

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

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED
31 MARCH 2024**

BALADNA Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2024

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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 2024**

	<i>Note</i>	For the three month period ended	
		31 March 2024 (Unaudited) QR	31 March 2023 (Unaudited) QR
Revenue	3	312,788,194	254,445,309
Cost of revenue		(241,195,556)	(204,374,790)
Gross profit		71,592,638	50,070,519
Other income		28,330,414	30,034,137
Gain on investment at FVTPL		5,484,748	473,964
Selling and distribution expenses		(26,219,871)	(19,672,005)
General and administrative expenses		(16,659,415)	(19,079,334)
Operating profit for the period		62,528,514	41,827,281
Finance costs and bank charges		(13,860,351)	(21,657,963)
Profit before income tax		48,668,163	20,169,318
Income tax expense		(313,597)	(151,290)
Profit after tax for the period		48,354,566	20,018,028
Net profit attributable to:			
Equity holders of the parent		48,250,836	20,018,028
Non-controlling interest		103,730	-
		48,354,566	20,018,028
Other comprehensive income		-	-
Total comprehensive income for the period		48,354,566	20,018,028
Total comprehensive income attributable to:			
Equity holders of the parent		48,250,836	20,018,028
Non-controlling interest		103,730	-
		48,354,566	20,018,028
Basic and diluted earnings per share (Expressed in QR per share)	9	0.025	0.011

The attached notes from 1 to 12 are an integral part of these interim condensed consolidated financial statements.

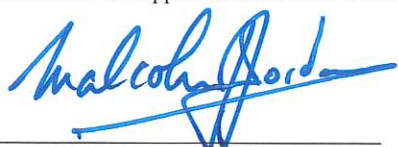
BALADNA Q.P.S.C.**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024**

	<i>Note</i>	31 March 2024 (Unaudited) QR	31 December 2023 (Audited) QR
ASSETS			
Non-current assets			
Property, plant and equipment		3,231,707,084	3,188,839,696
Right-of-use assets		118,717,144	121,517,109
Intangible assets		9,206,279	7,491,787
Goodwill		6,792,635	6,792,635
Financial investments held at FVTPL	4	395,805,430	371,841,124
Biological assets		180,063,865	196,432,194
Total non-current assets		3,942,292,437	3,892,914,545
Current assets			
Inventories		351,537,630	400,329,395
Trade and other debit balances		372,696,925	408,503,392
Biological assets		857,500	2,278,900
Due from related parties		78,726,625	79,788,891
Cash and bank balances	5	50,001,555	59,711,283
Total current assets		853,820,235	950,611,861
TOTAL ASSETS		4,796,112,672	4,843,526,406
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	6	1,901,000,000	1,901,000,000
Legal reserve		48,120,521	48,120,521
Acquisition reserve		201,123,011	201,123,011
Retained earnings		121,650,813	205,519,477
Equity attributable to owners of the parent		2,271,894,345	2,355,763,009
Non-controlling interests		2,464,812	2,361,082
TOTAL EQUITY		2,274,359,157	2,358,124,091
LIABILITIES			
Non-current liabilities			
Islamic financing	7	1,750,579,213	1,720,822,007
Employees' end of service benefits		16,822,012	16,001,968
Lease liabilities		109,586,684	111,943,670
Total non-current liabilities		1,876,987,909	1,848,767,645
Current liabilities			
Current portion of Islamic financing	7	157,901,923	176,309,615
Short term financing	8	92,625,937	96,904,033
Trade and other credit balances		288,328,500	260,563,345
Bank overdrafts		91,308,464	87,645,775
Lease liabilities		9,718,237	10,119,346
Due to related parties		4,882,545	5,092,556
Total current liabilities		644,765,606	636,634,670
TOTAL LIABILITIES		2,521,753,515	2,485,402,315
TOTAL EQUITY AND LIABILITIES		4,796,112,672	4,843,526,406

The attached notes from 1 to 12 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 24 April 2024 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 2024**

