

Expanding New Horizons
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Expanding New Horizons



The Journey to Global Expansion
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The Journey to Global Expansion

Annual Report
2025

In the Name of Allah
MOST GRACIOUS
MOST MERCIFUL





His Highness
Sheikh Hamad bin Khalifa Al Thani
The Father Emir



His Highness
Sheikh Tamim bin Hamad Al Thani
Emir of the State of Qatar

Baladna Q.P.S.C - Board of Directors

Non-Independent Board Members



Mr. Mohamed Moutaz Al Khayyat
Group Chairman



Eng. Mr. Ali Hilal Al-Kuwari
Vice Chairman



Mr. Ramez Al Khayyat
Board Member/Managing Director



**Mr. Hamad Bin Abdullah Bin Khalid
Al-Attiya**
Board Member



Mr. Abdulaziz Mahmoud Al-Zeyara
Board Member



Mr. Mazen Alsbeti
Board Member

Independent Board Members



Sheikh Suhaim Bin AbdulAziz Al Thani
Independent Board Member



Eng. Mr. Nasser Hassan Al-Ansari
Independent Board Member



Mr. Aidan Tynan
Independent Board Member

A key priority for Baladna is to contribute to the country's vision for food security by providing nutritious food to a growing population.

Our promise to the people of Qatar is to uphold nation's food security throughout the year, ensuring consistent access to sufficient, safe, and nutritious food at affordable prices. This commitment is not only fundamental to our success as a company but also reflects our deep sense of responsibility and duty of care to the nation.

A Leading Qatari Brand

Baladna is a market leading brand, and owns one of the largest dairy farms in the region

QATARI منتج
PRODUCT قطري



Scan the QR code

to access our interactive microsite and explore key insights

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Our Investment Case
Pg.30



International
Operations
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Driven by ambition and possibilities, we entered 2025 with a clear belief that our story was meant to reach beyond borders.

What began as Qatar's most compelling food security success has evolved into a confident outward journey powered by capability, credibility and purpose. We moved from demonstrating what is possible at home to enabling it abroad, guided by a vision that nourishment, resilience and opportunity can be shared wherever they are needed.



Theme of the Year

Expanding New Horizons **The Journey to Global Expansion**



Driven by ambition and possibilities, we entered 2025 with a clear belief that our story was meant to reach beyond borders. What began as Qatar's most compelling food security success has evolved into a confident outward journey powered by capability, credibility and purpose. We moved from demonstrating what is possible at home to enabling it abroad, guided by a vision that nourishment, resilience and opportunity can be shared wherever they are needed.

Our people, infrastructure and operating model enabled this transition. In 2025, we leaned on the strength of our integrated system, our talent and the trust built with millions of consumers in Qatar. This foundation gave us the confidence to pursue new frontiers, mobilise capital, deepen institutional partnerships and translate the proven Qatar approach into nation-building platforms across markets seeking transformation.

Momentum defined the year. We made tangible advances across international programmes, forged new pathways through Algeria and Syria, strengthened strategic alliances in Egypt, and laid early groundwork in other potential markets. Each step reflected intent to scale responsibly, to shape value rather than merely pursue it, and to stand alongside governments as a partner in food sovereignty.

As we look ahead, our horizon is widening. The ambition that shaped our domestic rise is now shaping our role across regions that share our aspirations for security, sustainability and growth. This next phase calls for conviction, discipline and partnership, and we remain committed to carrying forward our model, our expertise and our purpose as we continue building a future that extends far beyond where we began.

At a Glance



In 2025, we delivered a year defined by momentum, resilience and meaningful progress across every dimension of our business. Our financial and operational achievements reflected the strength of our model, while our sustainability performance, industry recognition and national contributions demonstrated the depth of our long term commitment to Qatar and to the communities we serve. From strengthening core markets to advancing our international footprint and from enhancing efficiency to accelerating our environmental and social impact, we closed the year with a powerful set of results that underscored a business firmly positioned for sustained, responsible growth.

Awards and Recognition



Middle East Investor Relations Association

Best Annual Report Awards 2025

Second place for Best Printed and Best Digital 2025 Annual Report - small cap categories.



National Conference on Food Safety

Ministry of Public Health (MoPH) and the Ministry of Municipality (MoM)

For excellence in food safety standards and practices.



Food Safety Symposium

Ministry of Municipality (MoM)

For the leadership in food quality assurance and safety awareness.

Financial Highlights

Our commitment to excellence across our products, operations and people delivered a record year, reinforcing the strength and resilience of our end-to-end model.

Revenue (QR million) ▲ +10.7%



We exceeded the ambitious targets set for the year, driving strong revenue growth supported by continued momentum across all channels.

EBITDA (QR million) ▲ +103%



Our revenue expansion and disciplined cost management resulted in robust EBITDA margins and strengthened our overall profitability.

Net Profit (QR million) ▲ +192%

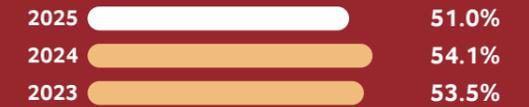


Enhanced efficiencies and sustained operational improvements boosted our bottom line, delivering a significant uplift in full-year net profit.

Operating Highlights

Our proven expertise as Qatar's leading dairy and beverages producer delivered outstanding operational performance, supported by margin expansion and disciplined cost control.

Overall Market Share*



Dairy Market Share*



We maintained our market presence and reinforced our leadership position across key product categories.

*Market share % is based on Nielsen data covering Retail category only

Total Number of SKUs ▲ +2.7%



Our new SKUs contributed meaningfully to topline growth, with dairy continuing to be the strongest performer.

Number of Customers ▲ +0.70%



We grew our customer base further, broadening our reach while strengthening commercial performance.



Overview

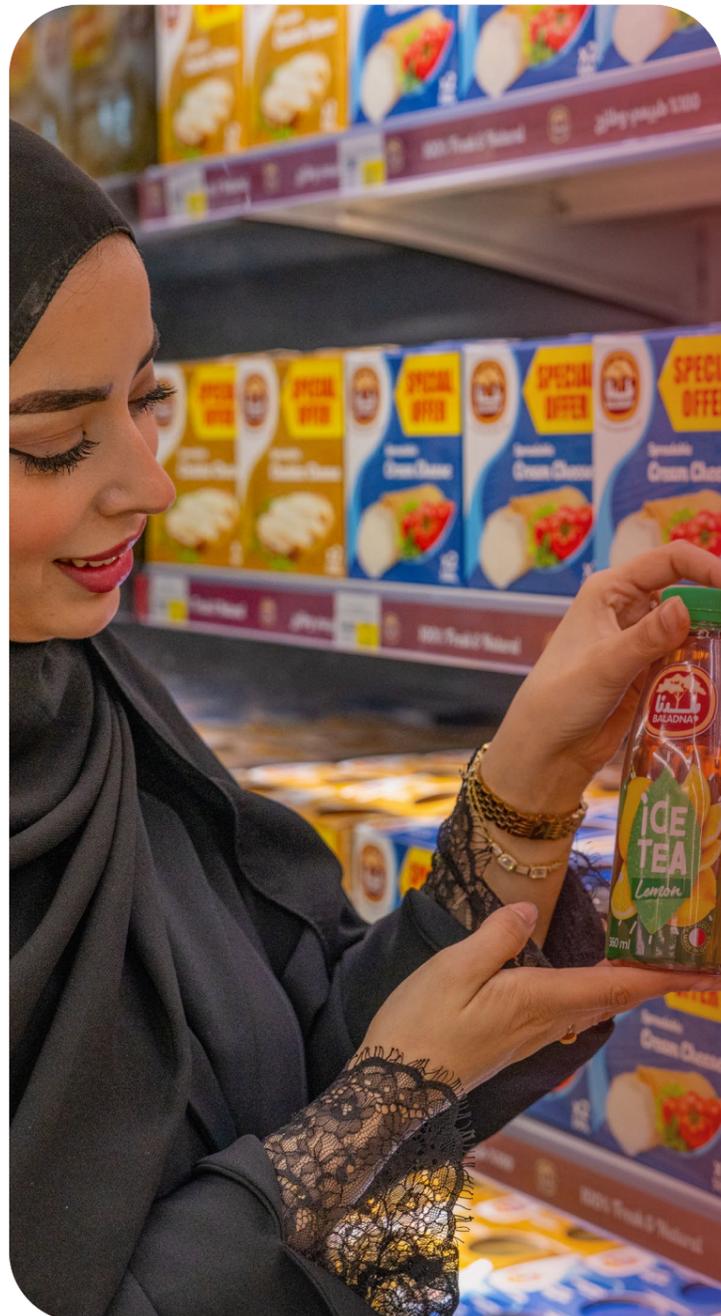
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A national champion scaling with confidence and strengthening food security, performance and long term value, from Qatar to the world.

About Us

Baladna stands as a modern national champion built on purpose, scale and ambition. From its roots as a strategic response to Qatar’s food security priorities, we have evolved into a fully integrated dairy and beverage producer with the capability, resilience and vision to serve both domestic needs and future growth beyond our home market.

Guided by quality, trust and self-sufficiency, Baladna combines best-in-class infrastructure with deep local commitment, shaping a business that delivers everyday nourishment while steadily broadening its horizons.



Our Purpose

To ensure healthy, natural food and beverages that delight our customers and contribute to the food security of Qatar.

Who We Are

Established in 2014, Baladna is Qatar’s leading dairy and beverage company, with a diversified product offering, best-in-class facilities and a self-sufficient farm with breeding capabilities to accelerate future growth.

What We Do

Baladna is an integrated dairy and beverage company, with two largescale farms, state-of-the-art production lines, processing and packaging facilities, and our own distribution network that delivers over 250 products to customers across Qatar and beyond every day.

Our Vision, Mission and Principles



Our Vision

To be the most trusted brand of nutritional foods and healthy beverages in Qatar and to expand to new markets.



Our Mission

To ensure consumers’ wellness by providing natural, nutritious and tasty foods and beverages, while maintaining the most rigorous food safety and biosecurity protocols.



Our Principles

At Baladna we strongly adhere to the following principles:

- **High quality products:** Providing high quality food products by implementing best international practices.
- **Best practices:** Utilizing the expertise of the best veterinarians to promote the healthcare of our cattle.
- **Embracing tradition:** Showing pride in our achievements, hospitality and practicing self-reliance and responsibility.
- **Caring for our livestock:** Cooperating with experts in livestock breeding and production.



Where We Operate

Our geographic footprint reflects a deliberate strategy to scale a proven model beyond our home market while remaining anchored in operational depth, proximity to customers and long term food security objectives. From our established base in Qatar to our expanding presence across North Africa and the Levant, we continue to extend our reach in a focused and disciplined manner, selecting markets where our integrated capabilities, technical expertise and partnership-led approach can create lasting value. This growing footprint strengthens our resilience, supports international growth ambitions and positions us to serve diverse markets with consistency, quality and purpose.



Our Journey

Our growth is defined by constant advancement and a relentless drive to innovate, strengthening our role as Qatar’s foremost dairy producer and a vital pillar of national food security. What began as a homegrown success story has expanded into a forward-looking strategy built on strong local foundations and ambitious international partnerships, reflecting our dedication to high standards and a long term commitment to sustainable progress.

2014

Established sheep and goat farm

2017

Cow project design Phase 1 completed
Housed 4,000 airlifted milking cows with rotary milking parlour

2018

Further expanded the dairy, juice and plastic factories

Built additional barns to house 24,000 cows and achieved 100% Fresh Milk self sufficiency

2019

Publicly listed on Qatar Stock Exchange

2020

Expanded dairy and juice product portfolio

2021

Achieved the position of number 1 leader in dairy and beverages in Qatar

2023

Partnered with global cheese producer Bel Group to expand dairy offerings in Qatar

Achieved QR 1 billion in revenue, validating topline performance

Acquired E-life detergent business to diversify revenue streams

Built state-of-the-art evaporated milk and sterilised cream manufacturing facility to further enhance the country’s self-sufficiency, and soft launched the products to market

2024

Initiated one of the world’s largest dairy projects with the Algerian Government to support the international expansion goals

2025

Committed to invest USD 250 million in an integrated industrial project in Syria, comprising arable farming, a dairy farm, a dairy processing plant, a juice processing plant, a plastic packaging manufacturing facility and an advanced water treatment facility

Established a wholly owned subsidiary in Egypt, designed to enhance operational effectiveness and scalability for more agile execution across international markets



Year in Review

Strengthened foundations and extended ambition beyond borders

Throughout the year, Baladna advanced with clarity of purpose and confidence in its direction. Strategic decisions, disciplined execution and national partnerships reinforced our role as a cornerstone of food security while accelerating our transition into a scalable, internationally active platform. Progress across governance, capital structure, sustainability, talent and international expansion reflected a business moving decisively from strength at home to opportunity abroad, laying the groundwork for long term value creation and future growth.

March

Bonus share distribution approved

The General Assembly approved the distribution of bonus shares at a ratio of one share for every 19 shares held, rewarding shareholders for the year ended 31 December 2024.

Definitive agreement signed for Algeria dairy project

Baladna Algeria signed the definitive agreement with the Algerian Ministry of Agriculture to implement a landmark integrated powdered milk project, supported by a USD 3.5 billion investment.

Off-take agreement secured for Algerian production

An off-take agreement was signed with Algeria's National Interprofessional Office for Milk and Dairy Products (ONIL) to purchase powdered milk produced by the project, supporting national self-sufficiency objectives.

April

Brand refreshed across the portfolio

Baladna unveiled refreshed packaging across its product range, enhancing shelf presence, brand consistency and customer engagement.



July

Initial phase contracts awarded in Algeria

Baladna Algeria signed initial contracts exceeding USD 500 million with a consortium of local and international partners, marking the official launch of Phase 1. This strategic investment aims to enhance food security, reduce reliance on imports and deliver positive contributions to the national economy.

Syria integrated project approved

The Board approved an integrated industrial project in Syria encompassing dairy, juice, packaging and water treatment facilities, with an estimated investment of USD 250 million.

Egypt subsidiary approved

The Board approved the establishment of a wholly owned subsidiary in Egypt to provide back-office and shared support services.

August

New Group Chief Executive Officer appointed

Mr. Marek Warzywoda joined as the Group Chief Executive Officer, bringing global dairy leadership experience to support Baladna's international growth ambitions.

September

Industry-leading In-Country Value (ICV) achieved

Baladna Food Industries recorded an ICV score of 82.47% under Qatar's Tawteen programme, reinforcing its leadership in local value creation.

Recognised among regional sustainability leaders

Baladna was featured in the Forbes Middle East Sustainability Leaders List 2025, recognising progress in efficiency, waste reduction and responsible operations.

Excellence in corporate reporting recognised

The Company received recognition at the 17th MEIRA Awards, marking its fifth consecutive year of acknowledgement for high-quality investor communications.

Egypt subsidiary incorporated

Qatar Vision for Support and Services was formally incorporated in Egypt as a wholly owned subsidiary to provide back-office and shared support services.

October

National Talent Programme launched

Baladna introduced its National Talent Programme to support graduate development and strengthen local leadership capabilities in line with Qatar National Vision 2030.



November

Bonus share capital increase approved

Shareholders approved a 7.1% capital increase through a bonus share issue on a one-for-fourteen basis.

December

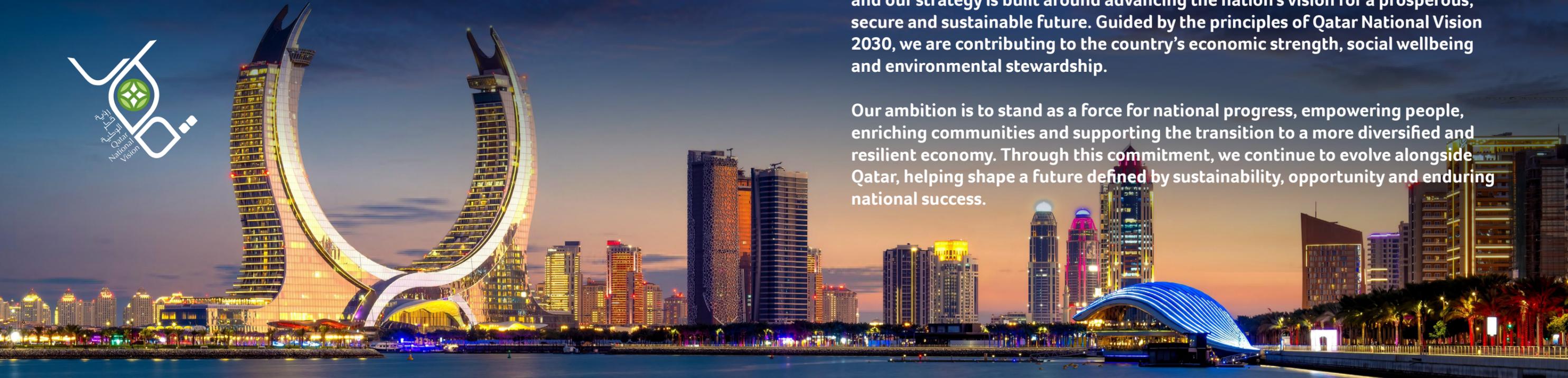
Rights issue approved to fund international growth

An Extraordinary General Assembly approved a 24% capital increase through a rights issue to support international expansion projects.

Record profitability achieved

Baladna closed the year with its highest-ever bottom-line performance of QR 540 million, reinforcing momentum and positioning the Group for the next phase of growth.

Qatar Vision 2030



Baladna’s purpose is deeply interconnected with Qatar’s long term aspirations, and our strategy is built around advancing the nation’s vision for a prosperous, secure and sustainable future. Guided by the principles of Qatar National Vision 2030, we are contributing to the country’s economic strength, social wellbeing and environmental stewardship.

Our ambition is to stand as a force for national progress, empowering people, enriching communities and supporting the transition to a more diversified and resilient economy. Through this commitment, we continue to evolve alongside Qatar, helping shape a future defined by sustainability, opportunity and enduring national success.

Supporting and aligning with the National Vision



As a leading Qatar company, we are deeply committed to advancing the strategic goals of Qatar’s National Vision 2030. Through our initiatives in economic, human, social and environmental development, we consistently align our operations and innovations with the nation’s priorities. With an unwavering focus on sustainability, food security and community enrichment, we play an indispensable role in shaping Qatar’s future while embodying resilience and progress.

Driving economic self-sufficiency and diversification



Our contribution to economic development lies at the heart of what we do. By prioritising food security and self-sufficiency, we address one of Qatar’s critical economic challenges. Historically reliant on imports, Qatar now benefits from our state-of-the-art facilities, including the recently commissioned evaporated milk and sterilised cream production plant, which has eliminated dependency on imported goods in these categories. Beyond our national efforts, we actively export our successful model to other countries, directly supporting Qatar’s economic diversification goals and paving the way for a more balanced and sustainable economy.

Building stronger communities through social impact



Our unwavering commitment to social development is reflected in our extensive corporate social responsibility (CSR) initiatives. Partnering with Qatar Charity, we contribute to humanitarian efforts that address critical social needs. During Ramadan, campaigns like “Rafeeq Al Khair” demonstrate our dedication to supporting the community during culturally significant times. Additionally, we champion cultural and educational enrichment by sponsoring programmes at Qatar Museum and DADU Children’s Museum, fostering learning, creativity and community engagement.

Empowering people for a thriving workforce



In the realm of human development, we support Qatar’s goal of creating a stable and motivated workforce by recruiting and retaining top talent, protecting employee rights and fostering safety. Beyond meeting compliance standards, we invest in workforce development through comprehensive training programmes, leadership initiatives and engagement strategies, ensuring our team is highly skilled and motivated. These efforts not only strengthen our organisation but also contribute to Qatar’s long term human capital goals.

Driving in-country value for a stronger national economy



Our commitment to in-country value is a central expression of our role as a national champion. By prioritising local procurement, investing in domestic capabilities and expanding Qatar-based operations, we contribute directly to the localisation of supply chains and the retention of economic value within the country. Our focus on developing local suppliers, enhancing human capital and strengthening fixed-asset investments reinforces national resilience and supports Qatar’s ambition to build a competitive, self-sustaining economy. These efforts position us as a trusted partner for government-led initiatives and ensure that the value generated through our growth continues to benefit the nation.

Championing sustainability for a greener future



We place a strong emphasis on environmental development, aligning our practices with Qatar’s vision of balancing economic growth with environmental preservation. Guided by our comprehensive sustainability framework, we implement initiatives focused on water stewardship, waste management, energy efficiency, sustainable distribution and animal welfare. These efforts not only underpin our operations but also highlight our role as a responsible corporate citizen. For more details on these initiatives, we invite you to explore our Sustainability Report 2025. Our contributions across these pillars of Qatar’s National Vision 2030 reflect our steadfast commitment to the nation’s progress. By aligning our strategies with national priorities, we continue to play a pivotal role in building a resilient, innovative and inclusive future for Qatar.

Stakeholder Engagement

Baladna strengthened its commitment to meaningful engagement in 2025 deepening the relationships that underpin our long term success. We remain focused on empowering our people, elevating the experience of our customers, building trust with our investors and supporting partners who share our ambition to create lasting value for our community and environment. This integrated approach reflects our core principles and reinforces our vision for a future where every stakeholder is part of a shared journey of sustainable progress.



Employees

How we engage

- Induction programmes
- Career development guidance
- Staff societies
- Training programmes
- Volunteerism
- Special staff events
- Internal communication

Key items discussed

- Performance standards
- Training and development
- Safety at the workplace
- Work life balance

Actions taken

- Employee training by implementing monthly training calendar
- Induction programmes
- Strengthened the role of HR Business partners
- Employee engagement
- Internal communication
- Health and safety programmes

Value created

- Seamless, anonymous employee complaints and feedback process
- Increased employee engagement, productivity and overall satisfaction
- Positive work environment
- Higher employee retention
- Improved organisational performance
- Increased employee engagement



Customers

How we engage

- Customer visits
- Service centres
- Branches
- Media advertisements
- Website
- Customer workshops
- Social media

Key items discussed

- Product quality and safety
- Customer experience
- Product innovation, nutritional value and price
- Animal welfare
- Fair and ethical marketing
- Care for family
- Health and wellness
- International recognition and certificates
- Brand reputation
- Environmentally sound production practices

Actions taken

- Expanded product range
- Boosted product availability
- Enhanced customer experience
- Price stability
- Expanding e-commerce and online platform

Value created

- Manufacturing high-quality products
- Improved product availability
- Securing product availability
- Innovating products and new product development through consumer feedback and preferences
- Empowering consumers through transparent communication
- Resolving issues promptly for a positive customer experience



Society and Environment

How we engage

- Service channels
- Press releases, conferences and media briefings
- Informal briefings and communication
- Public events
- Website
- Social media
- Educational programmes
- Assistance to the needy and vulnerable

Key items discussed

- Community empowerment
- Environmental performance
- Employment opportunities
- Contribution to social and economic development
- Health and wellness
- Care for your environment

Actions taken

- Charity programmes
- Sports activities
- Child-focused facilities
- Cultural activities
- Corporate sponsorships

Value created

- Promoting public awareness towards the supported community segments and their causes



Business Partners

How we engage

- Supplier relationship management
- On-site visits and meetings

Key items discussed

- Contractual performance
- Continued business opportunities
- Maintaining healthy relationships
- Timely settlement of dues
- Collaboration for new technological advances in the financial sector
- Opportunities for growth
- Ease of working

Actions taken

- Strengthening supplier relationships
- Frequent touchpoints
- Collaboration
- Transparency

Value created

- Sustaining business operations
- Enhancing corporate partnerships
- Advocating for ethical business conduct
- Adhering to laws and regulations
- Fulfilling contractual obligations



Government and Regulatory Bodies

How we engage

- Consultation
- Relationship-building meetings
- Annual General Meetings
- Extraordinary General Meetings
- Annual Report
- Interim Financial Statements
- Announcements made to the Qatar Stock Exchange

Key items discussed

- Compliance with directives and codes
- Financial performance
- Shareholder returns
- Cybersecurity
- Governance
- Employment generation
- Strategy

Actions taken

- Ensured regulatory compliance to Qatar Stock Exchange
- Uphold commitment to the Government of Qatar

Value created

- Making significant contributions to food security in Qatar
- Setting industry standards for compliance, transparency and reporting
- Ensuring prompt updates on regulatory changes and new information regarding best practices in food and health safety



Investors and Shareholders

How we engage

- Annual General Meetings
- Extraordinary General Meetings
- Investor Relations website
- Interim Financial Statements
- Quarterly earning calls
- Press releases
- Investor disclosures, road shows and conferences
- One-on-one discussions and meetings
- Annual Report
- Announcements made to the Qatar Stock Exchange

Key items discussed

- Financial performance
- Governance
- Risk management
- Business expansion plans
- Transparency and disclosure
- Business continuity
- Sustainable growth
- Dedicated Investor Relations Department

Actions taken

- Frequent engagement
- Highest level of transparency

Value created

- Ensuring shareholders are well-informed about all significant developments with utmost transparency through the Qatar Stock Exchange, and dedicated Investor Relations website



Our Investment Case

A national champion building international momentum

With a clear mandate to lead at home and compete globally, we have built a future-ready platform that combines operational excellence, brand strength and strategic agility. Our integrated model, trusted partnerships and disciplined execution position us not only as a market leader, but as a regional growth engine ready to unlock new opportunities and scale with impact.



1

Unique market leader in Qatar's dairy and beverages sector

Holds number 1 position across six categories with solid growth opportunity across the other two categories, complemented by excellent reach of Retail and Hotel, Restaurant and Café (HORECA) clients.



149
No. of sales routes

3,806
No. of customers

2

Excellent product innovation and data-driven consumer insights

Highly recognised brand names with a diverse range of product offerings, complemented with a strong infrastructure.

Diversification initiatives
Moved to detergent business under E-life Detergent Factory

Strategic partnerships
Producing The Laughing Cow® spreadable cheese for Bel Group and selected products under ALBADIA brand

267
Total number of SKUs



3

Delivering strong financial performance and cash flow management

Assessing strategic opportunities to develop feed farms to meet internal demand, enhancing self-sufficiency by ensuring a consistent supply and quality of feed, with strong operational capacity to capitalise on optimisation initiatives.

EBITDA (QR million)



Free Cash Flow to Firm (QR million)



4

Accelerating international expansion to drive sustainable growth

Significant progress in Algeria's dairy project, aimed at creating strong shareholder value, and a strengthened strategic alliance in Egypt with a 16.25% stake in Juhayna, Egypt's largest dairy producer, with strategic and dedicated shareholder support.

50.71%
Strategic and founder shareholding



Shareholders' Information

Share Information

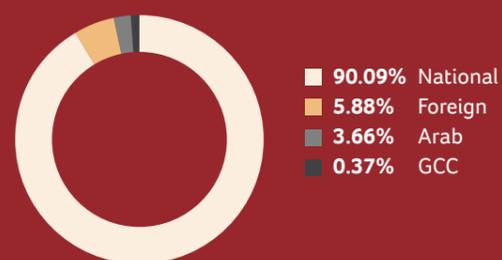
Listing date: **11 December 2019** ISIN: **QA000T98R9J4** Exchange: **Qatar Stock Exchange**

Market cap as of 31 December 2025: **QR 2,742,156,766** Symbol: **BLDN**

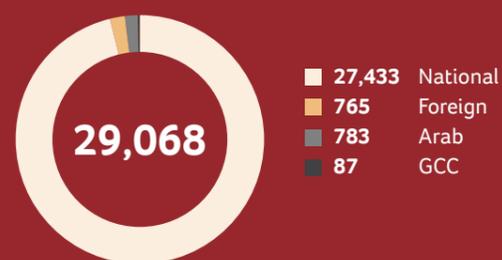
Number of shares issued: **2,143,984,962** Free float: **2,143,684,962** Foreign ownership limit: **49%**

Baladna Investors Distribution based on Geographical Location

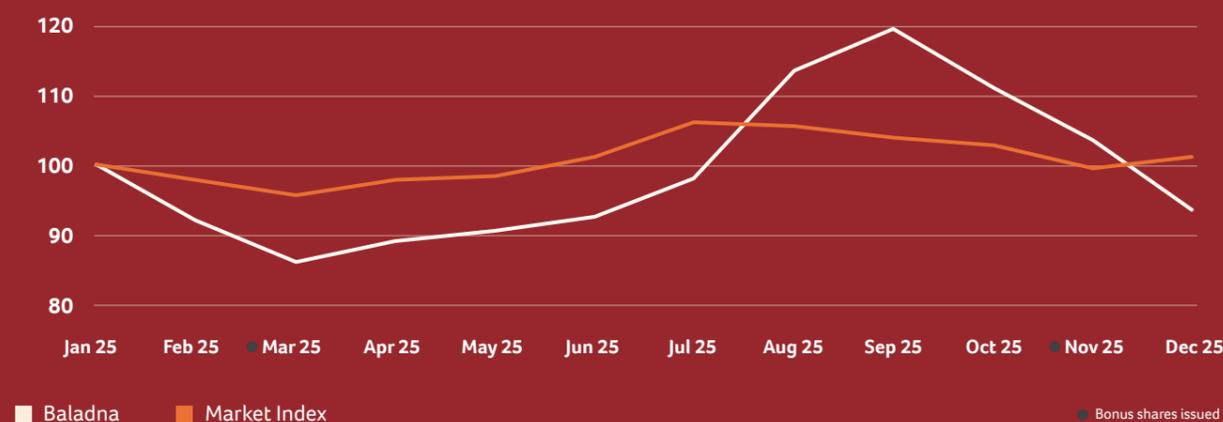
Percentage of Ownership



Number of Investors

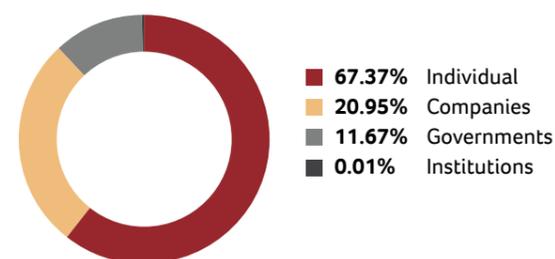


Share Price versus Market Indices 1 January 2025 to 31 December 2025 (rebased to 100)

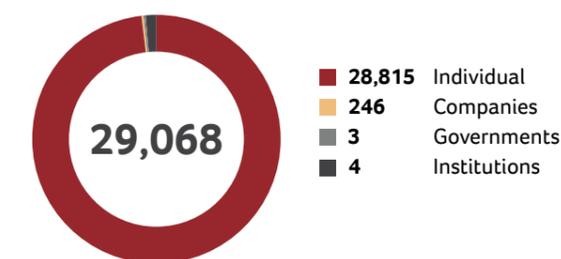


Baladna Investors according to Shareholder Type

Percentage of Ownership

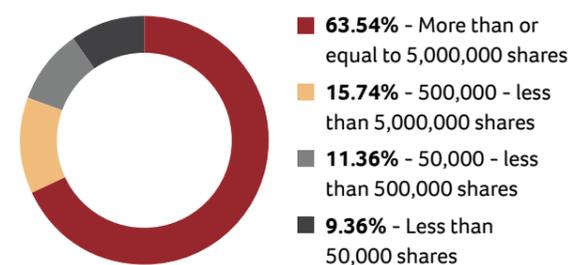


Number of Investors

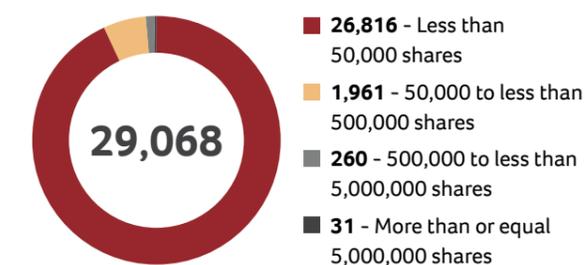


Baladna Investors Distribution based on Size of Ownership

Percentage of Ownership



Number of Investors



Major Shareholders

Mr. Mohamed Moutaz Al Khayyat	290,654,332	13.557%
Mr. Ramez Al Khayyat	294,675,105	13.744%
General Retirement and Social Insurance Authority (GRSIA)	201,176,687	9.383%
Total	786,506,124	36.684%

Investor Relations Calendar 2025

12 February 2025	Year 2024 Investor Relations Call
30 April 2025	Q1 2025 Investor Relations Call
12 August 2025	H1 2025 Investor Relations Call
22 October 2025	Q3 2025 Investor Relations Call





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Translating ambition into action through a disciplined strategy, resilient platforms and a clear roadmap for sustainable international growth.

Chairman's Statement

Expanding New Horizons: The Journey to Global Expansion

Dear shareholders

May the peace, blessings and mercy of Allah be upon you.

As Chairman of the Board of Directors of Baladna Q.P.S.C., it is my privilege to present the 2025 Annual Report, and my pleasure to report that once again, Baladna delivered exceptional value to all our stakeholders, founded on a solid operational result and excellent investment returns.



Mr. Mohamed Moutaz Al Khayat
Chairman of the Board

Building on our strategic international expansion momentum, this year we further broadened our horizons, building an attractive investment proposition that leverages our strong Qatar business to accelerate our international strategy.

We have established a defined trajectory of global expansion that will deliver long term value creation for all stakeholders. While firmly committed to food security in Qatar as our core mandate, we are determined to grow beyond our borders. Our strategic investments and portfolio diversification are already demonstrating our strategy, with Juhayna and other international holdings contributing to the year's profit growth.

Baladna's investment case is anchored in domestic performance, a growing pipeline of international projects and a clear roadmap for earnings growth. The investors will benefit as substantial value emerges in the coming years.

A domestic powerhouse

In Qatar we delivered a strong financial performance despite intense competition. Revenue grew 10.7% to QR 1.27 billion, while net profit rose from QR 185 million to QR 540 million, driven predominantly by gains from international investments.

Domestic headwinds were significant, with static population growth and intensified competition from both local and international players. Despite this, we maintained our dominant retail market share, supported by operational excellence in stock management, industry-leading wastage control and disciplined execution across the value chain. With 33 SKUs launched in 2025, we captured emerging consumer trends and entered new segments. Simultaneously, a major brand identity revamp contributed to an overall growth.

Net Profit

QR 540 million

Baladna generated revenues of QR 1.27 billion in 2025

Striving for new benchmarks in excellence

During 2025, our farming operation in Qatar achieved its best-ever metrics in animal health, yields, and pregnancy rates to further strengthen the Herd. Our herd ranks amongst top global piers for milk quality and yield performance.

Baladna's use of best-in-class technology and our ever-improving expertise are integral to driving efficiency and environmental performance. We continued to optimise manufacturing processes, improve product quality and enhance supply-chain resilience. These efforts were complemented by upgraded production infrastructure, investments in automation and disciplined cost management, which combined delivered our strong operational performance.

Our world-leading systems and practices are transferrable, allowing us to scale our operations in other markets and build capabilities in their dairy sectors. Our international expansion model is increasingly attracting the attention of nations seeking to bolster their domestic food production via partnerships.

“During 2025, our farming operation in Qatar achieved its best-ever metrics in animal health, yields, and pregnancy rates to further strengthen the Herd. Our herd ranks amongst top global piers for milk quality and yield performance.”

Chairman's Statement continued

Building our international growth strategy

We followed a deliberate, capital-disciplined international expansion approach focused on two cornerstone initiatives: the large-scale project in Algeria and an integrated industrial project in Syria. Both are expected to deliver financial returns in the medium to long term and bolster Baladna's contribution to regional food security. We are also at an early stage on possible ventures in other African markets and expect to advance these discussions in the coming year.

The Algeria project is an ambitious agro-industrial venture that will become one of the largest integrated dairy complexes in the world and a flagship national food security asset for Algeria. During 2025, we made decisive progress in advancing the Algeria project from planning into visible execution, reinforcing its position as a cornerstone of our international strategy. Ground preparation, irrigation development and arable farming activities progressed on schedule across the 117,000-hectare site in Adrar, with early cultivation marking a tangible milestone in transforming desert land into productive farmland. At the same time, key contractual frameworks and financing structures underpinning the USD 3.5 billion project were firmly in place, providing long term stability through secured off-take arrangements, payment guarantees, tax incentives and subsidised funding. In parallel, preparatory work for the dairy farm and milk powder facilities advanced, supported by global technology partners and knowledge transfer from our Qatar operations (for more, see case study on page 48).

The Syria project received additional focus after embargo-related constraints were lifted. Apart from our plans for building integrated dairy and juice facilities, we will partner with existing local farmers to improve farming standards, yields and product quality. Our aim is to restore the country's dairy value chain by building capacity that aligns commercial objectives with broader socio-economic development.

We took the first steps to establish our brand in Syria by exporting products from Qatar, laying the foundation for future local production and market development.

Construction of the Syrian facility will start in 2026, with revenue growth ramping up thereafter and substantial investor benefits anticipated by 2027 as the project scales and local partnerships deepen.

Egypt emerged as an important offshoring hub, particularly for back-office and support functions. We will use the hub to achieve greater scalability, cost efficiencies and responsiveness across multiple markets.

Strong recognition of our achievements

We had another year of important awards and external validations. One of the most important in 2025 was the meteoric rise in our In-Country Value (ICV) score under Qatar's Tawteen programme. Going from 32% in 2024 to 82.47% was remarkable given the extent of imports in the dairy and food manufacturing sector.

In addition, Baladna received recognition from the Ministry of Public Health, Ministry of Municipality, Ministry of Commerce and Industry, Tomoh for Community Development, Dreema – Empowering Orphans Centre and other entities for contributions to food safety, local value creation, community empowerment and sustainability. We also successfully passed all major quality-related audits, including those conducted by FSSC and McDonald's.

At the corporate level, we ranked second place in the Best Annual Report category (print and digital) at the Middle East Investor Relations Association Awards for the transparency and quality of our communication with the investment community.

