

BALADNA Q.P.S.C.
AL KHOR, QATAR

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED
31 MARCH 2025**

BALADNA Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2025

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BALADNA Q.P.S.C.**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2025**

	<i>Note</i>	For the three month period ended	
		31 March 2025 (Unaudited) QR	31 March 2024 (Unaudited) QR
Revenue	3	330,520,589	312,788,194
Cost of revenue		(243,479,641)	(241,195,556)
Gross profit		87,040,948	71,592,638
Other income		22,059,502	28,330,414
Gain on investment at FVTPL		11,277,762	5,484,748
Selling and distribution expenses		(25,368,551)	(26,219,871)
General and administrative expenses		(17,248,351)	(16,659,415)
Operating profit for the period		77,761,310	62,528,514
Finance costs and bank charges		(19,074,599)	(13,860,351)
Profit before income tax		58,686,711	48,668,163
Income tax expense	4	(347,868)	(313,597)
Profit after tax for the period		58,338,843	48,354,566
Net profit attributable to:			
Equity holders of the parent		58,231,428	48,250,836
Non-controlling interest		107,415	103,730
		58,338,843	48,354,566
Other comprehensive income		–	–
Total comprehensive income for the period		58,338,843	48,354,566
Total comprehensive income attributable to:			
Equity holders of the parent		58,231,428	48,250,836
Non-controlling interest		107,415	103,730
		58,338,843	48,354,566
Basic and diluted earnings per share (Expressed in QR per share)	10	0.030	0.025

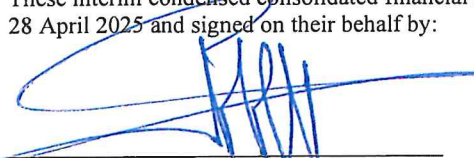
The attached notes from 1 to 13 are an integral part of these interim condensed consolidated financial statements.

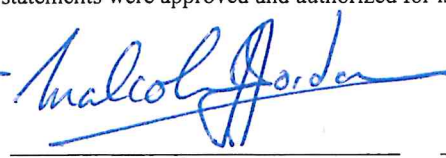
BALADNA Q.P.S.C.**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025**

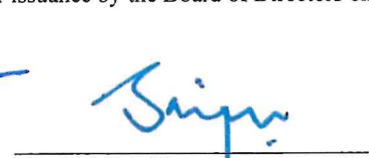
	<i>Note</i>	31 March 2025 (Unaudited) QR	31 December 2024 (Audited) QR
ASSETS			
Non-current assets			
Property, plant and equipment		3,200,012,044	3,188,264,216
Right-of-use assets		107,664,771	110,394,944
Intangible assets		7,138,123	7,948,693
Goodwill		6,792,635	6,792,635
Financial investments held at FVTPL	5	561,196,337	523,694,449
Biological assets		206,797,831	176,904,780
Total non-current assets		4,089,601,741	4,013,999,717
Current assets			
Inventories		436,820,442	430,058,802
Trade and other debit balances		443,382,451	404,279,931
Biological assets		402,400	482,800
Due from related parties		53,614,782	57,020,723
Cash and bank balances	6	32,347,545	27,623,729
Total current assets		966,567,620	919,465,985
TOTAL ASSETS		5,056,169,361	4,933,465,702
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	7	2,001,052,631	1,901,000,000
Legal reserve		66,621,737	66,621,737
Acquisition reserve		201,123,011	201,123,011
Retained earnings		193,464,410	235,285,613
Equity attributable to owners of the parent		2,462,261,789	2,404,030,361
Non-controlling interest		3,191,117	3,011,202
TOTAL EQUITY		2,465,452,906	2,407,041,563
LIABILITIES			
Non-current liabilities			
Islamic financing	8	1,669,023,399	1,707,522,765
Employees' end of service benefits		20,069,316	19,057,564
Lease liabilities		100,390,516	102,724,863
Total non-current liabilities		1,789,483,231	1,829,305,192
Current liabilities			
Current portion of Islamic financing	8	242,135,672	211,153,966
Short term financing	9	190,850,465	155,503,798
Trade and other credit balances		215,072,916	212,831,282
Bank overdrafts		140,874,934	104,846,659
Lease liabilities		9,196,171	9,114,108
Due to related parties		3,103,066	3,669,134
Total current liabilities		801,233,224	697,118,947
TOTAL LIABILITIES		2,590,716,455	2,526,424,139
TOTAL EQUITY AND LIABILITIES		5,056,169,361	4,933,465,702

The attached notes from 1 to 13 are an integral part of these interim condensed consolidated financial statements.

