognised in the equity to reasonably possible changes in equity prices, with all other variables held constant. The effect of decreases in equity prices is expected to be equal and opposite to the effect of the increases shown.

	Changes in equity prices	*Effect on equity QR*
2025		
Investment in financial assets at fair value through profit or loss	**-+5%**	**49,723,840**
2024		
Investment in financial assets at fair value through profit or loss	-+5%	26,184,722

32 FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Group is exposed to credit risk on its trade receivables, amounts due from related parties, deposits, other receivables, bank balances and certain other assets as reflected in the consolidated statement of financial position.

With respect to credit risk arising from the financial assets of the Group, the exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments as follows:

	2025 QR	*2024 QR*
Amounts due from related parties	**29,457,007**	24,316,462
Trade receivables	**132,462,209**	104,933,491
Bank balances	**373,699,102**	27,096,261
Staff receivables	**31,065**	30,413
Other receivables	**1,845,408**	-
	537,494,791	156,376,627

Group manages the credit risk based on the Group's established policies and procedures. Outstanding customer receivables are regularly monitored by the Group and the Group seeks to limit its credit risk with respect to customers by setting credit limits for individual customers.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customers with similar loss patterns. The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables, Government support, accrued income, staff receivables, other receivables, amount due from related parties and bank balances.

The following table provides information about the exposure to credit risk and ECLs for trade receivables from customers as at 31 December.

		Days past due					
2025	***Current QR***	***31 - 60 days QR***	***61-90 days QR***	***91-120 days QR***	***121-365 days QR***	***Over 365 days QR***	***Total QR***
Expected credit loss rate	**0%**	**1%**	**3%**	**4%**	**69%**	**100%**	**0.2%**
Trade receivables	**125,997,633**	**4,851,955**	**970,540**	**765,397**	**933,323**	**352,475**	**133,871,323**
Government support	**83,752,375**	**-**	**-**	**-**	**-**	**-**	**83,752,375**
Bank balances	**373,699,102**	**-**	**-**	**-**	**-**	**-**	**373,699,102**
Staff receivables	**31,065**	**-**	**-**	**-**	**-**	**-**	**31,065**
Other receivables	**1,845,408**	**-**	**-**	**-**	**-**	**-**	**1,845,408**
Due from related parties	**29,457,007**	**-**	**-**	**-**	**-**	**-**	**29,457,007**
Loss allowance	**(315,119)**	**(38,463)**	**(28,908)**	**(28,999)**	**(645,150)**	**(352,475)**	**(1,409,114)**
Net trade receivables	**614,467,471**	**4,813,492**	**941,632**	**736,398**	**288,173**	**-**	**621,247,166**

32 FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

2024	*Days past due*						
	Current QR	*31 - 60 days QR*	*61-90 days QR*	*91-120 days QR*	*121-365 days QR*	*Over 365 days QR*	*Total QR*
Expected credit loss rate	-	-	15%	72%	100%	100%	0.4%
Trade receivables	100,188,320	10,379,569	3,988,722	367,322	438,075	175,241	115,537,249
Government support	104,933,491	-	-	-	-	-	104,933,491
Bank balances	27,096,261	-	-	-	-	-	27,096,261
Staff receivables	30,413	-	-	-	-	-	30,413
Due from related parties	24,316,462	-	-	-	-	-	24,316,462
Loss allowance	-	-	(605,340)	(265,891)	(438,075)	(175,241)	(1,484,547)
Net trade receivables	256,564,947	10,379,569	3,383,382	101,431	-	-	270,429,329

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to its reputation.

The Group limits its liquidity risk by ensuring bank facilities are available. The Group's terms of sale require amounts to be settled within its specified terms in the contract and invoices. Trade payables are normally settled within the terms of purchase from the supplier.

The table below summarises the maturities of the Group's undiscounted financial liabilities at 31 December, based on contractual payment dates and current market rates.