Organisational changes to support international strategy

Our international expansion was underpinned by a deliberate strengthening of Baladna's organisational structure by creating the role of Group Chief Executive Officer and separating global growth responsibilities from domestic operations in Qatar, to sharpen strategic focus and accelerate execution.

The Group Chief Executive Officer will drive international expansion, build new partnerships and oversee regional projects, while the Qatar Chief Executive Officer will concentrate specifically on Baladna's core mission of ensuring food security and delivering profitable growth in the domestic market.

This governance change allows Baladna to manage increasing complexity without diluting strategic oversight, maintaining strong operational focus in Qatar while accelerating our international projects.

Extending sustainability

More than 20 sustainability initiatives were implemented or extended in 2025 across environmental, social and governance (ESG) dimensions. These initiatives included water usage reduction, wastewater treatment, composting and resource recycling, all designed to minimise environmental impact and support efficient, responsible production.

Paperless departments, reusable water bottles and new electric vehicle charging stations furthered the culture of sustainability across the organisation's daily operations. The logistics fleet's optimisation programmes reduced emissions and complemented our "Grass to Glass" commitment to traceability and responsible sourcing from farm to consumer.

Continued people investment

We conducted several internal and external training programmes, with a strong focus on upskilling and embracing technology to enhance productivity.

We launched a Young Qatari Talent Programme for top performers, sending them on international training assignments to build the next generation of leadership and deepen their exposure to Baladna's regional ambitions.

The Company culture evolved significantly, with monthly get-togethers and milestone celebrations strengthening engagement and reinforcing a shared sense of purpose.

In the coming year, we will further enhance our teams' capabilities by introducing artificial intelligence (AI) in selected business areas to enhance forecasting, logistics and customer engagement capabilities. This will position Baladna at the forefront of digital transformation in the regional dairy industry.

Ambitious plans for 2026

Qatar's dairy and juice markets are expected to remain competitive and price sensitive. We anticipate continued growth, which will largely accrue from targeted initiatives across channels and categories.

We will expand our HORECA activities, rebrand and strengthen key retail channels, and launch new products. A new ice cream range will hit the market in April 2026 as part of a robust innovation pipeline in dairy and juice. Plans to expand our e-commerce model will broaden access to our consumers and deepen engagement across channels.

We will accelerate the Algerian project, including preparing for the arrival of the dairy herd from the United States. In Syria, we will focus on detailed engineering, plant construction and local farmer partnerships, while also progressing brand building to cement Baladna's presence and reputation in the market.

We intend to pursue other investments compatible with our international expansion strategy, providing they meet our requirement for long term value creation.

Acknowledgements

On behalf of the Board, I extend my sincere appreciation to Baladna's customers, employees, partners, regulators and shareholders for their continued trust and support.

This endorsement has been instrumental in realising our ambitions. Together, we are shaping a future where Baladna will be a beacon of excellence, sustainability and growth, rooted in Qatar yet increasingly present on the world stage.

Mr. Mohamed Moutaz Al Khayyat
Chairman of the Board

“ We followed a deliberate, capital-disciplined international expansion approach focused on two cornerstone initiatives: the largescale project in Algeria and an integrated industrial project in Syria. Both are expected to deliver financial returns in the medium to long term.

Group Chief Executive Officer's Message

Accelerating our International Expansion Vision

In the nine years since we were established to support Qatar's aspirations of food self-sufficiency, we have developed an integrated dairy production model that now ranks among the best in the world.



Mr. Marek Warzywoda
Group Chief Executive Officer

Building on our strong Qatar market position and significant opportunities beyond our borders, we have expanded internationally to continue building shareholder value. We advanced this strategy this year with solid progress on our Algeria project and a strategic move into Syria. We commenced feasibility and market entry assessments in additional emerging markets to build a pipeline of dairy projects.

Our global expansion strategy necessitated the creation of a new Group Chief Executive Officer role to accelerate and oversee international expansion. Our Qatar business is being managed by the Chief Executive Officer, whose report is on page 64.

Continued strong financial performance

In 2025, Baladna delivered strong financial results, achieving an 10.7% rise in revenues to QR 1.27 billion. Net profits reached to QR 540 million, an increase of 192% attributed primarily to a strategically managed international investment portfolio. Our higher EBITDA margin of 60.7% and net profit margin of 42.6% positioned us as a regional leader in profitability.

A new phase in international expansion

We commenced our journey of global expansion in 2024 by securing an agreement with Algeria's National Investment Fund to establish a USD 3.5 billion vertically integrated dairy project. The project is expected to become one of the largest integrated dairy facilities in the world. Alongside its contribution to Algeria's food security, it will create 5,000 jobs.

As part of the agreement, we secured a 20-year off-take agreement with Algeria's National Interprofessional Office for Milk and Dairy Products (ONIL), a 20-year bank payment guarantee, a 10-year tax exemption and subsidised debt, ensuring long term market stability.

This year we started cultivating the 117,000-hectare farm, aiming to produce 2.5 million tonnes of forage. This feed will support 240,000 genetically enhanced Holstein cows which will produce 1.7 billion litres of milk annually. Baladna Algeria will produce 198,000 tonnes of milk powder each year, meeting half the national demand in Algeria, one of the world's biggest importers of milk powder.

The project is set to become a benchmark for scale, integration and strategic impact in the regional dairy industry. Widely recognised as a lighthouse project for pioneering a large, fully integrated initiative that addresses food production, economic development and technological advancement, it is a framework for other projects that will use private sector expertise to achieve national food security priorities.

Revenue rises to

QR 1.27 billion

Baladna increased Net Profits by 192% in 2025

“ We progressed groundbreaking, land development and irrigation in Algeria's Adrar province this year. Integrated smart irrigation and advanced water management equipment were installed to mitigate the aridity of the desert location. We started building the dairy farm, and the first US heifers will be delivered by the end of 2026. The project is on track to begin milk production by late 2027.

Group Chief Executive Officer's Message continued

Execution progress

We progressed groundbreaking, land development and irrigation in Algeria's Adrar province this year. Integrated smart irrigation and advanced water management equipment were installed to mitigate the aridity of the desert location.

We started building the dairy farm, and the first US heifers will be delivered by the end of 2026. The project is on track to begin milk production by late 2027.

In July, Baladna signed USD 500 million worth of supplier contracts for irrigation, well drilling and engineering services. Major suppliers include GEA Group, one of the world's largest machinery and equipment suppliers for the food, beverage and pharmaceutical sectors. GEA's order for automated milking systems, spray-drying units, climate-controlled storage and packaging was valued at EUR 140-170 million (USD 151-187 million), one of the largest in its history.

Baladna's team in Qatar, which developed and manages our husbandry and milk production, began providing substantial support and knowledge transfer to their Algerian counterparts.

Rebuilding Syria's dairy industry

Another key milestone in 2025 was our decision to invest USD 250 million into rebuilding and modernising Syria's dairy industry. While the country has a highly developed dairy culture with strong consumer expectations of quality, fragmented farms, low yields and poor feed quality have limited its potential. Alongside the development of integrated dairy and juice facilities, we will work with local stakeholders to enhance dairy standards, productivity and quality, strengthening the value chain and supporting socio-economic development. A 150,000 square meter piece of land has been secured in Adra Industrial City, Syria. Groundbreaking activities are anticipated to commence in the coming months, marking a key milestone in the project's development. The project is expected to start generating revenue in two years.

Syria poses certain challenges, one being the lack of reliable market data. As a result, we worked with an external consultant to collect and validate herd and market information to inform our detailed business plan. This enabled us to move ahead with designing a dairy plant, juice processing facility, plastic packaging unit and an advanced water treatment site.

Additionally, we appointed Distrimart to distribute our Qatar-made products in Syria's capital, Damascus. Our immediate goal is to establish the Baladna brand in Syria ahead of the dairy project launch, paving the way for a full value-chain build-out that supports local farmers, improves feed quality and implements robust herd health protocols. In line with our overarching offshore strategy, the project is expected to support Syria's economic recovery and food security.

Expanding our Egyptian presence

Our partnership with Egypt's largest dairy producer, Juhayna Food Industries, in which we have a 16.25% stake, showed significant growth in 2025. We expanded Egypt's role in our regional strategy to a market growth engine and coordination hub for Baladna's MENA expansion. This followed Board approval in July to establish a subsidiary to house a back office. By the year end, we had started onboarding and training new talent, with operations expected to begin imminently. We intend to scale our international footprint by capitalising on Egypt's skilled labour market and central location.

Diversifying for profit

We will strengthen our long term profitability with a strategic investment portfolio that includes Juhayna and other international positions, supporting our geographic and sectoral diversification strategy as well as our operating expansion.

Acknowledgments

Our Chairman and Board of Directors are intrinsic to our success, and I speak on behalf of the entire business in thanking them for their unwavering support.

None of our year-after-year achievements would be possible without our team, and I am deeply grateful for the way they step up every day.

Our shareholders, partners, customers and consumers are essential to building a true global champion from our Qatar base. We are privileged to have their continued support.

Invested

USD 250 million

to rebuild and modernise
Syria's dairy industry

2026 and beyond

Baladna's main priority in the coming year is accelerating the Algeria and Syria projects in line with our long term growth strategy. We believe that our international expansions will eventually become the primary driver for shareholder value creation. As Baladna expands its horizons, we will remain true to our underlying business ethic to create sustainable returns for our investors while supporting local communities and setting new benchmarks in the global dairy industry. The groundwork laid in 2025 will deliver financial benefits from 2027.

Mr. Marek Warzywoda

Group Chief Executive Officer

“Baladna's commitment to invest USD 250 million in modernising Syria's dairy industry underscored key strategic milestone of 2025. As part of the project's progress, a 150,000 square metre piece of land has been secured in Adra Industrial City.

Business Model

Creating value in Qatar and beyond

We have built one of the region's most successful integrated agrifood models, bringing together world-class farming, production, distribution and brand excellence under one platform. This model has not only anchored Qatar's food security but has also demonstrated its strength, scalability and commercial impact across diverse operating environments. As we look outward, we are focused on taking this proven engine of value creation into select international markets, where our capabilities, expertise and partnerships can unlock new opportunities and extend our role as a trusted regional leader.

Inputs

Financial Capital

- QR 5.4 billion investment
- 29,068 shareholder bases
- Listing on Qatar Stock Exchange

Manufactured Capital

- State-of-the-art facilities, equipment and technologies
- Resilient supply chain
- Robust and integrated value chain with 3,806 points of sale

Human Capital

- Experienced leadership team
- 2,000+ employees
- Strong corporate culture and values

Social and Relationship Capital

- 90.1% Qatari-owned
- Strategic relationship with Government of Qatar
- Reputation for quality with trusted products and brands

Intellectual Capital

- Recipe library and product formulations, as well as capacity for innovation and the brand

Natural Capital

- Natural resources used in processes, including energy, water and raw materials

How We Create Value



Our Vision

We aim to be the most trusted brand of nutritional foods and healthy beverages in Qatar and to expand to new markets.



Our Mission

We will achieve our vision by ensuring consumers' wellness by providing natural, nutritious and tasty foods and beverages, while maintaining the most rigorous food safety and biosecurity protocols.

Competitive

- Innovation and product development
- Government support
- Comprehensive basket product
- Integrated supply

Advantage

- Cow welfare
- Economies of scale
- Product superiority, high quality and availability
- Productivity per cow



Quality

From farm to fork. Bringing fresh, healthy and nutritious food to the people of Qatar is a top priority for Baladna. We were awarded ISO 22000:2005 FSMS certification, which is the highest global certification scheme for food safety and quality management systems and is recognised by the Global Food Safety Initiative (GFSI).



Innovation

Innovation has always been at the heart of what we do at Baladna. Our wide range of delicious products are a testament to it.



Our Segments and Brands

- Fresh Milk
- Cheese
- Long Life Milk
- Cream
- Laban & Ayran
- Chilled Juice
- Ice Tea
- Yoghurt
- Hi-Protein Drinkable Yoghurt
- Sterilised Cream
- Dessert
- Labneh
- Long Life Juice
- Detergent



Our Principles

At Baladna we strongly adhere to the following principles:

- **High quality products:** Providing high-quality food products by implementing best international practices
- **Best practices:** Utilising the expertise of the best veterinarians to promote the healthcare of our cattle
- **Embracing tradition:** Showing pride in our achievements, hospitality and practicing self-reliance and responsibility
- **Caring for our livestock:** Cooperating with experts in livestock breeding and production



Business Drivers

Our Farms

Two farms spreading over an area of 2.4 million sqm

Our Manufacturing

State-of-the-art processing and packaging facilities

Our Strategic Product Innovation

267 innovative SKUs in current product portfolio across all brands

Outputs

Solid Financial Results

- QR 1,268 million revenue
- QR 540 million net profit
- QR 770 million EBITDA
- QR 1.279 Share price

Resilient Workforce

- Low employee turnover
- Over 30 nationalities

Operational Excellence

- Operational efficiency and cost optimisation
- Product innovation
- Food security for Qatar

Strong Brand Equity

- Market-leading brands
- Market share leader across key segments

Underpinned by a strong foundation of robust corporate governance, strategic risk management and an enduring commitment to our nation and the communities we serve.



Our Strategy

Our strategy revolves around establishing protocols and systems to achieve our corporate objectives. In order to achieve this, we have developed a set of goals and key performance indicators (KPIs) to monitor and continuously improve them. Our focus remains on creating shareholder value by driving optimisation, maintaining products' quality, accelerating growth and strengthening the processes by continuous improvements and automation.

Expand geographically in new markets.

Leverage our assets through product diversification.

Expand into other categories and diversify into new categories in home market.

Grow in key categories we already operate in.

Strong focus on cost optimisation throughout the entire operation.

Focus on producing most superior products in the categories we operate in.

Focus on producing our own feed.

Continuous innovation and renovation to meet consumer's needs.

Maintain quality across operations by using best-in-class technologies.

Drive end-to-end efficiency throughout the value chain and work towards improving sustainability footprint.

Continuous improvement in cow comfort to benchmark milk yield with leading dairy farms in the world.

Provide healthy working environment to motivate staff / attract best talent and be the best place to work.

Active involvement and contribution to the food security programme to ensure highest standards of health and safety for the citizens and residents of Qatar.



Our Strategic Pillars

Efficiency

Drive value stream

- Optimise systems / processes through automation
- Strong focus on cost savings and value engineering

People

Create performance culture

- Build a lean, motivated and high impact team
- Training needs analysis
- Ensure core training objectives are fulfilled

Key Drivers

Brand

Be the preferred consumer brand

- Formalised consumer validated brand strategy framework
- Innovative - Commercial / Products / Packaging



Product

Ensure quality and availability

- Entrench quality culture - consistent and superior products and packaging
- Simplify shopper journey - strongly available and visible



Case Study

Baladna from Qatar to the World: A scalable food security blueprint

Algeria remains one of the world's largest importers of powdered milk, and its national ambition to secure long term dairy independence created a historic opportunity for partnership. Baladna, having built one of the world's highest performing integrated dairy systems under some of the harshest climatic conditions, was uniquely positioned to deliver this transformation.

Our proven expertise in end-to-end dairy operations, food security solutions and large-scale agricultural development made us the natural partner to lead Algeria's shift from import dependency to local production. This landmark partnership not only marks our first and most significant international expansion but also anchors our broader strategy to champion food security across emerging markets from Qatar to the world.

The USD
3.5 billion
programme
progressed
decisively
during 2025.

A transformational national asset in the making

Set across a vast 117,000-hectare site in southern Algeria, the project is being developed as one of the world's largest fully integrated dairy clusters, designed to anchor national food security at scale. The programme brings together three tightly linked activities: large-scale arable farming to secure feed self-sufficiency, an advanced dairy farming operation built around high-genetic Holstein herds, and an industrial milk-powder facility producing both partially skimmed and anhydrous milk powder. At full capacity, the integrated system is designed to support a herd of up to 240,000–270,000 cattle, generate approximately 1.7 billion litres of milk annually, and produce close to 198,000 tonnes of milk powder per year, covering around half of Algeria's domestic powdered milk demand.

The USD 3.5 billion programme progressed decisively during 2025, moving from feasibility into active execution. Design and planning phases for all three components – arable farming, dairy farming and processing – were completed, enabling construction and operational works to commence. On the ground, arable farming activities advanced rapidly, with wells drilled and integrated irrigation systems and pivots installed and operational, delivering the first visible greening of the desert landscape. In parallel, major supply agreements were signed, including a landmark contract with GEA for the dairy processing facility and milk-powder plant, alongside initial contracts totalling more than USD 500 million to support Phase I development.

The project is structured around three development clusters, each combining arable land, dairy farming and processing capacity. Total capital allocation across the clusters is approximately USD 3.5 billion, comprising around USD 949 million for arable farming, USD 2.04 billion for dairy farming and USD 512 million for processing facilities. This phased, cluster-based approach enables disciplined capital deployment while ensuring operational scalability and resilience as production ramps up.

Financing has been secured through a robust public-private partnership framework. The project benefits from long-tenor local subsidised debt, a 20-year off-take agreement with Algeria's National

Interprofessional Office for Milk and Dairy Products (ONIL), a 20-year bank payment guarantee and a 10-year tax-exemption period. Equity is held 51% by Baladna for Trading & Investment L.L.C. and 49% by Algeria's National Investment Fund, aligning long term commercial returns with national food-security objectives.

The project is underpinned by structured knowledge transfer from Qatar, with Baladna's best-in-class dairy expertise guiding genetics validation, herd planning, operational design and best-practice standards. As construction progresses toward first milk production by the end of 2027, the Algeria project stands as a tangible demonstration of how Baladna's proven model can be scaled internationally to deliver sustainable food security, economic value and long term resilience.

Strategic value creation for Algeria, Qatar and Baladna's global agenda

Algeria has become the cornerstone of our international strategy, reinforcing our role as a regional food security partner and strengthening Baladna's long term earnings profile. With construction advancing and governance frameworks in place, Algeria is expected to deliver sustained financial returns, deepen our international credibility, and demonstrate the scalability of our integrated model. Momentum in Algeria has already accelerated discussions in additional African markets, where governments and private sectors are exploring partnerships to replicate the model.

For Algeria, the project marks a turning point in agricultural resilience and economic development. It will reduce reliance on imports, stabilise domestic supply, modernise farming practices, create employment and stimulate rural development. Our collaboration also strengthens diplomatic and economic ties between Qatar and Algeria, establishing a scalable blueprint for national level food security projects across emerging markets.

As the Algeria programme advances toward commissioning in 2027, it stands as a powerful expression of Baladna's capacity to transfer technology, scale operations across borders and shape sustainable growth for all stakeholders.



Market Review

The year unfolded against a backdrop of accelerating global change, reshaping economic conditions, consumer behaviour and competitive dynamics across the food and beverage (F&B) sector and the broader Qatari economy. Structural forces – from technological transformation and evolving sustainability expectations to shifting trade patterns and demographic trends – influenced how companies operated and how markets evolved. For Baladna, these forces created both momentum and meaningful new opportunities, as we navigated a more interconnected regional landscape, rising demand at home and an increasingly innovation-driven global F&B ecosystem.

Evolving Economic Landscape in 2025

Global conditions in 2025 were shaped by slowing growth, rising trade barriers and policy uncertainty, with the World Bank lowering its global outlook to 2.3%¹. Despite these headwinds, the Gulf region maintained steady momentum, supported by non-oil expansion, strong consumer demand and continued investment in digital and sustainable infrastructure.

The GCC's economy grew by about 3.2%¹, with robust performance across tourism, real estate, trade and the fast-growing foodservice sector, where rising urbanisation, higher disposable incomes and a diverse population drove consumption trends. Across the region, consumers remained mindful of cost-of-living pressures, yet demand continued to shift toward higher quality, sustainable and transparent food products. Innovation accelerated as the Middle East invested heavily in food-tech, artificial intelligence (AI) and advanced manufacturing.

Qatar delivered another year of resilient growth, with GDP expanding by around 2.8%². The non-hydrocarbon sector remained a key driver, supported by strong construction, retail, logistics and services activity. Medium term optimism continued to stem from the major expansion of the North Field, which is expected to lift national growth from 2026 to 2027³.

Throughout 2025, the government maintained a sound fiscal position, while public investment advanced across infrastructure, logistics and strategic industries in line with the Third National Development Strategy. Regulatory reforms, improved ease of doing business and incentives for foreign investment further strengthened the business environment.

Technological transformation remained central to national priorities, marked by major AI partnerships, innovation in digital government and an increasing

adoption of automation. Qatar's young, digitally engaged population continued to fuel this transition, supporting broader diversification under Qatar's National Vision 2030.

Shifting Forces Reshaping the Food and Beverage Landscape

The F&B sector entered 2025 with powerful structural shifts that continued to redefine how companies operate, innovate and compete. Sustainability and ESG have moved from peripheral considerations to central strategic drivers, with leading players investing in carbon-labelled products, waste-reduction systems and circular-economy models. Packaging is undergoing rapid transformation as compostable, refillable and even edible formats gain traction. Technology is accelerating these shifts, with AI-enabled waste-tracking tools helping companies cut losses and enhance resource efficiency.

Qatar GDP Growth

2.8%

supported by strong construction, retail, logistics and services activity

Technology and digital transformation are reshaping production and supply chains. F&B manufacturers are adopting robotics, IoT and automation to modernise production lines, while blockchain-enabled traceability and QR-based transparency tools are becoming mainstream. Predictive analytics is increasingly used to anticipate demand patterns, optimise logistics and manage volatile supply chains. This data-driven infrastructure is allowing companies to strengthen resilience and improve efficiency in a market characterised by rising cost pressures and shifting consumer needs.

Health, wellness and functional nutrition remain dominant themes across consumer markets. Demand is rising for probiotic-rich foods, vitamin-fortified products, adaptogens and nootropics, reflecting broader interest in physical and cognitive wellbeing. Sugar reduction and natural alternatives continue to push innovation pipelines, while personalised nutrition is emerging as a fast-growing frontier, driven by AI, microbiome science and customised diet recommendations. These trends are creating fertile ground for niche, functional and premium brands to scale quickly.

Merger and acquisition activity has intensified as large F&B players seek to acquire innovative brands to strengthen portfolios and accelerate innovation. Companies are consolidating to gain scale, reduce operating costs and respond to rising ingredient prices and labour challenges. With staffing shortages persisting across many markets, automation and upskilling initiatives are becoming essential to protect profitability, though adoption levels vary widely.

Consumer behaviour is evolving rapidly, with strong growth in e-commerce, direct-to-consumer channels, subscription formats and meal-kit platforms. Authenticity, provenance and storytelling are shaping purchasing decisions, while in fast-growing regions such as the GCC there is increased appetite for convenience, foodservice innovation and out-of-home dining. At the same time, regulatory expectations around safety, traceability and compliance are tightening, accelerating the shift toward digital tools and modernised food safety systems.

Baladna's Evolving Market Environment

Baladna operated in a dynamic and fast-shifting market landscape in 2025, shaped by expanding regional opportunities, rising consumer expectations and the continued transformation of Qatar's food ecosystem. We strengthened our presence at home while unlocking new pathways abroad, most notably through our successful entry into the Syrian market after sanctions were lifted. This expansion added a meaningful new channel for growth and reinforced our ambition to broaden our international footprint.

Within Qatar, demand conditions remained favourable throughout the year. A packed calendar of major sporting events – including the Qatar Open tennis tournament, the FIFA U17 World Cup and the Arab Cup – delivered a notable uplift in consumption. Tourism rebounded strongly, supported by government initiatives to position



Qatar as a global destination, contributing to higher sales volumes across key categories. This surge in visitors coincided with structural changes in the local foodservice sector, where cloud-kitchens continued their rapid expansion. Forecasts indicated exceptionally high growth rates for cloud-kitchen operators, driven by their efficiency, scalability and alignment with consumer expectations for convenience.

Digital ordering and delivery remained central to Qatar's evolving F&B landscape. A substantial share of food purchases continued to shift online, reshaping route-to-market strategies and raising the bar for brands seeking to maintain relevance. Baladna operated in a market where customers increasingly demanded seamless delivery options, fast fulfilment and consistent product availability across e-commerce platforms and aggregators.

Health and wellness also became more prominent in consumer decision-making. Interest in organic, plant-based and "better-for-you" products grew steadily, with customers placing greater value on nutrition, ingredient quality and transparent sourcing. This trend created space for category innovation and supported premiumisation in select segments.

Regulation played a more influential role as food safety oversight intensified, and cloud-kitchen licensing frameworks evolved. While these measures elevated compliance requirements, they also improved sector standards and created opportunities for well-established operators. At the same time, Qatar's national sustainability ambitions began shaping expectations for greener packaging, lower waste and more efficient resource use across the F&B value chain. These shifts aligned closely with Baladna's capabilities as a local producer and reinforced our long term relevance of our integrated model in a market moving toward higher quality, greater transparency and stronger environmental responsibility.

[1] The World Bank's Global Economic Prospects June 2025
[2] World Bank's Gulf Economic Update (GEU) - Fall 2025 Report
[3] World Bank's Gulf Economic Update 2025

Group Chief Financial Officer's Review

Accelerating scale, strengthening returns, shaping tomorrow

Baladna's 2025 financial year marked a step change in earnings quality and scale, underpinned by disciplined execution in Qatar and accelerating our diversified investment portfolio and international growth platform.

While the domestic market remained competitive and price sensitive, Baladna delivered double digit revenue growth and a steep rise in profits. This reinforced our position as Qatar's leading dairy and beverage company and validated the capital deployed over the past years into core operations and financial assets.



Mr. Saifullah Khan
Group Chief Financial Officer

Simultaneously, we continued to shift from our sole position as "Qatar champion" to an emerging regional food security partner, with Algeria, Syria and other pipeline markets moving from concept to on the ground execution.

Strong earnings momentum and returns on prior investments

Revenue grew at a double digit rate compared to 2024, driven by volume and category growth in core dairy lines, the full year benefit of the evaporated milk government tender, and broader distribution across key retail and HORECA channels.

Yoghurt and UHT Milk were the most important contributors to topline expansion, with evaporated milk adding meaningful support to reported revenue.

Profitability expanded significantly, with EBITDA more than doubling year-on-year and net profit increasing 192%, reflecting both operational improvements and material gains on Baladna's strategically diversified investment portfolio.

Investments made in listed securities in the past years delivered substantial fair value gains and dividend income, providing an additional earnings pillar alongside operating profit.

Earnings per share (EPS) almost tripled over the period. In 2025, we achieved share earnings of QR 0.252, a 192% increase on 2024 EPS of QR 0.086.

EBITDA

QR 770 million

103% year-on-year growth

Operational discipline and cost efficiency in Qatar

In Qatar, the business transitioned from significant investment to a disciplined, returns focused operating model, with capital expenditure now concentrated on maintenance, selective capacity enhancements and revenue accretive projects. Tight capital allocation in the domestic business was matched by our focus on cost efficiency, particularly in raw material sourcing, feed costs and operational efficiencies. The measures were helped by more favourable international feed prices as well as initiatives to substitute diesel with electricity and reduction of loss in process.

Farm yield improvements and lower costs per litre in the dairy operations further strengthened our gross margin, partly offsetting the impacts of a challenging trading environment combined with tight competition from new regional and local entrants in several categories.

While we maintained a leading market position in six core categories in Qatar, overall market share dynamics remained mixed, reflecting both intensified competition and Baladna's deliberate choice to prioritise value, innovation and category expansion over volume at any cost.

“ In 2025 we made construction progress on the Algeria project, with arable and dairy farming, milk production and processing facilities on track for operationalisation by the end of 2027. This venture will become a national food security asset for Algeria and a long term value engine for Baladna shareholders.

Group Chief Financial Officer's Review continued

Operational Performance

		2025	2024	2023	2022	2021
Revenue	QR million	1,268	1,145	1,057	986	773
EBITDA	QR million	770	380	325	283	297
EBITDA Margin	%	60.70%	33.20%	30.70%	28.70%	38.40%
Net Profit	QR million	540	185	110	81	134
Net Profit Margin	%	42.60%	16.20%	10.40%	8.20%	17.30%
EPS	QR per share	0.252	0.086*	0.051*	0.038*	0.062*
Balance Sheet						
Total Assets	QR million	6,108	4,901	4,844	4,438	3,912
Debt	QR million	2,468	2,179	2,082	1,908	1,397
Equity	QR million	2,930	2,404	2,356	2,249	2,271
Debt to Equity	%	84.20%	90.60%	88.40%	84.80%	61.50%
Cash Flow						
Net Cash from Operating Activities	QR million	273,322,902	223,149,588	99,062,347	8,367,485	245,495,703
Finance Cost (Cash Flow) Including Lease Interest	QR million	116,619,535	123,154,847	110,011,919	67,056,714	35,565,676
Capital Expenditure (Except Investing in Shares and Subsidiaries)	QR million	(199,102,889)	(62,917,953)	(130,879,452)	(319,416,132)	(231,902,933)
FCFF (Free Cash Flow to Firm)	QR million	190,839,548	283,386,482	78,194,814	(243,991,933)	49,158,446

*Earnings per share for prior years have been restated based on the number of shares outstanding as at 31 December 2025.

“We successfully navigated a complex operating environment in Qatar, marked by intensifying competitive pressure, regulatory shifts and macroeconomic volatility. This was achieved by strengthening our financial resilience by diversifying, disciplined cost control and active risk management.”

Strengthened balance sheet, cash generation and capital structure

The balance sheet strengthened significantly in 2025, with total assets increasing 25% and equity attributable to equity holders of the parent growing 22%. This was largely due to higher retained earnings and a larger investment portfolio.

Cash and bank balances rose sharply as strong operating cash flows and working capital management were allocated to funding for an intentional step up in growth capital expenditure and strategic investments.

Islamic financing and bank facilities increased in line with the funding needs of the international programme. Leverage remained at a comfortable level in the context of our international expansion plans, earnings momentum and asset base.

In March 2025, Baladna distributed a bonus share dividend to its shareholders at a ratio of one share for every 19 shares held, resulting in the issuance of 100,052,631 new shares and a 5.26% increase in share capital. Building on this, a further bonus share dividend of approximately 143 million shares, on a one-for-fourteen basis, was executed in November 2025. Collectively, these distributions increased the Company's paid-up capital to approximately QR 2.14 billion. These actions rewarded shareholders and reinforced the capital structure as Baladna entered its next phase of growth.

The planned rights issue and broader capital increase strategy represent a “mini IPO” in the domestic market, further broadening the shareholder base while reducing leverage and aligning the balance sheet to our regional expansion.

A national food security platform in Algeria

Algeria is Baladna's most significant international undertaking and the cornerstone of our transformation into an international food security partner. The total project cost is USD 3.5 billion, structured through an equity partnership between Baladna for Trading and Investment L.L.C. and Algeria's National Investment Fund, and supplemented by long tenor, subsidised local debt.

Earnings per share (EPS)

QR 0.252

in 2025, a 192% year-on-year growth

In 2025 we made construction progress on the Algeria project, with arable and dairy farming, milk production and processing facilities on track for operationalisation by the end of 2027. This venture will become a national food security asset for Algeria and a long term value engine for Baladna shareholders.

The Algeria project will support the government of Algeria to substitute the import of powdered milk with local production. Currently, Algeria imports approximately 400 tons of powdered milk on a yearly basis. The project will help the country to reduce reliance on imports, create job opportunities, save forex reserves, enhance quality assurance and supply control, facilitate knowledge transfer, and generate revenue for the country.

International growth pipeline beyond Algeria

Beyond Algeria, we extended our expansion strategy into Syria and other African markets, reinforcing our “Baladna from Qatar to the world” positioning and building a multi country portfolio aligned with national food security priorities.

In Syria, we accelerated project design, contract awards and processing plans, moving from feasibility and structuring into execution, with a view to creating a scalable platform.

We also continued early stage work on opportunities in other attractive markets. As in Algeria and Syria, Baladna's role is to contribute extensive technical expertise and operating capabilities in partnership with national governments to develop food security programmes and import substitution. We assess all potential projects to ensure that our capital is deployed selectively and in line with our risk appetite.

Group Chief Financial Officer's Review continued

Innovation, portfolio diversification and future growth levers

Our core Qatari business kept up the pace of innovation, launching 33 new SKUs across Greek and protein drinkables, Laban, flavoured milk, juices and yoghurt to broaden the portfolio and strengthen brand relevance.

These launches supported revenue growth by enhancing the product mix and deepening in-store presence, particularly in higher value and health orientated segments.

Accordingly, we believe it is essential to accelerate diversification and export initiatives to sustain topline momentum.

Resilience, risk management and sustainability

We successfully navigated a complex operating environment in Qatar, marked by intensifying competitive pressure, regulatory shifts and macroeconomic volatility. This was achieved by strengthening our financial resilience by diversifying, disciplined cost control and active risk management.

Baladna's strong cash generation, prudent funding strategy and growing base of recurring earnings from both operations and investments, provide a robust buffer as we execute our international programme.

Sustainability and local value creation remained embedded in the operating model, with Baladna achieving an In Country Value (ICV) score of 82.47% under the Tawteen programme and securing recognition from Forbes Middle East for our progress on resource efficiency and circularity. A key water-efficiency initiative achieved an estimated 60% reduction in water consumption for the cow cooling soaker system by replacing conventional soakers with an intelligent, smart soaker-cooling system. The upgraded system operates on a demand-based principle, delivering significant water savings while improving operational efficiency through optimised and controlled water use. All these measures support long term competitiveness and national priorities.

In-Country Value (ICV) score

82.47%

under the Tawteen programme

Prospects for 2026 and beyond

From a financial perspective, the primary focus for 2026 will be generating sufficient cash flows to support Baladna's equity and debt financing commitments across our project portfolio, while sustaining the enhanced level of profitability achieved in 2025.

Maintaining earnings growth during the transition period, before Algeria and Syria begin contributing materially, will require careful management of the Qatar business, and continual optimisation of the investment portfolio's risk return profile.

Looking ahead, there are clear benefits from extending into adjacent categories such as ice cream, as well as co-packing for third-party brands and targeting African markets with tailored evaporated milk recipes.

At the same time, Baladna will invest selectively in digital transformation, automation and continuous improvement projects to reinforce cost leadership and operational excellence without diluting capital discipline.

Management expects the international platform to become a structural earnings driver by 2028. This will support continued sustainable growth, regional food security and enduring value creation for all stakeholders.

Mr. Saifullah Khan

Group Chief Financial Officer



Risk Management

In the sixth year of its implementation, Baladna's enterprise risk management (ERM) continues to be embedded in day-to-day operations and decision-making. Our ERM methodology has equipped our Management Leadership Team to manage and reduce the impact of any potential risks to the Company and our ability to achieve strategic objectives.

Baladna's methodology to manage potential business risks is aligned with recognised industry standards and best practices based on the COSO Enterprise Risk Model for its Integrated Framework and ISO 31000 for its risk management principles and guidelines.

The methodology is reviewed regularly and, where necessary, adapted to ensure it evolves with our business needs, thereby allowing Baladna to manage risks effectively and efficiently, supporting the achievement of short and long term objectives.

Baladna's Senior Management uses these risk management principles during strategy planning and making decisions. Management then plans, organises and directs the performance of sufficient actions to provide reasonable assurance that our objectives can be achieved while ensuring that associated risks are always kept within the agreed risk appetite.

Risk Definition

Baladna defines risk as "the possibility of an event occurring that will have an impact on the strategic or business objectives of the Company". Risks are evaluated via a combination of the consequences of an event and the likelihood of its occurrence.

Senior Management and Oversight

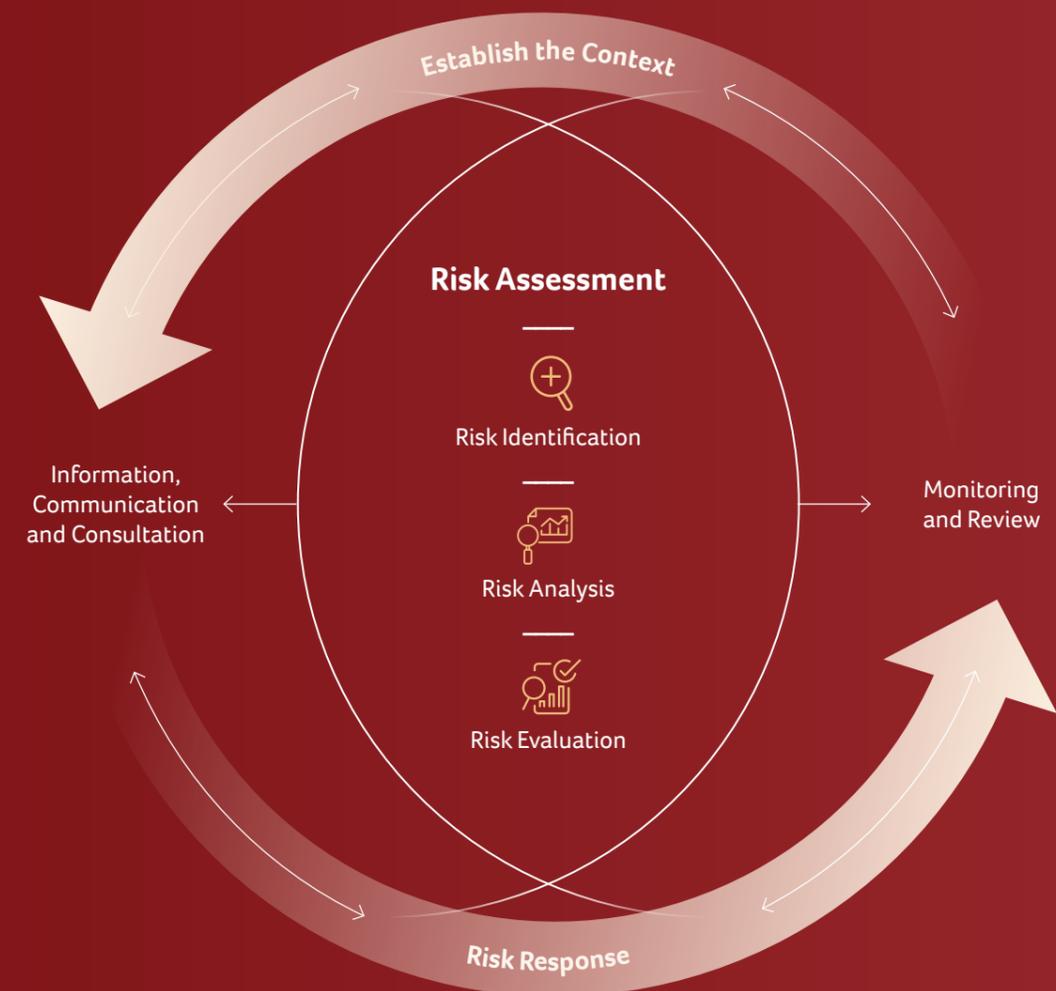
Baladna's Senior Management team is responsible for implementing risk management policies, procedures and practices across the Company, while the Audit Committee is responsible for oversight of the effectiveness of Baladna's risk management systems. To this end, Senior Management relies primarily upon the Management Leadership Team and the operational reporting lines to manage day-to-day risks, based upon direction from Senior Management.