These interim condensed consolidated financial statements were approved and authorized for issuance by the Board of Directors on 28 April 2025 and signed on their behalf by:


Mr. Ramez Mhd Ruslan Al Khayat
Managing Director


Mr. Malcolm Jordan
Chief Executive Officer


Mr. Saifullah Khan
Chief Financial Officer

BALADNA Q.P.S.C.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2025**

For the three month period ended 31 March 2025	Share Capital QR	Legal reserve QR	Acquisition reserve QR	Retained earnings QR	Total QR	Non- controlling interest QR	Total equity QR
As at 1 January 2025 (Audited)	1,901,000,000	66,621,737	201,123,011	235,285,613	2,404,030,361	3,011,202	2,407,041,563
Net movement in non-controlling interest	-	-	-	-	-	72,500	72,500
Profit for the period	-	-	-	58,231,428	58,231,428	107,415	58,338,843
Final dividend declared	100,052,631	-	-	(100,052,631)	-	-	-
As at 31 March 2025 (Unaudited)	2,001,052,631	66,621,737	201,123,011	193,464,410	2,462,261,789	3,191,117	2,465,452,906
For the three month period ended 31 March 2024							
As at 1 January 2024 (Audited)	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 period	-	-	-	48,250,836	48,250,836	103,730	48,354,566
Final dividend declared	-	-	-	(132,119,500)	(132,119,500)	-	(132,119,500)
As at 31 March 2024 (Unaudited)	1,901,000,000	48,120,521	201,123,011	121,650,813	2,271,894,345	2,464,812	2,274,359,157

The attached notes from 1 to 13 are an integral part of these interim condensed consolidated financial statements.

BALADNA Q.P.S.C.**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2025**

	For the three month period ended 31 March 2025 (Unaudited) QR	For the three month period ended 31 March 2024 (Unaudited) QR
OPERATING ACTIVITIES		
Profit before tax for the period	58,686,711	48,668,163
Adjustments for:		
Depreciation of property, plant and equipment	33,245,578	30,352,438
Depreciation of right-of-use assets	2,730,173	2,799,965
Amortization of intangible asset	810,570	788,276
Provision for employees' end of service benefits	1,296,892	1,229,364
Impairment loss allowance on trade receivables	6,499	16,200
Loss on disposal of property, plant and equipment	16,434	27,719
Gain on investment of FVTPL	(11,277,762)	(5,484,748)
Gain arising from change in fair value of biological assets	(13,949,614)	(9,965,319)
Cost of slaughtered animals disposed and transfer	2,233,501	1,396,777
Loss from death of livestock	2,108,925	2,691,461
Finance cost on lease liabilities	1,110,964	137,145
Finance cost	17,963,635	13,723,206
Operating cash flow before movement in working capital	94,982,506	86,380,647
Changes in:		
Inventories	(6,761,640)	48,791,765
Due from related parties	3,405,941	3,510,912
Trade and other debit balances	(39,137,686)	33,621,633
Due to related parties	(566,068)	(210,011)
Trade and other credit balances	11,770,681	31,131,581
Cash generated from operating activities	63,693,734	203,226,527
Employees' end of service benefit paid	(285,140)	(409,320)
Finance costs paid	(27,473,713)	(19,651,011)
Finance cost on lease liabilities paid	(1,110,964)	(137,145)
Net cash generated from operating activities	34,823,917	183,029,051
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(45,072,931)	(73,439,672)
Proceeds from disposal of property, plant and equipment	63,091	211,021
Purchase of intangible assets	-	(23,980)
Proceeds from disposal of investment securities	-	2,211,432
Acquisition of financial investments at FVTPL	(26,224,126)	(20,690,990)
Net movement in biological assets	(20,205,463)	23,666,810
Net cash used in investing activities	(91,439,429)	(68,065,379)
FINANCING ACTIVITIES		
Net movement in financing	27,829,007	7,071,418
Principal elements of lease payments	(2,252,284)	(2,758,095)
Change in non-controlling interest	72,500	-
Dividend paid	(338,170)	(132,649,412)
Net movement in restricted cash	-	5,430,969
Net cash generated from / (used in) financing activities	25,311,053	(122,905,120)
Net decrease in cash and cash equivalents	(31,304,459)	(7,941,448)
Cash and cash equivalents at the beginning of the period	(77,222,930)	(33,365,461)
Cash and cash equivalents at the end of the period	(108,527,389)	(41,306,909)