31 December 2025	***Less than 1 year QR***	***Between 1 and 5 years QR***	***Over 5 years QR***	***Total QR***
Islamic Financing contracts	**593,831,526**	**1,135,814,025**	**1,719,288,993**	**3,448,934,544**
Bank overdraft	**21,022,878**	**-**	**-**	**21,022,878**
Trade payables	**85,582,302**	**-**	**-**	**85,582,302**
Accrued expenses	**73,033,689**	**-**	**-**	**73,033,689**
Refund liabilities relating rebates	**11,143,959**	**-**	**-**	**11,143,959**
Dividend payable	**14,624,633**	**-**	**-**	**14,624,633**
Other liabilities	**2,285,274**	**-**	**-**	**2,285,274**
Due to related parties	**7,997,391**	**-**	**-**	**7,997,391**
Lease liabilities	**400,000**	**79,918,000**	**27,453,000**	**107,771,000**
	809,921,652	**1,215,732,025**	**1,746,741,993**	**3,772,395,670**

31 December 2024	*Less than 1 year QR*	*Between 1 and 5 years QR*	*Over 5 years QR*	*Total QR*
Islamic Financing contracts	467,421,694	930,456,043	1,280,806,341	2,678,684,078
Bank overdraft	104,846,659	-	-	104,846,659
Trade payables	111,262,582	-	-	111,262,582
Accrued expenses	71,772,653	-	-	71,772,653
Refund liabilities relating rebates	7,844,206	-	-	7,844,206
Dividend payable	15,718,453	-	-	15,718,453
Other liabilities	148,053	-	-	148,053
Due to related parties	4,685,123	-	-	4,685,123
Lease liabilities	400,000	40,759,000	67,012,000	108,171,000
	784,099,423	971,215,043	1,347,818,341	3,103,132,807

32 FINANCIAL RISK MANAGEMENT (CONTINUED)

Agriculture risk
(a) Failure to secure long-term production of fodder
The Group has developed an extensive supply chain network in North America and South America, to source fodder, to ensure continuous supply of fodder for its biological assets. The Group's farms also carry a large Inventory of forage to ensure no disruption of supply. In addition, its Algeria agricultural project has commenced with soil preparation and cropping, with the first harvest expected in 2026.

(b) Large scale loss of biological assets due to disease/pandemic
Strong bio-security procedures, cows located in different barns to reduce risk, disease control and vaccination program are in place along with screening and quarantine of incoming animals. Professional vet group within the farming division ensure large scale losses do not occur.

(c) Severe operational disruption (Fire, Flood, etc.)
The Group is prepared to respond to operational disruptions to minimise losses and remain viable. An effective Business Continuity Plan is continually reviewed and adapted for the changing nature of operational disruptions. Risk assessments are continually performed to identify possible events that could cause significant disruptions. Risk of business disruption from flood has been removed through farm design. Farm buildings are constructed in areas that do not have flash floods and also elevated above ground level.

Commodity price risk
Commodity price risk is the risk associated with changes in prices to certain commodities including corn, sugar and soya etc. that the Group is exposed to and its unfavourable effect on the Group's costs and cash flow. This commodity price risk arises from forecasted purchases of certain commodities that the Group uses as raw material. To mitigate commodity price volatility, the Group has diversified its feed sourcing strategy by initiating an agricultural project in Algeria. Soil preparation and cropping are underway, with the first harvest expected in 2026, providing a natural hedge against market fluctuations.

The sensitivity of the commodity prices to reasonably possible changes in rates by 5% would have increased is as follows.

	Increase in price	*Effect on profit QR*
2025	**+5%**	**16,166,552**
2024	+5%	17,888,623

Capital management
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 in order to reduce debt. The Group's equity comprises share capital, legal reserve, retained earnings, acquisition reserve and is measured at QR 2,930,273,273 (2024: QR 2,404,030,361).

The Group is not subject to externally-imposed capital requirements.

33 SEGMENT REPORTING

The Group has a single significant business operation located in the State of Qatar which is an agricultural activity of production and sales of dairy products in addition to other insignificant products and activities. There are no other significant business segments at 31 December 2025 and 2024.

34 FAIR VALUE MEASUREMENTS

Financial assets consist of trade receivables, amounts due from related parties, government support, accrued income, staff receivables, other receivables, cash and bank balances and investment in financial assets at fair value through profit or loss. Financial liabilities consist of Islamic financing contracts, payables, and accrued expenses. trade payables, amounts due to related parties, accrued expenses, lease liabilities, Islamic financing contracts, overdrafts and other payables.

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. Differences can therefore arise between book value under historical cost method and fair value estimates.