Approach

The Baladna risk management process is aligned with the COSO model components, and the process defined in ISO 31000. This cyclical process is supported by our Corporate Services Department through the provision of education, training and monitoring, review and assessment. It is also supported through guidance to business management teams and the use of an ancillary toolset for recording, analysing and reporting on risks.

Procedures that include competitive monitoring, training, risk prevention and protection, along with the initiatives of specialised departments, such as the Quality, Health and Safety and Information Security Departments, all contribute to the identification, analysis and management of risks.

Baladna's Risk Management Process



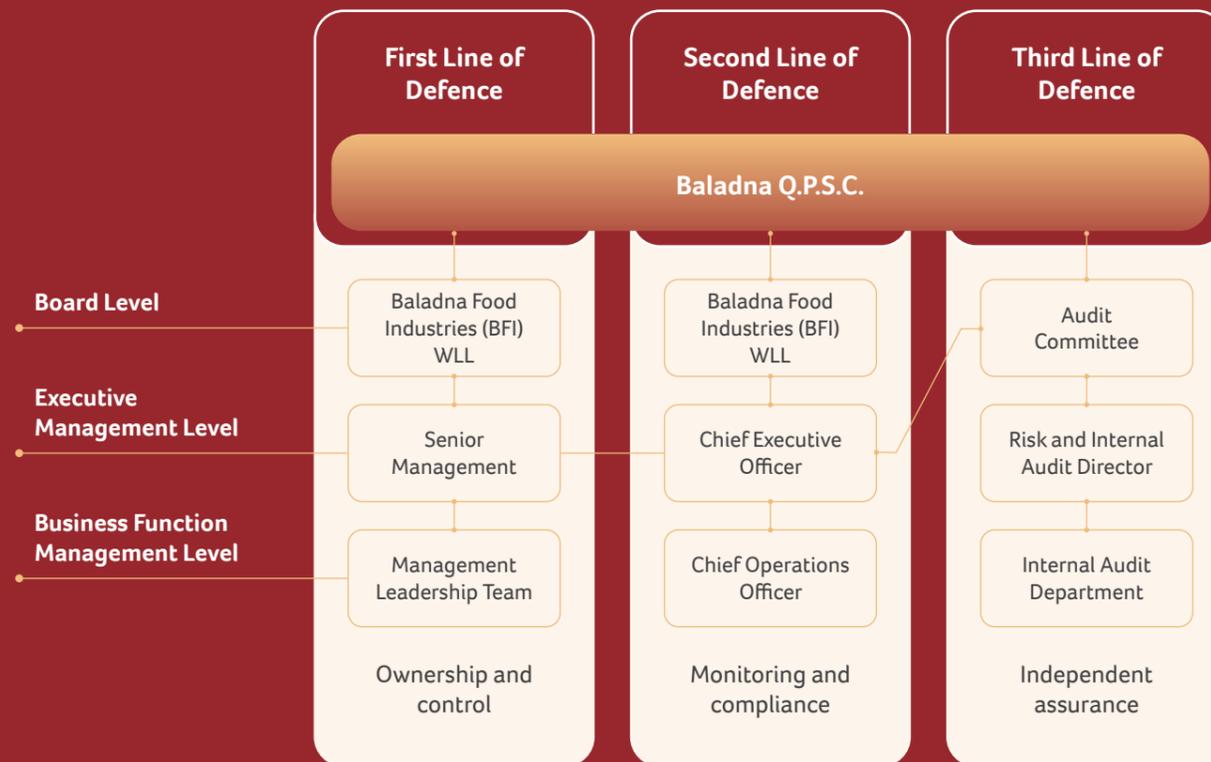
The Baladna risk management process is aligned with the COSO model components, and the process defined in ISO 31000.

Risk Management continued

Managing Risk

Aligned with industry-recognised and adopted best practice, we operate a Three Lines of Defence model to ensure accountability across Baladna for governance, management and reporting of risks.

Baladna's Three Lines of Defense Model



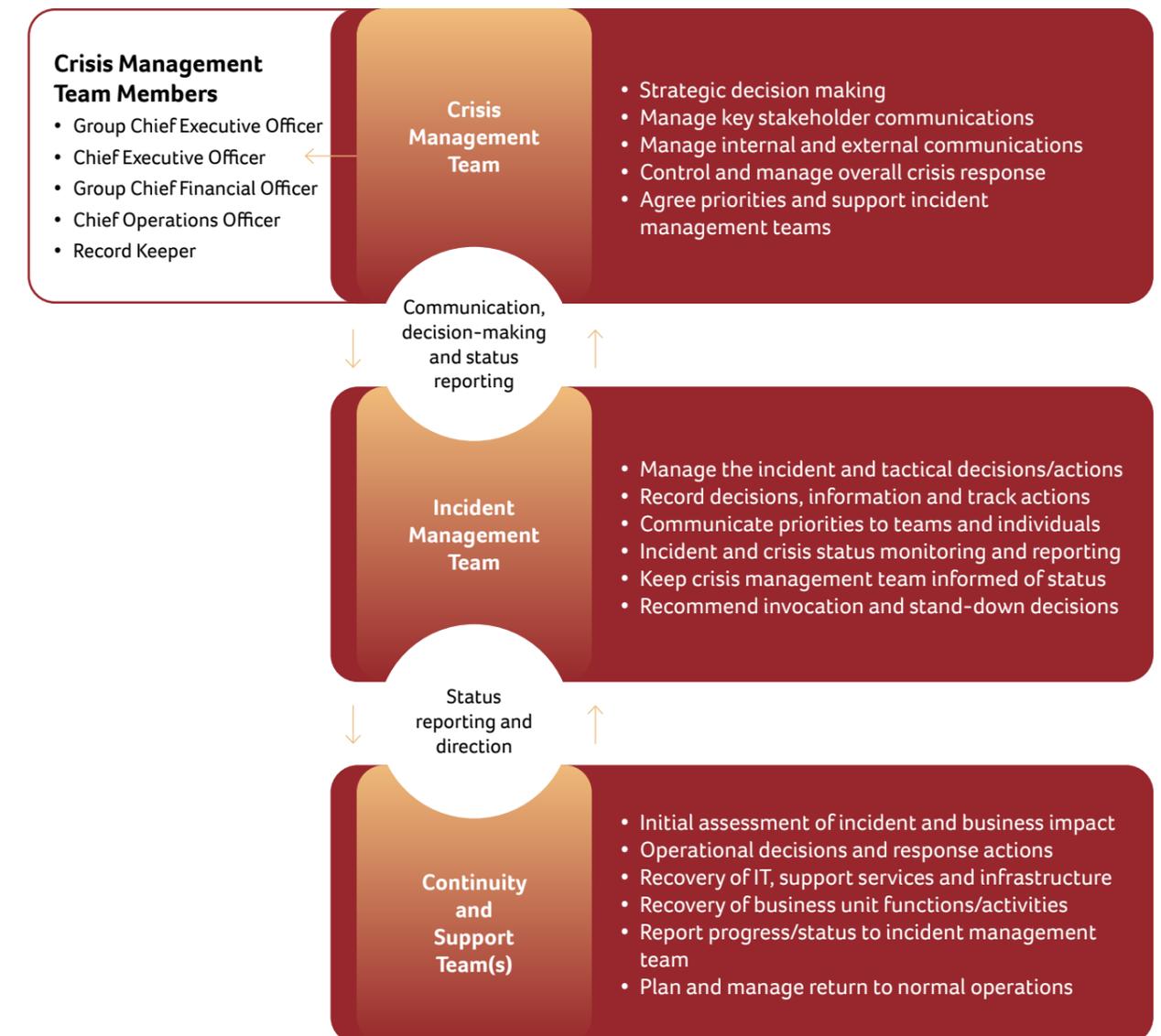
Risk Monitoring and Reporting

Our business risk register is reviewed quarterly by the Management Leadership Team for each business area. A map of Baladna's principal risks and risk mitigation plans is reviewed and assessed, and this work serves as the basis for the presentations made to our Audit Committee.

Baladna's Crisis Management Structure

We have developed a major incident and crisis management protocol, which can be activated if an abnormal or unstable event threatens the Company's strategic objectives, reputation or ongoing viability.

The approach to these types of incidents is based on industry standards and best practice. It incorporates a three-tiered response system to ensure rapid decision-making and action.





Operating Review

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Executing with precision across farming, production, marketing and innovation to deliver quality, efficiency and consistency at scale.

Reinforcing Our Domestic Position

In 2025, we maintained our strong market leadership in Qatar amid rising competition and increasingly challenging trading conditions. We continue to maintain strong momentum in delivering growth each year, ensuring sustained investment and contribution to Qatar's national food security agenda.



Mr. Paul Kenny
Chief Executive Officer, Qatar

Solid performance in a challenging environment

Our operating environment faced strong headwinds posed by a static population, softer consumer spending and intensified competition. We responded proactively with targeted strategic initiatives, including 33 new dairy and juice SKUs in Qatar and a brand refresh on a further 200 SKUs, while simultaneously maintaining our market leadership and delivering strong financial results.

We achieved a 10.7% increase in revenue to QR 1.27 billion from QR 1.15 billion in 2024. Net profits rose to QR 540 million (QR 185 million in 2024), largely driven by the performance of our investment portfolio, which was further capitalised to enhance shareholder value.

Baladna's strategy and strong business resilience enabled us to maintain our market dominance in a retail market under pressure while maximising growth in HORECA channels. This resulted in a solid financial performance in Qatar, in line with the previous year, laying the foundation for continued success.

Leveraging strategic strengths

In 2025, we remained focused on defending our market share in a stagnating dairy category, while investing in strategic initiatives and capabilities to enable future growth.

In Qatar, we held an overall 70% market share, with more than a 95% share in liquid milk and were leaders across most other key categories.

The HORECA channel, which now accounts for about 38% of our revenue, helped offset the reduced retail consumption. We leveraged our unique market position, exceptional service levels and an aggressive new product development (NPD) programme to deepen relationships with strategic and institutional customers.

Overall

70% market share

in Qatar, with more than 95% share in liquid milk

Our strong execution capabilities reinforced our competitive advantage in the retail sector and positioned us well for future growth. We expanded our shelf space and further limited out of stock levels, with a wastage metric of 1.53%, substantially outperforming the industry.

We continued investing in automation and data systems to enhance efficiency and insight. Enterprise Resource Planning (ERP) systems enabled more precise decision-making, while automation and smart manufacturing tools streamlined production and enhanced quality control.

Business highlights

We successfully executed the Qatar Government's Tamween evaporated milk tender, valued at QR 100 million. As part of our continuing commitment to Qatar's food security initiatives, Baladna invested more than QR 450 million in a state-of-the-art factory to produce the quantity of evaporated milk and other dairy products needed for Qatar. We delivered 75 million cans of evaporated milk to government warehouses without operational disruption, meeting all volume and timing commitments in full. Beyond its financial contribution, the Tamween tender has created a scalable platform that will provide a buffer against local market fluctuations.

“ We leveraged our unique market position, exceptional service levels and an aggressive new product development (NPD) programme to deepen relationships with strategic and institutional customers. ”

Reinforcing Our Domestic Position continued

We entered new segments with 33 new SKUs, including high protein drinkables and Greek yogurt. Additionally, we undertook a major brand refresh across more than 200 SKUs, strengthening brand equity and increasing engagement, which contributed to a record brand desire score of 77%.

Alongside retaining our reputation for 100% on time delivery in Qatar, we achieved 100% product quality and compliance. Our flagship farm in Qatar recorded its best ever metrics for animal health, yields, pregnancy and calving rates, placing us among the top dairy farms globally. We are now in the top 1% worldwide for milk yields.

People progress

Our people continued to be a driving force behind Baladna's performance and ambitions. In 2025, we deepened our investment in learning, capability building and leadership development, with a particular emphasis on digital skills, productivity and future readiness. Initiatives such as the Young Qatari Talent Programme and international training assignments strengthened our leadership pipeline and supported the development of talent aligned with the Company's regional growth aspirations. These efforts reflect a culture rooted in shared purpose, collaboration and service excellence, underpinning strong engagement across the organisation.

Employee wellbeing and recognition remained central to our people agenda. We launched the Step Challenge during sustainability week, combining health, teamwork and social impact, with employees significantly exceeding participation targets and contributing to meaningful community support. At the same time, our Star of the Quarter programme continued to recognise employees who exemplify Baladna's values and deliver outstanding performance. Together, these initiatives reinforced a positive, inclusive workplace where engagement, recognition and purpose go hand in hand.

Bolstering sustainability

Sustainability remained deeply embedded in how we operate and create long term value in 2025. We advanced more than 20 initiatives across our environmental, social and governance (ESG) agenda, strengthening responsible production and reinforcing our role as a national food security champion. Environmental progress was driven by continued improvements in water and energy efficiency, waste reduction, composting and recycling, supported by advanced technology and ongoing process optimisation. These efforts helped reduce environmental impact,

enhance traceability and promote responsible sourcing across our integrated operations.

Achieved

100%

product quality and compliance

At the same time, we remained focused on advancing our social and governance commitments. We continued to invest in community engagement through education, youth development, cultural sponsorships and charitable initiatives, while supporting national resilience through food security and workforce capability building.

Our "grass to glass" model underpinned strong governance, ensuring quality, transparency and accountability at every stage of the value chain. By aligning disciplined growth with social responsibility and environmental care, we reinforced a sustainability approach that supports Qatar's long term priorities while delivering enduring value for stakeholders.

Looking ahead to 2026

In 2026, we expect a modest improvement in the dairy market and a stable recovery in consumer spending, providing an opportunity to reinforce growth. We will further develop adjacent categories, including new ice cream ranges supported by a dedicated frozen route to market.

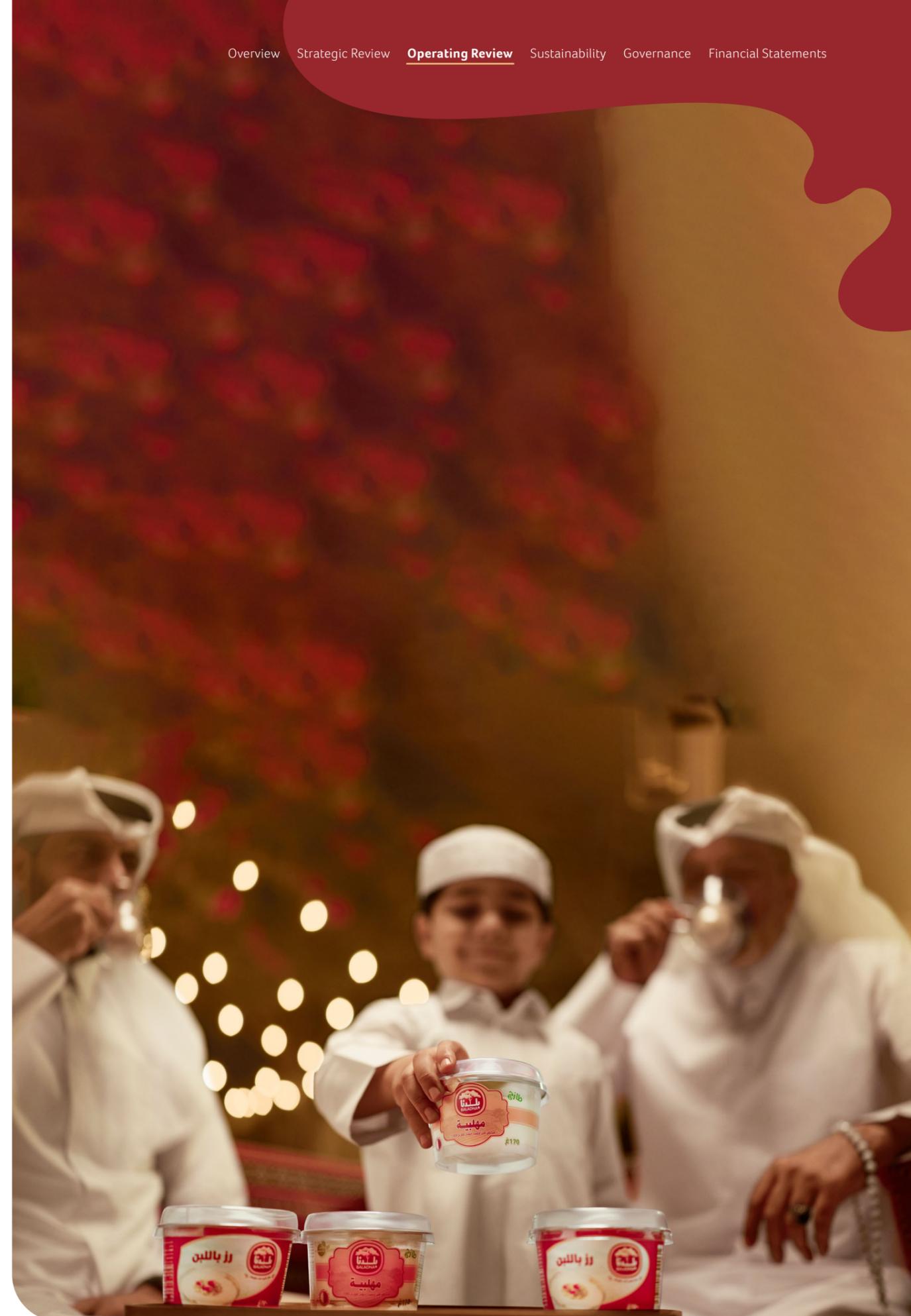
Our innovation pipeline remains strong, with continued emphasis on core categories and adjacent segments, while marketing will build on the refreshed brand identity and digital in store assets to deepen consumer engagement and drive incremental volume.

From an operational and technology perspective, we will continue to pursue efficiency gains, fully leverage existing systems and tools, and deploy AI capabilities in selective areas to enhance decision-making, productivity and service. In farming, the focus will remain on maintaining or improving on our world-class performance metrics.

We will continue to uphold Qatar's food security and deliver consistent, long term value for shareholders.

Mr. Paul Kenny

Chief Executive Officer, Qatar



Operation Highlights

Elevating excellence across the value chain

Baladna's operating performance in 2025 reflected the strength of our integrated business model and our unwavering focus on quality, efficiency and innovation. As Qatar's leading dairy and beverages producer, we continued to elevate standards across our value chain, demonstrating how operational excellence, disciplined execution and customer-centricity underpin our contribution to national food security. Our model remains a benchmark for resilience and scalability, positioning us to support the growing demand in Qatar while preparing our platform for regional expansion.

Across our business – from farming and operations, to marketing, new product development, sales and distribution – our teams worked together to reinforce the foundations of a future-ready organisation. We strengthened herd performance, advanced manufacturing capabilities, enhanced our brand presence and expanded our innovation pipeline to meet evolving consumer expectations. Our commitment to uncompromising quality, best-in-class safety practices and continuous improvement, remained fundamental to sustaining trust among consumers and customers.

We also continued to refine our organisational structure and operational processes to support long term growth. By deepening collaboration across functions and integrating new tools and technologies, we enhanced agility, improved visibility across the value chain and set the stage for faster, more informed decision-making. These collective efforts ensured that Baladna remained resilient in a competitive market while building the capabilities required for the next chapter of sustainable growth.

“By deepening collaboration across functions and integrating new tools and technologies, we enhanced agility, improved visibility across the value chain and set the stage for faster, more informed decision-making.”



Operation Highlights continued

A Trusted Market Leader



Baladna's market share in the Fresh Milk category surpassed 91%, reinforcing its position as the market leader.

Revenue (QR million)



UHT Milk captured 89% of the market, retaining its dominant position.

Revenue (QR million)



Yoghurt continued to perform robustly and captured 45.3% of the market, underscoring its competitive edge in the sector.

Revenue (QR million)



With a 36.7% market share, our Labneh maintained a significant presence in the market, reflecting consumer trust in our brand.

Revenue (QR million)



Laban held a 48.0% market share, maintaining its strong position in the category.

Revenue (QR million)



Creams continued to perform robustly and captured 62.1% of the market.

Revenue (QR million)



Our Cheese portfolio maintained a solid presence, securing more than 24% market share and positioning us to capitalise on further opportunities.

Revenue (QR million)



Our Juice category, which secured a 19.8% market share in 2025, presents a significant opportunity for growth as we continue to expand our presence and capture further market share.

Revenue (QR million)



Our Value Chain

Baladna's fully integrated value chain, built on quality, efficiency and nutritional excellence from farm to fork, has become a powerful platform for long term value creation and a model sought by markets far beyond Qatar.

As we strengthen every link in this chain, we remain focused on delivering sustained returns for our shareholders, deepening our contribution to national food security, and enriching the daily lives of our customers and consumers. With our capabilities proven at scale, we are now accelerating international expansion, taking our end-to-end model to new markets and unlocking fresh opportunities for growth and impact.

How We Create Value

Finance

Maximising value through prudent liquidity management, driving innovation in products and processes, executing disciplined investment strategies, and ensuring rigorous governance and financial reporting standards.

Human Capital

Positioning our organisation to address evolving human capital needs through a collaborative environment and a diverse, resilient talent base, nurturing the leaders of tomorrow.

IT

Supporting value creation by accelerating our automation journey and digitalisation and improving and maintaining efficiencies across various workstreams covering the entire value chain.

Supply Chain

Maximising value creation by effective sourcing, warehousing, fleet management and trusted relationships with our business partners.

Marketing

Supporting value creation by maximising market share, product innovation, capitalising on brand equity and building a renowned product portfolio.

1



Farming

Practicing innovative and sustainable farming methods, ensuring efficient resource management and upholding ethical sourcing practices.

Prioritising the health and wellbeing of the livestock by monitoring overall health of dairy herd, implementing preventative healthcare measures, and improving animal nutrition and overall cow comfort by bringing best-in-class expertise.

2



Operations

Optimising processes and enhancing existing high standards of production, food safety, quality and loss management.

Continuous improvements in operational efficiencies to meet evolving needs of customers while optimising costs.

Product Development

Developing high-quality, innovative dairy products that meet evolving consumer needs. Leveraging advanced technology and sustainable practices to deliver exceptional value and nutrition.

Developing new recipes to meet the demand for healthy, delicious and nutritional products.

3

Sales and Distribution

Continuous efforts to maintain market leading coverage by expanding customer base and enhancing strategic partnerships.

Optimising processes and enhancing existing high standards of production, quality and loss management.

Focusing on segmented sales channels and market penetration to unlock further revenue and market share.



Creating Value for all Stakeholders



Shareholders



Customers



Employees



Partners



Society



Suppliers

Contributing to our success in solidifying the leading position and the strength of our brands in the market, while fostering strong relationships with our clients and consumers.



Farming

Accelerating innovation and achievement

At the heart of Baladna's diversified business are the animal husbandry operations, located primarily at our Qatar farm and our new Algerian project. In 2025, Baladna strengthened its focus on innovation, adopting best-in-class technologies to improve herd health, yield and sustainability.

Our drive to deliver operational progress each year resulted in new global benchmarks in management excellence, training, efficiency and animal welfare. Furthermore, we met or exceeded our own targets.

A reflection of our progress was evident in a global comparison exercise. We reviewed several world-leading dairy farms that served as our original benchmarks when we first commenced operations. The results revealed that our Qatar operations now outperform these and similar facilities in the areas of technology adoption, performance, employee development and overall operational competency. This is noteworthy considering our climate and equally, positions us to expand to countries facing similar obstacles.

Measurable outcomes in key performance areas

In large-scale dairy farming, which is sensitive to numerous factors, we achieved measurable outcomes in several areas.

Despite climate and operational complexities, milk production increased across the board. The global gold standard is 40 litres per cow per day, so we are exceptionally pleased with the results achieved in 2025. In the fourth quarter, we recorded the highest milk production per cow in our history, a testament to performance optimisation, animal health and udder health management.

Once we fully implement planned technology upgrades, we expect production levels to increase further, approaching the levels of the world's top-performing farms.

We further advanced the health metrics of our animals during the year to continuously monitor health, rumination and mobility, which has delivered measurable reductions in mastitis and lameness.

Key technology implementations in 2025

Our teams persistently explore innovative solutions to elevate our milk performance, herd health and environmental standards, seeking best-in-class technology. In 2025, this commitment led to the adoption of several new technologies that significantly improved our key metrics.

We integrated robotics into our milking parlours to improve milking consistency and further raise hygiene standards.

We made the move to pulse vaccination, which is an advanced system for minimising cross-contamination between cows during vaccination. By ensuring each animal is treated without shared contact points, it significantly reduces disease-transfer risk and supports a higher standard of herd health.

We have also upgraded our individual animal monitoring system with more sensitive algorithms for detecting early signs of sickness and improving heat detection for breeding, enabling quicker decision-making and better overall herd management.

Furthermore, we expanded our on-site chlorine production system to supply milking robots, parlour systems and other farm applications, resulting in lower use of external chemical suppliers.

Animal health is central to our success

The health of our dairy herd requires technology to monitor individual animals, which we enhanced with the application of a new tag-based monitoring system. This delivers real-time data reporting and analysis of animal health, reproductive status, rumination patterns and the early detection of oestrus.

We installed a video monitoring system called Cattle Eye to monitor the condition of each cow in real time as they enter the milking parlour.

Our youngstock feeding strategy was overhauled and new weigh stations were installed, allowing us to be more targeted in our nutrition planning.



“Our progress in Algeria marks an important step in our regional growth journey, built on the same high operational standards and deep expertise that define our success in Qatar.”

Mr. Marek Warzywoda
Group Chief Executive Officer

Farming continued

Given Qatar's climate, the ambient temperature of our parlours and other facilities is carefully managed. This year, we installed a smart soaker system to raise herd comfort levels and improve water savings and operational efficiencies. The new system achieved a 60% reduction in water usage compared to conventional cow soaking systems.

We implemented animal identification barcode sticker printers to improve efficiency and accuracy in sample management and regulatory compliance. Sort gates were installed on both farms to enhance stress-free animal handling protocols.

Breeding programmes cater to hot climates

As part of our strategic goals, we introduced the 'slick' gene into the breeding stock. Animals with this gene typically have shorter hair and enhanced heat tolerance, making them well-suited to Qatar. This year we have started milking these animals, with positive results.

Our use of sexed semen adopted a more strategic and data-based methodology than previously to increase heifer calf production and improve the quality of our replacement supply. This will better align breeding decisions with overall genetic and herd-growth objectives.

As 2025 marked a quantum leap forward in technology implementation, we will focus on refining and stabilising these new systems to unlock their full value in the year ahead.

Every drop counts

Water is a critical resource in our farming business, making efficient and sustainable management a priority. We commissioned our wastewater treatment facility, which has delivered benefits in recycling, sustainability, and environmental protection. All wastewater is recycled into clean, reusable water, and all solid manure is converted into compost.

Our farm no longer relies on lagoon storage for wastewater management, which is rare for operations of this scale anywhere in the world.

We installed sophisticated air monitoring systems to measure air quality and emissions on the farms and neighbouring town a few kilometres away. These systems continuously track emissions, odours, and other environmental impacts.

People development continues unabated

In tandem with deploying the best available technology, Baladna continues to emphasise people development. This year we conducted international training and development programmes for heads of departments, made internal promotions, and targeted external recruitment where specific expertise was required. Employees attended global events and training programmes to advance their knowledge and leadership skills.

Algeria spearheads Baladna's global expansion

Our Algeria project is a key element of our strategic evolution, and this year our Qatar farm team began providing support and knowledge transfer to their Algerian counterparts.

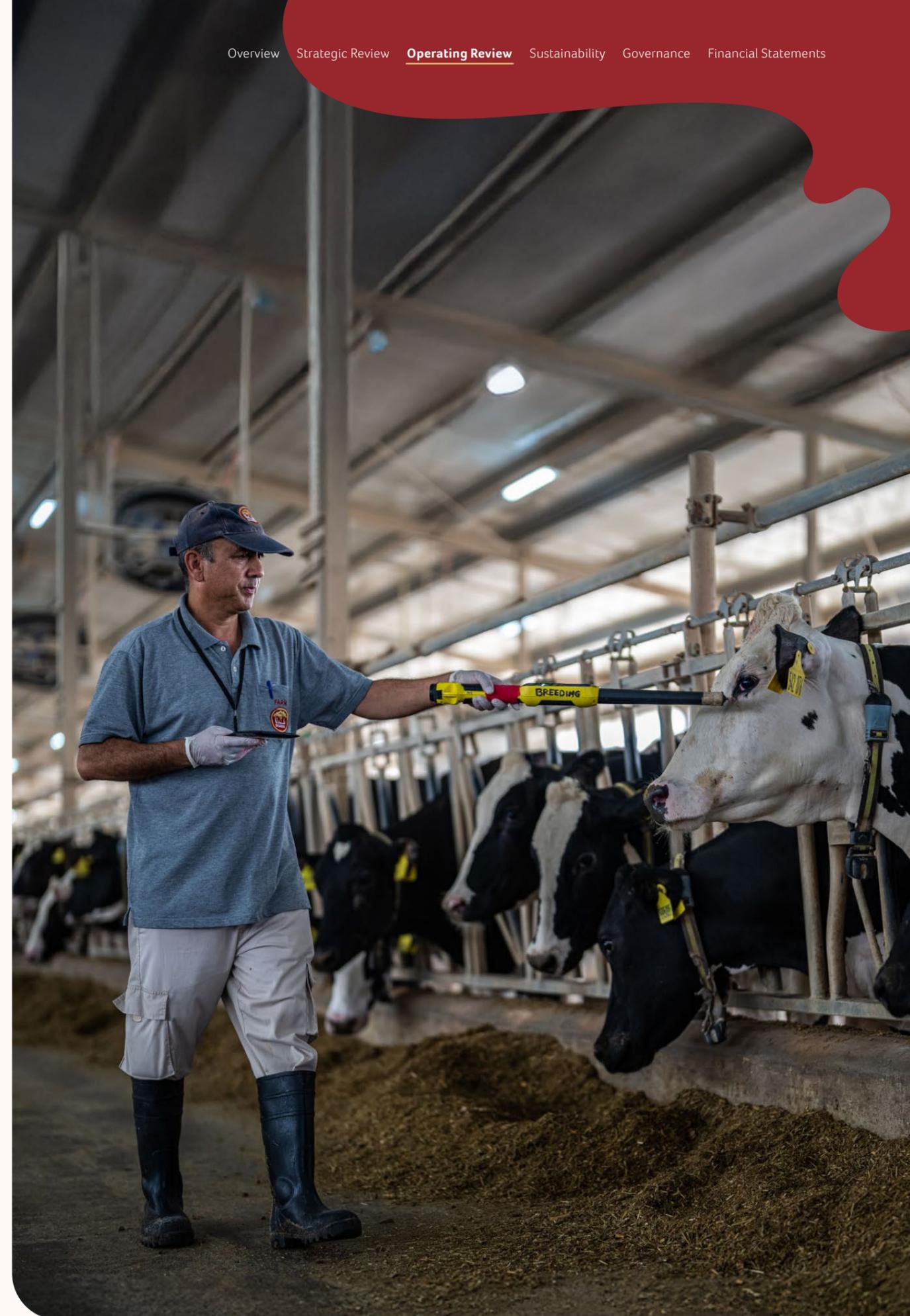
Progress on the farm development is on schedule, with construction commencing. We signed large contracts, including with German company GEA for the milking parlours and milk powder plant. A further contract for the supply of 30,000 pounds of initial materials is nearing finalisation.

Looking ahead to 2026

Next year our focus will shift to advanced genetic development, including the full implementation of IVF, the expanded use of sexed semen, and continued herd enhancement initiatives. New laboratory facilities will be introduced to support a comprehensive IVF programme for our sophisticated genetic development.

Our IVF and genomic testing technology will identify the top 20% of the herd by genetic merit. Once fully implemented, we will select semen to guarantee desired traits and remove the bottom 20% from the breeding programme. Repeating this annually will drive advances in genetic quality. Reproductive consistency, our breeding strategy, and replacement planning will all benefit.

New feed management software will be implemented to incorporate AI capabilities, aligning with the global transition towards AI-assisted decision-making across industries. The new software will improve our ability to identify and track trends in feed usage, animal response, ingredient performance, and cost parameters. It will be integrated into our existing inventory and enterprise resource planning systems and feed delivery hardware, advancing our real-time data monitoring. This will enhance ration planning and feed cost management and allow quicker responses to changing ingredient availability or market conditions.



Operations

Driving operational excellence

Baladna's vertically integrated operations in 2025 were strategically driven by continued improvement across the board that delivered exceptional results in quality, compliance, customer-centricity, efficiency, innovation and sustainability. By setting new benchmarks in operational excellence, we reinforced our regional and international leadership and our reputation as an innovator in food production in the Middle East.

Driving continual improvement across the entire value chain

Our purpose as Qatar's leading diversified food company is to advance the nation's food security through a fully integrated production model built around customer trust, herd welfare and environmental stewardship. By controlling every step of the value chain, from cultivating feed to placing fresh products in the hands of consumers, we ensure unmatched quality, reliability and sustainability across our operations.

In the year under review, we yet again made substantial progress across our two large-scale, best-in-class dairy farms in Qatar, breeding our own livestock and developing internal feed supply to support growth. We remain committed to advancing our capabilities to provide a consistent, high-quality feed supply that meets our growing demand.

Process improvements boost customer satisfaction

In an increasingly competitive market, we paid particular attention to further improving and upgrading processes to maintain and extend Baladna's leadership in dairy production. Alongside strengthening our competitive edge, the various enhancements made during the year secured important third-party endorsements of our excellence.

Substantial investment in process improvements and compliance delivered key international food safety certifications, namely FSSC 22000 across our main factories and ISO 22000 for the plastic factory. Additionally, important customers conducted external audits of our operations, with outstanding results.

Enhancing our customer-centric strategies resulted in a significant reduction in consumer and customer complaints in 2025, with our primary operational KPI cut by half to 0.75 complaints per million units. This outstanding result demonstrates the impact of our initiatives and reflects our "right first time" philosophy across all operations.

We also brought down our cost per litre of milk to well below both budget and 2024 levels at 1.09 (compared to a target of 1.20), aided by cost-saving initiatives and recipe optimisation that achieved an annual value improvement of QR 3 million. These efficiencies were realised without compromising product quality or animal welfare standards.

Customer-centric teamwork

One of the benefits of our vertically integrated model is the high degree of internal collaboration. In the past year, our various teams worked together more proactively to ensure the seamless, reliable delivery of exceptional products to meet daily demand.

Cooperation between our teams accelerated our already rapid response to market demands and customer feedback, strengthening our reputation as a reliable partner throughout the supply chain. This allowed us to address any issues at source, minimising waste, and making sure that we satisfied the exacting requirements of our customers.

Innovation and growth

Baladna is proud of its reputation for continuous innovation, and 2025 was no exception to our relentless pursuit of new processes and products. To improve risk mitigation, we installed a new backup generator at a cost of QR 1 million, providing essential contingency capacity to ensure uninterrupted operations in the event of any power supply issues.

During the year, our new R&D pilot played an essential role in supporting a faster, more cost-effective product development cycle in partnership with our Marketing and New Product Development division. The new facility enables rapid prototyping and testing of novel formulations, significantly reducing time-to-market for innovative products.



“Our structured approach to product development is enabling faster innovation and stronger alignment with changing evolving preferences.”

Mr. Julian Marcolini
Chief Operations Officer

Operations continued

To enhance our product development capabilities, we also established a comprehensive new product development (NPD) process with regular cross-functional meetings. This structured approach better equips us to respond more efficiently to market opportunities. In 2025, this proved instrumental in supporting our product diversification strategy, enabling the successful launch of more than 30 new products, and demonstrating our ability to respond to evolving consumer preferences more rapidly than ever before.

We also embarked on a project to integrate AI planning tools and optimisation projects with equipment suppliers. These initiatives are expected to deliver significant efficiency gains and predictive capabilities in the coming years.

Sustainability and technological advances

In 2025, we continued to implement various environmental and sustainability programmes as part of our unwavering commitment to responsible resource management and environmental stewardship. Recycling manure, wastewater and packaging into usable resources has become a fundamental feature of our support for a circular economy approach, delivering meaningful reductions in our agricultural and energy applications.

During the year, we installed water meters across production areas, leading to a 6% reduction in water use. New smart soaker technology and optimised irrigation systems contributed to a 60% reduction in water consumption in specific farming applications.

Other capital investments included the commissioning of a wastewater treatment plant (WWTP) at a cost of QR 9.5 million and a clean-in-place (CIP) compliance upgrade of QR 1.5 million. The new water treatment facility will make 100% of our dairy factory wastewater recyclable by 2026, reducing freshwater demand.