The attached notes from 1 to 13 are an integral part of these interim condensed consolidated financial statements.

BALADNA Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2025

1. Corporate information

Baladna Q.P.S.C. (the “Company”) was established in the State of Qatar under commercial registration number 140310, as Qatari Public Shareholding Company. The Company finalized legal documentation for the process of establishment and issuance of the Commercial registration on 2 December 2019 (the “Establishment Date”), pursuant to the provisions of Qatar Commercial Companies Law. The Company’s registered office is at P.O Box 3382, Um Alhawayya Farm, State of Qatar.

These interim condensed consolidated financial statements comprise of the financial statements of the Company and its subsidiaries (collectively, the “Group”), as follows:

Subsidiary Name	Country of incorporation	Type of interest	Percentage of effective control
Baladna Food Industries W.L.L. (<i>Note i</i>)	Qatar	Subsidiary	100%
Baladna Food Trading W.L.L. (<i>Note ii</i>)	Qatar	Subsidiary	100%
Baladna Business and Trading L.L.C (<i>Note iii</i>)	Oman	Subsidiary	100%
Awafi W.L.L. (<i>Note iv</i>)	Qatar	Subsidiary	100%
Baladna for Trading and Investment W.L.L. (<i>Note v</i>)	Qatar	Subsidiary	100%
Agrocare Development S.R.L (<i>Note vi</i>)	Romania	Subsidiary	100%
E-Life Detergent Factory W.L.L. (<i>Note vii</i>)	Qatar	Subsidiary	75%
Baladna for Trading and Investment L.L.C. (QFC) (<i>Note viii</i>)	Qatar	Subsidiary	100%
Baladna Algeria S.P.A. (<i>Note ix</i>)	Algeria	Subsidiary	51%

Notes:

- (i) Baladna Food Industries W.L.L. is a limited liability company established under Commercial Registration No. 64756 and is owned 100% by the Company. The principal activity is production and sales of milk, juice, slaughter of animals and sale of meat.
- (ii) Baladna Food Trading W.L.L. is a limited liability company established under Commercial Registration No. 133592 and is owned 100% by Baladna Food Industries W.L.L. The principal activity is trading in the food materials.
- (iii) Baladna Business and Trading L.L.C. is a limited liability company established under Commercial Registration No.1343623 and is owned 99% by Baladna Food Industries W.L.L. and 1% by Baladna Food Trading W.L.L. The principal activities are as follows:
- Retail sale in specialized stores of dairy products, eggs, olive and pickles;
 - Activities of export and import offices; and
 - Wholesale of soft drinks, juices and mineral water.
- (iv) Awafi W.L.L. is a limited liability company established under Commercial Registration No. 141419 and is owned 100% by the Company. The principal activity is trading in the food materials, packaging and dairy products.
- (v) Baladna for Trading and Investment W.L.L. is a limited liability company established under Commercial Registration No. 157435 and is owned 100% by the Company. The principal activity is trading feed, investment and management of agricultural projects and investment outside Qatar.
- (vi) Agrocare Development S.R.L. is a limited liability company established under Commercial Registration No. 593753 and is owned 100% by Baladna for Trading and Investment W.L.L. The principal activity of the Company is growing of cereals (except rice), leguminous Crops and Oil Seeds.
- (vii) E-Life Detergent Factory W.L.L. is a limited liability company established under Commercial Registration No. 106993 and is owned 75% by Baladna Food Industries W.L.L. The Company was acquired by the Group in 2023. The principal activities are as follows:
- Manufacturing of liquid and powder detergents;
 - Manufacturing of dishwashing liquids, hand sanitizers, hand washing liquids,
 - Manufacturing of cleaning materials for tiles, porcelain, glass and mirrors; and
 - Manufacturing of other detergent materials, soap and cosmetics.
- (viii) Baladna for Trading and Investment L.L.C. is a limited liability company established under Qatar Financial Centre Authority License No. 02713 and is owned 100% by the Company. The principal activity of the Company is holding subsidiary companies.
- (ix) Baladna Algeria S.P.A. is a joint stock company established under Commercial Registration No. 16/00-1282922B25 and is owned 51% by Baladna for Trading and Investment L.L.C. (QFC Company). The principal activities are production of milk and dairy products, milk powder production, artificial fattening of cows and sheep, pet breeding, grain storage and agricultural processing.

