

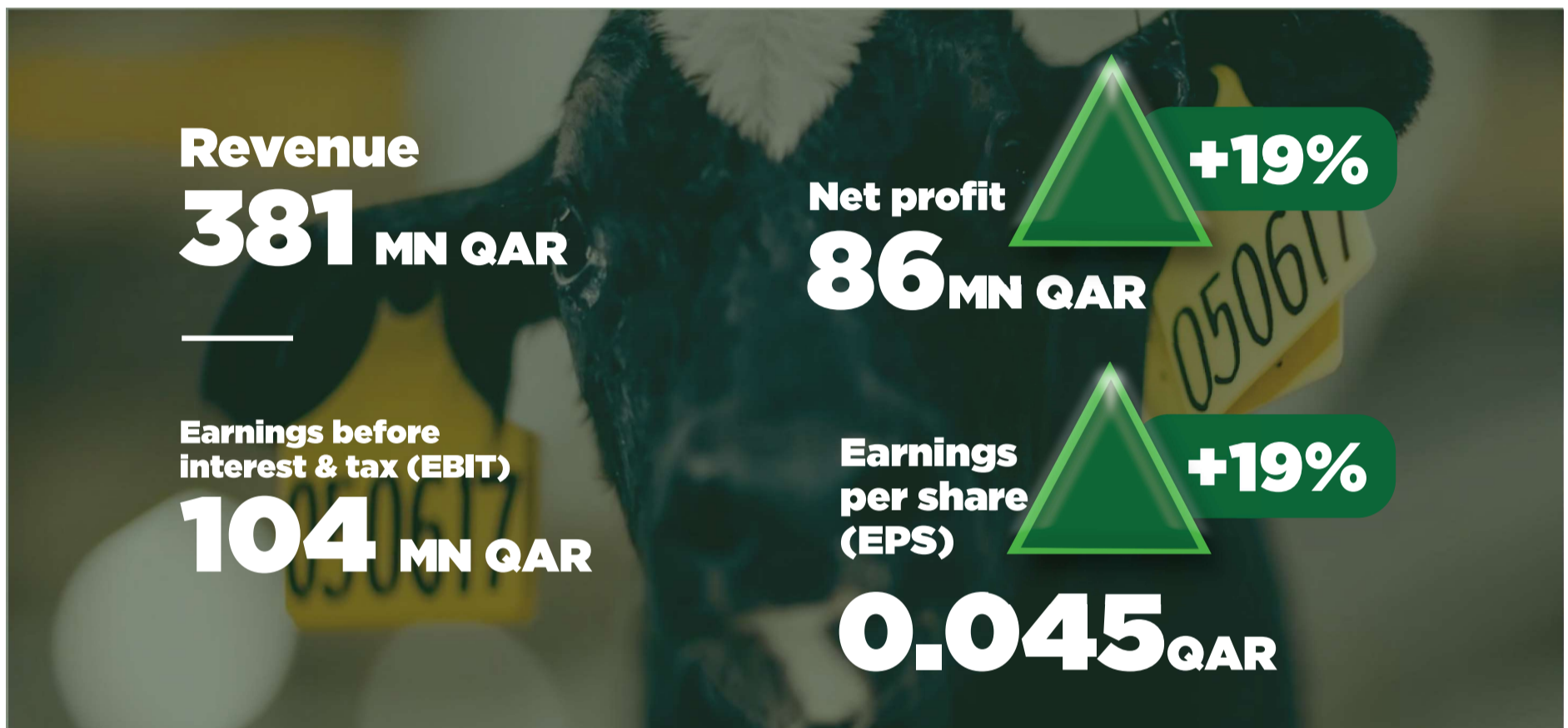


بلدنا ش.م.ع.ق.
BALADNA Q.P.S.C.

A story of consistent growth

Baladna announces **86** Million QAR net profit for the first half of the year, **19%** increase over last year

Consolidated Interim Results for the six months period ended 30 June 2021



Doha – 12th August 2021

Baladna Q.P.S.C. (Baladna) yesterday announced its results for the six months period ended 30th June 2021.

