

# Robust Growth Story, Baladna achieves QAR 84 Million Net Profit



بلادنا ش.م.ع.ق.  
BALADNA Q.P.S.C.



## Doha – 05<sup>th</sup> August 2020

Baladna Q.P.S.C. today announces its results for the period December 2nd 2019 (“establishment date”) to June 30th 2020 (approximately 7 months). During this period net profit achievement is QAR 83.9 million, equivalent to 19% of revenue. In terms of second quarter performance (April-June 2020) the net profit delivery is QAR 44.2 million corresponding to 22% of revenue. Q2 results strengthen by 55% versus Q1.

For the 7 months from establishment date to June 30th 2020, earnings per share (weighted average) equate to QAR 0.046. Retained earnings balance on June 30th is QAR 74.2 million after distributing the first interim dividend of QAR 40.0 million in April 2020. These figures confirm the strong financial and commercial performance of the company.

The macro-trading conditions during the second quarter rapidly deteriorated with the onset of the Covid-19 pandemic. Despite the challenging external environment, Baladna Q.P.S.C. revenue growth is up 13% versus the first quarter. The robust performance is driven by several key factors:

1. Implementation of effective business continuity measures to protect employees, customers, consumers to ensure uninterrupted production and supply to market.
2. Positive Ramadan seasonal impact driving increased household consumption.
3. Ongoing portfolio expansion with the innovation process successfully launching 19 new sku's.

Baladna Q.P.S.C. continues to focus on driving business efficiency through actively streamlining all aspects of the value chain. Productivity gains within the farming division warrant specific mention. With a herd size now exceeding 20,000, the average daily milk yield per cow has significantly improved to 37.9 liters up from 31.1 liters for the same period year ago. Improving productivity is positively strengthening margin delivery.