The principal activities of the Group are agricultural activities of production and sales of milk, juice, slaughter of animal and sale of meats and detergent.

BALADNA Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2025

2. Statement of compliance and basis of measurement

Statement of compliance

These interim condensed consolidated financial statements of the Group are prepared in accordance with International Accounting Standard (IAS 34) "Interim Financial Reporting" and in conformity with the applicable provisions of Qatar Commercial Companies Law.

These interim condensed consolidated financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). In addition, results for the period ended 31 March 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

The interim condensed consolidated financial statements have been prepared in Qatari Riyals (QR), which is the Company's functional and presentation currency and all financial information has been rounded off to the nearest QR, unless otherwise indicated.

The preparation of these interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty are in accordance with IFRS.

The accounting policies used in the preparation of these interim condensed consolidated financial statements are in accordance with IFRS, and are consistent with those used in preparation of Group's annual consolidated financial statements for the year ended 31 December 2024, taking into consideration certain new and revised standards and interpretations, that became effective in the current period, which have introduced certain changes. Some of these changes are changes in terminology only, and some are substantive but have had no material effect on the reported results or financial position of the Group.

All material intra-group balances, transactions, income and expenses and profits and losses resulting from intragroup transactions are eliminated on consolidation.

Basis of measurement

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

3. Revenue

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

a) Type of goods or services

	For the three month period ended	
	31 March 2025 (Unaudited) QR	31 March 2024 (Unaudited) QR
Dairy sales	298,464,462	273,754,186
Juice sales	16,990,084	19,033,430
Livestock sales	8,674,921	14,229,371
Plastic sales	754,379	1,063,520
Feed sales	-	9,511
Compost and manure sales	623,300	737,504
	325,507,146	308,827,522
Detergent sales	5,013,443	3,960,672
	330,520,589	312,788,194

b) Timing of satisfaction of performance obligation

Goods transferred at point in time	330,520,589	312,788,194
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BALADNA Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2025

4. Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major component of income tax expense in the interim condensed consolidated statement of profit or loss are:

	<u>For the three month period ended</u>	
	31 March 2025 QR (Unaudited)	31 March 2024 QR (Unaudited)
Income tax expense	347,868	313,597

Note:

On 27 March 2025, Qatar published in the Official Gazette, Law No. 22 of 2024 amending specific provisions of the Income Tax Law promulgated under Law No. 24 of 2018 by introducing Domestic Minimum Top-up Tax ('DMTT') and Income Inclusion Rule ('IIR') with a minimum effective tax rate of 15%. The amendments are effective from 1 January 2025 and the related regulations on implementation, compliance and administrative provisions are expected to be issued by the General Tax Authority in the near future.

The Group has performed an assessment of the applicability of Pillar Two tax requirements, and based on this assessment the Group believes it will be exempt from these requirements. The Group will continue to monitor any Pillar Two legislation and regulations as and when issued, and accordingly reassess and liaise with the relevant regulatory authorities to determine whether there would be any impact for the Group.