These advances are particularly impactful against the background of Qatar’s water scarcity and provide an important framework for our international operations in countries that face similar challenges.

We also implemented liquified petroleum gas (LPG) in the boiler operations, generating a 12% reduction in energy consumption on a per litre basis, and directly reducing operating costs and carbon emissions.

Digital record-keeping initiatives and the installation of four electric vehicle chargers contributed further to our sustainability objectives, encouraging staff to transition to electric vehicles in support of Qatar National Vision 2030. Our various recycling programmes achieved notable results, with 7.7 metric tonnes of HDPE plastics recycled in-house and 60 metric tonnes of waste diverted from landfill.

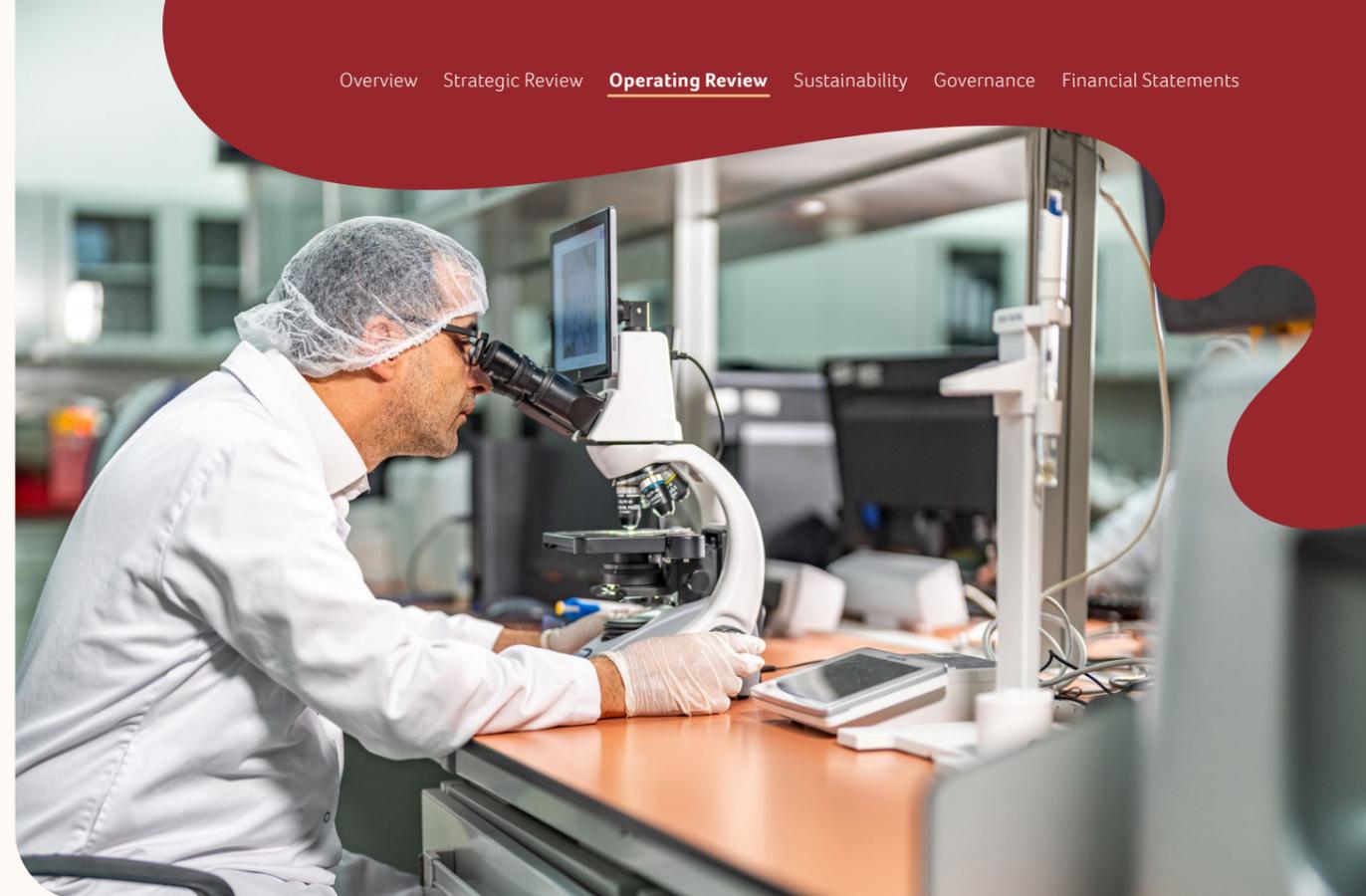
International expansion

Our international expansion strategy is one of the most important developments in Baladna’s history, led by the large-scale Algeria dairy project. In 2024, we finalised a USD 3.5 billion agreement with the Algerian National Investment Fund to establish the world’s largest dairy farm and production plant that will be modelled on our successful grass-to-glass approach. This transformational project will replicate and scale Baladna’s proven vertically integrated model in one of North Africa’s most strategic agricultural markets. Additionally, the project benefits from off-take agreements and subsidised financing arrangements that provide Baladna with long term revenue stability and risk mitigation.

Beyond Algeria, we continued our regional expansion with existing projects in Egypt and kicked off exploratory studies in several other markets. These initiatives cement our reputation as a regional agricultural leader and extend Baladna’s food security mission beyond Qatar’s borders.

Performance Achievements

KPI	2025 Target	2025 Actual	Notes
Cost per kg/litre (CPL)	1.20	1.09	9% reduction vs. target
Complaints per Million (CPM)	1.40	0.75	10% reduction vs. 2024; main quality KPI
Losses in Process (LIP)	2.8%	2.6%	Efficiency improvement
Internal Promotions	65%	76.2%	Specific farming share not disclosed



Baladna’s performance metrics during this financial year demonstrate the substantial progress made across all key operational indicators. The cost per litre achieved 1.09 represented a 9% improvement over target, driven by operational efficiencies, optimised recipes and improved resource management. The reduction in consumer complaints to 0.75 per million units, which was half the 1.40 target, demonstrated the success of efforts to embed a quality culture across our operations.

Process losses were reduced to 2.6%, beating the 2.8% target thanks to improved operational discipline and waste reduction. These combined achievements translated into enhanced profitability, improved customer satisfaction and strengthened competitive positioning.

Looking ahead to 2026

Building on the momentum of 2025, we have identified three major capital installation projects that will further enhance our production capabilities and market responsiveness. Following the successful installation of our evaporated milk processing facility several years ago, we will install a can production line in the coming year. This integrated facility will manufacture metal cans on-site and feed directly into the filling process for our evaporated milk products, improving efficiency and supply chain reliability.

We are also planning to launch a new product range towards the year-end, encompassing sauces, dips, hummus, fresh soups and related categories. These product development initiatives are currently in progress and will expand Baladna’s presence in the growing prepared foods segment.

Additionally, we will upgrade our shredded mozzarella line with individual quick freezing (IQF) technology, an enhancement designed to align with the evolving needs of our main pizza manufacturing customers. This upgrade will enable us to supply frozen and fresh cheese, offering our customers greater flexibility and extended shelf life for these products.

On the sustainability front, we are investing QR 1.3 million in an AI-supported fully integrated metering system for all utilities, which will provide real-time monitoring and optimisation capabilities across our operations. Additionally, a QR 1.5 million investment in upgraded insulation, currently underway, will reduce energy losses and improve thermal efficiency across our facilities. These projects will contribute materially to our environmental performance and operational cost reduction objectives.

Marketing and New Product Development

Market leadership through innovation and engagement

Marketing and new product development activity in the 2025 financial year focused on consolidating Baladna's commanding share in our home market in Qatar, where our diversified food company has achieved the remarkable position of outright leader in six core dairy categories.

We achieved this objective with a new commercial agenda that comprised strategic portfolio innovation and a concerted effort to engage customers via multiple channels. Our coordinated and well-executed strategy ensured that Baladna successfully defended its title as Qatar's biggest dairy and beverage producer against intensifying regional competition from ambitious players in the Gulf. Alongside entrenching the brand further in our home market, 2025's marketing and new product launches were integral in bolstering our role in advancing the nation's food security goals.

In 2025, we implemented an innovation-led commercial agenda to reinforce our market leadership in the face of intense competition and softening local demand. Drawing from rigorous research into evolving consumer preferences, health trends and demand for accessible convenience options, we made a significant investment into developing new products to complement our already-strong portfolio and supported the new product launches with creative marketing activations. This two-pronged approach drove growth in our core business lines and strengthened Baladna's brand relevance in the domestic market.

On the product front, our disciplined and systematic approach underpinned the launch of 33 new SKUs, taking the total portfolio to nearly 270 products.

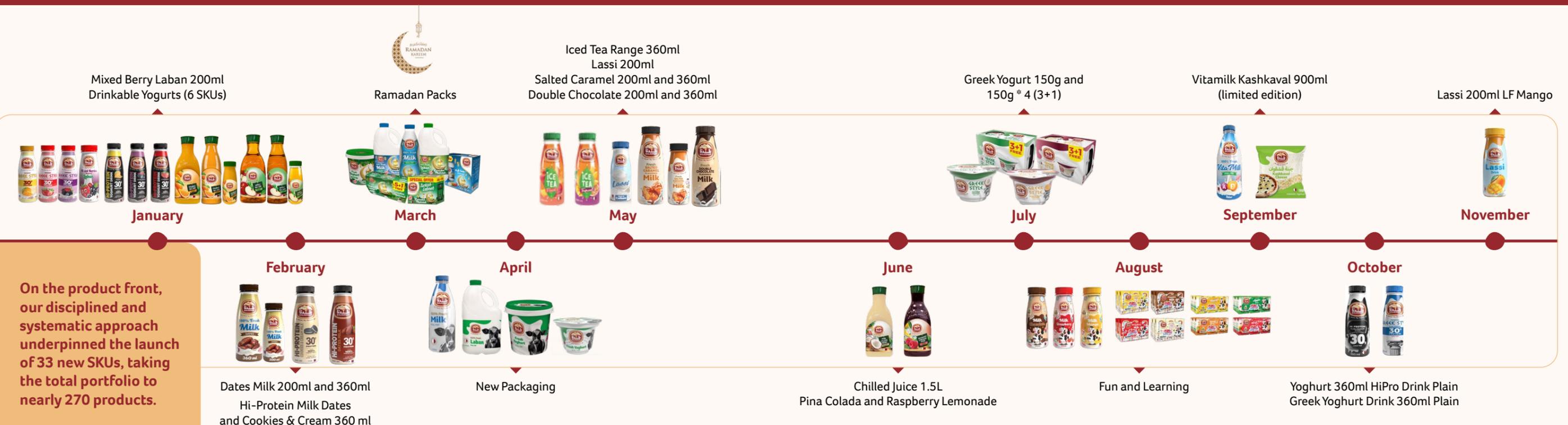
We made new additions to the dairy and juice lines, covering the premium as well as value segments. Our unrelenting determination to remain at the forefront of product innovation positions Baladna well for continued market leadership beyond 2025.

Among the new SKUs taken to market in the past year were drinkable and spoonable Greek yogurts in new flavours, high-protein milks such as Dates Milk and

Cookies & Cream, as well as Mixed Berry Laban, iced teas and a suite of new juice flavours and formats that included family-friendly 1.5L bottles of Pina Colada and Raspberry Lemonade.

New limited-edition products enticed our brand loyal consumers, and Ramadan-themed packs amplified our product appeal and brand excitement, strengthening our in-store presence, improving shelf appeal and expanding consumer accessibility. Consequently, yoghurt and UHT Milk emerged as the leading revenue drivers for 2025, accompanied by the evaporated milk product, due to the benefit of government tenders and our expanded distribution.

The successful deployment of these launches delivered stronger in-store presence, broader consumer accessibility, and reinforced Baladna's leadership in both dairy and juice categories despite the intensifying the competitive landscape and entry of formidable new regional players.



Marketing and New Product Development

continued

Brand refreshment focused on freshness

Last year we signalled that we would unveil a new Baladna identity across all our brands and markets to drive greater consumer engagement. Over the course of 2025, we rolled out our revitalised visual brand identity, showcasing innovative packaging and marketing, while also expanding our social and digital communication platforms to deliver an omni-channel approach to align with consumer needs and insights.

Additionally, we overhauled the visual identity of more than 200 SKUs, with refreshed packaging and contemporary branding which was thoroughly tested to evaluate consumer appeal. This was supported by our fully integrated 360-degree marketing activation across digital, retail, outdoor and community platforms, maximising our visibility and engagement with both core and new consumer segments. Our renewed brand positioning, “Freshness you can taste”, successfully engaged younger audiences and rejuvenated customer relationships.

Category-driving marketing campaigns were conceptualised, expertly informed by data and insights and effectively delivered, demonstrating our proven agility in our rapid response to market dynamics. Key

campaigns like “Moore-than-milk” and “Beat the Heat”, which benefited from our upscaled trade marketing and digital engagement, achieved their primary objectives of boosting brand consideration and repeat purchase rates, while also accentuating full portfolio resilience.

Resilience and relevance were critically important components of the 2025 innovation-led agenda. Overall, these objectives were achieved with targeted sub-brand initiatives for both the premium Baladna ranges and the value-centric Awafi brand, enabled by real-time data analysis, robust consumer trend tracking and rapid-response marketing.

Reaching consumers’ hearts and minds

Innovation also shaped our approach to our engagement with consumers, with more than 1.5 million consumers reached via a comprehensive suite of multi-channel campaigns, impact-driven in-store activations and memorable community outreach. These included “Back to Fun and Learning”, which took the form of back-to-school packs starring Baladna’s brand mascot, Mila the Cow. Ramadan activations were themed “At the heart of every moment” to celebrate Baladna’s role in daily Qatari life, rituals and religious observances.

Alongside our activities which were strengthening our already deep relationships with Qatari nationals, we also extended our reach into the wider community, with targeted activities and marketing communication designed for expatriate and Asian populations. At every level and for every target market, partnerships with leading retailers and HORECA operators amplified the reach and impact of our consumer-focused activations. Beyond demonstrating our inclusive approach and commitment to market relevance across Qatar’s diverse demographics, these campaigns further embedded Baladna’s reputation as the preferred food company in the Gulf nation.

The various threads of our innovation-led agenda came together to deliver improved customer satisfaction, increased brand preference and higher rates of repeat engagement. Our disciplined, consistent execution ensured that Baladna remained a top priority for key retail and HORECA partners, converting our brand momentum into greater shelf space and incremental volume, and building on our already enduring relationships with customers and consumers.

More than

1.5 million

consumers reached via multi-channel campaigns

Expanding strategic partnerships

Baladna’s innovation-led commercial agenda included new collaborations with Aura Group and Mall of Qatar, which manifested in interactive brand experiences at high-traffic venues like KidzMondo, Megapolis and WoW.

Our existing commercial alliances were strengthened, including the ongoing joint production with Bel Group of The Laughing Cow cheese and other products. The deepening of these relationships further entrenched our credibility and distribution reach.

On the regional front, Baladna’s strategic investment in Juhayna, Egypt’s largest dairy producer, expanded our scale and unlocked the potential for cross-market product positioning, offering us new avenues to expand our horizons beyond Qatar.

Tracking Success

All KPIs, such as market share, consumer engagement, brand desire score and new product adoption, once again validated our proven expertise in delivering effective, strategic responses to changing market conditions. Baladna retained its #1 position across all six major dairy categories in Qatar in 2025:

Leading Market Share in Core Qatar Market

Market Segmentation	Fresh Milk	UHT Milk	Creams	Laban	Yoghurt	Labneh	Cheese	Juice
Market Share 2025	91.6%	89.0%	62.1%	48.0%	45.3%	36.7%	24.4%	34.3%
Key Insight	Retained strong #1 position	Remains a significant growth opportunity	Remains a significant growth opportunity					

Marketing and New Product Development

continued

Additionally, our reinvigorated marketing impetus engaged more than 1.5 million consumers via our new product and marketing initiatives. The Brand Desire Score reached 77%, and core category share consistently topped 50%, reflecting strong preference and loyalty for our products. All sales and marketing channels; namely key account retail, HORECA and traditional trade, recorded year-on-year growth, with HORECA and distribution reach leading the expansion.

Sustainability integral to marketing and product development

Baladna's integrated "Grass to Glass" model remains a cornerstone of national self-sufficiency, reinforcing our long term commitment to sustainability. This fully integrated approach ensures that every stage of production, from feed cultivation to final packaging, reflects our dedication to quality, efficiency and environmental responsibility.

Sustainability at Baladna begins with product excellence. With best-in-class manufacturing standards and rigorous quality processes across our value chain, we deliver consistent value to consumers while also safeguarding natural resources for future generations. In the year under review, we stayed true to this objective with specific tangible resource-optimisation initiatives. These included enhancing carton paper quality that allowed us to reduce material consumption without compromising integrity, as well as expanding the adoption of recyclable packaging across our product lines.

Baladna's sustainability vision extends beyond our operations to foster awareness and responsibility inside the business and in the wider community. Our continued participation in national events such as Qatar Sustainability Week underscores Baladna's leadership role in advancing the nation's environmental agenda.

An internal campaign "Go Green, Think Clean" encouraged our employees to take meaningful action in their daily routines by reinforcing the idea that small, mindful choices can collectively drive lasting change. This initiative has become a catalyst for embedding sustainability into our culture, inspiring a united effort toward a cleaner, more resilient future.

Looking ahead to 2026

Baladna's sustained #1 market leadership in Qatar, despite increasing regional competition, was underpinned by an ever-advancing pipeline of innovation. In the coming years, we will continue to create new products in adjacent categories such as ice cream and milk powder. Our focus for 2026 will remain on further portfolio premiumisation, accelerated digital trade marketing and e-commerce distribution.

Baladna's integrated "Grass to Glass" model remains a cornerstone of national self-sufficiency, reinforcing our long term commitment to sustainability.



Sales and Distribution

Baladna's strong response to a challenging market environment

Baladna once again demonstrated its strength and focus throughout a year of intensified competitive pressures presented by both local and international competitors. Our speed to market and in trade presence contributed to our ability to successfully leverage creative portfolio expansions and extract further optimisations from its sales and distribution operations.

Consequently, the organisation maintained its leadership position in the core strategic categories while also bolstering its sustainability credentials. The successful rollout of a defensive centric market strategy demonstrated the quality of Baladna's strategic management, underscoring its valuable role in supporting Qatar's food security mandate.

Increasingly challenging market conditions in 2025 played a key role in Baladna's sales and distribution strategy. The main features of the operating environment during the year included the decline of the dairy category in Qatar; in parallel with an influx of new competitors in both dairy and juice with increasingly aggressive regular and promotional pricing structures; large-scale category expansions by local suppliers; continued exemption approvals for various international competitors in regulated categories; and population stagnation.

Accordingly, we realigned our trade investment to shift the sales and distribution activities to a more defensive approach and away from the attack-centric agenda of recent years. Our new defence strategy focused on trade marketing initiatives to defend existing in-store presence, increasing consumer interaction points and building awareness of new products in a bid to penetrate strategic categories and further extend existing lines.

Additionally, Baladna placed increased emphasis on maintaining brand top-of-mind among consumers when making purchasing decisions and leveraging emerging opportunities as shoppers increasingly migrate to e-commerce platforms.

New defence strategy pays off

This shift in approach during the 2025 financial year resulted in Baladna delivering on its key objectives. We increased our in-store presence, with retail shelf space expanding by 0.8% to 38.8%. This was driven, in part, by securing additional in-store engagement points in strategic retailers to deliver incremental volume.

Baladna's daily out-of-stock rates were tightly managed, ranging from 0.40% to 0.65% for core SKUs, while for the total portfolio, our daily rates ranged from 1% to 1.5%. An exceptional wastage metric of 1.53% was achieved, far exceeding industry standards, reflecting our continued prioritisation of inventory management.

Diverse portfolio of

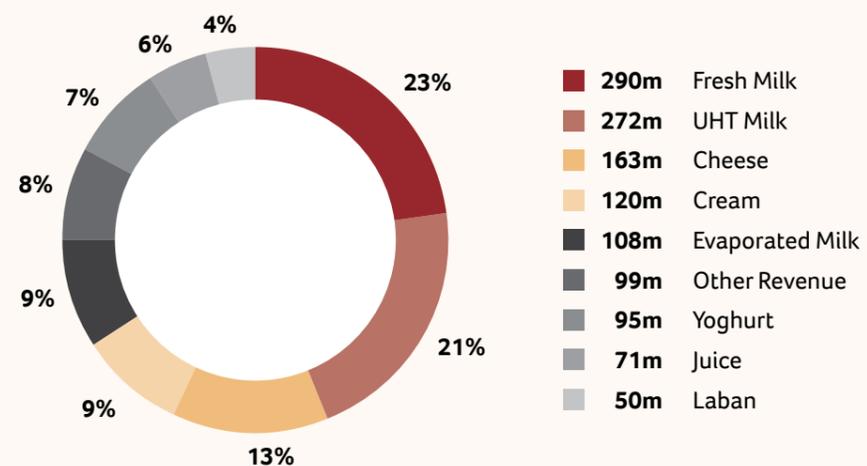
267 SKUs

to 3,806 customers via integrated network of 149 sales routes

Our continued focus on optimising sales routes was supported by a new hybrid merchandising model, which together contributed to upholding Baladna's reputation for superior in trade service levels. This was especially notable given that our daily number of deliveries increased sharply without us having to add additional resources to the business. Once again retaining our leading market share across the core categories of Fresh Milk, UHT Milk, Laban, fresh and UHT creams, yoghurt and Labneh, we delivered our diverse portfolio of 267 SKUs to 3,806 customers via an integrated network of 149 sales routes. Our efficiency in distribution translated into a steady EBITDA margin improvement and a strong operating cash flow.



Category-Wise Revenue Distribution (QR million)



2025 Revenue

1,268 QR million

YoY: +10.7% ↗

Sales and Distribution continued

The effective implementation of our defensive strategy protected our coveted position as the preferred category supplier, fending off stiff competition from multiple competitors. By maintaining our focus on prioritising top contract customers, the HORECA channel has been able to further increase the basket of goods sold to various strategic institutional accounts.

The achievement of our key performance metrics was substantially bolstered by our aggressive product development pipeline, with 33 new SKUs launched into the market. Hi-protein drinkables, Greek yoghurt drinkables and iced tea, among others, captured new market segments, while the expansion of our existing portfolio also contributed to our stronger in-store presence, topline growth and sustained market leadership.

Delivering on Baladna’s evaporated milk operational ambitions

A key focus area throughout 2025 was to ensure on time, in full, delivery of required evaporated milk volumes related to the government tender which was awarded to Baladna for the 2025 calendar year. Evaporated milk forms a critical component of Qatar’s food security strategy, accordingly, we implemented a variety of systems and processes to ensure that evaporated milk volumes were delivered on time and in full. This tender ultimately made a meaningful contribution to our topline revenue.

The evaporated milk business has been further accelerated as a result of our expanded footprint in retail, which resulted in +125% volume growth compared to the prior year, and the establishment of four Private Label partnerships with strategic HORECA accounts.

E-commerce adoption drives growth

Baladna capitalised on the growing trend of shoppers increasingly buying online, which was reflected in the robust growth of the e-commerce channels. Talabat posted revenue growth in excess of 50% in 2025, while Carrefour e-commerce’s share of total revenue grew to 28%. In the coming year, we will expand our e-commerce strategy into additional online platforms.

Strong performance in traditional channels

In 2025, Baladna’s traditional channels continued their robust contribution to overall revenue. HORECA contributed 38% to the topline with QR 486 million, with retail key accounts (Retail-KA) at 38% of total revenue, or QR 482 million. Retail traditional trade (Retail-TT) accounted for 19% (QR 236 million), whilst other revenue comprised the remaining 5% with QR 64 million.

Distribution optimisation aids sustainability

Our consistent focus on extracting the maximum benefit from our sales and distribution operations once again contributed to raising the Baladna’s sustainability profile and performance. In particular, fuel consumption rates improved following the implementation of vehicle manufacturer Isuzu Proprietary’s eco driving app during the pilot project conducted in the third quarter of 2025.

The app tracks driving habits, identifying areas for improvement, and over the course of the testing period, the five trucks involved reported an average 15% fuel reduction. Due to the overwhelming success of this initiative, it was rolled out to our entire sales fleet in the final quarter of the year.

Additionally, the first fully electric sales truck was ordered to evaluate the feasibility of transitioning to a carbon-neutral distribution model in the future.

Looking ahead to 2026

The successful execution in 2025 of our aggressive new product pipeline will continue to deliver revenue growth in 2026. The coming year will also feature several new major initiatives for sales and distribution. These include establishing a frozen route-to-market to support the Baladna ice cream launch and broader category penetration opportunities.

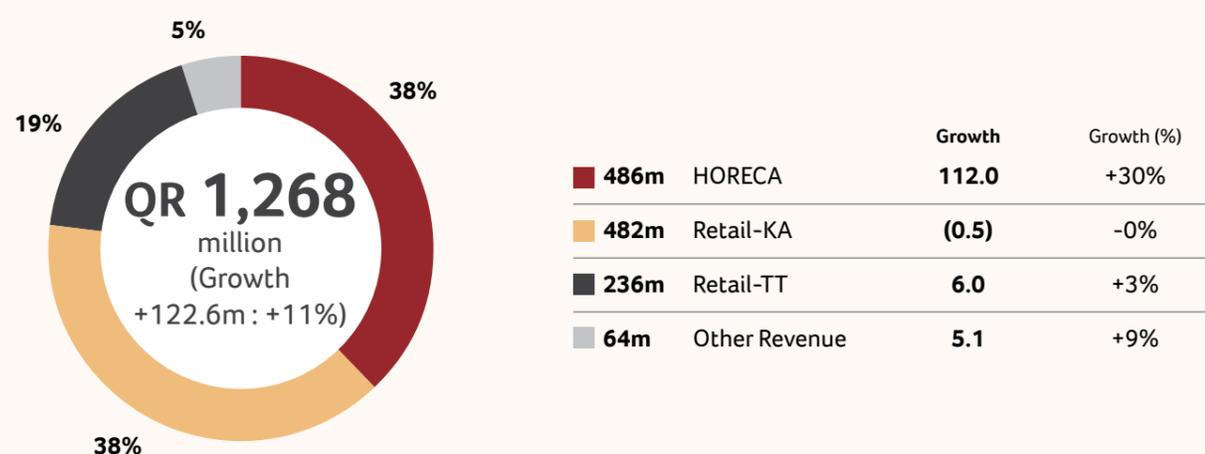
Realignment of trade spend will be made in order to enhance our in-store brand assets in Retail-KA, supported by further digitalisation of brand assets. These initiatives will result in an increased speed to market compared to traditional trade marketing materials. Digital assets are significantly more flexible and allow for strategic leveraging of specific shopping missions during specific times. Furthermore, our digital messaging has been proved to substantially extend shopper engagement in-store.

Following on our significantly positive outcomes in 2025, our e-commerce specific growth model will be expanded to both Snoonu and Al Meera online platforms to replicate those outcomes of the Talabat and Carrefour platforms.

Our HORECA channel will see a significant overhaul and subsequent shift to an increasingly fit for purpose portfolio of SKUs targeting the hotel, café and catering segments to unlock new growth opportunities. This initiative will run parallel to our continued focus of increasing the basket of goods sold to the various institutional entities in Qatar.

These initiatives developed across the various channels will set the stage for another solid and resilient performance in the year ahead.

Sustained Revenue Growth Driven by Strong Performance in HORECA and Retail-KA (QR million)



“Our proactive and disciplined response to challenging market conditions reinforced our leadership position and underscored our continued role in supporting Qatar’s food security.”

Mr. Paul Kenny
Chief Executive Officer, Qatar

International Operations

Baladna's international growth journey

2025 marked an inflection point in Baladna's evolution. What began as Qatar's most successful food security story has become a scalable regional platform, positioning Baladna as an emerging contributor to the food security and sustainability agendas of partner nations. Our journey reflects a simple but powerful idea: the proven Qatari model of self-sufficiency, innovation and local value creation can be replicated far beyond its borders to improve food systems and strengthen sovereignty.

A clear strategy anchored in national priorities

Our international programme is guided by a disciplined strategy. We identify markets where Baladna's capabilities – integrated dairy systems, herd management, manufacturing excellence and food security know-how – can generate outsized impact. We partner with governments committed to building domestic capability, co-investing at scale and aligning commercial outcomes with national objectives. We move deliberately, advancing through feasibility, structuring, investment and execution. Critically, we manage our programme in phases to protect shareholder value, ensure capital efficiency and build long term earnings pillars.

This strategy is shaped by the same pillars that underpin our success in Qatar: food security, advanced farming practices, local talent development and sustainability. It reflects our conviction that Baladna is not simply exporting products, but transferring knowledge, capability and resilience to countries seeking dairy independence and agricultural strength.

Algeria: Establishing a national dairy footprint

Algeria emerged in 2025 as the flagship of our regional ambition and the cornerstone of Baladna's next growth cycle. One of the world's largest importers of powdered milk, Algeria sought a strategic partner capable of designing and operating an integrated food security platform. Baladna's internationally recognised expertise made us the natural choice.

During 2025, we advanced this USD 3.5 billion project from framework agreements into active development and execution. Capital was mobilised, governance structures were established, and Baladna Algeria – the newly formed subsidiary appointed its Board of Directors, which met regularly in 2025. Operationally, our teams advanced key technical works, including irrigation and soil analysis, and initiated market-based procurement planning for major development clusters. The project is now firmly on track, with milk production and processing facilities scheduled to begin producing by 2027.

Strategically, Algeria represents far more than a commercial venture. It positions Baladna as a recognised food security partner on an international level, strengthens our earnings profile beyond Qatar and creates a bridge to increased scale and impact.

Syria: Building another pillar of regional dairy resilience

Syria became Baladna's second major international pillar in 2025. Following the lifting of sanctions, Baladna was among the first Qatari champions to enter the market with a structured food security mandate. Momentum accelerated throughout the year – feasibility studies matured into contract awards, project design advanced and preparatory works for production platforms began.

We advanced the

USD 3.5 billion

project in Algeria from framework agreements into active development

Our capital raise to support the venture demonstrated both our confidence in the model and the growing support of institutional shareholders for our regional strategy.

While smaller than Algeria in scale, the Syrian project follows the same core blueprint: local production capability, agricultural self-reliance, sustainable development and talent uplift. It reinforces the "Baladna from Qatar to the world" positioning that now defines Baladna's role beyond domestic borders.

Egypt and beyond

In Egypt, our back-office integration progressed successfully in 2025, supported by talent onboarding and systems alignment. This foundation will strengthen scalability, improve regional coordination, and enhance efficiency for Egypt and neighbouring markets. Egypt also gained strategic relevance with Baladna's 16.25% ownership in Juhayna – Egypt's largest dairy company – continuing our role in shaping the market's consumer landscape.

Beyond these priority markets, we continued to explore targeted opportunities in other food-dependent economies, with early-stage development and strategic dialogue underway across selected jurisdictions.



“ Our international growth is anchored by the USD 3.5 billion integrated dairy project in Algeria, underpinned by long-term subsidised financing and advancing steadily towards operational readiness by the end of 2027. ”

Mr. Marek Warzywoda
Group Chief Executive Officer

International Operations continued

A disciplined investment and value-creation approach

The year demonstrated clear financial discipline underpinning our international agenda. While Algeria accelerated investment, our Qatar operations transitioned into a returns-focused model, providing the internal cash generation needed to support the programme. Capital markets activity was strategically sequenced – including bonus share issuance and a planned rights issue – to strengthen equity base, broaden shareholder participation and align financial structure to the scale of our international expansion.

Our international portfolio already contributed to Baladna's 2025 earnings uplift through valuation gains, risk diversification and investor confidence. As Algeria and Syria approach operational phases, these markets are expected to create structural and recurring income streams for Baladna, transforming our earnings quality over the medium term.

Looking ahead: From national champion to regional food security leader

2025 will be remembered as the year Baladna crossed a threshold – from Qatar's dairy champion to a regional player shaping food security outcomes across borders.

The core building blocks are now in place: operational teams, robust capital structure, institutional credibility and early execution milestones.

Looking to 2026 and beyond, our priorities are clear:

- Sustain high performance in Qatar to support the regional journey
- Advance Algeria and Syria toward construction and operationalisation phases
- Convert pipeline markets into structured projects where capital risk and food security returns align
- Expand exports in adjacent product categories
- Continue nurturing innovation, digital transformation and efficiency improvements to reinforce our competitiveness

By 2028, our international programme is expected to become a meaningful earnings driver, fully complementing our domestic leadership. Baladna's vision is now broader – a platform that strengthens food sovereignty, generates enduring value and accelerates regional resilience.

With conviction, capability and committed partnerships, we remain focused on shaping a sustainable, region-leading agrifood model – one that began in Qatar but is steadily taking its place across emerging markets, bringing our promise of self-sufficiency, prosperity and food security to new horizons.

“Baladna's strong cash generation, disciplined funding strategy, and expanding base of recurring EBITDA of QR 770 million (+103% YoY) provide a solid foundation for executing our international expansion programme with confidence and resilience.

Mr. Saifullah Khan
Group Chief Financial Officer





Sustainability

Our Sustainability Framework	100
Environmental	102
Social	104
- Our People	106
Governance	112
- Our Products	113

Creating lasting value by integrating responsibility, resource stewardship and social impact into every stage of our value chain.

Sustainability

Sustainability embedded in how we grow

Sustainability at Baladna is fundamental to how we create long term value, guiding the way we operate, grow and engage with society. We recognise that resilient businesses are built on responsible practices, and we continue to integrate sustainability into decision-making across the organisation through a clearly defined framework and roadmap that balance economic performance with social and environmental priorities.

Our approach is closely aligned with Qatar National Vision 2030, particularly in advancing food security, resource efficiency and responsible growth. By embedding sustainability considerations across our value chain, we contribute to national development objectives while reinforcing our commitment to global priorities. Our initiatives are also aligned with the United Nations Sustainable Development Goals (UNSDGs), reflecting our belief that local impact and global responsibility go hand in hand.

We remain focused on delivering nutritious, high-quality products that support the wellbeing of communities, while continually working to minimise our environmental impact. From safeguarding product quality and safety to improving resource use and operational efficiency, sustainability informs how we serve our customers and protect the environment. Further details on our ESG performance and initiatives are outlined in our standalone 2025 Sustainability Report.



Materiality Assessment

Our materiality assessment underpins Baladna’s sustainability and risk management approach, guiding us to prioritise the issues that have the greatest impact on our business, our stakeholders and the environment. Developed in line with recognised international standards, including the GRI Standards and leading ESG frameworks, the assessment is tailored to the specific dynamics of the dairy and food manufacturing sector.

We evaluate material topics through a balanced lens that considers operational and financial impact, exposure to risk and alignment with our long term strategy. This is complemented by a strong focus on stakeholder priorities, including customer expectations, regulatory requirements, investor considerations and community impact. We also assess the broader ESG implications of each topic and benchmark our priorities against sector peers and global sustainability trends.

By integrating these perspectives, our materiality assessment provides a clear and disciplined foundation for decision-making, ensuring our sustainability efforts remain focused, relevant and aligned with long term value creation.



Our Sustainability Framework

In 2025, we reinforced our sustainability framework by structuring it around three core pillars aligned with global ESG best practices. This approach provides clarity and consistency in how we manage ESG priorities across the Group, while remaining closely connected to our strategy and operating model.

The three-pillar structure strengthens accountability, enables clearer performance tracking and supports transparent communication with stakeholders. It has been fully embedded into our sustainability roadmap, informed the development of 2026 KPIs and underpins our reporting framework, ensuring sustainability remains an integral driver of long term value creation.

A Environmental Pillar

- Climate impact
- Water management
- Waste, energy efficiency
- Animal welfare

B Social Pillar

- Employee wellbeing
- Training and development
- Health and safety
- Community support

C Governance Pillar

- Ethical conduct
- Compliance
- Risk management
- Responsible sourcing

Alignment with Strategic Goals

Baladna’s sustainability strategy is built around a clear commitment to national objectives and global best practice. Refined and reorganised in 2025, the strategy provides greater clarity, stronger alignment with international ESG frameworks, and a more coherent structure for guiding action, measurement, and disclosure across the Group.

At its core, the strategy supports Qatar National Vision 2030 by strengthening food security, advancing sustainable production and contributing to community wellbeing. Through our integrated dairy operations and responsible farming practices, we help reduce reliance on imports and reinforce the resilience of local food systems. In parallel, our approach aligns with the UNSDGs, particularly those focused on food security and responsible production.

Environmental stewardship and social responsibility are embedded throughout the strategy. Initiatives spanning water efficiency, resource management and community engagement reflect our belief that long term business success is inseparable from positive societal and environmental impact. Together, these efforts position Baladna as a responsible national champion, contributing to a more resilient, sustainable and self-sufficient future for Qatar.

