

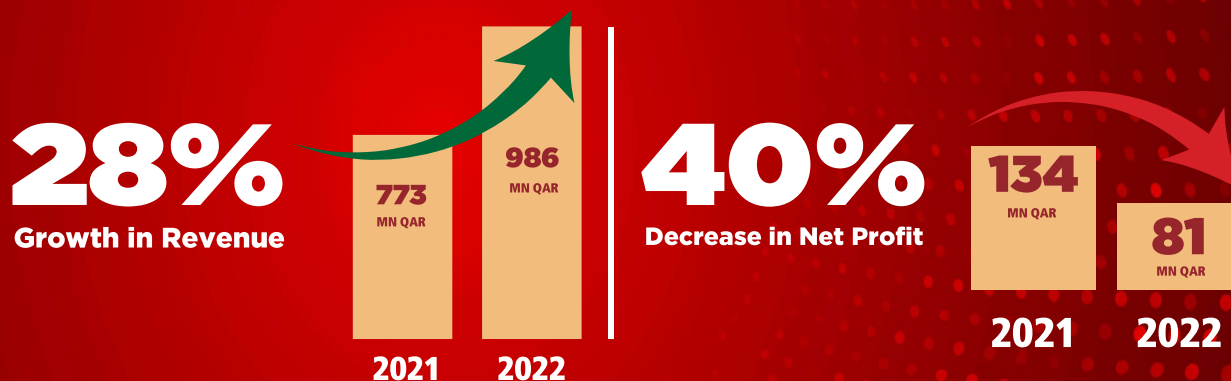
BALADNA reports a significant growth in top line of 28% associated with market share increase

A decline of net profit due to the increase in cost of animal feed, raw materials, packaging material, fuel, logistics and finance cost

While the retail price of most products remains unchanged, coordination with authorities on possible solutions are being studied.



بلادنا ش.م.ع.ق.
BALADNA Q.P.S.C.



Baladna Q.P.S.C. (Baladna) announced yesterday its results for the year ended 31 December 2022.

- Revenue of QAR 986 million, representing a year-on-year growth of 28%, and net profit of QAR 81 million for the year ended 31 December 2022, compared to QAR 773 million of revenue and QAR 134 million net profit for the previous year.
- Increased market share across all product categories through an increase in sale volumes
- Optimization of the product portfolio through the introduction of value accretive products
- Strong recovery of HORECA and retail channels driven by improving market dynamics

Baladna effectively grew its top line during the twelve-month period ending on 31 December 2022, achieving a revenue of QAR 986 million, compared to QAR 773 million revenue in the previous year, representing a growth of 28%. Baladna achieved a net profit of QAR 81 million in FY22 compared to QAR 134 million in the previous year. The net profit declined due to the increase in the cost of animal feed, raw materials, packaging materials, fuel, logistics and finance cost, which negatively impacted the company's profits, results and cash flow, leading to the company's inability to pay dividends to its shareholders for 2022 results as it used to do every year.

Baladna is actively coordinating with authorities to study multiple solutions for reducing the effects of high production costs on the company's profitability.

In order to mitigate the impact of the increase of input costs, and through the implementation of management plans for new initiatives to capitalize on improving market dynamics during the FIFA World Cup Qatar 2022™, Baladna has nevertheless managed to increase sale volumes across both the retail and HORECA (Hotels, Restaurants and Cafe) channels. This resulted in an increase in sales volumes across all product categories.

Baladna also managed to enhance operational efficiencies through a reduction in sales wastage and management of overhead costs.

Baladna is continuously assessing opportunities to enhance its product mix by developing and introducing new, innovative products and optimizing its product portfolio. During the year 2022, Baladna managed to introduce a number of new SKUs to optimize and enhance its product portfolio.

As part of the company's plans to further increase growth in the local market, Baladna is pleased to announce that the construction of the evaporated milk processing factory is progressing well and is currently in its final stages. The facility is expected to be completed by the end of the first quarter of 2023, with commercial production expected to start at the beginning of the second quarter of 2023.

Additionally, as part of Baladna's diversification strategy, the company is continuously seeking and evaluating business opportunities locally and abroad. The recent acquisition of E-Life, a Qatari detergent processing factory (75% stake), is expected to start generating revenue for the company in the year 2023.

International expansion opportunities and partnerships are key for long-term growth and remain a focus area for Baladna. Opportunities in the local market and beyond are being evaluated on a case-by-case basis, with feasibility studies currently underway. As part of its ongoing efforts to enhance operational efficiencies and support food security and self-sufficiency, Baladna is considering potential value accretive options for backward integration that would ensure the supply and quality of feed, a critical component of the company's operations.

Baladna's strategic focus remains on creating value for shareholders through its ongoing strategic initiatives within the State of Qatar. The company is committed to delivering superior products, expanding its product portfolio, and focusing on efficiency across the entire value chain.