5. Financial investments held at fair value through profit or loss

	31 March 2025		31 December 2024	
	Quoted (Unaudited) QR	Unquoted QR	Quoted (Audited) QR	Unquoted QR
Equity investments	561,196,337	–	523,694,449	–
	561,196,337	–	523,694,449	–

As at 31 March 2025, equity investments represent equity shares quoted in Qatar Stock Exchange and Egyptian Exchange.

6. Cash and cash equivalents

	31 March 2025	31 December 2024
	(Unaudited) QR	(Audited) QR
Cash in hand	1,248,437	527,468
Bank balances	31,099,108	27,096,261
Cash and bank balances	32,347,545	27,623,729
Restricted bank balances	-	-
	32,347,545	27,623,729
Bank overdraft	(140,874,934)	(104,846,659)
Cash and cash equivalents	(108,527,389)	(77,222,930)

BALADNA Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2025

7. Share capital

Authorised, issued and paid-up ordinary and special shares QR 1 per each share

	2025 (Unaudited) QR	2024 (Audited) QR
As at 1 January	1,901,000,000	1,901,000,000
Bonus shares issued	100,052,631	-
As at 31 March 2025 / 31 December 2024	2,001,052,631	1,901,000,000

On 9 March 2025 upon obtaining approval from the shareholders in the Extraordinary General Meeting, Parent company issued 100,052,631 bonus shares at the rate of 1 share for every 19 shares held by the shareholders, which resulted an increase in share capital to 2,001,052,631 shares with nominal value of QR. 1 per share.

The Group's authorized, issued and paid-up share capital amounting to QR 2,001,052,631 (2024: QR 1,901,000,000) is divided into 2,001,052,630 (2024: 1,900,999,999) ordinary shares and one special share (2024: one special share), the nominal value is QR 1 of each share.

8. Islamic financing

	31 March 2025 (Unaudited) QR	31 December 2024 (Audited) QR
Islamic financing 1 (<i>Note i</i>)	892,327,523	892,327,525
Islamic financing 2 (<i>Note ii</i>)	866,485,576	888,240,384
Islamic financing 3 (<i>Note iii</i>)	76,060,269	77,769,637
Islamic financing 4 (<i>Note iv</i>)	76,285,703	60,339,185
	1,911,159,071	1,918,676,731
Current portion	242,135,672	211,153,966
Non-current portion	1,669,023,399	1,707,522,765
	1,911,159,071	1,918,676,731

Notes:

- (i) This represents Murabaha facility obtained by the Company's subsidiary (Baladna Food Industries W.L.L.) from a local bank to finance the construction of cows' farm and working capital requirements.
- (ii) This represents financing facility obtained by the Company's Subsidiary (Baladna Food Industries W.L.L.) from a local bank to support expansion and business development.
- (iii) This represents financing facility obtained by the Company's Subsidiary (Baladna Food Industries W.L.L.) from a local bank to support expansion and business development.
- (iv) This represents margin facility obtained by the Company from a local bank to support the investment in equity securities.

9. Short term financing

	31 March 2025 (Unaudited) QR	31 December 2024 (Audited) QR
Short term financing	190,850,465	155,503,798

This represents document credit facilities obtained from a local banks in order to finance the working capital requirements.

BALADNA Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2025

10. Basic and diluted earnings per share

	<u>For the three month period ended</u>	
	<u>31 March 2025 (Unaudited)</u>	<u>31 March 2024 (Unaudited)</u>
Net profit attributable to equity holders of the parent (QR)	58,231,428	48,250,836
Weighted average number of shares outstanding during the period	1,925,457,310	1,901,000,000
Basic and diluted earnings per share (QR)	0.030	0.025

11. Segment reporting

The Group has single significant business operation which is an agricultural activity of production and sales of dairy products in addition to other related products and activities. All other business segments are not significant.

12. 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:

	<u>31 March 2025 (Unaudited) QR</u>	<u>31 December 2024 (Audited) QR</u>
Guarantees and letters of credit	143,876,443	66,724,202

13. Comparative figure

Certain comparative amounts in the Group's interim condensed consolidated financial statements have been reclassified to conform to the current year's presentation. This reclassification does not impact on net assets or equity.