	Share Capital QR	Legal reserve QR	Acquisition reserve QR	Retained earnings QR	Total QR	Non- controlling interes QR	Total equity QR
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
For the three month period ended 31 March 2023							
As at 1 January 2023 (Audited)	1,901,000,000	37,157,664	201,123,011	109,594,477	2,248,875,152	-	2,248,875,152
Profit for the period	-	-	-	20,018,028	20,018,028	-	20,018,028
As at 31 March 2023 (Unaudited)	1,901,000,000	37,157,664	201,123,011	129,612,505	2,268,893,180	-	2,268,893,180

The attached notes from 1 to 12 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 2024**

	For the three month period ended 31 March 2024 (Unaudited) QR	For the three month period ended 31 March 2023 (Unaudited) QR
OPERATING ACTIVITIES		
Profit before tax for the period	48,668,163	20,169,318
Adjustments for:		
Depreciation of property, plant and equipment	30,352,438	31,258,224
Depreciation of right-of-use assets	2,799,965	3,204,318
Amortization of intangible asset	788,276	583,248
Provision for employees' end of service benefits	1,229,364	1,035,393
Impairment loss allowance on trade receivables	16,200	-
(Gain)/loss on disposal of property, plant and equipment	27,719	(1,004)
(Gain) on investment of FVTPL	(5,484,748)	(473,964)
Gain arising from change in fair value of biological assets	(9,965,319)	(14,732,317)
Cost of slaughtered animals disposed and transfer	1,396,777	1,890,558
Loss from death of livestock	2,691,461	4,631,718
Finance cost on lease liabilities	137,145	206,808
Finance cost	13,723,206	21,451,155
Operating cash flow before movement in working capital	86,380,647	69,223,455
Changes in:		
Inventories	48,791,765	38,319,750
Due from related parties	1,062,266	(862,479)
Trade and other debit balances	36,070,279	(32,160,360)
Due to related parties	(210,011)	(3,406,984)
Trade and other credit balances	31,131,581	(12,935,449)
Cash generated from operating activities	203,226,527	58,177,933
Employees' end of service benefit paid	(409,320)	(847,721)
Finance costs paid	(19,651,011)	(26,007,935)
Finance cost on lease liabilities paid	(137,145)	(206,808)
Net cash generated from operating activities	183,029,051	31,115,469
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(73,439,672)	(72,172,453)
Proceeds from disposal of property, plant and equipment	211,021	1,500
Purchase of intangible assets	(23,980)	(161,404)
Proceeds from disposal of investment securities	2,211,432	45,042,055
Acquisition of financial asset at FVTPL	(20,690,990)	(1,573,177)
Net movement in biological assets	23,666,810	7,559,010
Net cash used in investing activities	(68,065,379)	(21,304,469)
FINANCING ACTIVITIES		
Net movement in financing	7,071,418	(13,862,409)
Principal elements of lease payments	(2,758,095)	(2,447,455)
Dividend paid	(132,649,412)	(358,024)
Net movement in restricted cash	5,430,969	13,803,690
Net cash used in financing activities	(122,905,120)	(2,864,198)
Net (decrease)/increase in cash and cash equivalents	(7,941,448)	6,946,802
Cash and cash equivalents at the beginning of the period	(33,365,461)	(56,626,340)
Cash and cash equivalents at the end of the period	(41,306,909)	(49,679,538)

The attached notes from 1 to 12 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 2024

1. Corporate information

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

These 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. (Note i)	Qatar	Subsidiary	100%
Baladna Food Trading W.L.L. (Note ii)	Qatar	Subsidiary	100%
Baladna Business and Trading LLC (Note iii)	Oman	Subsidiary	100%
Awafi W.L.L. (Note iv)	Qatar	Subsidiary	100%
Baladna for Trading and Investment W.L.L. (Note v)	Qatar	Subsidiary	100%
Agrocare Development S.R.L (Note vi)	Romania	Subsidiary	100%
E-Life Detergent Factory W.L.L. (Note vii)	Qatar	Subsidiary	75%

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 animal and sale of meats.
- (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 LLC is a limited liability company established under Commercial Registration No.1343623 and is owned 99% by Baladna Food Industries W.L.L. and 1% by Baladna Food Trading W.L.L. The principal activities are as follows:
- Retail sale in specialized stores of dairy products, eggs, olive and pickles;
 - Activities of export and import offices; and
 - Wholesale of soft drinks, juices and mineral water.
- (iv) Awafi W.L.L. is a limited liability company established under Commercial Registration No. 141419 and is owned 100% by Baladna Q.P.S.C. 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 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 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 principal activity is trading in medical cosmetics and production of liquid and powder detergents.