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:

31 December 2025	***Total QR***	***Level 1 QR***	***Level 2 QR***	***Level 3 QR***
Financial assets				
Financial investments held at fair value through profit or loss	**994,476,800**	**994,476,800**	-	-
Non-financial assets				
Biological assets	**194,107,472**	-	**194,107,472**	-
	1,188,584,272	**994,476,800**	**194,107,472**	-

31 December 2024	*Total 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	-
	701,082,029	523,694,449	177,387,580	-

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 Group's biological assets comprise of both immature and mature livestock. Immature livestock comprises dairy cows that are intended to be reared to maturity. These immature cows are held to produce milk or offspring but have not yet produced their first calf and begun milk production.

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.

35 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Use of estimates and judgments
The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The estimates and underlying assumptions are reviewed regularly. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

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.

Significant increase in credit risk
The Group uses a provision matrix to calculate ECLs for receivables including Government support, staff receivables, other receivables and due from related parties. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

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.

Estimating the incremental borrowing rate on leases
The Group cannot readily determine the financing rate implicit in the lease, therefore, it uses its incremental borrowing rate "(IBR)" to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay' which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

35 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

Use of estimates and judgments (continued)

Classification of investments
Management exercised significant judgement in determining the appropriate classification of the Company's investments in listed equity securities under IFRS 9 Financial Instruments. Based on the Company's investment strategy and the characteristics of these instruments, the investments have been classified as fair value through profit or loss (FVTPL).

In reaching this conclusion, management considered that the listed shares are not held for long-term strategic purposes, nor do they provide contractual cash flows that meet the requirements for amortised cost or fair value through other comprehensive income (FVOCI) classification. Instead, these investments are actively managed and monitored with the objective of realising fair value changes through trading activities. Accordingly, changes in fair value are recognised directly in profit or loss in the period in which they arise, consistent with the requirements of IFRS 9.

Impairment of financial assets

Allowance for expected credit losses of receivables
At the reporting date, the gross amount receivables were QR 622,656,280 (2024: QR 271,913,876) with allowance for expected credit loss amounting to QR 1,409,114 (2024: QR 1,484,547). Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the consolidated statement of income.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, Government support, staff receivables, other receivables, and due from related parties, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

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.

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.

At the reporting date, gross inventories were QR 401,541,457 (2024: QR 433,685,234) with provision for slow-moving inventories amounting to QR 1,046,923 (2024: QR 3,626,432). Any difference between the amounts actually realised in future periods and the amounts expected will be recognised in the consolidated statement of income.

35 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

Use of estimates and judgments (continued)

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.

Taxes
Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective country in which it operates. The amount of such provisions is based on various factors, such as differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective country of operations.

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 as a going concern. Therefore, the consolidated financial statements continue to be prepared on a going concern basis.

36 COMPARATIVE FINANCIAL INFORMATION

Certain comparative information in the consolidated financial statements has been reclassified to conform to the current year presentation and classification. The changes have been made to improve the quality of the information presented and do not affect the previously reported net profit or equity.

Effects of the reclassification to the consolidated financial statements are summarized below:

Effect on the consolidated statement of financial position as at 31 December 2024:

	As previously reported 31 December 2024 QR	*Reclassification QR*	*Reclassified 31 December 2024 QR*
Reclassification of bank overdrafts			
Bank overdrafts	175,098,166	(70,251,507)	104,846,659
Islamic financing contracts - current	296,406,257	70,251,507	366,657,764
Net effect	471,504,423	-	471,504,423

36 COMPARATIVE FINANCIAL INFORMATION (CONTINUED)

	As previously reported 31 December 2024 QR	*Reclassification QR*	*Reclassified 31 December 2024 QR*
Reclassification of due from related parties to lease liability and due to related parties			
Due from related parties	57,020,723	(32,704,261)	24,316,462
Lease liabilities			
Current	(9,114,108)	9,037,078	(77,030)
Non-current	(102,724,863)	24,683,172	(78,041,691)
Due to related parties	(3,669,134)	(1,015,989)	(4,685,123)
Net effect	(58,487,382)	-	(58,487,382)

Effect on the consolidated statement of cashflows for the year ended 31 December 2024:

	As previously reported 31 December 2024 QR	*Reclassification QR*	*Reclassified 31 December 2024 QR*
Operating activities	189,429,338	33,720,250	223,149,588
Financing activities	(128,948,834)	20,812,804	(108,136,030)
Cash and cash equivalent as at 31 December	(147,474,437)	54,533,054	(92,941,383)