SDG	Our Contribution	SDG Indicator
 1 No Poverty	• Provide sustainable employment opportunities throughout our value chain.	1.2
 2 Zero Hunger	• Play a crucial role in Qatar’s food security through sustainable growth.	2.2 2.4
 3 Good Health and Well-being	• Produce healthy and nutritious consumables. • Develop Baladna food nutrition criteria.	3.4
 4 Quality Education	• Collaborated with educational partners to educate students about food security.	4.7
 5 Gender Equality	• Increasing women’s participation in the workforce.	5.5
 6 Clean Water and Sanitation	• Increased treated wastewater usage for agriculture. • Reducing impact of production on water ecosystems.	6.3 6.4
 7 Decent Work and Economic Growth	• Providing a safe working environment to all employees.	8.8
 8 Industry, Innovation and Infrastructure	• Updated waste treatment plant to treat more water. • Collaborating with universities to research relevant technological innovations.	9.4 9.5 9.b
 9 Reduced Inequalities	• Ensuring equal opportunity for employees irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status and protect them through HR policies.	10.2 10.3 10.4

SDG	Our Contribution	SDG Indicator
 11 Sustainable Cities and Communities	• Closed the water lagoons to get rid of resulting odours and unpleasant air quality and developed the water treatment plant to recycle wastewater.	11.6
 12 Responsible Consumption and Production	• Reduction of food waste in the supply chain process. • Reduction of waste generation in operations and food packaging.	12.3 12.4 12.5
 13 Climate Action	• Developed a strategy to take action to mitigate impacts of climate change and reduce carbon footprint.	13.1
 15 Life on Land	• Developed a solid waste management system to effectively manage and reduce solid waste from inland ecosystems.	15.1
 17 Partnerships for the Goals	• Extended our expertise and resources to countries such as Malaysia, Uzbekistan and the Philippines. • Through strategic partnerships and knowledge sharing, we assist these nations in developing their own sustainable agricultural practices and achieving greater self-sufficiency in food production. • Launched Industry–Academia partnership model with formal collaborations with universities, such as BUC (Barzan University College).	17.7 17.14 17.17 17.19

Environmental

Protecting our planet

Baladna is committed to responsible environmental management across our farms, manufacturing plants, fleet and supply chain to reduce environmental impact while ensuring operational efficiency and food security.

Baladna leads the way in sustainable dairy production, meeting Qatar's needs with a strong focus on environmental responsibility. Through advanced technology and ongoing research, we continuously improve processes to reduce waste and minimise impact, setting a new benchmark for sustainability in the industry.

Baladna actively drives sustainability in dairy and juice production by implementing innovative eco-friendly practices. We reduce water and energy consumption, limit the use of cleaning chemicals and minimise manufacturing waste. Understanding the importance of water as a vital resource, we manage and conserve it responsibly.

Our sustainability framework strengthens environmental efficiency by optimising processes. By focusing on waste reduction and resource conservation, we ensure sustainability across all aspects of production.

Responsible water management remains a core part of our environmental initiatives. We treat water as more than just an operational resource, recognising it as a valuable natural asset that requires protection.

Responsible water management

Responsible water stewardship remains central to our sustainability strategy, reflecting the critical role water plays in dairy and juice production and the environmental context in which we operate. We focus on using water more efficiently across our farms and processing facilities, combining innovation, disciplined monitoring and behavioural change to reduce consumption, while maintaining the highest standards of quality and safety.

In 2025, we continued to optimise water use across agricultural and industrial operations. Our smart soaker irrigation trials delivered a 60% reduction in water consumption, demonstrating the impact of targeted efficiency solutions. Alongside this, we strengthened monitoring of water intake, discharge and reuse, providing clearer insight into usage patterns and enabling continuous improvement across the value chain.

Our water stewardship efforts also extended to everyday operational practices. Single-use plastic water bottles were eliminated across our sites, water dispensers were introduced, and reusable flasks were distributed to all employees. Monthly tracking of water consumption now supports greater awareness, accountability and ongoing efficiency gains.

To further enhance water reuse and resilience, we advanced the construction and expansion of a new wastewater treatment plant. Once operational, the facility will increase treatment capacity, improve treated water quality, and enable significantly higher reuse of wastewater for non-potable applications such as irrigation and cleaning. Together, these initiatives are expected to meaningfully reduce freshwater abstraction and strengthen Baladna's long term approach to responsible water management.

Responsible waste management

We apply a circular approach to waste management that treats by-products as resources, reinforcing our commitment to food security and environmental responsibility. Across our operations, wastewater, manure and packaging waste are systematically managed through sorting, recycling and recovery processes designed to minimise landfill disposal and maximise resource efficiency.

Organic waste streams are converted into valuable inputs, with liquid waste directed for treatment and solid waste processed into compost. The Sand Manure Separating system plays a key role in this model by recovering and reusing sand bedding, reducing material consumption and optimising farm-level resource use. These practices embed circularity into daily operations while supporting long term operational resilience.

In 2025, we strengthened our waste management framework through more robust tracking and recording systems across sites. Enhanced data visibility has improved oversight, enabled more informed decision-making and reinforced accountability across waste streams.

Social

Supporting our communities

Baladna places people at the centre of our sustainability strategy, including employees, communities, students and customers.

Baladna's approach to corporate social responsibility (CSR) is a strategic and multi-dimensional effort aimed at generating a positive impact across various domains. We advocate for responsible production and consumption of our products, support a sustainable and economically viable dairy industry in targeted countries, and actively collaborate with key local stakeholders.

We integrate CSR into our operations, including marketing and stakeholder engagement, strengthening our brand while benefiting the community, environment and stakeholders.

Our commitment to CSR drives impactful initiatives. Aligning marketing strategies with sustainability, community involvement and environmental stewardship enhances consumer engagement, communicates brand value and reinforces our position as a market leader.

Engagement with local stakeholders and the community

Baladna's initiatives are diverse, encompassing sponsorships in sports, education, entertainment, arts and cultural heritage, including significant events like the Amir's Sword and Ramadan campaign. Beyond these sponsorships, CSR funds are channelled into infrastructure improvements and support for local charities, reinforcing Baladna's commitment to our CSR objectives.

Community engagement initiatives and partnerships

Community engagement remains a central pillar of how we create shared value, guided by a belief that meaningful partnerships strengthen society while reinforcing our role as a responsible national contributor. In 2025, we continued to invest time, resources and expertise into initiatives that support education, youth development, cultural heritage and social wellbeing.

Dreama Summer Camp 2025 Sponsorship

We partnered with Dreama Orphan Care Center to support the "Dairy Expert" Summer Training Program. The programme offered students a structured introduction to the dairy industry, combining classroom learning with hands-on exposure to production processes, food safety, and quality standards. Through interactive workshops and supervised practical sessions, participants gained valuable skills, confidence, and insight into career pathways, reflecting our focus on vocational learning and knowledge sharing.

Silver Sword 2025 Sponsorship

In 2025, we were honoured to serve as the Official Sponsor of the Silver Sword at the Amir Sword, one of the country's most prestigious equestrian events. This sponsorship reinforced our support for national sporting heritage and excellence, while providing a platform to connect with the wider community and key stakeholders.

Ramadan Donation

We partnered in Ramadan charity campaigns such as the Rafeeq Al Khair initiative, contributing essential food and beverage products to families in need and reflecting the values of compassion and solidarity that define the holy month.

Qatar Kids Museum (Dadu)

Dadu, Children's Museum of Qatar provides a cutting-edge environment and resources that support child development and help children and their families thrive. Dadu's mission-to nurture children's creativity, imagination and love of learning-is too important to wait until the Museum officially opens its doors. At this time, we believe that our role is essential in supporting families and fostering meaningful connections between people and ideas, even while remaining physically apart.

Al-Rayyan Club Sponsorship

Al-Rayyan Sports Club is a Qatari multisports club that fields teams across a wide range of disciplines, including football, futsal, basketball, volleyball, handball, athletics, table tennis and swimming. The club is based at the Ahmed bin Ali Stadium in Umm Al Afaei, in the city of Al Rayyan. We have sponsored Al-Rayyan Sports Club in support of the development and promotion of football in the State of Qatar.

KidzMondo Doha (Aura)

KidzMondo Doha, an edutainment city located in the Mall of Qatar, features a miniature Baladna Dairy Factory where children can explore the dairy production process in an interactive and engaging way. Through hands-on role-play as factory workers, children learn about pasteurisation and participate in making products such as rice pudding and mohalabiya. The Baladna Dairy Factory is one of many establishments within the indoor, child-sized city, reinforcing KidzMondo's mission of enabling children to learn through play.

Baladna and UDST Partnerships for Sports and Wellness

Our partnership with UDST for sports and wellness includes summer camps, students educational events and Children's Day initiatives.

Al Khor Sports Club Sponsorship

We have sponsored to Al Khor Sports Club to support the promotion of Football in the country. Al Khor Sports Club has a long history. While not in Doha, it is the only sports center of this scale in the Al Khor municipality and the largest near Ras Laffan industrial city. Professional teams of this club gather fans and encourage people to do sports. As part of the realisation of the Qatar National Vision 2030, and the Sports Sector Strategy, the club acts as a professional sports education center for the society.

Sponsorship of the "CSR and Sustainability Fair Event": Education Above All

Education Above All (EAA) works to ensure equal access to education and to harness the power of quality education for positive, sustainable and inclusive change. EAA works to empower millions of out-of-school children to overcome barriers to quality primary education and ensure access to quality education programs for marginalised youth etc. By supporting this event, we promote equal access to education for every child.

Contributing to Qatar's food security and resilience

Baladna supports Qatar's food security and self-sufficiency, delivering safe, nutritious food while balancing national wellbeing and shareholder value. We mitigate challenges like inflation through operational efficiency and cost control, reinforcing our leadership in the National Food Security Programme.

To enhance resilience, Baladna trains Qatari Armed Forces in dairy production for emergency preparedness and upskills the local workforce in farm and factory operations, fostering self-reliance and community strength.

Our People

Building pathways for people development

In 2025, our Human Resources strategy continued to emphasise Baladna’s career opportunities by focusing on reducing turnover and accelerating internal promotions. Strengthening talent development and identifying clear pathways for professional advancement helped improve efficiencies and build employee engagement.

Talent and career development

In 2025, we structured our people strategy around talent and career development as a key tool to optimise organisational success.

Baladna invested in providing greater visibility of career path programmes, supporting our people initiatives with tools to foster long term engagement and retention. We also supported employees to help them optimise their potential and make a greater contribution to organisational success.

We designed this approach to deliver a more structured and transparent experience, using better development tools and ensuring clearer visibility of growth opportunities. This fostered an empowering career development culture that supported professional growth, role clarity and long term career development.

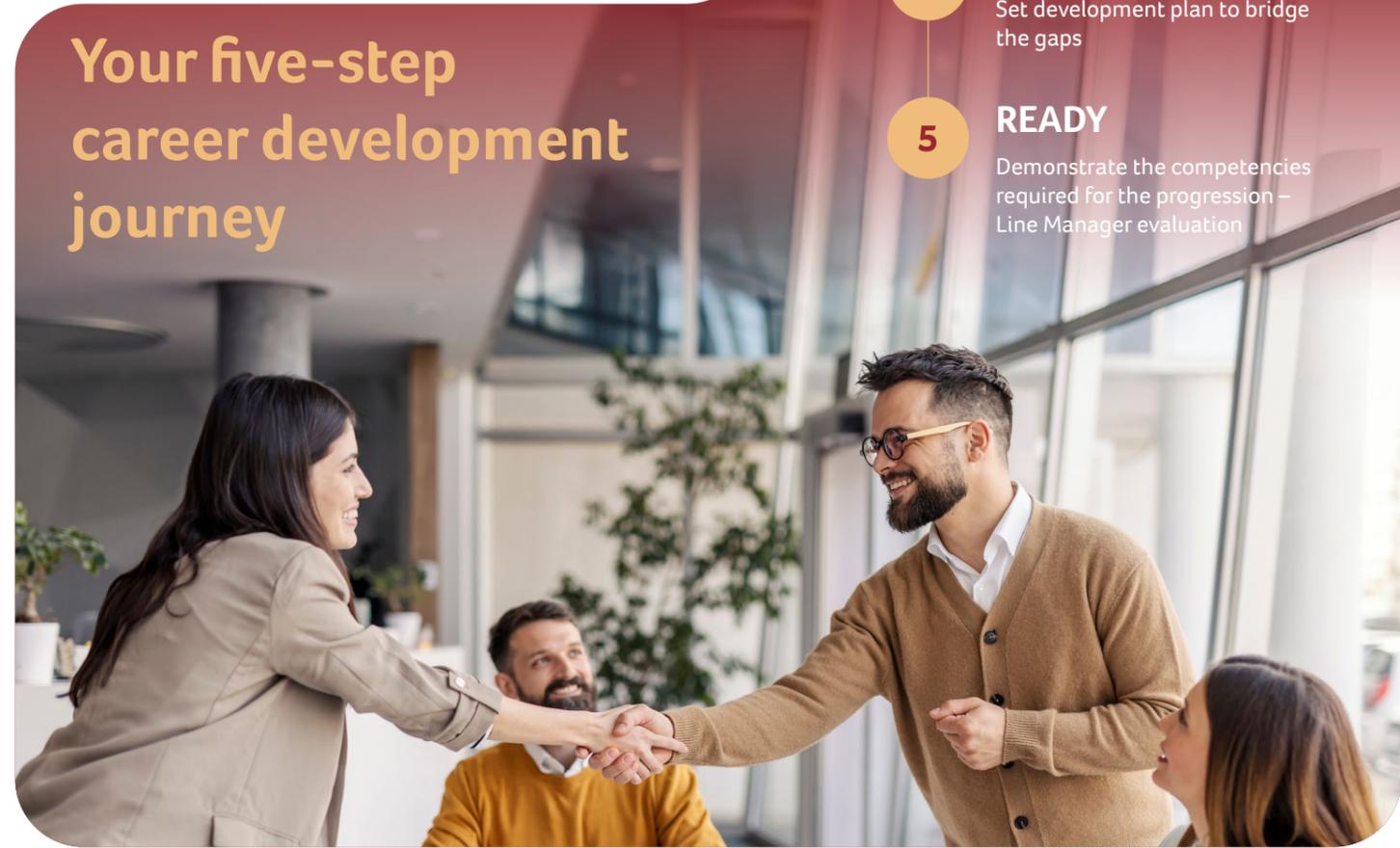
One of Baladna’s key priorities was to provide employees with opportunities to move within the organisation. In 2025, our efforts resulted in 169 roles (60%) - out of 280 available - being taken up by current employees. These moves were helped by university hiring, our training pipeline and more effective talent development tools.

Additionally, we put a structured succession planning and individual development plan in place for critical positions. We supported this by launching our International Executive Development Programme in partnership with professional development institutions, including IMD and INSEAD, to enhance our Executives’ leadership capabilities.

Digitalisation and learning

Baladna accelerated HR digital transformation in partnership with the IT team, developing different systems and tools. We achieved the desired outcomes of improved efficiency and the elimination of paper in recruitment, career planning and learning tools, among others.

We completed the migration of the Success Factors system, which has enabled our employees to access career paths, competency models and role readiness assessments. Career paths were designed for 100% of staff roles and made accessible online with a structured five step development journey.



Your five-step career development journey

Career Path and Role Readiness

How to pursue career progression and establish role readiness is now activate on the Success Factors system.

- 1 **DISCOVER**
Choose an aspired role based on discussions with Line Manager
- 2 **ASPIRE**
Assess competencies and identify gaps
- 3 **ASSESS**
Assess competencies and identify gaps
- 4 **DEVELOP**
Set development plan to bridge the gaps
- 5 **READY**
Demonstrate the competencies required for the progression – Line Manager evaluation

2,004

employees, including 51 females and 3 Qataris

Training and Development:

Delivered

11,856

training hours through 124 programmes, reaching 82% of employees



Workforce Diversity:

A diverse team of

30+

nationalities



Workplace Safety:

New Occupational Health and Safety (OHS) Management System of Baladna has been developed in compliance with ISO 45001 and being implemented prior to certification works.

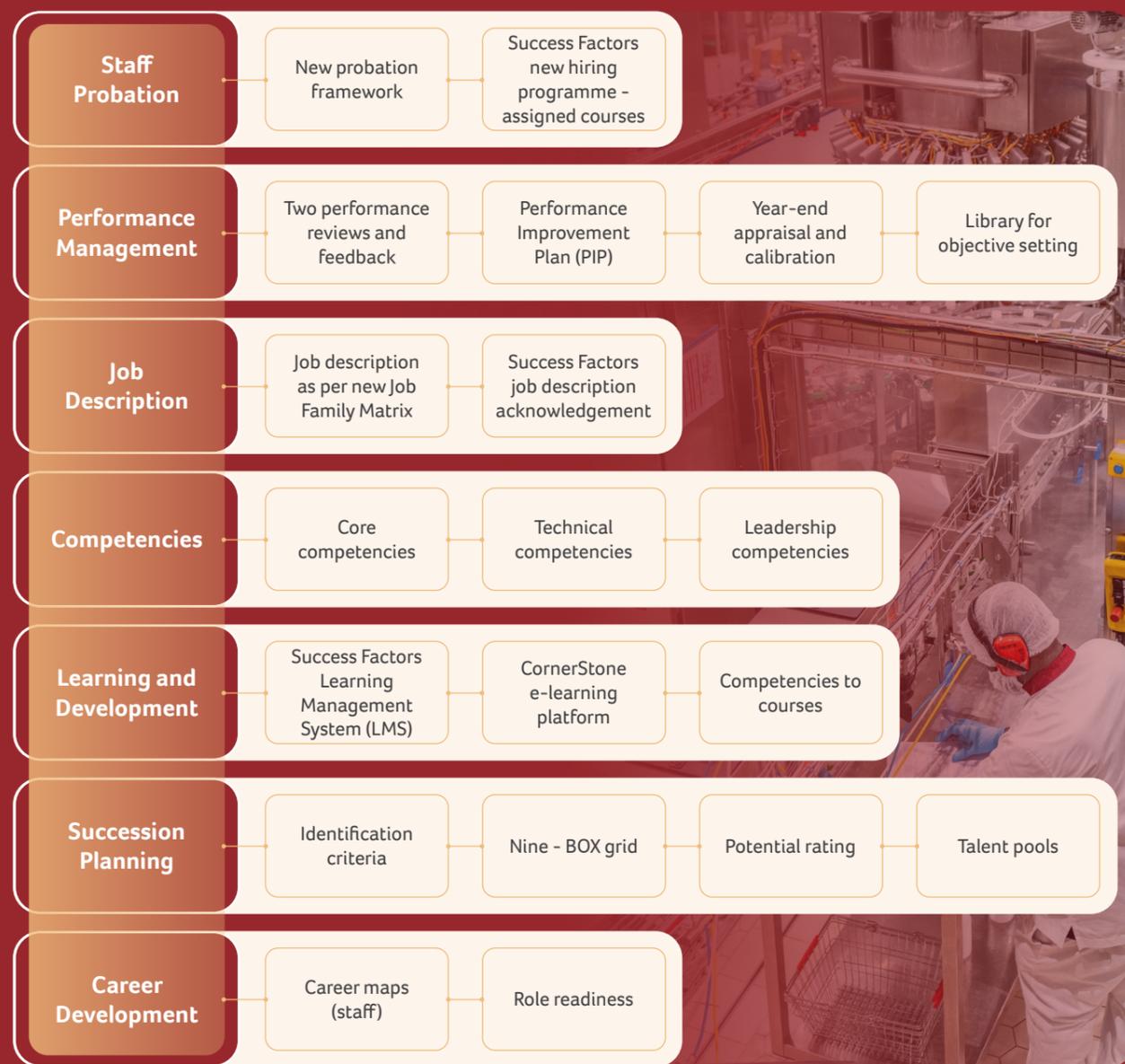


Our People continued

Talent Development

2025 Enhancements and Automations

Success Factors Module



We rolled out the CornerStone e learning platform, giving 361 employees access to more than 12,000 courses and “anytime, anywhere” mobile and desktop learning

We launched our HR Learning Management System in 2025 to fully digitalise training administration, including attendance, feedback and tracking records, while real-time training reports and power business intelligence dashboards provided improved insights and governance.

By digitalising these processes, we reduced our annual consumption of paper by more than 10,000 sheets annually, eliminating emissions of an estimated average of 5kg CO₂ per 1,000 sheets of paper. New digital processes also improved traceability and reduced manual workloads.

Engagement, recognition and wellbeing

As in previous years, employee engagement and recognition were important facets of our People initiatives. Our Star of the Quarter programme celebrated employees who exemplified Baladna’s values, with candidates nominated by Line Managers. Our Executive Management team recognised the winners with certificates and financial rewards, and their successes were highlighted in our internal communications.

We advanced employee engagement with our monthly Pizza Day, bringing our teams together to share company updates and celebrate achievements.

In November, we launched the Step Challenge as an employee wellness initiative that takes place during our sustainability week. Our partner, employee wellbeing platform Wellbees, donated one meal to UNICEF child beneficiaries every time an employee walked. Collectively, our employees walked more than 52 million steps, two and a half times more than the targeted 19.7 million steps. As a result, Wellbees donated 4,725 meals and our people benefited from increased exercise, health and positive social impact.

In 2025, we developed the internal Job Family Matrix (JFM) to align roles and job grades. This initiative ensures internal equity, consistency and transparency by providing a standardised framework for job evaluation, career progression and compensation decision-making across the organisation.

We designed the JFM as a structured framework that organises all roles into job families such as Finance, Engineering, HR and Sales. The matrix also clarifies job levels or grades including entry, professional, senior, manager and director, and standardises role expectations regarding scope, responsibility, impact and skills.

The matrix visually and logically maps roles against levels, ensuring consistency in how jobs are defined, graded and compared. During the year we ensured that roles were correctly placed within the appropriate job family and that levels accurately reflected scope, complexity and accountability.

Furthermore, we took steps to grade similar roles across departments consistently and ensure that remuneration was fair across similar levels. Importantly, we made pay, progression and career paths defensible and transparent.

The outcome was improved consistency and greater parity between similar roles. JFM allowed us to support scalable growth in our future hiring, restructuring and creation of new roles.

Additionally, we clarified career architecture by defining progression paths within and across job families, and we supported compensation decisions by providing a solid foundation for salary bands, bonuses and benefits.

Qatarisation and early career talent development

Baladna’s contribution to Qatar National Vision 2030 includes its Qatarisation initiatives and the Baladna National Talent Programme. The latter offers real industry exposure, professional mentoring and structured career development opportunities.

Our objective is to build a motivated, skilled and future-ready Qatari workforce. In 2025, three talented Qataris were hired as part of our long term national development agenda.

Early career talent development was supported by our programme of internships and graduate hiring. Over the past two years, Baladna has hosted 10 interns and actively recruited new Qatari and non Qatari graduates.

Our People continued

Academic partnerships and awards

Baladna strengthened its collaboration with leading academic institutions by participating in job fairs, recruitment initiatives, internship programmes, plant visits, lectures and research support.

Our academic partners include Texas A&M University, Hamad Bin Khalifa University, Georgetown University, Barzan University College, Qatar University and the University of Doha for Science and Technology. These partners recognised the important role Baladna plays in building industry capability in line with Qatar's National Vision 2030 and our own sustainability initiatives.



Qatar University
College of Engineering



Hamad Bin Khalifa University



Texas University A&M



Baladna also received the "Outstanding Client Partnership Award" by Evalufy at the 2025 Regional Awards 2025.

Sustainability-related people initiatives

Our workforce provides an important opportunity to advance Baladna's sustainability initiatives, with programmes reducing the impact we have on our environment while also enhancing our employees' workplace experience.

In 2025 we replaced 10,000 plastic water bottles with reusable flasks for employees, implemented paper recycling stations and encouraged the adoption of electric vehicles.

Our People in 2026

In the coming year, our major People objectives will be to continue executing the HR strategy, further reducing voluntary turnover, strengthening internal mobility and expanding talent development initiatives. We also intend to advance the Qatarisation programme and build a sustainable national talent pipeline.



Governance

Safeguarding our business and stakeholders

Baladna follows strong governance practices to ensure transparency, accountability, ethical conduct and long term business sustainability.

Growth and quality

Baladna plays a key role in supporting Qatar's pursuit of its National Vision 2030 and food security ambitions. Driven by a strong sense of responsibility, we are dedicated to ensuring access to nutritious, safe and affordable food for the country's expanding population. This dedication goes beyond being a business goal; it is a vital obligation that aligns seamlessly with Qatar's overarching priorities of sustainability and self-reliance.

Baladna focuses on industry leadership and long term success, creating lasting value for shareholders and the community. Growth remains strong, consistent and aligned with social responsibility and environmental care.

The "grass to glass" model ensures excellence at every stage, from cultivating feed to delivering high-quality products. By managing the entire production chain, Baladna upholds strict quality standards, full traceability and environmental responsibility.

Ethical business practices

Baladna is committed to fostering a responsible business environment where ethical conduct, transparency and accountability are deeply embedded in our operations. We work closely with stakeholders to uphold the highest standards of integrity, ensuring that governance frameworks and compliance measures support ethical decision-making at all levels. By prioritising these values, we strengthen trust and reinforce a culture of responsibility across our business.

In 2025, Baladna enhanced efficiency by expanding digital approval workflows, increasing approvals by 47% (from 5,622 to 8,274), streamlining operations and reducing costs. Additionally, consolidating production in Plants 3 and 4 reduced transportation emissions by 2.7%, reinforcing our commitment to sustainability and operational excellence.



Our Products

Baladna upholds the highest global standards for food safety and quality by actively delivering products that exceed customer and stakeholder expectations. The team continuously implements advanced technologies to improve production processes and ensure exceptional efficiency. Additionally, Baladna is committed to ethical sourcing, ensuring that all ingredients and raw materials are procured responsibly, supporting sustainable practices and fair-trade principles across our supply chain.

As a leader in the Qatar's F&B industry, we understand the importance of maintaining an ethical and sustainable supply chain. We prioritise building long term relationships with trusted suppliers who align with our values and contribute positively to our operations, communities and the environment. Our Procurement Policy and Code of Ethics set clear guidelines to ensure fair, transparent and ethical sourcing. All our suppliers must comply with our Health, Safety, Security and Environmental (HSSE) standards, ensuring that Baladna partners with businesses that uphold sustainability, quality and ethical standards.

Rigorous supplier evaluation

To ensure ethical procurement, we conduct a rigorous evaluation of potential suppliers through our Supplier Registration Questionnaire, assessing their business practices, quality standards and performance. Suppliers are required to meet key compliance requirements, including ISO 22000 and Halal Certifications, GMO and allergen declarations, pesticide and heavy metal disclosures, and food-grade packaging certification.

Vendor management and auditing

Baladna enforces strict vendor oversight to ensure sustainability and quality across our supply chain. Through rigorous audits, local sourcing and sustainable procurement, we uphold ethical business practices. Before onboarding, raw material and packaging suppliers undergo pre-audits to verify ingredient quality, food safety and hygiene compliance. Additionally, feed samples for our dairy operations are tested in USDA-accredited labs to meet international standards. Our farm quality team conducts regular supplier inspections, with vendors audited every three to five years based on certifications such as GFSI recognised certification schemes / ISO 22000 certification.

We upheld our commitment to food safety excellence by achieving zero product recalls and maintaining consumer trust.

Looking ahead

Baladna remains committed to advancing sustainability initiatives, reducing environmental impact and creating value for stakeholders. For a comprehensive overview of our progress, please refer to our standalone 2025 Sustainability Report.

Replaced

10,000

plastic water bottles with reusable flasks for employees





Governance

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Facilitating growth through strong oversight, ethical leadership and robust governance that protects trust and enables long term success.

Corporate Governance Report of Baladna Q.P.S.C.

Guided by clear principles and sound governance, we build trust through our actions.

1. Introduction

The annual Corporate Governance Report (hereinafter “the Report”) of Baladna Q.P.S.C. (“the Company” or “Baladna”) covers the period from 1 January 2025 to 31 December 2025 (here in after “the Period”) and is prepared in accordance with the provisions of the Corporate Governance Code for Companies and Legal Entities Listed on the Main Market, issued by the Qatar Financial Markets Authority (QFMA) pursuant to Board Resolution No. (5) of 2016. The Company is assessing the Corporate Governance Code for Listed Companies issued by the Qatar Financial Markets Authority (QFMA) pursuant to Board Resolution No. (5) of 2025, issued in August 2025 (“new Corporate Governance Code”) and the Company confirms that it is aligning its policies, practices, to achieve full compliance with the new Corporate Governance Code within the grace period ending in August 2026.

This report is a part of Baladna’s Annual Report for the same period.

This report gives an overview of Baladna’s Corporate Governance systems and procedures implemented by the Company as at 31 December 2025. It has been shared with Qatar Financial Markets Authority (QFMA) and presented to the Company’s Annual General Meeting and published on the Company’s website.

2. Governance Practices at Baladna Q.P.S.C.

Baladna Q.P.S.C. is committed to applying the highest standards of corporate governance, based on an integrated set of values that promote ethics and integrity, in line with best practices adopted by leading companies. The Company has adopted the principles of transparency, integrity, disclosure and accountability as core pillars of its operating philosophy across all levels of Management and the Board of Directors.

The Company’s governance framework takes into consideration the principles it has adopted, the standards issued by the Qatar Financial Markets Authority, the Commercial Companies Law No. (11) of 2015 as amended by Law No. (8) of 2021 (the “Law”), as well as the application of the Corporate Governance Code and the related rules and regulations issued by the Qatar Financial Markets Authority.

The Company also places strong emphasis on developing and enhancing its corporate governance framework to ensure alignment with the governance requirements issued by the Qatar Financial Markets Authority and Qatar Stock Exchange, compliance with the Company’s Articles of Association, the Board of Directors’ Charter and its committees’ charters, in addition to the approved internal policies and procedures, and in line with best practices applied in the State of Qatar.

Baladna affirms its full commitment to the principles and rules of sound corporate governance, the requirements of disclosure and transparency, and all applicable laws and regulations, in a manner that enhances the confidence of shareholders and stakeholders and supports the long-term sustainability of the Company’s business.

3. Application of Corporate Governance Principles

3.1 Role of the Board of Directors in Applying Governance Principles

The Board of Directors oversees the application of corporate governance principles and bears the ultimate responsibility for establishing the overall governance framework, approving the necessary policies and regulations, and ensuring compliance with relevant legislation and the Corporate Governance Code for Listed Companies issued by the Qatar Financial Markets Authority. The Board also monitors the implementation of approved strategies, oversees the performance of Executive Management, and ensures the integrity and transparency of decision-making processes.

The Board of Directors further acknowledges its full responsibility for the application of governance principles and for overseeing compliance with the provisions of the Corporate Governance Code for Listed Companies and confirms that the information contained in this report accurately reflects the Company’s corporate governance practices during the financial year.

3.2 Separation of Powers and Responsibilities

The Company ensures a clear separation between the responsibilities of the Board of Directors and those of Executive Management, so as to avoid any overlap of authorities and to achieve an appropriate balance between supervision and oversight on the one hand, and execution and day-to-day management on the other. An authority and responsibility matrix has been adopted, defining delegation levels and authority limits in accordance with best corporate governance practices.

3.3 Risk Management and Internal Control System

The Company adopts an integrated risk management framework aimed at identifying, assessing and monitoring risks that may affect its business, including strategic, operational, financial and compliance risks. The Board of Directors and its relevant committees oversee the effectiveness of the internal control system and review reports issued by Management and independent Auditors regarding the adequacy and effectiveness of internal controls.

3.4 Integrity and Conflict of Interest

The Company adheres to the highest standards of integrity and professional conduct and has adopted a Code of Ethics and Professional Conduct as well as a Conflict of Interest Policy. Under these policies, members of the Board of Directors, Executive Management and all employees, are required to disclose any potential conflict of interest and to refrain from participating in any decision where such a conflict exists.

3.5 Disclosure and Transparency

The Company is committed to the principles of disclosure and transparency by providing shareholders and stakeholders with material information in a timely, accurate and clear manner, in accordance with the disclosure policy approved by the Board of Directors and in line with the requirements of the Qatar Financial Markets Authority and international best practices.

3.6 Evaluation and Continuous Improvement

The Board of Directors conducts periodic evaluations of its own performance, the performance of its committees and the performance of Executive Management, with the aim of enhancing the effectiveness of corporate governance and monitoring the implementation of resolutions. The Company also continuously develops and updates its systems and policies to keep pace with regulatory requirements and best practices.

3.7 Examples of the Company’s Application of Corporate Governance Principles:

- The Board of Directors and its committees held their meetings on a regular and periodic basis in accordance with the approved frameworks and exercised their statutory powers and responsibilities.
- Ordinary and Extraordinary General Assembly Meetings were convened, and shareholders were enabled to exercise their rights.
- The Audit Committee and the Board of Directors conducted reviews of the financial control systems and financial and accounting policies to ensure the soundness of procedures and policies applied by the Company, and to ensure the adequacy and effectiveness of internal controls.
- Compliance with applicable laws and regulations governing the dealings of Board members and senior executive management, and the mitigation of conflict of interest situations.
- Implementation of disclosure requirements relating to meeting dates and material decisions that may affect the share price, in support of the principle of transparency.
- Ensuring the implementation of the Company’s approved policies.
- Clear separation between the roles and responsibilities of the Board of Directors and Executive Management, reinforcing the principle of separation of powers.
- Adoption, periodic review and update of risk management and internal control policies.
- Enabling stakeholders to communicate and submit reports and observations through mechanisms that ensure confidentiality and protection against retaliation.

3. Application of Corporate Governance Principles continued

- Conducting performance evaluations of the Board of Directors and its committees.
- Reviewing and amending the organisational structure of senior executive management.
- Ensuring that all transactions of Board members and senior executive management are conducted in compliance with applicable laws, regulations and relevant legislation.

4. Governance Structure of Baladna Q.P.S.C.



5. Board of Directors

5.1 Composition of the Board of Directors

The Board of Directors was elected by the shareholders at the Ordinary General Assembly Meeting held on 24 November 2024, for a term of three years, in accordance with the provisions of Articles (95) and (96) of the Commercial Companies Law, in compliance with the requirements of the Qatar Financial Markets Authority, and following the receipt of all required regulatory approvals from the competent authorities.

The following table shows the details of the Board of Directors' members.

Name	Position	Role	Member since	Academic Qualification and Experience
Mr. Mohamed Moutaz Al Khayyat	Chairman of the Board (Non-Independent)	Non-Executive	24 November 2024	Holds a Bachelor's degree in Global Business from the University of the West of Scotland. A distinguished entrepreneur with a strong drive to identify new business opportunities, supported by a broad economic strategy focused on business sustainability and delivering integrated and innovative solutions to clients.
Eng. Mr. Ali Hilal Al-Kuwari (representing special shareholder/ Hassad Food)	Vice Chairman of the Board (Non-Independent)	Non-Executive	24 November 2024	Holds a Bachelor's degree in Engineering from Qatar University and a Master of Business Administration (MBA) from the University of Northampton in the UK. Possesses extensive experience in food and agricultural investment, with a clear strategic vision and in-depth knowledge of local and international investments and market requirements, gained through more than 13 years of service at Hassad Food.
Mr. Ramez Al Khayyat	Board member (Non-Independent)/ Managing Director	Executive	24 November 2024	Holds a Bachelor's degree in Global Business from the University of the West of Scotland. A capable leader and well-known entrepreneur with extensive experience in operations management, risk management and business development.
Mr. Abdulaziz Mahmoud Al-Zeyara (representing the General Retirement and Social Insurance Authority - Military Fund)	Board member (Non-Independent)	Non-Executive	24 November 2024	Holds a Bachelor's degree in Agricultural Sciences from Qatar University. Has over 20 years of experience in livestock and agricultural development. Served as the Director of the Livestock Department since 2018. Previously headed the Agricultural Quarantine Unit and the Veterinary Quarantine Section. Is a member of several official committees, including the Food and Agriculture Organisation (FAO), the Transboundary Animal Diseases Committee of the Arab Organisation for Agricultural Development, and the Committee for the Management of Seaports. He also represents the State of Qatar at the World Organisation for Animal Health (OIE).
Mr. Hamad Bin Abdullah Bin Khalid Al-Attiya (representative of the General Retirement and Social Insurance Authority - Civil Fund)	Board member (Non-Independent)	Non-Executive	24 November 2024	Holds a Bachelor's degree in Business Administration from the University of Wales and an Executive Master's degree from HEC Paris, specialising in Innovation and Social Business. Has approximately 13 years of experience in investment, pension fund investments, corporate and banking sectors, listed equities, and local and international portfolios.
Mr. Mazen Alsbeti	Board member (Non-Independent)	Non-Executive	24 November 2024	Holds a Bachelor of Science degree in Zoology and a Master of Science degree in Business Administration and Management from North Carolina State University. Has over 23 years of executive leadership experience, including implementing growth policies as a senior executive, with strong skills in planning, execution, monitoring and resource allocation across matrix organisational structures.
Sheikh Suhaim Bin AbdulAziz Al Thani	Board member (Independent)	Non-Executive	24 November 2024	Holds a Bachelor's degree in Business Administration and Marketing from the Arab Academy for Science, Technology and Maritime Transport and an MBA from the University of Plymouth. Has over 12 years of experience, having started his career in financial administration at the Amiri Diwan before moving to the Protocol Department. He also serves as Vice Chairman of Qatar Sports Club.
Eng. Mr. Nasser Hassan Faraj Al-Ansari	Board member (Independent)	Non-Executive	24 November 2024	Holds a Bachelor's degree in Engineering from the University of Miami and an Executive MBA from HEC Paris. Has more than 34 years of diversified experience and has contributed to the management of several prominent projects in Qatar, including Hamad International Airport, Hamad Port, Lusail project, Legtaiyya lake project, and other major infrastructure developments.
Mr. Aidan Tynan	Board member (Independent)	Non-Executive	24 November 2024	Holds a Master's degree in Management from the University of York in the UK and is a graduate of the Chartered Institute of Marketing in the UK and in the Marketing Institute of Ireland. Has over 30 years of senior management experience across multiple sectors, including dairy and food products, leisure, retail, insurance, e-commerce, real estate development and acquisitions.

Special Share

One special share has been allocated in favour of the Government of the State of Qatar, represented by the Ministry of Commerce and Industry. This special share carries special rights, including the right to appoint one member to the Board of Directors and to vote on certain resolutions of the Company, in addition to other rights. The special shareholder enjoys the rights attached to this special share as set out in Article (28) of the Company's Articles of Association.

The current composition of the Board of Directors is in compliance with the provisions of the Company's Articles of Association (Articles 29 and 30). The Board consists of nine members, including six Non-Independent members and three Independent members.