- Revenue of QAR 381 million and net profit of QAR 86 million in first 6 months of year 2021 (H1 2021), compared to QAR 386 million and QAR 73 million in same period last year (H1 2020), respectively.
- Market share increased across the majority of product categories.
- Product development continues with product portfolio growth of 9% since January 2021.
- Baladna's market leading know-how and technical expertise provide strategic business development opportunities.

Operational highlights:

Baladna continues to deliver strong operational and financial results, reporting a net profit of QAR 42 million in Q2 2021 and QAR 86 million in H1 2021.

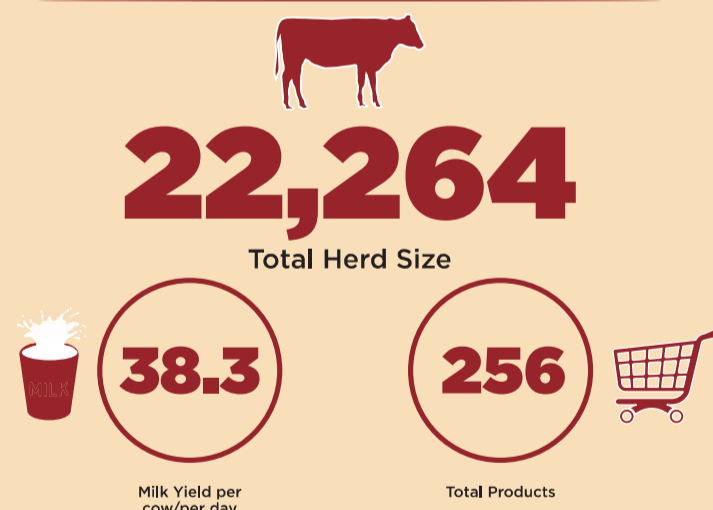
Despite the continuation of a weak retail market in Q2 2021, Baladna presented its resilience and agility by gaining further market share in the retail sector and shifting its new customer acquisition efforts on the HORECA sector. These key initiatives led to several new high profile corporate contracts and as a result, Baladna increased its portfolio penetration by 25% across its customer base.

Product portfolio management remains a key strategic pillar of Baladna's success. Identifying products which are value accretive and in-line with the market requirements, having the R&D capabilities to create innovative products and the ability to bring products successfully to market in a very short period of time. Therefore, Baladna managed despite a temporarily overall lower market demand in Q2 2021, to grow its market share across core categories, while at the same time successfully launching 9 SKUs (net of delisted) and growing the total product portfolio by 4% compared to end of Q1 2021 and by 9% compared to the beginning of the year.

A continuation of the efforts to reduce costs and further enhance efficiencies across the whole value chain is positively contributing to the industry leading profit margins Baladna presents to its shareholders.

In addition to the operational business development of its existing facilities and product offering, Management announced in Q1 2021 the Company's plans to establish an evaporated milk processing factory (Evaporated Milk and Sterilized Cream) and to extend the current facilities of the butter processing plant. As of Q2 2021, both projects are progressing well and are expected to be completed on time. In addition, Baladna has identified further business potential within the evaporated milk facility by reallocating shredded cheese and processed jar cheese to improve manufacturing efficiencies – both are expected to be value accretive to the new projects.

Key Operating Highlights



Baladna remains committed to fulfilling its vision and mission by delivering superior products and expanding its dairy and juice portfolio to become the most trusted brand of nutritional foods and healthy beverages in Qatar, as well as delivering shareholder value.

Financial highlights:

Baladna reported revenue for the six-month period ending 30th June 2021 of QAR 381 million compared to QAR 386 million during the same period in 2020. Operating profits amounted to QAR 104 million compared to QAR 94 million during the same period in 2020. Net profit in H1 2021 stood at QAR 86 million (earnings per share of QAR 0.045) compared to the QAR 73 million (earnings per share QAR 0.038) during 2020, an increase of 19%.

Cashflows from operations remain strong with Baladna recording operational cashflows of QAR 209 million compared to operational cashflows of QAR 201 million during the same period in the previous year. Baladna achieved these results on a solid asset base which is primarily funded by equity.

"The above commentary is based on year-on-year results of the same period for better comparison. However, comparative information presented in the reviewed financial statements is since date of establishment (02nd December 2019) as per the regulatory requirements."

For the complete financial statements relating to H1 2021, please visit www.baladna.com/investor-relations/ or email ir@baladna.com.