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 2024

2. Statement of compliance and basis of measurement

Statement of compliance

These interim condensed financial statements of the company 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 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 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

The interim condensed 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 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 Company'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 financial statements are in accordance with IFRS, and are consistent with those used in preparation of Company's annual financial statements for the year ended 31 December 2023, 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	31 March
	2024	2023
	(Unaudited)	(Unaudited)
	QR	QR
Dairy sales	273,754,186	228,066,443
Juice sales	19,033,430	15,943,449
Livestock sales	14,229,371	8,116,767
Plastic sales	1,063,520	797,636
Feed sales	9,511	876,617
Compost and manure sales	737,504	633,372
Others	—	11,025
	308,827,522	254,445,309
Detergent sales	3,960,672	—
	312,788,194	254,445,309

b) Timing of satisfaction of performance obligation

Goods transferred at point in time	312,788,194	254,445,309
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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 2024****4. Financial investments held at fair value through profit or loss**

	31 March 2024		31 December 2023	
	Quoted (Unaudited) QR	Unquoted QR	Quoted (Audited) QR	Unquoted (Audited) QR
Equity investments	395,805,430	–	371,841,124	–
	395,805,430	–	371,841,124	–

As at 31 March 2024, equity investments represent equity shares quoted in Qatar Stock Exchange and Egyptian Exchange.

5. Cash and cash equivalents

	31 March 2024	31 December 2023
	(Unaudited) QR	(Audited) QR
Cash in hand	666,552	931,201
Bank balances	49,335,003	58,780,082
Cash and bank balances	50,001,555	59,711,283
Restricted bank balances	–	(5,430,969)
	50,001,555	54,280,314
Bank overdraft	(91,308,464)	(87,645,775)
Cash and cash equivalents	(41,306,909)	(33,365,461)

6. Share capital

	31 March 2024	31 December 2023
	(Unaudited) QR	(Audited) QR
Authorised, issued and paid-up ordinary and special shares QR 1 per each share	1,901,000,000	1,901,000,000

The Group's authorized, issued and paid-up share capital amounting to QR 1,901,000,000 is divided into 1,900,999,999 ordinary shares and one special share, the nominal value is QR 1 of each share.

7. Islamic financing

	31 March 2024	31 December 2023
	(Unaudited) QR	(Audited) QR
Islamic financing 1 (Note i)	950,327,523	964,827,522
Islamic financing 2 (Note ii)	875,812,500	850,000,000
Islamic financing 3 (Note iii)	82,341,113	82,304,100
	1,908,481,136	1,897,131,622
Current portion	157,901,923	176,309,615
Non-current portion	1,750,579,213	1,720,822,007
	1,908,481,136	1,897,131,622

Notes:

(i) This represents Murabaha facility obtained by the Company's subsidiary (Baladna Food Industries W.L.L.) from a local bank to finance the construction of cows' farm and working capital requirements.

(ii) This represents financing facility obtained by the Company's Subsidiary (Baladna Food Industries W.L.L.) from a local bank to support expansion and business development.

(iii) This represents financing facility obtained by the Company's Subsidiary (Baladna Food Industries W.L.L.) from a local bank to support expansion and business development.

BALADNA Q.P.S.C.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2024****8. Short term financing**

	31 March 2024 (Unaudited) QR	31 December 2023 (Audited) QR
Short term financing	92,625,937	96,904,033

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

9. Basic and diluted earnings per share

	<u>For the three month period ended</u>	
	31 March 2024 (Unaudited)	31 March 2023 (Unaudited)
Net profit attributable to equity holders of the parent (QR)	48,250,836	20,018,028
Weighted average number of shares outstanding during the period	1,901,000,000	1,901,000,000
Basic and diluted earnings per share (QR)	0.025	0.011

10. Segment reporting

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

11. 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:

	31 March 2024 (Unaudited) QR	31 December 2023 (Audited) QR
Guarantees and letters of credit	52,898,043	46,069,045

12. 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.