Representative of the Special Share on the Board of Directors

In accordance with the provisions of Article (29) of the Company's Articles of Association, the nomination of Hassad Food Company (Hassad), as representative of the Ministry of Commerce and Industry and the preferred shareholder has been approved for membership on the Company's Board of Directors and as Vice Chairman of the Board.

5. Board of Directors continued

5.2 Detailed Information on Members of the Board of Directors

Non-Independent Members of the Board of Directors



Mr. Mohamed Moutaz Al Khayyat
Chairman of the Board of Directors

Mr. Mohamed Moutaz Al Khayyat comes from a family that has had great successes in the field of general contracting since 1983. He grew his company, Urbacon Holding, into a regional player in the contracting world, undertaking several large and complex projects. These projects range from highways and bridges to infrastructure works, factories, commercial complexes and luxury residential and hotel facilities.

He diversified his interests in several businesses across different sectors. He is the Chairman of Estithmar Holding Q.P.S.C. and Founder and Chairman of Assets Group. He also ventured into hospitality and entertainment and is the Chairman of Aura Group. Mr. Mohamed Moutaz Al Khayyat owns and operates several homegrown brands along with franchised international brands. As Group Chairman of Power International Holding, he leads more than 40 companies spanning general contracting, agro-food industries, real estate development, healthcare, lifestyle (hospitality, entertainment and catering) and general services.

In addition to his business interests, Mr. Mohamed Moutaz Al Khayyat is involved in philanthropic work through the Al Khayyat Foundation, which he founded in 2015.

Mr. Mohamed Moutaz Al Khayyat holds a Bachelor of Science degree in Global Business from the University of the West of Scotland.



Eng. Mr. Ali Hilal Al-Kuwari
Vice Chairman

Eng. Mr. Ali Hilal Al-Kuwari has been the Chief Executive Officer of Hassad Food Company since August 2023. He has vast experience in the field of food and agribusiness investments, a clear strategic vision and deep knowledge of Hassad's local and international investments that he gained throughout his professional journey with Hassad, which exceeded more than 13 years.

Previously, he held several leadership positions at Hassad such as Vice President, Director of Operations and Director of Project Management. Prior to working at Hassad, Eng. Mr. Al-Kuwari spent more than 10 years at Qatar General Electricity and Water Corporation (Kahramaa), where he held many senior positions. Moreover, he currently holds several other senior positions including Chairman of the Board of A'Saffa Foods, Vice Chairman of Al Meera Consumer Goods Company, Vice Chairman of the Board of Arab Qatari Company for Poultry Production (Al-Waha).

Eng. Mr. Al-Kuwari holds an Engineering degree from Qatar University and an MBA from the University of Northampton in the UK.



Mr. Ramez Al Khayyat
Board member/Managing Director

Mr. Ramez Al-Khayyat is a well-known businessman and leader with a wealth of knowledge and experience in operations, risk management, and business development. He began his professional career as a member of the Board of Directors of Al-Khayyat Contracting and Trading Company, where he contributed to the expansion and development of the company.

In 2011, he and his brother, Mr. Mohamed Moutaz Al Khayyat, founded Urbacon Trading and Contracting (UCC) in Qatar that is a subsidiary of Urbacon Holding. As second-generation owners of the Company, Mr. Ramez Al Khayyat manages and chairs it, and it has constructed numerous internationally acclaimed projects.

In 2015, Mr. Ramez Al Khayyat received recognition from the Socrates Committee in Oxford, UK, as Manager of the Year. They also recognised UCC as one of the best enterprises in the construction sector in Qatar.

As the Vice Chairman and Group Chief Executive Officer of Power International Holding Group, Mr. Ramez Al Khayyat co-owns and manages a multitude of companies, operating in general contracting, agriculture and food industries, real estate development and lifestyle (hospitality, entertainment and catering).

Companies have grown horizontally by creating various affiliates. These operate worldwide, including Qatar, Europe, the UK, Turkey, Oman, and the Maldives, with plans for further expansion. Mr. Ramez Al-Khayyat is also the Vice Chairman of Estithmar Holding Q.P.S.C.

Mr. Ramez Al Khayyat holds a Bachelor of Science degree in Global Business from the University of the West of Scotland.



Mr. Abdulaziz Mahmoud Al-Zeyara
Board member

Mr. Abdulaziz Mahmoud Al-Zeyara has served as Director of the Livestock Department since 2018. He possesses over 20 years of experience in livestock and agricultural development. He previously headed the Agricultural Quarantine Unit within the Agricultural Development Department and also served as Head of the Veterinary Quarantine Section within the Livestock Department.

He is a member of several official committees, including the FAO, the Committee on Transboundary Animal Diseases of the Arab Organisation for Agricultural Development, and the Committee for the Management of Seaports. He is also the State of Qatar's representative to the World Organisation for Animal Health (WOAH).

Mr. Al-Zeyara holds a Bachelor of Science degree in Agricultural Sciences from Qatar University.



Mr. Hamad Bin Abdullah Bin Khalid Al-Attiya
Board member

Mr. Hamad bin Abdullah bin Khalid Al-Attiya is a senior investment analyst with 13 years of overall experience in investments, pension fund investments, corporates and banking, listed equities, and local and international portfolios.

In 2007, he started as a Bank Monitor in Qatar Central Bank's Provision and Control Department. He later joined the General Retirement and Social Insurance Authority's Investment Department, where he specialised in investment analyses and covered all local and global portfolios of listed equities.

Mr. Al-Attiya holds a Bachelor's degree in Business Administration from the University of Wales in the UK, and an Executive Master's degree in Social and Innovative Business from HEC Paris.



Mr. Mazen Alsbeti
Board member

Mr. Mazen Alsbeti has 23 years of extensive experience as an executive, having begun implementing growth policies as a senior executive. He possesses excellent planning, execution, monitoring and resource balancing skills, with the ability to support multiple projects within a complex organisational structure.

Mr. Alsbeti is the main contact person for business stakeholders, providing accurate reporting and information regarding ongoing projects, developing and executing strategies, and working and forming relationships with prominent members of the media, government and the public, to uphold a positive image for the Group and generate new business opportunities.

Mr. Mazen holds a Bachelor of Science degree in Zoology and a Master of Science degree in Business Administration from North Carolina State University.

5. Board of Directors continued

Independent Board Members



Sheikh Suhaim Bin AbdulAziz Al Thani

Board member

Sheikh Suhaim Bin AbdulAziz Al Thani, a prominent figure with extensive professional experience, serves as the Chairman of the Board of Al Bidda Group, an investment company that has investments in various sectors including manufacturing, real estate, hospitality, healthcare, services and others and in various geographical areas including, Qatar, Spain and the UK.

He also served as Vice Chairman of the Board of Directors of Qatar Sports Club (QSC), founded in 1961. Among other sports, QSC is best known for its football team, which competes in the Qatar Stars League. The club has strongly contributed to the growth of Qatar football and is located in Al Dafna area.

Sheikh Suhaim also serves as a Board member of Estithmar Holding, a rapidly growing integrated business group that provides many services in various fields and is characterised by reliability, sustainability and quality. It operates in various sectors such as healthcare, industries, contracting, projects and services.

Sheikh Suhaim holds a Bachelor of Science degree in Business Administration and Marketing from the Arab Academy of Sciences Technology and Maritime Transport in Egypt and an MBA from the University of Plymouth in the UK.



Eng. Mr. Nasser Hassan Faraj Al-Ansari

Board member

Eng. Mr. Nasser Hassan Faraj Al-Ansari is a distinguished figure who played a major role in the private and public sectors in diversifying Qatar's economy, whether in the engineering field or in the development of investment and developmental projects, which are fundamental pillars of Qatar National Vision 2030.

Eng. Mr. Al-Ansari holds a degree in Civil Engineering from the University of Miami, along with an Executive MBA from HEC Paris.

Throughout his career, Eng. Mr. Al-Ansari has gained extensive experience across various domains. His dedication and exceptional talents have propelled him swiftly up the career ladder. He has played a pivotal role in managing several high-profile projects in Qatar, such as Hamad International Airport and Hamad Port, where he served as a member of the Steering Committee and Chief Engineer of the Technical Committee at Hamad International Airport. Additionally, he has been instrumental in projects like the Lusail project, Legtaifiya Lagoon project and other infrastructure initiatives. He has supervised the design and execution of projects valued at up to QR 180 billion. Eng. Mr. Al-Ansari has held the position of Chief Executive Officer of Qatari Diar, one of Qatar's leading real estate companies, and Chairman of QDVC (a joint venture between Qatari Diar and the French company Vinci), among other significant roles that have greatly contributed to his expertise and success in his career.



Mr. Aidan Tynan

Board member

Mr. Aidan Tynan specialises in business turnarounds and has a proven track record of success across the Gulf Cooperation Council (GCC) and Middle East. He has over 30 years of general management experience across multiple sectors, including dairy, food, leisure, retail, insurance, e-commerce property development and acquisitions.

Prior to joining Baladna, Mr. Tynan was appointed Chief Operating Officer and Acting Chief Executive Officer of Danone, a leading global food company (2013-2017). He also served on the Board of Directors of Al Safi Danone-Iraq from 2015 to 2017.

Mr. Tynan's previous positions in the Middle East include Group Consultant for the Al Othman Group, Head of E-Commerce and Retail for Arabian Shield Insurance Plc., Chief Sales and Trade Marketing Officer for SADAFCO Plc, Head of Sales for Almarai Plc for seven years, and in Ireland he was Chief Executive Officer of the Irish Greyhound Board and Business Development Manager for Fleming Group. Mr. Tynan is an Executive Director of two Irish property-related companies: Buildvalue Limited and Exhibitside Limited.

Mr. Tynan holds a Master's degree in Management from the University of York in the UK and is a graduate of the Chartered Institute of Marketing in the UK and the Institute of Marketing in Ireland.

5.3 Positions and offices held by the chairman and members of the Board of Directors

In compliance with the disclosure requirements set out in the Corporate Governance Code for Listed Companies, the members of the Board of Directors have submitted the disclosure forms and provided the Company with all information relating to the positions and roles they hold, whether in their personal capacity or as representatives of any legal entity, as well as the positions and roles held by their relatives up to the second degree within the Company, in accordance with the definition set out in the Code, as detailed below.

Board Member	Position	Company/Entity
Mr. Mohamed Moutaz Al Khayyat	Chairman of the Board	Estithmar Holdings Q.P.S.C.
	Chairman of the Board	Power International Holding W.L.L.
	Chairman of the Board	Assets Group
	Chairman of the Board	Aura Group
Eng. Mr. Ali Hilal Al-Kuwari (representing special shareholder/Hassad Food)	Chief Executive Officer	Hassad Food Company
	Chairman of the Board	A'Saffa Foods
	Vice Chairman of the Board	Arab Qatari Company for Poultry Production (Al Waha)
Mr. Ramez Al Khayyat	Vice Chairman of the Board	Estithmar Holdings Q.P.S.C.
	Vice Chairman of the Board	Power International Holding W.L.L.
	Vice Chairman of the Board	Urbacon Trading and Contracting (UCC)
Mr. Abdulaziz Mahmoud Al-Zeyara	Director of the Livestock Department	Ministry of Municipality
	Member of the Standing Committee for Livestock	Gulf Cooperation Council
Mr. Hamad Bin Abdullah Bin Khalid Al-Attiya	Board Member	Qatar Quarries and Building Materials Company Q.S.C.
	Senior Investment Analyst	General Retirement and Social Insurance Authority (Civil Fund)
Mr. Mazen Alsbeti	Executive Director of Business Development	Power International Holding W.L.L.
Sheikh Suhaim Bin AbdulAziz Al Thani	Board Member	Estithmar Holdings Q.P.S.C.
	Protocol Officer	Protocol Department at the Amiri Diwan
	Chairman of the Board	Al-Bidaa Group of Companies
Eng. Mr. Nasser Hassan Al-Ansari	Chairman of the Board/Chief Executive Officer	Just Real Estate Company
Mr. Aidan Tynan	-	-

5.4 Positions and Roles held by Relatives of Board Members up to the Second Degree in the Company

No relatives of Board members, up to the second degree, work in the Company, with the exception of brothers Mr. Mohamed Moutaz Al Khayyat, the Chairman of the Board of Directors, Mr. Ramez Mohamed Ruslan Al Khayyat, Member of the Board of Directors and Managing Director of the Company.

5. Board of Directors continued

5.5 Board of Directors and Committee Meetings

The following table lists the Board of Directors' meeting attendance during 2025 for the period from 1 January 2025 to 31 December 2025:

Meeting No.	Date	Mr. Mohamed Moutaz Al Khayyat	Eng. Mr. Ali Hilal Al-Kuwari	Mr. Ramez Al Khayyat	Mr. Abdulaziz Mahmoud Al-Zeyara	Mr. Hamad Bin Abdullah Bin Khalid Al-Attiya	Mr. Mazen Alsbeti	Sheikh Suhaim Bin AbdulAziz Al Thani	Eng. Mr. Nasser Hassan Faraj Al-Ansari	Mr. Aidan Tynan
1/2025	06/02/2025	■	■	■	■	■	■	■	■	■
2/2025	28/04/2025	■	■	■	■	■	■	■	■	■
3/2025	02/07/2025	■	■	■	■	■	■	■	■	■
4/2025	10/08/2025	■	■	■	■	■	■	■	■	■
5/2025	09/10/2025	■	■	■	■	■	■	■	■	■
6/2025	21/10/2025	■	■	■	■	■	■	■	■	■
7/2025	18/11/2025	■	■	■	■	■	■	■	■	■
8/2025	30/12/2025	■	■	■	■	■	■	■	■	■

■ Attended ■ Absent



The details of committee meetings and attendance are as per the following table.

Board Member	Membership	Meetings						
		General Assembly	Board of Directors	Nomination and Remuneration Committee	Audit and Risk Committee	Shariah Committee	Executive Committee	Tendering Committee
Mr. Mohamed Moutaz Al Khayyat	Chairman of the Board	5	7	N/A	N/A	N/A	N/A	N/A
Eng. Mr. Ali Hilal Al-Kuwari	Vice Chairman of the Board Chairman of the Nomination and Remuneration Committee	5	8	4	N/A	N/A	N/A	N/A
Mr. Ramez Al Khayyat	Board Member Managing Director Chairman of the Executive Committee	5	8	N/A	N/A	N/A	6	N/A
Mr. Abdulaziz Mahmoud Al-Zeyara	Board Member member of Audit and Risk Committee member	5	8	N/A	5	N/A	N/A	N/A
Mr. Hamad Bin Abdullah Bin Khalid Al-Attiya	Board Member Audit and Risk Committee Member	5	8	N/A	N/A	N/A	N/A	N/A
Mr. Mazen Alsbeti	Board Member Member of the Tendering committee	5	8	N/A	N/A	N/A	N/A	1
Sheikh Suhaim Bin AbdulAziz Al Thani	Board Member Nomination and Remuneration Committee Member	5	8	4	N/A	N/A	N/A	N/A
Eng. Mr. Nasser Hassan Faraj Al-Ansari	Board Member Audit and Risk Committee Member Nomination and Remuneration Committee Member	5	8	4	6	N/A	N/A	N/A
Mr. Aidan Tynan	Board Member Chairman of the Audit and Risk Committee	5	8	N/A	6	N/A	N/A	N/A
Mr. Khaled Zialnon	Chairman of the Tendering Committee Member of the Executive Committee	N/A	N/A	N/A	N/A	N/A	6	2
Mr. Eyad Abdulrahim	Member of the Executive Committee Member of the Tendering Committee Member of the Shariah Supervisory Committee	N/A	N/A	N/A	N/A	1	6	1
Dr. Sheikh Ali Al Qaradaghi	Chairman of the Shariah Supervisory Committee	N/A	N/A	N/A	N/A	1	N/A	N/A
Dr. Sheikh Walid Bin Hadi	Shariah Supervisory Committee Member	N/A	N/A	N/A	N/A	1	N/A	N/A

5. Board of Directors continued

5.6 Board of Directors' Remuneration and Sitting Fees

In accordance with the provisions of the Commercial Companies Law and the Company's Articles of Association, the Ordinary General Assembly is responsible for determining the remuneration of the members of the Board of Directors, provided that the total remuneration does not exceed 5% of the Company's net profits after deducting legal reserves and legal appropriations, and after the distribution of cash dividends of not less than 5% of the paid-up capital to shareholders.

In this context, the Nomination and Remuneration Committee has established the general remuneration policy of the Company, including the mechanism for determining the remuneration of the Chairman and members of the Board of Directors. The Board and Senior Executive Management Remuneration and Incentives Policy sets out clear and defined criteria linked to performance and aligned with the nature and level of risks faced by the Company, thereby achieving the intended objectives of such remuneration, contributing to attracting, retaining and motivating qualified professionals to achieve the Company's strategic objectives.

During the period from 1 January 2025 to 31 December 2025, the remuneration and attendance allowances for meetings of the Board of Directors and its committees amounted to a total of QR 5,694,000 subject to the approval of the Company's Annual Ordinary General Assembly. The Company further confirms that it did not grant any cash loans, guarantees or credit facilities to the Chairman or any member of the Board of Directors during the financial year ended 31 December 2025.

5.7 Duties and Responsibilities of the Board of Directors

The Board of Directors bears collective responsibility for overseeing the management of the Company, providing strategic direction, ensuring compliance with applicable laws and regulations, the Company's Articles of Association, and the application of best corporate governance practices, in a manner that serves the interests of the Company and all its shareholders.

In this regard, the Board of Directors undertakes the following duties and responsibilities:

- General supervision over the management of the Company and safeguarding it from any illegal, improper or abusive practices.
- Selection and appointment of the Chairman and Vice Chairman of the Board.
- Setting the Company's objectives, approving general policies, strategies and organisational structure, and monitoring their implementation and performance.
- Approving the Company's overall strategy, performance policies, remuneration and incentive policies, and reviewing and updating strategies, policies, procedures and internal controls in coordination with senior executive management.
- Approving the organisational structure and defining duties, responsibilities and authorities to ensure clarity of delegation and prevent overlap of responsibilities.
- Establishing corporate values, approving codes of professional and ethical conduct, ensuring compliance by Board members and senior executive management, and determining disciplinary measures in case of violations.
- Approving and implementing the whistleblowing system, ensuring confidentiality of reports and protection of whistleblowers from retaliation.
- Approving controls and procedures governing trading by insiders, monitoring compliance with disclosure requirements and providing regulatory authorities with information within prescribed time frames.
- Overseeing related party transactions, ensuring their fairness and absence of conflicts of interest, and periodically reviewing the independence of Board members.
- Ensuring the availability of sufficient and accurate information to Board members.
- Establishing induction and training programs for new Board members, particularly in financial, legal and business-related matters.
- Supervising senior executive management, including appointing the Chief Executive Officer and senior executives, approving their remuneration, establishing succession plans and evaluating their performance.
- Establishing Board committees, defining their mandates and authorities, and monitoring their performance and periodic reports.
- Holding regular meetings with senior executive management through the relevant committees to discuss performance, business results and compliance levels.
- Convening Ordinary and Extraordinary General Assembly Meetings, preparing their agendas and enabling shareholders to exercise their statutory rights.
- Approving interim and annual audited financial statements, overseeing the integrity of financial reporting and recommending their approval to the General Assembly and the appointment of the External Auditor.

- Preparing and providing the annual disclosures required for shareholders prior to the General Assembly, including Board remuneration and allowances, related party transactions, donations and promotional expenses, in accordance with regulatory requirements.

The duties and responsibilities of the Board of Directors are consistent with the Company's Articles of Association, the Board Charter, the Commercial Companies Law and the Corporate Governance Code for Listed Companies.

5.8 Performance of the Board of Directors period from 1 January to 31 December 2025

5.8.1 General Assemblies

Baladna held its Annual Ordinary General Assembly Meeting on 3 March 2025 and the following decisions were taken:

1. Approval of the Board of Directors' Report on the Company's activities and financial position for the financial year ended 31 December 2024, and approval of the Company's future plan for 2025.
2. Approval of the External Auditor's Report on the Company's financial statements for the financial year ended 31 December 2024.
3. Approval of the audited consolidated financial statements for the financial year ended 31 December 2024, including the income statement and balance sheet.
4. Approval of the Board's proposal to distribute dividends amounting to QR 100,052,631 in the form of bonus shares at a ratio of one share for every 19 shares (equivalent to 0.053 shares per share).
5. Approval of the Corporate Governance Report for the financial year ended 31 December 2024.
6. Discharge of the Board members from liability for the financial year ended 31 December 2024 and approval of Board remuneration totalling QR 3,142,883.
7. Approval of the appointment of Ernst & Young as the Company's External Auditor for the financial year 2025 and approval of their fees.

Baladna held an Extraordinary General Assembly on 9 March 2025, during which the following resolutions were adopted:

1. Approval of a capital increase of 5.26% through the distribution of bonus shares at a ratio of one share for every 19 shares, increasing the Company's capital to QR 2,001,052,631, divided into 2,001,052,631 shares.
2. Approval of the amendment of Article (6) (Share Capital) of the Articles of Association and any related articles.
3. Authorisation of the Managing Director to complete all necessary procedures and sign relevant documents with the Ministry of Justice and the Ministry of Commerce and Industry.

Baladna held an Ordinary General Assembly on 4 November 2025, and the following decisions were taken:

1. Approving of the distribution of interim dividends for the first half of 2025 and retained earnings amounting to QR 142,932,331 in the form of bonus shares (142,932,331 shares) at a ratio of (1) share for every (14) shares (equivalent to QR 0.071 per share).

Baladna held an Extraordinary General Assembly on 6 November 2025, and the following decisions were taken:

1. Approval of an increase in the Company's capital by 7.1% through the distribution of bonus shares, at a rate of one share for every 14 shares, to be issued after approving that increase and obtaining the necessary approvals. The Company's capital will become 2,143,984,962 Qatari riyals, distributed over 2,143,984,962 shares, and the allocation of fractional shares resulting from the distribution process in the name of the Company, with the authorization of the Board of Directors to handle those fractions, if any.
2. Approval of the amendment of Articles (6, 7 and 8) of the provisions of the Articles of Association, and any articles related to the Company's capital.
3. Authorization of the Company's Managing Director, Mr. Ramez Mohamed Ruslan Al-Khayyat to take the necessary measures and granted him all the necessary powers to implement this decision of the Extraordinary General Assembly and complete all procedures for amending the Articles of Association and sign all documents with the Ministry of Justice, Ministry of Commerce and Industry, Qatar Financial Market Authority, Qatar Stock Exchange, and Edaa.

5. Board of Directors continued

Baladna held an Extraordinary General Assembly on 17 December 2025, and the following decisions were taken:

1. Approved of an increase of Company's current paid-up capital 24% from QR 2,143,984,962 to QR 2,658,541,352 by issuing 514,556,390 new ordinary shares. Priority will be given to eligible shareholders registered in the shareholders' register with Edaa at the end of the trading session on 10 March 2026, as well as to those holding subscription rights, at an issue price of QR 1.01 (Nominal value of QR 1.00 plus an issue premium of QR 0.01, subject to the approval of the relevant competent regulatory authorities.)
2. Approval of the mechanism for trading the subscription rights granted to the Company's shareholders in accordance with the provisions of Article (195) of the Commercial Companies Law No. (11) of 2015, as amended by Law No. (8) of 2021, and the Regulations for Offering and Listing of Securities and the Subscription Rights Trading Regulations issued by the Qatar Financial Markets Authority.
3. Approved to authorize the Chairman of the Board and/or the Managing Director, jointly or individually, to amend/update the priority rights trading period and the subscription date and duration as may be required by regulatory authorities or relevant parties, provided that such amendments shall not exceed one year from the date of the Assembly's approval. In addition, the EGM authorized the Board of Directors to dispose of fractional shares resulting from the subscription process in accordance with the applicable procedures and regulations. It was clarified that fractional shares will not be counted as part of any subscriber's allocation, and subscribers' shares will be calculated in whole numbers only after excluding any fractions.
4. Approved the amendment to Article 6 of the Articles of Association relating to the Company's capital, following completion of the capital increase.

5.8.2 Board and Committee Meetings

During 2025, the Board of Directors and its committees held several meetings. Key resolutions included:

- Review and supervision of the Company's strategic plan and key objectives.
- Oversight of internal control systems.
- Organisational restructuring of the Company.
- Establishment of a subsidiary to develop an integrated dairy industrial project in the Syrian Arab Republic.
- Establishment of a subsidiary in the Arab Republic of Egypt as a back-office support centre.
- Approval of interim dividend distributions during 2025.
- Proposal to increase the Company's capital by issuing new shares for subscription through a rights issue.
- Approval of the estimated budget and business plan for 2026.
- Approval of the authority and responsibility delegation matrix.

5.9 Board of Directors' Effectiveness Evaluation

An annual evaluation of the effectiveness of the Board of Directors and its committees was conducted using objective criteria, including independence, decision-making, risk management, and meetings. No deficiencies were identified; however, opportunities for improvement were noted, particularly in enhancing continuous training and further developing strategic oversight tools.

The Board of Directors conducted semi-annual and annual evaluations of its performance, the performance of its committees, and the extent to which its members are committed to acting in the best interests of the Company. The Board bears collective responsibility for setting policies and strategic objectives, effectively monitoring the performance of the Company and its subsidiaries, and ensuring management succession planning. In addition, the Board is responsible for protecting and enhancing shareholders' rights over the long term. The evaluation of the Board's performance is based on the following criteria:

- Number of meetings held annually.
- Compliance with the prescribed frequency of meetings.
- Attendance rate at meetings.

- Timeliness and effectiveness in addressing matters included on the Board's agenda.
- Level of adherence to transparency and disclosure in relation to Board decisions.
- Interaction with the various Board committees and implementation of their recommendations.
- Achievement of plans and objectives and implementation of approved policies.
- Self-assessment and objective evaluation criteria.

The results of the semi-annual and annual evaluations indicated that the Board of Directors fully complied with the provisions of the law, the Articles of Association, the Corporate Governance framework, the Transparency and Disclosure regime, and all other regulations and rules governing the Board's work. Accordingly, the Board's performance demonstrated the expected strengths, and no material weaknesses were identified.

5.10 Share Ownership of Board Members

The Board of Directors has full knowledge and understanding of all applicable laws, rules and regulations enabling them to comply at all times, perform their duties with integrity, fairness and transparency, and adhere strictly to trading blackout periods.

The table below sets out the shares owned by members of the Board of Directors as at 31 December 2025.

Board Member Name	Position	Total Shares as at 31 December 2025
Mr. Mohamed Moutaz Al Khayyat	Chairman of the Board	290,654,332
Eng. Mr. Ali Hilal Al-Kuwari	Vice Chairman of the Board	-
Mr. Ramez Al Khayyat	Board member/ Managing Director	294,675,105
Mr. Abdulaziz Mahmoud Al-Zeyara	Board member	-
Mr. Hamad Bin Abdullah Bin Khalid Al-Attiya	Board member	-
Mr. Mazen Alsabeti	Board member	120,676
Sheikh Suhaim Bin AbdulAziz Al Thani	Independent Board member	22,555
Eng. Mr. Nasser Hassan Faraj Al-Ansari	Independent Board member	15,297
Mr. Aidan Tynan	Independent Board member	922

5.11 Continuous Development of Board Members

Recognising the importance and value of continuous development for the Board of Directors, the Nomination and Remuneration Committee works diligently to prepare and provide appropriate development resources for Board members. These initiatives cover a range of topics, including corporate governance and social responsibility.

5.12 Board Secretary

The Board Secretary serves as the central point of communication between the Board of Directors and Senior Management and plays a key role in facilitating matters related to the Company and corporate governance.

The main responsibilities of the Board Secretary include:

- Organising Board of Directors' meetings in accordance with agreed procedures.
- Preparing meeting notices, agendas, reports and supporting documentation in a timely manner.
- Attending Board meetings and performing the duties of the Board Secretariat, including organising the preparation and recording of minutes for each meeting.
- Coordinating and working closely with the Chief Executive Officer and senior executive management to implement the Board's instructions and ensure the effective execution of Board resolutions.
- Reporting to the Board on all matters related to the Company's secretarial responsibilities.
- Preparing and organising shareholders' meetings.

On 24 November 2024, Mr. Ahmed Mohamed Elbasha was appointed as the Secretary of the Board of Directors.

Qualifications of the Board Secretary:

Mr. Ahmed Mohamed Elbasha holds a Bachelor's degree in Law (2006) and currently serves as the Legal Affairs Director at Baladna Q.P.S.C.. He joined the Company in March 2019 and was one of the key contributors to the successful establishment and listing of the Company. Mr. Elbasha has over 19 years of professional experience, having previously worked as a Legal Advisor for GMC Investments in the Arab Republic of Egypt, as a Legal Advisor for a company within the Commercial International Bank ("CIB") group, Egypt, and as a Legal and Shareholder Affairs Officer at Salam International Investment Limited (SILL).

5.13 Trading in the Company's Shares by Board Members during the year 2025

Name	Position	Total shares owned as at 1 January 2025	Bonus shares (dividend distribution)	Stock trading Net Sell/Buy	Total shares owned as at 31 December 2025
Mr. Mohamed Moutaz Al Khayyat	Chairman of the Board	257,713,509	32,940,823	-	290,654,332
Mr. Ramez Al Khayyat	Board Member/Managing Director	261,278,594	33,396,511	-	294,675,105
Mr. Mazen Alsabeti	Board Member	107,000	13,676	-	120,676
Sheikh Suhaim Bin AbdulAziz Al Thani	Independent Board Member	20,000	2,555	-	22,555
Eng. Mr. Nasser Hassan Al Ansari	Independent Board Member	849,565	45,732	(880,000)	15,297
Mr. Aidan Tynan	Independent Board Member	14,135	1,337	(14,550)	922



6. Board Committees

The Board of Directors has established committees to assist it in carrying out its responsibilities. Each committee operates within its scope of authority as approved by the Board, pursuant to a specific charter prepared and approved by the Board of Directors, which defines the committee's duties, responsibilities, powers, composition and the procedures followed in submitting reports to the Board.

Each Board committee has a written charter approved by the Board of Directors, clearly setting out its roles, duties and authorities. In preparing each charter, due consideration was given to ensuring consistency with the duties set out in the Company's Articles of Association, the Commercial Companies Law No. (11) of 2015, and the Corporate Governance Code for Listed Companies and Legal Entities in the Main Market issued by the Qatar Financial Markets Authority.

The Board committees are as follows:

- Audit and Risk Committee
- Nomination and Remuneration Committee
- Executive Committee
- Tenders Committee
- Shariah Supervisory Committee

6.1 Audit and Risk Committee

6.1.1 Committee Formation

The Audit and Risk Committee is composed of three members, the majority of whom are Independent Board members. The Committee assists the Board of Directors in overseeing the integrity and completeness of the Company's financial statements and provides advice to the Board on the adequacy and effectiveness of internal control systems and risk management processes.

The Committee is also responsible for ensuring the independence and objectivity of internal and external audit functions. In addition, it advises the Board on all matters requiring attention and decision-making and places significant emphasis on investigating any violations or irregularities within the Company.

6.1.2 Members of the Audit and Risk Committee

Mr. Aidan Tynan

Independent Board Member
Chairman of the Audit and Risk Committee

Mr. Aidan Tynan is a business specialist with a proven track record of success across the GCC countries and the Middle East. He has more than 30 years of senior management experience across a wide range of sectors, including dairy and food products, leisure, retail, insurance, real estate development, e-commerce, and mergers and acquisitions.

Prior to joining Baladna Mr. Tynan was employed by Danone Plc., a world-leading food company as Chief Operating Officer of Al Safi Danone and Acting CEO (2013 to 2017). In addition, he served as a member of the Board of Directors of Al Safi Danone – Iraq from 2015 to 2017.

He has also held several senior positions in the Middle East, including Group Advisor to Al Othaim Group, Head of E-commerce and Retail at Arabian Shield Insurance Company, Head of Commercial Sales and Marketing at SADAFCO, and Head of Sales at Almarai for a period of seven years.

In Ireland, he served as Chief Executive Officer of the Irish Greyhound Board and as Business Development Director at Fleming Group. Mr. Tynan is currently an Executive Director of two Irish property-related companies, Buildvalue Limited and Exhibitside Limited.

Mr. Tynan holds a Master's degree in Management from the University of York in the UK and is a graduate of the Chartered Institute of Marketing (UK) as well as the Marketing Institute of Ireland.

6. Board Committees continued

Eng. Mr. Nasser Hassan Faraj Al-Ansari

Independent Board Member
Member of the Audit and Risk Committee

Eng. Mr. Nasser Hassan Faraj Al-Ansari is a prominent figure who strongly believes in enhancing the role of the private sector in diversifying the Qatari economy.

Throughout his distinguished professional career, Eng. Mr. Al-Ansari has gained extensive experience across various fields and, through his dedication and exceptional capabilities, progressed rapidly through senior leadership roles. He has participated in the management of several landmark projects in the State of Qatar, including Hamad International Airport and Hamad Port, where he served as a member of the Steering Committee and as Chief Engineer of the Technical Committee at Hamad International Airport, in addition to holding the position of Chief Engineer.

Eng. Mr. Al-Ansari holds a degree in Civil Engineering from the University of Miami, in addition to an Executive MBA from HEC Paris.

Mr. Abdulaziz Mahmoud Al-Zeyara

Non-Executive Board Member
Member of the Audit and Risk Committee

Mr. Abdulaziz Mahmoud Al-Zeyara has been serving as Director of the Livestock Department since 2018. He has over 20 years of extensive experience in the fields of livestock and agricultural development. Previously, he served as Head of the Agricultural Quarantine Unit within the Agricultural Development Department and also held the position of Head of the Veterinary Quarantine Section within the Livestock Department.

Mr. Al-Zeyara is a member of several official committees, including committees of the Food and Agriculture Organization (FAO), the Transboundary Animal Diseases Committee of the Arab Organisation for Agricultural Development, and the Ports Management Committee. He also represents the State of Qatar at the World Organisation for Animal Health (WOAH).

Mr. Al-Zeyara holds a Bachelor of Science degree in Agricultural Sciences from Qatar University.

6.1.3 Objectives and Responsibilities of the Committee

- Monitoring the integrity of the Company's financial statements and any official disclosures related to the Company's financial performance, and reviewing the key judgments contained in significant financial reports.
- Reviewing internal control systems, risk management frameworks, and compliance with applicable laws and regulations.
- Establishing, monitoring and reviewing the effectiveness of the Company's internal control systems, policies and procedures.
- Submitting recommendations to the Board of Directors regarding the appointment, reappointment, dismissal and remuneration of the External Auditor, and ensuring that the Board receives timely responses to matters raised in the External Auditor's report.
- Reviewing and monitoring the independence, objectivity and effectiveness of the External Auditor and the audit process, taking into consideration relevant professional and regulatory requirements.
- Establishing and implementing policies governing the engagement of the External Auditor to provide non-audit services.
- Submitting reports to the Board of Directors on matters requiring special consideration by the Committee, together with recommendations on the necessary actions to be taken.
- Reviewing the whistleblowing system that enables employees to report, anonymously, any suspected irregularities in financial reporting, internal control systems or any other matters, while ensuring appropriate arrangements are in place for independent and impartial investigations.
- Reviewing related party transactions and verifying compliance with the applicable codes of conduct and approval requirements for such transactions.
- Appointing the Head of Internal Audit, determining his/her salary, incentives, benefits and remuneration, evaluating performance and conduct, and approving reappointment, replacement or termination from office.

6.1.4 Committee Meetings

The Audit and Risk Committee held six meetings during 2025, as follows:

Meeting No.	Date	Mr. Aidan Tynan	Mr. Abdulaziz Mahmoud Al-Zeyara	Eng. Mr. Nasser Hassan Faraj Al-Ansari
1/2025	06/02/2025	■	■	■
2/2025	28/04/2025	■	■	■
3/2025	10/08/2025	■	■	■
4/2025	08/10/2025	■	■	■
5/2025	21/10/2025	■	■	■
6/2025	29/12/2025	■	■	■

■ Attended ■ Absent

6.1.5 Key Activities and Achievements of the Committee

During 2025, the Committee carried out a number of key activities, including the following:

- Regular review of the annual and quarterly Internal Audit reports.
- Review of the results of the annual disclosure for the year 2025.
- Monitoring the implementation of the annual audit plan for the year 2025.
- Approval of the risk-based Internal Audit plan for the year 2026.
- Ratification of the quarterly financial statements, review of the annual financial statements and submission of a recommendation to the Board of Directors for their approval.
- Review of amendments to the Internal Audit Charter, the Code of Professional Conduct, the Whistleblowing Policy and the Board of Directors' Charter.
- Approval of the Internal Audit Department's budget for the year 2026.
- Review of the Corporate Governance report, ensuring full compliance with the requirements of the Qatar Financial Markets Authority (QFMA), and submission thereof to the Board of Directors for approval.

6.1.6 Committee Recommendations

During the year 2025, the Committee issued the following recommendations:

- Approval of the audited consolidated financial statements for the financial year ended 31 December 2024.
- Approval of the Corporate Governance report and the Board of Directors' report on internal control systems over financial reporting, and ratification of the External Auditor's reports.
- Ratification of the Audit Committee Performance report for the year 2024.
- Submission of the results of the evaluation of the Company's external auditor appointment to the Board of Directors for approval, and recommendation to the Ordinary General Assembly to approve the appointment of **Ernst & Young** as the Company's external auditors for the financial year 2025, for a fee of QAR 758,575 for both audit and non-audit services.
- Approval of the unreviewed and unaudited interim condensed consolidated financial statements for the period ended 31 March 2025.
- Approval of the Professional Code of Conduct and the Third-Party Code of Professional Conduct, and submission of the recommendation to the Board of Directors for adoption.
- Approval of the interim condensed consolidated financial statements for the period ended 30 June 2025.
- Approval of the amendments to the Company's Delegation of Authority Matrix and submission of the recommendation to the Board of Directors for approval.
- Approval of appointing the Company's external auditor (Ernst & Young Qatar) to prepare a report on interim dividend distribution and retained earnings for a fee of USD 20,000.
- Approval of the proposed distribution of interim dividends for the first half of 2025 and retained earnings for the year 2024, amounting to **QR 142,932,331**, in the form of bonus shares (**142,932,331 shares**), and submission of the recommendation to the Board of Directors for approval.
- Approval of the unaudited interim condensed consolidated financial statements of the Company for the period ended 30 September 2025.