Key Operating Highlights



Improved revenue performance, driven by management initiatives to capitalize on improving market dynamics during the FIFA World Cup Qatar 2022™



Increased sales volumes across both retail and HORECA channels, and all product categories



Improved potential for further growth in the local market with the evaporated milk factory reaching the final stages of construction



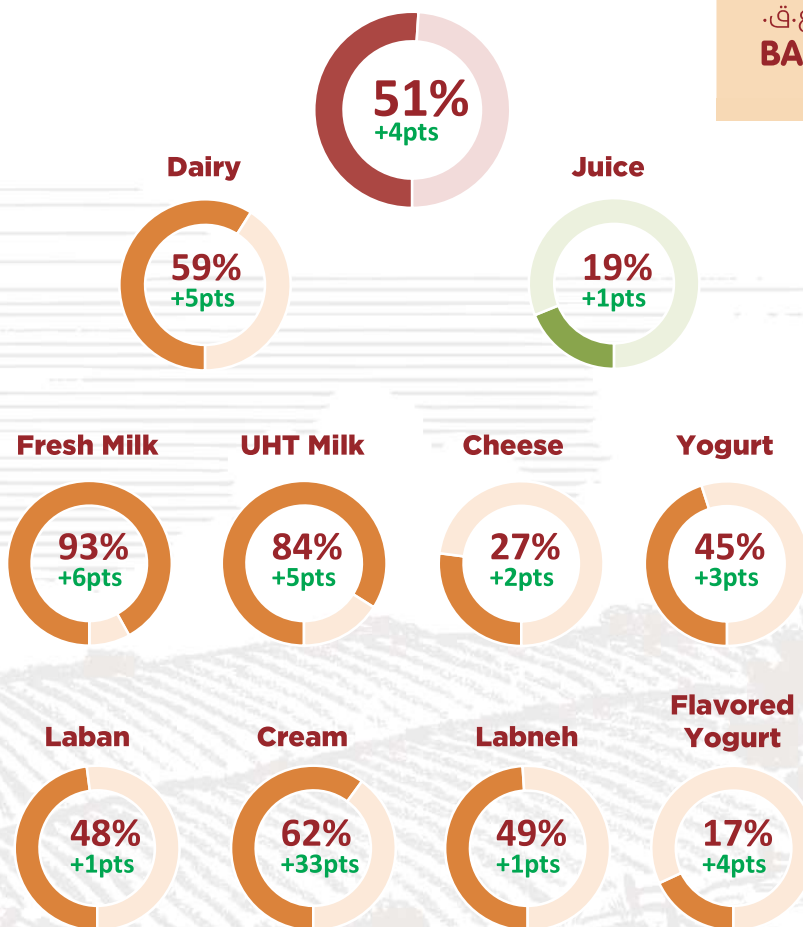
Enhanced diversification initiatives through the acquisition of a 75% stake in E-Life detergent processing factory

For the complete financial statements, please visit www.baladna.com/investor-relations or email: ir@baladna.com

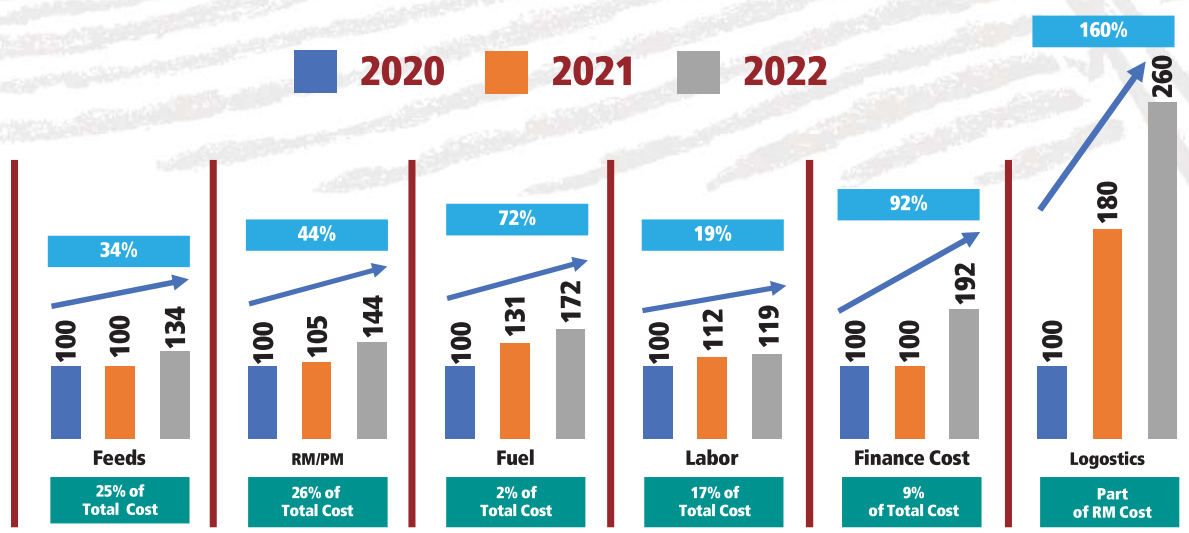
Growth in topline of 28% driven mostly by increase in market share



بلدنا ش.م.ع.ق.
BALADNA Q.P.S.C.



The Drop in Net Profit Due to International Price Increases



The above comprises of 77% of the total cost