6. Board Committees continued

6.1.7 Committee Performance Evaluation

Mr. Aidan Tynan, Chairman of the Audit and Risk Committee, acknowledges responsibility for the implementation of the Audit Committee's duties at Baladna Q.P.S.C., including reviewing its operating mechanisms and ensuring its effectiveness in accordance with the approved Audit and Risk Committee Charter.

6.2 Nomination and Remuneration Committee

6.2.1 Committee Formation

The Nomination and Remuneration Committee is composed of three members, the majority of whom are independent. The Committee aims to assist the Board of Directors in enhancing the principles of transparency, independence and efficiency in the Company's management. The Committee is responsible for establishing policies and criteria for nominations to the Board of Directors and its committees, evaluating the Board's structure and effectiveness, reviewing its requirements in terms of skills and experience, as well as overseeing succession planning for senior leadership positions. The Committee operates in accordance with best governance practices and in compliance with applicable laws and regulations, thereby supporting effective corporate governance and safeguarding the interests of shareholders and stakeholders.

6.2.2 Members of the Nomination and Remuneration Committee

Eng. Mr. Ali Hilal Al-Kuwari

Chairman of the Nomination and Remuneration Committee

Eng. Mr. Ali Hilal Al-Kuwari possesses extensive experience in the food and agricultural investment sector, a clear strategic vision, and in-depth knowledge of the Company's local and international investments, as well as local market requirements. He acquired this experience through his more than 13 years of service at Hassad Food Company, during which he held several senior leadership positions, including Vice President, Chief Operating Officer and Director of Project Management.

Previously, Eng. Mr. Al-Kuwari held a number of senior leadership positions at the Qatar General Electricity and Water Corporation (KAHRAMAA), where he served for more than 10 years.

Eng. Mr. Al-Kuwari holds a Bachelor's degree in Engineering from Qatar University and an MBA from the University of Northampton in the UK.

Sheikh Suhaim Bin AbdulAziz Al Thani

Member of the Nomination and Remuneration Committee

Sheikh Suhaim Bin AbdulAziz Al Thani is a prominent figure with extensive professional experience. He serves as Chairman of Al Baddaa Group, an investment company with diversified investments across several sectors, including manufacturing, real estate, hospitality, healthcare and services, operating in various geographical regions including Qatar, Spain and the UK.

He also previously served as Vice Chairman of QSC, founded in 1961. QSC is widely known for its football team, which competes in the Qatar Stars League. The club has played a significant role in the development of football in Qatar and is located in the Al Dafna area.

In addition, Sheikh Suhaim serves as a Board member of Estithmar Holding Q.P.S.C., a rapidly growing integrated business group providing a wide range of services across diverse sectors, characterised by reliability, sustainability and quality. Its operations span healthcare, industrials, contracting, projects and services.

Sheikh Suhaim holds a Bachelor's degree in Business Administration and Marketing from the Arab Academy for Science, Technology and Maritime Transport in Egypt and an MBA from the University of Plymouth in the UK.

Eng. Mr. Nasser Hassan Faraj Al-Ansari

Member of the Nomination and Remuneration Committee

Eng. Mr. Nasser Hassan Faraj Al-Ansari is a prominent figure who strongly believes in enhancing the role of the private sector in diversifying the Qatari economy.

Throughout his distinguished professional career, Eng. Mr. Al-Ansari has acquired extensive experience across various fields and, through his dedication and exceptional capabilities, progressed rapidly through the professional ranks. He has participated in the management of several landmark projects in the State of Qatar, including Hamad International Airport and Hamad Port. He served as a member of the Steering Committee and as Chief Engineer of the Technical Committee at Hamad International Airport, in the capacity of Chief Engineer.

Eng. Mr. Al-Ansari holds a Bachelor's degree in Civil Engineering from the University of Miami, in addition to an Executive MBA from HEC Paris.

6.2.3 Objectives and Responsibilities of the Committee

The Nomination and Remuneration Committee shall have the following objectives and responsibilities:

- Receiving and reviewing applications for nomination to the Board of Directors, verifying that candidates meet the prescribed nomination conditions and criteria, deciding on such applications, and notifying the regulatory authority of the nominees together with the reasons for acceptance or rejection.
- Establishing the criteria, conditions, qualifications and experience requirements for Board membership, and ensuring that no natural or legal person, or group of persons, exercises control over the Board's decisions.
- Determining the status of Board members (Independent/Non-Executive) in accordance with approved criteria, periodically reviewing the fulfilment of independence requirements, and ensuring the continued independence of Independent members at all times.
- Submitting recommendations to the Board of Directors regarding qualified candidates for Board membership and senior executive management positions and developing and monitoring succession and replacement plans in accordance with the law and the Company's policies.
- Overseeing human resource policies at the Company and Group levels and ensuring the existence of appropriate succession plans for senior executive management positions.
- Establishing objective and impartial principles and criteria for evaluating the performance of the Board of Directors and its members, as well as the performance of senior executive management, and periodically reviewing the evaluation results.
- Preparing the Remuneration and Incentives Policy, overseeing its implementation, and reviewing it periodically in accordance with best practices and regulatory requirements.
- Ensuring alignment between the timing of remuneration payments and the actual realisation of revenue, particularly in relation to future revenue of an uncertain nature.
- Determining and reviewing, on an annual basis, the remuneration, benefits and incentives of the Chief Executive Officer and senior executive officers, and ensuring that such remuneration is fair, reasonable and aligned with the Company's performance and results.
- Promoting a performance-based remuneration culture through the annual review of the performance of senior executive officers and succession planning at the Group level.
- Identifying the Company's and the Group's needs for senior executive competencies and establishing the criteria and standards for selection and qualification.
- Reviewing and approving the Qatarisation strategy and monitoring its implementation through clear plans and programs.
- Reviewing training and development policies in a manner that contributes to enhancing employees' capabilities - particularly Qatari talent - and supporting the sustainability of human resources within the Group.
- Verifying that the remuneration of Board members complies with the provisions of the Company's Articles of Association and applicable laws, within the prescribed limits and ratios, and obtaining the approval of the General Assembly where required.
- Submitting periodic reports to the Board of Directors on the Committee's activities, and on any matters requiring action or improvement, together with appropriate recommendations.

6. Board Committees continued

6.2.4 Committee Meetings

The Nomination and Remuneration Committee held four meetings during 2025, as follows:

Meeting No.	Date	Eng. Mr. Ali Hilal Al-Kuwari	Sheikh Suhaim Bin AbdulAziz Al Thani	Eng. Mr. Nasser Hassan Faraj Al-Ansari
1/2025	03/02/2025	■	■	■
2/2025	13/03/2025	■	■	■
3/2025	23/04/2025	■	■	■
4/2025	31/07/2025	■	■	■

■ Attended ■ Absent

6.2.5 Key Activities and Achievements of the Committee

During 2025, the Committee carried out a number of key activities, including the following:

- Review of the Board of Directors' performance evaluation report for the year 2024.
- Determination of the remuneration of the Board of Directors for the period from 1 January 2024 to 31 December 2024.
- Approval of the distribution of annual bonuses to the Company's employees for the financial year ended 31 December 2024.
- Submission of a recommendation to the Board of Directors for approval of the Company's new organisational structure.
- Submission of a recommendation to the Board of Directors for the appointment of a new Chief Executive Officer of Baladna Q.P.S.C.

6.2.6 Committee Recommendations

During the year 2025, the Committee issued the following recommendations:

- Approval of the Board of Directors' performance evaluation for the year 2024.
- Recommendation to ratify the distribution of remuneration to the members of the Board of Directors for the period from 1 January 2024 to 31 December 2024.
- Approval of the distribution of annual employee bonuses for the financial year ended 31 December 2024, with a total value of QR 4,411,231.77.
- Recommendation to approve the proposed new organisational structure of the Company and the appointment of a new Chief Executive Officer of Baladna Food Industries (subsidiary).
- Acceptance of the resignation of the Chief Executive Officer, Mr. Malcolm Jordan, and the appointment of Mr. Mark Warzoda as Group Chief Executive Officer of Baladna Q.P.S.C.

6.2.7 Committee Performance Evaluation

Eng. Mr. Ali Hilal Al-Kuwari, Chairman of the Nomination and Remuneration Committee, acknowledges responsibility for the Committee's performance of its duties at the Company, including reviewing its operating mechanisms and ensuring its effectiveness in accordance with the Nomination and Remuneration Committee Charter approved by the Board of Directors.

6.3 Shariah Supervisory Committee

6.3.1 Committee Formation

The Shariah Supervisory Committee, appointed by the Board of Directors of Baladna, oversees the Company's compliance with the provisions of Islamic Shariah. The Committee is composed of Shariah scholars with extensive expertise in Islamic jurisprudence, who are independent of the Company and its Board of Directors. The Committee assists the Board in fulfilling its responsibilities related to monitoring the compliance of the Company's financial statements with the principles and provisions of Islamic Shariah, and ensuring that all Islamic products, services and Islamic banking operations of Baladna comply with Shariah principles.

6.3.2 Members of the Shariah Supervisory Committee

Professor Sheikh Ali Al Qaradaghi

Chairman of the Shariah Supervisory Committee

Professor Sheikh Ali Al Qaradaghi currently serves as Professor of Usul Al-Fiqh at Qatar University and as Secretary General of the International Union of Muslim Scholars (IUMS). He has held several prominent professional positions, including Vice Chairman of the European Council for Fatwa and Research, Chairman of the Board of Trustees of the University of Human Development in Kurdistan, Iraq, and Chairman and Executive Member of Shariah Fatwa and Supervisory Boards for the Islamic Affairs divisions of a number of Islamic banks and insurance companies in the Gulf region and internationally.

He has published more than 30 books and over 100 academic research papers. He was awarded the State Incentive Award in Comparative Islamic Jurisprudence by the State of Qatar and received the Medal of Honor from the Religious Administration and the Council of Muftis in Russia.

Professor Sheikh Al Qaradaghi holds a PhD with Honors in Shariah and Law from Al-Azhar University, specialising in contracts and financial transactions, obtained in 1980.

Dr. Sheikh Walid bin Hadi

Member of the Shariah Supervisory Committee

Dr. Sheikh Walid bin Hadi began his professional career as a judge at the Shariah Court in the State of Qatar in 1991. He is also a member of the Shariah committees of several institutions, including Qatar Islamic Bank, Qatar International Islamic Bank, Al Rayan Bank, European Finance House (EFH), Solidarity Family Takaful Insurance Company and the International Syrian Islamic Bank.

He has authored numerous books and articles in Islamic creed, Hadith, Usul Al-Fiqh, Islamic economics, Islamic finance and Shariah supervision.

Dr. Sheikh Hadi, a Qatari national, received his education at Qatar University, graduating with a Bachelor's degree in Shariah and Fundamentals of Religion in 1991. He obtained a Master's degree in Shariah and Law from Omdurman Islamic University (Sudan) in 2002, and a PhD in Shariah from Imam Muhammad bin Saud Islamic University in Riyadh in 2008.

Mr. Eyad Abdulrahim

Member of the Shariah Supervisory Committee

Mr. Eyad Abdulrahim has more than 25 years of experience in leading financial management roles across the region. He has led major publicly listed companies and family-owned corporate finance divisions and has held board and senior executive management positions. He has also served on the boards of major organisations at both regional and international levels.

Mr. Abdulrahim has worked with several prominent institutions in the Middle East and the GCC, including Emaar, Economic Cities, Al-Futtaim Real Estate Group, Dubai Properties Group, Arabtec Holding, Depa Limited, Standard Chartered Bank and Arab Bank. Throughout his career, he has led numerous initial public offerings (IPO) in the region, as well as major restructuring initiatives, complex capital market transactions and growth mandates. He has demonstrated strong expertise in finance, particularly within the MENA region and the GCC.

Mr. Abdulrahim holds an MBA in Accounting and Finance from the University of Wollongong in Dubai (UOWD).

6. Board Committees continued

6.3.3 Objectives and Responsibilities of the Committee

- Providing Islamic advisory opinions and guidance at the request of the Company’s management.
- Reviewing the reports of the External Auditors and ensuring their compliance with the rules and principles of Islamic Shariah, and submitting a report thereon to the Board of Directors.
- Determining whether the contracts, transactions and dealings presented to the Committee comply with the principles of Islamic Shariah.
- Submitting periodic reports on the outcomes of its activities and its recommendations to the Board of Directors for ratification and adoption as part of the Company’s policies.

Professor Dr. Sheikh Ali Al Qaradaghi, the Chairman of the Sharia Supervisory Committee, acknowledges responsibility for ensuring the Committee performs its duties within the Company, including reviewing its working mechanisms and ensuring effectiveness, in accordance with the Sharia Supervisory Committee Charter approved by the Board of Directors.

6.3.4 Committee Meetings

The Shariah Supervisory Committee convened one meeting during 2025 as follows:

Meeting No.	Date	Prof. Dr. Sheikh Ali Al Qaradaghi	Dr. Sheikh Walid bin Hadi	Mr. Eyad Abdulrahim
1/2025	03/02/2025	■	■	■

■ Attended ■ Absent

6.4 Executive Committee

6.4.1 Committee Formation

The primary objective of the Executive Committee is to provide strategic guidance, oversee key decisions, and support the implementation of the Company’s vision and objectives. The Executive Committee serves as a bridge between the Board of Directors and executive management, ensuring effective communication, decision-making, and strategy execution.

6.4.2 Members of the Executive Committee

Mr. Ramez Al Khayyat

Chairman of the Executive Committee

Mr. Ramez Al Khayyat is a Qatari businessman based in Doha, with extensive experience in operations, risk management and business developments. He is a second-generation entrepreneur with years of executive experience in his family’s contracting company, a practical mind and an eye for detail. He is a competent leader and entrepreneur known for his distinguished experience in operations management, risk management and business development.

Mr. Ramez Al Khayyat is the Vice Chairman of Power International Holding, a group of sustainable, innovative and successful companies across 5 different sectors, building value and contributing to the development of economies around the world, across Qatar, Europe, the UK, Turkey, Oman, the Maldives and Guyana.

Mr. Eyad Abdulrahim

Member of the Executive Committee

Mr. Eyad Abdulrahim has more than 25 years of experience in leading financial management roles across the region. He has led major publicly listed companies and family corporate finance divisions and has held board and senior executive management positions. He has also served on the boards of major organisations at both regional and international levels.

Mr. Abdulrahim has worked with several prominent institutions in the Middle East and the GCC, including Emaar, Economic Cities, Al-Futtaim Real Estate Group, Dubai Properties Group, Arabtec Holding, Depa Limited, Standard Chartered Bank and Arab Bank. Throughout his career, he has led numerous initial public offerings (IPO), major restructuring initiatives, complex capital market transactions and growth mandates, demonstrating strong expertise in finance, particularly across the MENA region and the GCC.

Mr. Abdulrahim holds an MBA in Accounting and Finance from the University of Wollongong in Dubai (UOWD).

Mr. Khaled Zialnon

Member of the Executive Committee

Mr. Khaled Zialnon is a distinguished executive leader with a proven track record in business strategy, operations, problem-solving and risk management. He currently serves as the Group Chief Governance Officer at Power International Holding, a dynamic international conglomerate based in Qatar. Mr. Zialnon has extensive experience in governance, compliance and supply chain management, along with proven expertise in corporate policy management, delegation of authority and business process engineering.

Throughout his career, he has held significant roles, including Group Chief Supply Chain Officer, General Manager – New Ventures, General Manager – Supply Chain and Procurement Director. Mr. Zialnon commenced his career in Italy in international trade and moved to Qatar in 2017 as the Procurement Director at Baladna Q.P.S.C., where he played a pivotal role in the Company’s initial success. He then progressed to lead the Supply Chain department as a General Manager, managing the end-to-end supply chain process. Subsequently, he took on the role of General Manager for the New Ventures department, spearheading business diversification and expansion in Qatar and the international market. In terms of board involvement, Mr. Zialnon serves on the Board of Directors for Estithmar Holding Q.P.S.C. and other private companies.

His leadership and strategic acumen make him a valuable asset in governance and boardroom decision-making, and his extensive experience and multifaceted skill set position him as an influential contributor to the organisations he serves.

6.4.3 Objectives and Responsibilities of the Committee

The Executive Committee shall have the following objectives and responsibilities:

- Reviewing the Company’s long-term strategy for submission to the Board of Directors for approval, including a comprehensive analysis of economic and market conditions, in alignment with the Board’s directives.
- Reviewing the Company’s annual business plans and budgets for submission to the Board of Directors for approval, ensuring alignment with the long-term strategy and incorporating adjustments based on changes in economic, market and regulatory environments.
- Monitoring the Company’s quarterly performance against the approved strategy, business plans and budgets, and ensuring timely corrective actions are taken to address any deviations from defined objectives.
- Reviewing and approving the Company’s Corporate Social Responsibility (CSR) strategy.
- Reviewing and harmonising marketing and communication plans alongside resource allocation plans, ensuring effective alignment to support business development and growth initiatives.
- Reviewing and consolidating business development strategies, product alignment and resource allocation across the Company, with a focus on optimising resource deployment to maximise growth opportunities.
- Establishing objectives and reviewing the Company’s monthly key performance indicators (KPI).
- Monitoring KPIs and financial results and overseeing the progress of digital transformation initiatives across the Company.

6. Board Committees continued

6.4.4 Committee Meetings

The Executive Committee held six meetings during 2025, as follows:

Meeting No.	Date	Mr. Ramez Al Khayyat	Mr. Eyad Abdulrahim	Mr. Khaled Zialnon
1/2025	11/03/2025	■	■	■
2/2025	12/05/2025	■	■	■
3/2025	24/07/2025	■	■	■
4/2025	18/09/2025	■	■	■
5/2025	27/10/2025	■	■	■
6/2025	25/12/2025	■	■	■

■ Attended ■ Absent

6.4.5 Key Activities and Achievements of the Committee

During the year 2025, the Committee carried out a number of key activities, including the following:

- Overseeing the implementation of the overall strategy and business plans approved by the Board of Directors, and monitoring progress toward achieving the Company's operational and financial objectives.
- Reviewing and approving key executive decisions related to the conduct of day-to-day business, ensuring operational efficiency and business continuity.
- Approving executive policies and procedures and monitoring the Executive Management's compliance therewith.
- Studying investment opportunities and new projects, assessing their economic feasibility and submitting appropriate recommendations to the Board of Directors.
- Monitoring the performance of Executive Management and senior executives, and ensuring alignment of performance with the approved strategic objectives and KPIs.
- Ensuring compliance with applicable laws and regulations, in particular the instructions of the Qatar Financial Markets Authority (QFMA) and the requirements related to disclosure and transparency.
- Supporting initiatives aimed at improving operational efficiency, rationalising costs and enhancing shareholder value.

6.4.6 Committee Recommendations

During 2025, the Executive Committee issued the following recommendations to the Board of Directors:

- Approval of the annual operational and financial plans and monitoring their implementation in a manner that achieves the Company's strategic objectives.
- Approval of initiatives aimed at improving operational efficiency, reducing costs and enhancing profitability.
- Support for business development plans and the evaluation of new investment opportunities, following an assessment of their economic feasibility and associated risks.
- Support for initiatives related to institutional performance development and the enhancement of leadership human resources.

6.4.7 Committee Performance Evaluation

Mr. Ramez Al Khayyat, Chairman of the Executive Committee, acknowledges responsibility for the Committee's performance of its duties at the Company, including reviewing its operating mechanisms and ensuring its effectiveness in accordance with the Executive Committee Charter approved by the Board of Directors.

6.5 Tendering Committee

6.5.1 Committee Formation

The primary objective of the Tendering Committee is to provide strategic guidance, oversee major decisions and support the execution of the Company's vision and goals. The Tendering Committee acts as a bridge between the Board of Directors and the operational management, ensuring effective communication, decision-making and implementation of tendering strategies.

6.5.2 Members of the Tendering Committee

Mr. Khaled Zialnon

Chairman of the Tendering Committee

Mr. Khaled Zialnon is a distinguished executive leader with a proven track record in business strategy, operations, problem-solving, and risk management. He currently serves as the Group Chief Governance Officer at Power International Holding, a dynamic international conglomerate based in Qatar. Mr. Zialnon has extensive experience in governance, compliance and supply chain management, along with proven expertise in corporate policy management, delegation of authority and business process engineering.

Throughout his career, he has held significant roles, including Group Chief Supply Chain Officer, General Manager – New Ventures, General Manager – Supply Chain and Procurement Director. Mr. Zialnon commenced his career in Italy in international trade and moved to Qatar in 2017 as the Procurement Director at Baladna Q.P.S.C., where he played a pivotal role in the Company's initial success. He then progressed to lead the Supply Chain department as a General Manager, managing the end-to-end supply chain process. Subsequently, he took on the role of General Manager for the New Ventures department, spearheading business diversification and expansion in Qatar and the international market. In terms of board involvement, Mr. Zialnon serves on the Board of Directors for Estithmar Holding Q.P.S.C. and other private companies.

His leadership and strategic acumen make him a valuable asset in governance and boardroom decision-making, and his extensive experience and multifaceted skill set position him as an influential contributor to the organisations he serves.

Mr. Eyad Abdulrahim

Member of the Tendering Committee

Mr. Eyad Abdulrahim has more than 25 years of experience in leading financial management roles across the region. He has led major publicly listed companies and family-owned corporate finance divisions and has held board and senior executive management positions. He has also served on the boards of major organisations at both regional and international levels.

Mr. Abdulrahim has worked with several prominent institutions in the Middle East and the GCC, including Emaar, Economic Cities, Al-Futtaim Real Estate Group, Dubai Properties Group, Arabtec Holding, Depa Limited, Standard Chartered Bank and Arab Bank. Throughout his career, he has led numerous IPOs, major restructuring initiatives, complex capital market transactions and growth mandates, demonstrating strong expertise in finance, particularly across the MENA region and the GCC.

Mr. Abdulrahim holds an MBA in Accounting and Finance from the University of Wollongong in Dubai (UOWD).

6. Board Committees continued

Mr. Mazen Alsbeti

Member of the Tendering Committee

Mr. Mazen Alsbeti is an accomplished specialist in the industry, with 23 years of comprehensive and successful experience as an Executive Director, initiating growth policies as a Senior Executive. He has outstanding planning, execution, monitoring and resource balancing skills, with the ability to support multiple projects in a matrix of organisational structure.

Mr. Alsbeti is the main contact person for business stakeholders in providing accurate reporting and information regarding ongoing projects, developing and executing strategies, working and forming relationships with prominent members of the media, government and the public, to uphold a positive image for the Company and generate new business opportunities.

Mr. Alsbeti holds a Bachelor of Science in Zoology from North Carolina State University and a Master of Science in Business Administration and Management from North Carolina State University.

6.5.3 Objectives and Responsibilities of the Committee

The Tendering Committee plays a critical role in supporting the Board of Directors by reviewing and recommending key matters related to the Company's supply chain activities. Its objectives and responsibilities include:

- Maintaining and enhancing governance, integrity and transparency throughout the supply chain and contract management processes.
- Ensuring transparency, objectivity and compliance with the Company's policies and procedures in the procurement process.
- Ensuring that procurement and sourcing activities are conducted transparently and without bias, in full compliance with approved policies and procedures.
- Reviewing, monitoring and approving matters related to the Company's supply chain, including the evaluation and approval of bids within the approved delegated authority limits, as well as related structures, policies and other supply chain-related matters.
- Reviewing and approving the list of vendors invited to submit bids for tenders and direct negotiations, within the limits set out in the approved Delegation of Authority.
- Evaluating bids in accordance with the limits specified in the approved Delegation of Authority, including supplier classification and the assessment of bids based on their technical and financial merits.
- Periodically reviewing policies and procedures related to supply chain and procurement.
- Overseeing the tendering process, evaluating bids, negotiating with potential suppliers and selecting the most suitable offer based on approved evaluation criteria and other relevant factors.

6.5.4 Committee Meetings

The Tendering Committee held two meetings during 2025, as follows:

Meeting No.	Date	Mr. Khaled Zialnon	Mr. Mazen Alsbeti	Mr. Eyad Abdulrahim
1/2025	08/04/2025	■	■	■
2/2025	28/07/2025	■	■	■

■ Attended ■ Absent

6.5.5 Key Activities and Achievements of the Committee

During 2025, the Committee carried out a number of key activities, including the following:

- Reviewing and approving the issuance of major tenders and procurement practices and examining the technical and financial bids submitted by suppliers and contractors.
- Ensuring the integrity of contractual procedures and reviewing material contractual terms and conditions prior to approval.
- Monitoring the performance of key suppliers and contractors and issuing the necessary recommendations to address any material observations.
- Overseeing updates to tendering policies and procedures in line with best practices and regulatory requirements.
- Ensuring that all tendering procedures are properly documented and retained in a manner that meets audit and review requirements.

6.5.6 Committee Recommendations

During the year 2025, the Tendering Committee issued the following recommendations to the Board of Directors:

- Approval of the award of major tenders and procurement practices to suppliers and contractors selected in accordance with approved criteria.
- Support for initiatives aimed at improving procurement efficiency and enhancing transparency and equal opportunity among suppliers.
- Taking the necessary decisions in respect of material or long-term contracts in a manner that serves the best interests of the Company.

6.5.7 Committee Performance Evaluation

Mr. Khaled Zialnon, Chairman of the Tenders Committee, acknowledges responsibility for the Committee's performance of its duties at the Company, including reviewing its operating mechanisms and ensuring its effectiveness in accordance with the Tenders Committee Charter approved by the Board of Directors.

7. Delegation of Authority

The Board of Directors is, and shall remain, responsible for the Company's overall governance and for matters reserved to the Board. The Board has delegated certain powers and authorities to the Chairman and Vice Chairman to be exercised on its behalf, with the right to further delegate such powers.

Pursuant to Board Resolution No. 20 of 2024, the Board of Directors delegated to the Managing Director certain powers and authorities, including the following:

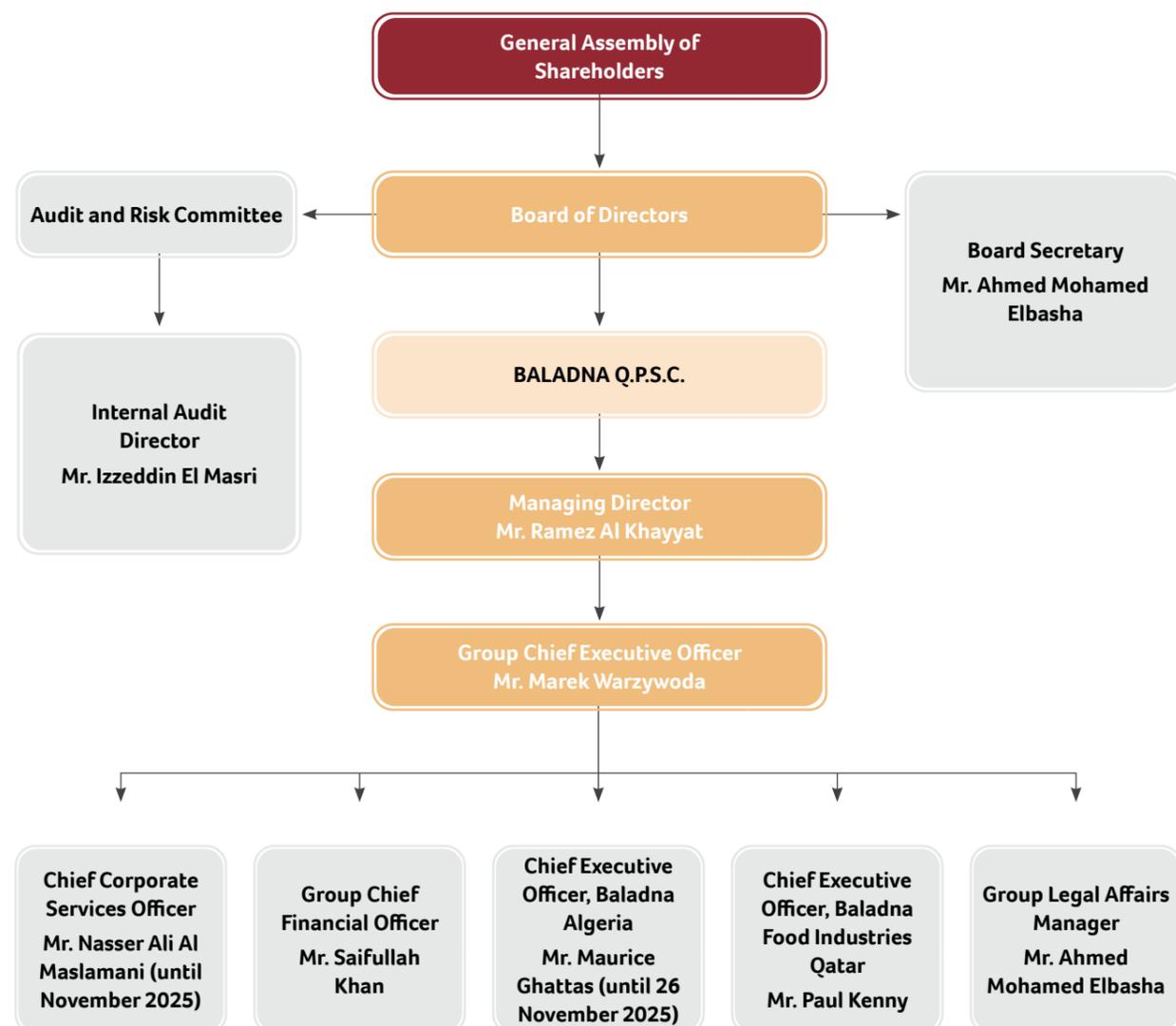
1. Managing the Company's business and that of its subsidiaries.
2. Representing the Company and its subsidiaries in signing governmental transactions and documents.
3. Executing contracts and agreements on behalf of the Company, both inside and outside the State.

Under the specific powers and authorities delegated to the Managing Director, certain decision-making and approval authorities have been further delegated to the Executive Management team in accordance with the Delegation of Authority Matrix approved by the Board of Directors. A comprehensive Delegation of Authority framework has been established to define the limits of authority granted to specific positions within the Company. The Delegation of Authority Matrix ensures efficiency and effectiveness in decision-making while achieving an appropriate balance between empowerment and control.

7. Delegation of Authority continued

On 30 December 2025, the Board of Directors reviewed the Company's Delegation of Authority and Responsibilities Matrix and unanimously approved amendments to the Delegation of Authority and Responsibilities Schedule, as well as the matrix of authorised bank signatories and authorised commercial registration signatories.

8. Organisational Structure



9. Executive Management

Senior Executive Management comprises the Company's key senior officers, headed by the Group Chief Executive Officer, and is responsible for implementing the Company's operations, activities and Board decisions in accordance with the strategies and policies approved by the Board of Directors and the Company's risk framework.

9.1 Biographies, Roles and Responsibilities of Executive Management Members

The Executive Management comprises the Company's executive directors and is headed by the Group Chief Executive Officer (GCEO) under the supervision of the Managing Director. It is responsible for the day-to-day management of the Company, holding regular meetings, and ensuring that its members report directly to the GCEO.

The primary role of Executive Management is to manage the Company's operational activities, implement strategies and plans approved by the Board of Directors, review business performance and organizational and operational matters, monitor key performance indicators (KPIs), oversee the execution of strategic initiatives and projects, and submit periodic reports to the Board regarding performance, risks, and any material issues. Additionally, Executive Management undertakes other related responsibilities as required.



Mr. Ramez Al Khayyat
Managing Director

Mr. Ramez Al Khayyat is a well-known entrepreneur and proven leader who brings a wealth of knowledge and experience in operations, risk management and business development. Mr. Ramez Al Khayyat started his career as a Board member for Al-Khayyat Contracting and Trading, working to expand and develop the company.

In 2011, he and his brother, Mr. Mohamed Moutaz Al Khayyat, founded Urbacon Trading and Contracting (UCC) in Qatar that has been a subsidiary of Urbacon Holding. As second-generation owners, Mr. Ramez Al Khayyat runs Urbacon Holding, the privately held company and holds the position of President. UCC has constructed many internationally renowned projects.

In 2015, Mr. Ramez Al Khayyat received recognition from the Socrates Committee in Oxford, UK, as Manager of the Year. They also recognised UCC as one of the Best Enterprises in the field of construction in Qatar. As the Vice Chairman and Group Chief Executive Officer of Power International Holding, Mr. Ramez Al Khayyat co-owns and manages a multitude of companies, operating in general contracting, agriculture and food industries, real estate development and lifestyle (hospitality,

entertainment and catering). The companies have grown horizontally by creating various affiliates. These operate across the world including Qatar, Europe, the UK, Turkey, Oman, the Maldives and Guyana, with plans for further expansion. Mr. Ramez Al Khayyat is also the Vice Chairman of Estithmar Holding Q.P.S.C.

Mr. Ramez Al Khayyat holds a degree in Global Business from the University of the West of Scotland.



Mr. Malcolm Jordan
Former Group Chief Executive Officer

Mr. Malcolm Jordan re-joined Baladna as the CEO at the beginning of the year 2023 and resigned in August 2025. Previous experience with Baladna as a CEO from 2019 to 2021, leading the Company through the IPO process and pandemic.

Prior to joining Baladna, Mr. Jordan was part of the leadership team of Almarai, the largest food manufacturer and distributor in the Middle East and the largest integrated dairy company in the world. During his tenure at Almarai, Mr. Jordan held several executive positions including Executive Vice President-New Business, Chief Executive Officer-IPNC, General Manager-Marketing, General Manager-Quality, Product Development and Innovation.

Having worked in the region for the past 28 years, Mr. Jordan has a proven track record of delivering superior commercial results, building highly motivated teams and leading business transformation, value chain optimisation and major innovation projects.

Mr. Jordan is a graduate in Food Technology from the West of Scotland Agricultural College in Scotland and holds a Certificate in Leadership Development from IMD in Switzerland.

9. Executive Management continued



Mr. Marek Warzywoda
Group Chief Executive Officer

Mr. Marek Warzywoda joined Baladna as Group Chief Executive Officer in August 2025.

Mr. Warzywoda has more than 20 years of executive experience in the food industry, particularly in the dairy sector, having held senior leadership roles within the Lactalis Group, the world's largest dairy company. Throughout his career, he has served as General Manager and Chief Executive Officer in several countries, including Poland, Brazil, Croatia, South Africa and the Kingdom of Saudi Arabia, with full responsibility for profit and loss (P&L), business operations, manufacturing facilities, brands and human resources.

He currently serves as General Manager of Lactalis in the Kingdom of Saudi Arabia, where he has successfully led the company's operations, delivering strong growth and sustainable profitability, while overseeing a major production facility, an integrated distribution network and regional export activities. He has also led multiple restructuring and business transformation initiatives across various markets, focusing on improving financial performance, managing capital expenditure (CAPEX) expansion, enhancing operational efficiency and building multicultural teams.

Mr. Warzywoda holds an MBA from London Business School, in addition to an academic background in Management and International Trade. He possesses strong leadership and strategic capabilities, with extensive experience in business development, change management and strengthening corporate governance, making him a valuable addition to any governance or supervisory framework.



Mr. Saifullah Khan
Group Chief Financial Officer

Mr. Saifullah Khan is responsible for the strategic management of Baladna's financial functions, leading the Company's IPO and international expansion to different geographies to maintain the growth. He has considerable experience in scaling financial operations and organisational restructuring and has a strong track record in delivering improved financial performance, productivity and governance.

Mr. Khan's career has spanned a range of sectors including construction, manufacturing and dairy, and he has served in senior level financial positions with a range of multinational companies such as NLC Pakistan and Qatar Power Construction.

Mr. Khan holds a Bachelor's degree in Accounting, a Master's degree in Finance, CPA Certification and an Executive MBA from HEC Paris.



Mr. Maurice A. Ghattas
Chief Executive Officer – Baladna Algeria (until 26 November 2025)

Mr. Maurice Ghattas served as Chief Executive Officer of Baladna Algeria. He has more than 30 years of professional experience across three different continents, spanning a wide range of industries, including oil and gas, construction, agriculture, HVAC (heating and air conditioning), aerospace, retail and hospitality, in addition to several other commercial sectors.

Mr. Ghattas has served on more than 50 boards of directors and has held various operational leadership roles, providing him with a unique and comprehensive insight into corporate operations and governance. He has led numerous growth initiatives as well as cost-reduction programmes, all aimed at enhancing corporate sustainability and long-term growth.

Mr. Ghattas is an Engineer and holds an MBA in Operations Management. He is also certified as a Six Sigma Black Belt and is experienced in Lean Thinking methodologies.

He has led several major change and transformation initiatives, particularly in business planning focused on feasibility and long-term growth. Throughout his career, Mr. Ghattas has held several senior executive positions, including Chief Executive Officer and Managing Director of Power International Holding Group, as well as Chief Operating Officer and Chief Supply Chain Officer for Fortune 500 companies, in addition to roles within several local family-owned businesses.

Mr. Ghattas relocated to the United Arab Emirates in 2005 to assume responsibility for the operations of WR Grace in the construction and oil and gas sectors.



Mr. Paul Kenny
Chief Executive Officer of Baladna Food Industries W.L.L.

Mr. Paul Kenny is an accomplished Senior Commercial and Marketing Executive with 30 years of experience in major international and regional FMCG companies. Specialising in business turnarounds and building local and international brands, the last 20 years have been spent within the GCC, working with all major dairy players, most recently Al Safi Danone, Nadec and Almarai. He has extensive experience in managing complex integrated businesses, developing and executing new routes to market models and creating fully integrated 360-degree brand campaigns.

Mr. Kenny possesses a process-driven approach to formulating customised strategies, particularly in under-performing business units, by leveraging a unique ability to enhance profitability through effective people management.

He holds a Graduateship of Marketing from the Marketing Institute of Ireland.



Mr. Nasser Ali Al Maslamani
Former Chief Corporate Services Officer (until 4 November 2025)

Mr. Nasser Al Maslamani holds an MBA from Henley Business School. He brings with him an array of experience from key sectors, ranging from the energy and financial sectors to the sports and tourism sectors.

Prior to joining Baladna, Mr. Al Maslamani served as the Director of Planning and Quality for Qatar Tourism. Before that, he served as the Human Resources Director for Qatar Stars League, and as a Project Manager for Qatar Financial Centre Authority. He was one of the founders of the Qatar Finance and Business Academy during his tenure.



Mr. Ahmed Mohamed Elbasha
Director of Legal Affairs

Mr. Ahmed Mohamed Elbasha is the director of legal affairs in Baladna. He joined the Company in 2019 and was a key participant in the establishment and listing of the Company.

Mr. Elbasha has more than 17 years of professional experience. Prior to joining Baladna, he worked as a Legal Adviser to GMC Investments Company (Arab Republic of Egypt), Legal Adviser to a CIB company (Arab Republic of Egypt), and Shareholder Affairs Officer for Salam International Investment Company SIIL (Qatar).

Mr. Elbasha obtained his Bachelor of Law in 2006 from the Arab Republic of Egypt, where he began his career as a lawyer and a member of the Arab Lawyers Union.

9. Executive Management continued

9.2 Compensation of Key Management Personnel

	For the year ended 31 December 2025 (QR)
Salaries and short-term benefits	13,389,951
Employees' end of service benefits	786,573
Total compensation of key management personnel	14,176,524

Baladna Q.P.S.C. did not grant any cash loans, guarantees or credit facilities to any member of the Senior Executive Management during the financial year ended 31 December 2025.

10. Insider Trading

One of the Board of Directors' key responsibilities is to ensure the proper implementation of sound governance practices relating to insider trading. Accordingly, the Board has approved a specific Insider Trading Policy to ensure the highest levels of integrity, transparency and disclosure. Compliance with this policy is mandatory for Board members, Executive Management and employees, subject to the following requirements:

- Members of the Board of Directors, Senior Executive Management, major shareholders and controlling shareholders are required to disclose the number of shares they own within 15 days of assuming office, as well as at the end of each financial year, and to disclose all trading transactions carried out by members of the Board and Executive Management in accordance with applicable laws, regulations and instructions.
- The Chairman and members of the Board of Directors of a listed company, its General Manager and any employees with access to material non-public information are prohibited - whether directly, indirectly, through third parties or on behalf of others - from trading in the securities of the Company itself, its parent, subsidiaries, affiliates or allied companies, if any of such companies are listed, during the blackout periods stipulated under applicable laws and regulations.
- The Company is committed to disclosing information related to insider trading activities and those of their relatives in the securities issued by the Company, its parent, subsidiaries or affiliates, including Board members, in accordance with relevant laws, regulations and instructions. This is achieved through the maintenance of a comprehensive and dedicated register of all insiders, including individuals who may be considered temporary insiders and who have access to the Company's internal information prior to its public disclosure. The register also includes pre- and post-trade disclosures made by insiders.
- Members of the Board and any employees with insider access are prohibited from using confidential information that may affect the price of securities for personal gain. Any such act or transaction shall be considered null and void.

11. Internal Control

The Company's internal control system aims to ensure the ability of the Board of Directors and Management to achieve the Company's business objectives. Effective internal control systems contribute to the protection of shareholders' investments and the Company's assets. The purpose of the Company's internal control systems is to ensure the establishment of robust internal controls, documentation of policies and procedures, monitoring compliance therewith and embedding such controls within the Company's routine management and governance processes.

The Internal Control Unit identifies, evaluates and manages the risks facing the Company, establishes effective risk controls and maintains such controls, including those related to financial reporting.

The Company conducts an annual review of internal controls over financial reporting covering all material financial balances. Management assesses the adequacy of design and operational effectiveness of these controls, and such assessment is reviewed by the Company's independent External Auditors.

The management evaluated the adequacy of the design and operating effectiveness of the Company's internal controls over financial reporting as at 31 December 2025. Based on this evaluation, the Management concluded that the internal controls over financial reporting were appropriately designed and operating effectively, with no material weaknesses identified.

The Company carries out a review of its internal controls over financial reporting on an annual basis with respect to all material financial balances, whereby the management assesses the adequacy of design and operating effectiveness of such internal controls over financial reporting. This assessment is reviewed by the Company's independent Auditors.

The Company's policies and procedures are considered adequate and effective; however, it is acknowledged that the system is designed to reduce, rather than eliminate, the risk of failure to achieve business objectives and cannot provide absolute assurance against misstatements or material losses.

The Board of Directors acknowledges its responsibility for the internal control system and has delegated oversight of internal audit management to the Audit Committee. The Audit Committee is responsible for nominating the appointment of the Head of Internal Audit and reviewing the effectiveness of the internal audit function.

The objective of the Internal Audit Department is to provide independent assurance and advisory services using a systematic and disciplined approach to enhance the effectiveness of risk management, internal control, compliance, governance and the integrity of the Company's operations. The Internal Audit Department is also responsible for monitoring compliance with applicable laws, regulations, resolutions and internal policies and procedures. Internal audit activities at Baladna comply with an approved Internal Audit Charter and Internal Audit Manual defining the purpose, authority and responsibilities of the function.

The overall control environment supporting financial reporting was appropriately designed and operated effectively during the year under review except for the certain observations were highlighted in IT General Controls in the areas of manage access and manage change, such as multiple users having inappropriate privileged access, lack of segregation of duties with respect to development and deployment of application changes and instances of direct changes to the system without review. These exceptions were addressed prior to year-end and did not constitute a material weakness in our ICOFR evaluation as at 31 December 2025.

On 09 October 2024, Mr. Izzeddin Fawaz Masri was appointed as the risk and internal audit director and the head of internal control unit reporting to the audit and risk committee.

Qualifications of Mr. Izzeddin Fawaz Masri

Mr. Izzeddin Fawaz Masri is a dedicated and results-driven leader with over 16 years of extensive experience leading internal audit, risk management, compliance and corporate governance functions.

Prior to joining Baladna, Mr. Izzeddin left a distinguished legacy in establishing internal audit departments for several listed companies in the State of Qatar, with a wealth of experience in formulating audit strategies, improving operations and promoting a culture of integrity.

Mr. Izzeddin Fawaz Masri holds a bachelor's of science degree in Administrative Sciences with Major in Accounting, and Minor in Financial and Banking Sciences and is a Certified Public Accountant (CPA) from the American Institute of Certified Public Accountants.

11.1 Risk Management

Risk management represents a core pillar of Baladna's strategy and its ability to achieve long-term objectives. The Board of Directors has established a risk and control framework designed pragmatically to support the Company's strategic goals. Risk management is embedded at the heart of leadership decision-making, which is where the Company believes it should reside.

The Board oversees the Company's risk management strategy and holds overall responsibility for defining the Company's risk appetite. These risk appetite levels guide the nature and extent of risks the Company is willing to accept in executing its business model and creating sustainable shareholder value.

The Company adopts a moderate risk appetite, balancing sustainable growth opportunities with disciplined risk management. The Audit Committee evaluates compliance with risk management processes and the adequacy of risk-related activities associated with the Company's operations. Management periodically reviews the risk appetite and overall risk strategy and submits recommendations to the Board through the Audit Committee to ensure sufficient controls and mitigation measures are in place for identified key risks.

Baladna applies a robust and structured risk management methodology, encompassing the following steps: risk identification, assessment, prioritisation, mitigation, monitoring and reporting.

12. External Auditors

The General Assembly is responsible for approving the appointment of the External Auditor and determining its remuneration. At the General Assembly meeting held on 3 March 2025, shareholders approved the appointment of Ernst & Young – Qatar as the Company’s External Auditor for the financial year 2025, with total audit fees amounting to QR 758,575 for both audit and non-audit, in accordance with Article (141) of the Commercial Companies Law.

Ernst & Young is one of the world’s leading professional services firms and a member of the Big Four, headquartered in the United Kingdom, and is globally recognised for its audit services. The firm has served as the Company’s External Auditor since its appointment by the Annual General Assembly held on 3 March 2025. Mr. Ahmed Sayed, Partner at Ernst & Young, is the signing partner issuing the Independent Auditor’s Report.

The External Auditor did not report any qualifications on the Company’s semi-annual, or annual consolidated financial statements as at 31 December 2025. Further details are provided in the Independent Auditor’s Report accompanying the financial statements.

13. Corporate Social Responsibility

Baladna’s approach to Corporate Social Responsibility (CSR) is centred on the concept of creating “shared value” for all stakeholders across economic, environmental and social dimensions. Accordingly, the Company’s CSR programme is structured around four main pillars: Community, Workplace, Nutrition and Wellbeing, and Environment and Sustainability.

At Baladna, the essence of shared value lies in the Company’s ability to generate private value that, in turn, creates broader societal value.

During the period from 1 January 2025 to 31 December 2025, the total amount spent on CSR initiatives amounted to QR 15,166,585, with the Social and Sports Activities Support Fund being one of the key initiatives.

14. Protection of Shareholders’ and Stakeholders’ Rights

The protection of shareholders’ and stakeholders’ rights is a fundamental pillar of the Company’s governance framework. Baladna is committed to safeguarding these rights in accordance with applicable laws and regulations and considers them an integral part of its governance system.

The Company ensures due diligence in all its transactions, optimising the efficient use of resources to maximise shareholder value.

In compliance with the Corporate Governance Regulations for Listed Companies, the Commercial Companies Law, and the Company’s Articles of Association, Baladna is committed to protecting shareholders’ rights, ensuring equal treatment and enabling them to exercise all statutory rights, including attendance at General Assembly meetings, voting, electing Board members and timely access to material information.

The Company also safeguards the rights of other stakeholders, including employees, creditors and suppliers, by providing effective communication channels that allow them to report concerns related to illegal or unethical practices. Such reports are handled with confidentiality and impartiality, with protection against any form of retaliation.

Baladna affirms that the protection of shareholders’ and stakeholders’ rights is an integral component of its governance framework and applies strict internal policies and controls to ensure equal rights and safeguard assets from misuse by the Board, Executive Management or related parties.

In this regard, the Company guarantees shareholders’ rights, including but not limited to:

- Rights related to profits and dividend distributions.
- The right to access material information and data.
- Rights related to General Assemblies, voting and election of Board members.
- Facilitating effective participation in key decision-making.
- Rights related to material transactions.
- The right to complaint and litigation.

15. Dealing with Rumours

Baladna has a policy for disclosure and communication that includes a policy for dealing with rumours. The charter of the Board of Directors also stipulated the appointment of an official spokesperson for the Company, who is responsible for making official statements, responding to rumours and all enquiries, as well as providing the correct information to the public.

16. Ownership Structure and Share Performance

16.1 Shareholders’ Register

Baladna receives an updated shareholders’ register on a monthly basis from Edaa. The Company also regularly submits an updated list of insiders to Edaa and promptly updates it whenever changes occur.

16.2 Ownership Distribution by Nationality

Ownership distribution of shareholders as at 31 December 2025.

	National		GCC		Arab		Foreign		Total	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Individual	1,339,888,183	62.495%	2,222,748	0.104%	78,200,317	3.647%	24,116,573	1.125%	1,444,427,821	67.371%
Companies	341,403,823	15.924%	5,660,849	0.264%	368,000	0.017%	101,847,023	4.750%	449,279,695	20.955%
Governments	250,115,420	11.666%	-	0.000%	-	0.000%	-	0.000%	250,115,420	11.666%
Institutions	162,026	0.008%	-	0.000%	-	0.000%	-	0.000%	162,026	0.008%
Total	1,931,569,452	90.092%	7,883,597	0.368%	78,568,317	3.665%	125,963,596	5.875%	2,143,984,962	100.000%

16. Ownership Structure and Share Performance continued

16.3 Shareholders Owning 5% or more of the Company's Share Capital

Shareholder	No. of Shares as at 31 December 2025	Shareholding % as at 31 December 2025
Mr. Mohamed Moutaz Al Khayyat	290,654,332	13.557%
Mr. Ramez Al Khayyat	294,675,105	13.744%
General Retirement and Social Insurance Authority (GRSIA)	201,176,687	9.383%
Total	786,506,124	36.684%

16.4 Share Distribution based on the Size of Ownership as at 31 December 2025

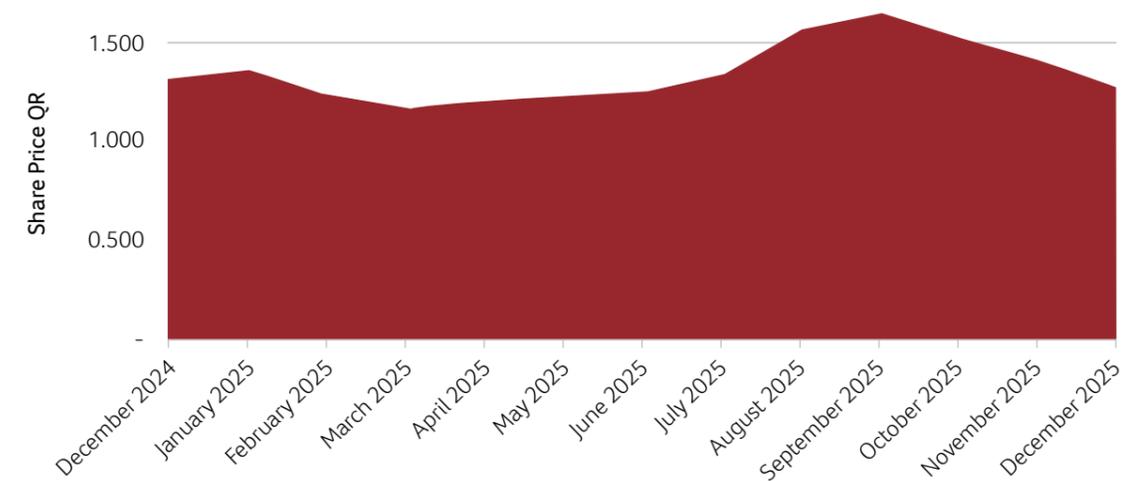
Ownership of Shares	No. of Shareholders	Shares Owned	Shares as a % of Capital
Less than 50,000 shares	26,816	200,584,036	9.356%
50,000 - less than 500,000 shares	1,961	243,658,708	11.365%
500,000 - less than 5,000,000 shares	260	337,527,465	15.743%
More than or equal 5,000,000 shares	31	1,362,214,753	63.537%
Total	29,068	2,143,984,962	100.000%

16.5 Share Performance during 2025

Baladna share price at the end of each month in 2025 compared to the market and industry index.

Month	Closing price QR	Max. price QR	Min. Price QR	AVG. Price QR	Market Index	Sector Index
January	1.371	1.380	1.360	1.325	10,666.71	7,839.39
February	1.253	1.256	1.226	1.303	10,445.69	7,669.33
March	1.171	1.180	1.170	1.181	10,232.95	7,802.91
April	1.213	1.221	1.210	1.200	10,459.88	7,926.40
May	1.234	1.238	1.224	1.253	10,463.04	7,995.99
June	1.262	1.297	1.258	1.223	10,749.48	8,051.29
July	1.340	1.347	1.316	1.304	11,261.62	8,394.70
August	1.565	1.601	1.561	1.579	11,222.38	8,449.96
September	1.650	1.660	1.627	1.600	11,052.82	8,565.94
October	1.527	1.541	1.518	1.598	10,956.78	8,433.11
November	1.423	1.487	1.402	1.408	10,615.07	8,275.28
December	1.279	1.302	1.265	1.340	10,762.51	8,327.33

Baladna Share Price



17. Investor Relations

In compliance with the rules and regulations imposed by Qatar Exchange on investor relations for listed companies, Baladna has implemented the following measures:

- Appointment of an Investor Relations Officer: Mr. Samith Kandearachchi is the Investor Relations Officer in addition to his role as Baladna's Senior Accounting Manager. The following are his contact details:
E-mail: s.kandearachchi@baladna.com
Phone: +974 50272948
- Maintenance of effective communication with the shareholders: Baladna regularly announces its results to QFMA, Qatar Stock Exchange and shareholders by way of interim statements, quarterly, semi-annual and annual results. Significant matters relating to share trading or business development are disclosed to QFMA, QSE and the general public by way of market disclosures and announcements in accordance with the related provisions of applicable laws and regulations, in addition to press releases and postings on Baladna's website.

Furthermore, Baladna's investor relations function includes:

- Quarterly conference calls on financial results with the investment community
- Responding to enquiries from shareholders through Baladna's investor relations function
- Meetings between investors, analysts and Senior Management
- Regular investor conferences organised by the investment community
- Maintaining a dedicated Investor Relations webpage on the Company's website, which includes annual reports, quarterly results, the corporate governance report, analyst coverage, investor presentations, share price information and dividend-related information. (<https://baladna.com/corporate>)

The Company uses the above link to update and publish information and data that has already been disclosed, in addition to other information related to the Company and its shareholders.

18. Disclosure and Transparency

The Board of Directors is committed to the best practices of disclosure and communication in compliance with the principles and rules of governance, integrity and transparency. The Company adheres to all disclosure requirements and issues all financial reports, audit reports and all essential information related to the Company. This is in line with international best practices.

The Board has adopted a clear policy of disclosure and communication to establish a relationship of transparency and integrity with shareholders, by informing them of the Company's developments on a regular basis with the aim of encouraging investment in the Company's shares, which adopted the following:

- Disclosing the number of shares of Board members, senior executive management and major or controlling shareholders.
- Disclosing any essential information related to current projects, the projects it intends to enter or any projects or information that affects the stock price.
- The Company is committed to publishing financial reports in local newspapers, on the stock exchange's website and on the website.
- Disclosing the names of the members of the committees emanating from the Council, and the framework and systems of their work.
- Financial statements are published in two local daily newspapers, on the Company's website and on the stock exchange's website.
- The Company annually publishes a governance report on its website.
- The Company has appointed an official spokesperson authorised to issue statements and press releases on everything related to the Company, and is responsible for responding to rumours and all enquiries.
- The Company provides all information that concerns shareholders on its website in a way that ensures easy access, and it is updated periodically.

19. General Assembly Meeting

Baladna held its Annual General Assembly meeting on 3 March 2025, and the following decisions were taken:

1. Approval of the Board of Directors' report on the Company's activities and the financial position for the financial year ended 31 December 2024, and the Company's business plan for the year 2025.
2. Approval of the external auditor's report on the Company's consolidated financial statements for the year ended 31 December 2024.
3. Approval of the Company's audited consolidated financial statements, for the financial year ended 31 December 2024, including the consolidated statements of profit or loss and other comprehensive income, and the consolidated statements of financial position.
4. Approval of the Company's Corporate Governance report and report on internal controls over financial reporting for the year ended 31 December 2024.
5. Approval of the proposal of the Board of Directors to distribute bonus shares at a rate of 1 share for each 19 share (equivalent to 0.053 shares for each share) for the year ended 31/12/2024. The eligibility for receiving the free shares shall be for the shareholders registered in the shareholders' registry with the depository (EDAA) at the end of the trading day on which the Ordinary General Assembly meeting is held.
6. Approval of discharge the Board of Directors from any liability relating to their directorship duties and responsibilities for the financial year ended 31 December 2024 and approved the Board's recommendation to award bonuses to the board members for the financial period ended 31 December 2024.
7. Approval of the appointment of external auditors (Ernst & Young Qatar) as the Company's external auditors for the financial year 2025 and approved their fees as per the Board's recommendation.

The Company also held an Extraordinary General Assembly (EGA) on 9 March 2025, during which the following resolutions were adopted:

1. Approval of a 5.26% increase in the Company's share capital through the distribution of bonus shares at a ratio of one share for every 19 shares, resulting in a share capital of QR 2,001,052,631, divided into 2,001,052,631 shares.
2. Approval of the amendment of Article (6) (Share Capital) of the Articles of Association and any related provisions.
3. Authorisation of the Managing Director to take all necessary actions and exercise full authority to implement the EGA resolutions, complete the amendment of the Articles of Association and sign all related documents before the Ministry of Justice and the Ministry of Commerce and Industry.

Baladna held an Ordinary General Assembly on 4 November 2025, during which approval was granted for the distribution of interim dividends for the first half of 2025 and retained earnings, amounting to QR 142,932,331, in the form of bonus shares (142,932,331 shares), at a ratio of one share for every 14 shares (equivalent to 0.071 shares per share).

The Company held an Extraordinary General Assembly on 6 November 2025, during which the following resolutions were adopted:

1. Approval of a 7.1% increase in the Company's share capital through the distribution of bonus shares at a ratio of one share for every 14 shares, to be issued following approval of the capital increase. As a result, the Company's share capital became QR 2,143,984,962, divided into 2,143,984,962 shares, with any fractional shares allocated to Baladna, if applicable.
2. Approval of amendments to Articles (6), (7), and (8) of the Articles of Association related to the Company's share capital.
3. Authorisation of the Company's Managing Director, Mr. Ramez Al Khayyat, to take all necessary actions and exercise full authority to implement the EGA resolutions, complete the amendments to the Articles of Association, and sign all related documents before the Ministry of Justice, Ministry of Commerce and Industry, QFMA, Qatar Exchange and Edaa.

The Company held an Extraordinary General Assembly on 17 December 2025, during which the following resolutions were adopted:

1. Approved of an increase of Company's current paid-up capital 24% from QR 2,143,984,962 to QR 2,658,541,352 by issuing 514,556,390 new ordinary shares. Priority will be given to eligible shareholders registered in the shareholders' register with Edaa at the end of the trading session on 10 March 2026, as well as to those holding subscription rights, at an issue price of QR 1.01 (Nominal value of QR 1.00 plus an issue premium of QR 0.01, subject to the approval of the relevant competent regulatory authorities.)
2. Approval of the mechanism for trading the subscription rights granted to the Company's shareholders in accordance with the provisions of Article (195) of the Commercial Companies Law No. (11) of 2015, as amended by Law No. (8) of 2021, and the Regulations for Offering and Listing of Securities and the Subscription Rights Trading Regulations issued by the Qatar Financial Markets Authority.
3. Approved to authorize the Chairman of the Board and/or the Managing Director, jointly or individually, to amend/update the priority rights trading period and the subscription date and duration as may be required by regulatory authorities or relevant parties, provided that such amendments shall not exceed one year from the date of the Assembly's approval. In addition, the EGM authorized the Board of Directors to dispose of fractional shares resulting from the subscription process in accordance with the applicable procedures and regulations. It was clarified that fractional shares will not be counted as part of any subscriber's allocation, and subscribers' shares will be calculated in whole numbers only after excluding any fractions.
4. Approved the amendment to Article 6 of the Articles of Association relating to the Company's capital, following completion of the capital increase.

20. Whistleblowing

Baladna maintains robust guidelines, channels, safeguards and protection mechanisms to encourage whistleblowing in Baladna. The Whistleblowing Policy at Baladna encourages employees to raise genuine concerns within the Company without fear of reprisals, rather than overlooking a problem. The Whistleblowing Policy at Baladna provides guidelines on the whistleblowing concept and sets minimum standards for these matters within Baladna to ensure any such cases reported by the employees in good faith are properly dealt with. Thus, the objective of this policy is to provide employees with a channel for whistleblowing, to ensure appropriate action is taken on a timely basis and to ensure Baladna's reputation is maintained.

Generally, this misconduct is a violation of law(s), rule(s) and regulation(s): fraud, bribery, health and safety violations, corruption and/or a direct threat to public interest. Whistleblowing encourages employees to report wrongdoings or violations that they are aware of or have suspicions or concerns about, to earmark the responsible and designated internal authority within Baladna, so that appropriate action can be taken immediately to resolve the problem. Furthermore, it serves to minimise the Company's exposure to reputational or financial damage that may occur when employees circumvent internal mechanisms and demonstrates to employees and stakeholders that Baladna is serious about adherence to its Code of Conduct.

21. The Company's Irregularities and Violations

The Board of Directors and Executive Management are committed to complying with all applicable laws, regulations and rules, particularly the Corporate Governance Regulations for Listed Companies and Commercial Companies Law No. (11) of 2015, as amended.

During the period from 1 January 2025 to 31 December 2025, no fines or financial penalties were imposed on the Company by the Qatar Financial Markets Authority or any other legal authority.

22. Disputes, Litigation and Arbitration

The Company confirms that no regulatory violations or penalties were recorded during the financial year. Should any arise, they will be duly disclosed along with their causes and corrective actions. There were no material legal claims, lawsuits or arbitration proceedings, whether initiated by or against the Company, that could have a material impact on the Company's operations, financial position or share price. Additionally, there were no arbitration proceedings or regulatory disputes that could affect the Company's financial or operational position.

23. Conflict of Interests and Code of Conduct

The Company adopts a policy that ensures the confidentiality and integrity for any reports of illegal actions relating to employees and general performance measures, which are clarified in Baladna's Code of Conduct. The Code includes the expected behaviour of employees, particularly regarding compliance with laws and regulations.

Employees must avoid conflicts of interest, particularly in commercial transactions, business administration and activities, using the Company's assets, records and information, and relationships with related parties outside the Company. No employee may accept or request gifts or bribes, loans or bonuses, prizes or commissions. The Company is resolved to combat all forms of conflicts of interest in addition to other matters.

Furthermore, the Company complies with Articles 108,109, 110 and 111 of the Commercial Companies Law No. 11 for 2015 and its amendments that states the following:

1. The Chairman or a Board member may not participate/engage in any business that competes with the Company's business, or may not be involved, either on his/her own behalf or on others' behalf, in any type of business or activities in which the Company is engaged, otherwise the Company is entitled to ask him/her for compensation or take the ownership of the activities he/she is engaged in.
2. The Chairman, a Board member or a Director is not permitted to practice any activity that is similar to the Company's activities, or to have any direct or indirect interest in contracts, projects and covenants made in favour of the Company.
3. The Company may not offer a cash loan of any kind to any member of its Board of Directors or to guarantee any loan held by one of them with others or make an agreement with banks or other credit companies to lend money to any of the Board members or open a facility or guarantee a loan with other parties beyond the terms and conditions set by the Central Bank of Qatar. Agreements beyond the provisions of this Article will be considered null and void, and the Company retains its rights to request compensation, when necessary, from the offending parties.
4. It is prohibited for the Chairman and the Board members, or the Company's staff, to take advantage of any information delivered to his/her knowledge by virtue of his/her membership or position for the benefit of him/herself, his/her spouse, his/her children or any of his relatives to the fourth degree, either directly or indirectly, as a result of dealing in securities of the Company. Nor may they have any interest, directly or indirectly, with any entity conducting operations intended to make a change in the securities prices issued by the Company. This ban stays in effect for three years after the expiry of the person's membership on the Board of Directors or the expiry of his work at the Company.



24. Related Party Transactions

During the year 2025, the Company entered into transactions with related parties in accordance with the approved Related Party Transactions Policy and after obtaining the necessary approvals in line with the Board-approved delegation of authority.

The table below sets out the details, values, and pricing basis of these transactions. The Company confirms that all such transactions were conducted on a purely commercial basis, under arm's length terms, without granting preferential conditions or advantages, and in line with prevailing market practices and the Company's best interests. Purchases and sales for the year ended 31 December 2025:

Related Party	Nature of transactions	For the year ended 31 December 2025		
		Revenue (QR)	Purchases (QR)	Services (QR)
Yemek Doha Catering Services W.L.L.	Sales of dairy products and juices	25,653,809	-	-
Aura Hospitality W.L.L.	Brand income from restaurants/sales of dairy products and juices/detergent sales	4,312,696	-	174,975
Elegancia Group W.L.L.	Detergent sales	1,752,987	-	-
Distri Mart L.L.C	Sales of dairy products and juices	872,992	-	-
Elegancia Facility Management Limited W.L.L.	Landscaping services	356,809	-	1,010,966
Assets Real Estate Development Co. W.L.L.	Sales of dairy products and juices	225,763	-	-
Elegancia Landscape W.L.L.	Compost sales	132,400	-	-
Power International Holding W.L.L.	Shared services expenses	-	-	16,924,679
Aura Entertainment W.L.L.	Brand revenue from restaurant sales/sales of dairy products and juices	-	-	985,016
Aura International for Hospitality Services W.L.L.	Warehouse rentals	-	19,152	219,032
Urbacon Plant, Machinery and Vehicles (A Branch of Urbacon Trading and Contracting Company W.L.L.)	Equipment rental income/ equipment rental expenses	-	-	574,443
Joury Tour & Travels W.L.L.	Staff tickets and business travel expenses	-	-	4,008,180
Stark Security W.L.L.	Security services	-	-	2,161,334
Printshop for Printing Services W.L.L.	Printing services	-	-	82,737
Credo Trading Company W.L.L.	Supply of chemicals	-	206,920	-
General Pension and Social Security Authority	Staff pension fund	-	-	276,802
Newrest Gulf L.L.C.	Food expenses	-	-	8,179,550
Gemini-X Trading	Marketing and advertising services	-	-	215,250
Others	Sales of dairy products and juices	69,619	9,493	450,203
Total		33,377,075	235,565	35,263,167

Note i:

The Company has a contract with a related party, Urbacon Trading and Contracting W.L.L., for the lease of staff accommodation. The Company did not make any lease payment during the year (2024: QR 45,606,588).

Capital Expenditure

Related Party	Nature of transactions	For the year ended 31 December 2025 (QR)
Urbacon Trading and Contracting W.L.L.	Construction work	3,137,048
Elegancia Electro Mechanical Services W.L.L.	Supply and installation of utilities	3,056,513
Golden Bay Trading and Contracting W.L.L.	Construction work	1,909,293
Aura Entertainment W.L.L.	Construction work	1,530,837
Joury Tour & Travels W.L.L.	Logistics for construction work	923,207
Elegancia Water Solutions W.L.L. (previously Watermaster Qatar W.L.L.)	Construction work	107,171
Credo Trading Company W.L.L.	Construction work	43,878
Others		30,000
Total		10,737,947

Due from Related Parties

Related Party	As at 31 December 2025 (QR)
Aura Hospitality and Food Services W.L.L.	10,028,939
Elegancia Stell Trading W.L.L.	7,050,000
Yemek Doha Catering Services W.L.L.	5,952,405
Golden Bay Trading and Contracting W.L.L.	1,505,000
Urbacon Trading and Contracting W.L.L.	1,315,776
Elegancia Group W.L.L.	1,089,985
Distri Mart L.L.C	872,992
Power International Holding W.L.L.	547,911
Elegancia Landscape W.L.L.	364,920
Assets Real Estate Development Co. WLL	275,243
Aura Lifestyle	179,262
Elegancia Facility Management W.L.L.	151,091
Al Maha Island W.L.L.	69,516
Printshop for Printing Services W.L.L.	46,057
QLM Life and Medical Insurance	7,910
Total	29,457,007

Due to Related Parties

Related party	As at 31 December 2025 (QR)
Elegancia Electro Mechanical Services W.L.L.	2,546,290
Aura Entertainment W.L.L.	2,523,349
Power International Holding W.L.L.	1,190,000
Newrest Gulf L.L.C.	640,276
Aura International for Hospitality Services W.L.L.	458,178
Joury Tour & Travels W.L.L.	227,555
Elegancia Water Solutions W.L.L. (previously Watermaster Qatar W.L.L.)	118,371
Gemini-X Trading LLC	117,950
The Zone Gym W.L.L.	50,000
Urbacon Plant, Machinery and Vehicles (A Branch of Urbacon Trading and Contracting Company W.L.L.)	43,950
Credo Trading Company W.L.L.	43,788
Stark Security W.L.L.	29,200
Elegancia Gabro Trading and Transport W.L.L.	7,693
Union Iron Steel L.L.C. (United Arab Emirates)	791
Total	7,997,391

25. Significant Events during 2025

- Successfully launched 33 new SKUs across all categories/channels and maintained the market leadership in six major product categories.
- Baladna distributed a bonus share dividend to its shareholders at a ratio of one share for every 19 shares held, rewarding shareholders for the year ended 31 December 2024. Building on this, a further bonus share dividend of approximately 143 million shares, on a one-for-fourteen basis, was executed in November 2025 as interim dividend distribution.
- Baladna Algeria signed the definitive agreement with the Algerian Ministry of Agriculture to implement a landmark integrated powdered milk project, supported by a USD 3.5 billion investment.
- An off-take agreement was signed with Algeria's National Interprofessional Office for Milk and Dairy Products (ONIL) to purchase powdered milk produced by the project, supporting national self-sufficiency objectives.
- Baladna unveiled refreshed packaging across its product range, enhancing shelf presence, brand consistency and customer engagement.
- Baladna Algeria signed initial contracts exceeding USD 500 million with a consortium of local and international partners, marking the official launch of Phase 1.
- The Board approved an integrated industrial project in Syria encompassing dairy, juice, packaging and water treatment facilities, with an estimated investment of USD 250 million.
- The Board approved the establishment of a wholly owned subsidiary in Egypt to provide back-office and shared support services.
- Mr. Marek Warzywoda joined as the Group Chief Executive Officer, bringing global dairy leadership experience to support Baladna's international growth ambitions.
- Baladna Food Industries recorded an ICV score of 82.47% under Qatar's Tawteen programme, reinforcing its leadership in local value creation.
- The Company received recognition at the 17th MEIRA Awards, marking its fifth consecutive year of acknowledgement for high-quality investor communications.
- Qatar Vision for Support and Services was formally incorporated in Egypt as a wholly owned subsidiary to provide back-office and shared support services.
- Baladna introduced its National Talent Programme to support graduate development and strengthen local leadership capabilities in line with Qatar National Vision 2030.
- An Extraordinary General Assembly approved a 24% capital increase through a rights issue to support international expansion projects.

26. Statement of Compliance

The Board of Directors acknowledges that this Report has been prepared in accordance with the Corporate Governance Code for Companies and Legal Entities Listed on the Main Market, issued by the Qatar Financial Markets Authority (QFMA) pursuant to Board Resolution No. (5) of 2016. The Company is assessing the Corporate Governance Code for Listed Companies issued by the Qatar Financial Markets Authority (QFMA) pursuant to Board Resolution No. (5) of 2025, issued in August 2025 ("Corporate Governance Code for Listed Companies").

The Company further confirms that it is in the process of aligning its policies, practices, and disclosures to ensure full compliance with the provisions of the new Corporate Governance Code within the statutory grace period for compliance adjustment, August 2026.

27. Conclusion and Signature

This report reflects Baladna's firm commitment to applying the highest standards of corporate governance and to embedding the principles of transparency, accountability and integrity across all its practices. This commitment ensures sound decision-making, effective management of resources and an appropriate balance between the interests of shareholders and all stakeholders. Effective corporate governance remains a key pillar in supporting the sustainability of the Company's operations, strengthening its resilience and enabling long-term sustainable growth.

The Corporate Governance report for the year 2025 confirms the Company's full compliance with the requirements of the Corporate Governance Code for Listed Companies issued by the Qatar Financial Markets Authority, as well as its adherence to recognised best practices. This compliance enhances the confidence of shareholders and investors and reinforces the Company's position as a leading national company contributing effectively to food security and the promotion of self-sufficiency.

In this context, Baladna's commitment to sustainability and to fostering constructive collaboration among all stakeholders forms the foundation for ensuring long-term growth and embedding responsible business practices. This approach represents a model to be emulated by companies and economies that place food security at the forefront of their strategic priorities.

As the Company enters a new year with a renewed vision and a positive outlook for the future, the Board of Directors expresses its pride in Baladna's continued fulfilment of its obligations and its national role in supporting the State of Qatar's vision to achieve self-sufficiency and strengthen food security, through sound management, responsible decision-making and an integrated governance framework that supports the achievement of the Company's strategic objectives.

Accordingly, the Board of Directors has prepared this Corporate Governance report and disclosed all information related to the application of governance principles and provisions during the financial year, in affirmation of the Company's commitment to transparency, compliance and accountability, and in accordance with the applicable laws and regulations.

Yours sincerely,

Mr. Mohamed Moutaz Al Khayat
Chairman of the Board

Directors' Report on Internal Controls Over Financial Reporting (ICOFR)

Assessment Report on Internal Controls Over Financial Reporting:

The Board of Directors of Baladna Q.P.S.C. (the "Company") and its subsidiaries (together referred as the "Group" or "Baladna") is responsible for establishing and maintaining adequate internal controls over financial reporting ("ICOFR") as required by Qatar Financial Markets Authority ("QFMA"). Our internal controls over financial reporting are a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's consolidated financial statements for external reporting purposes in accordance with IFRS Accounting Standards. ICOFR also includes our disclosure controls and procedures designed to prevent misstatements.

We have conducted an evaluation of the design, implementation, and the operating effectiveness of internal controls over financial reporting, as of 31 December 2025, based on the framework and the criteria established in Internal Control – Integrated Framework (2013), issued by the Committee of Sponsoring Organisations of the Treadway Commission ("COSO").

The assessment covered all material aspects of the business as at 31 December 2025, for the period from 1 January 2025 to 31 December 2025.

Risks in Financial Reporting

The main risks in financial reporting are that either financial statements do not present a true and fair view due to unintentional or intentional errors or the publication of financial statements is not done on a timely basis. A lack of fair presentation arises when one or more financial statement amounts, or disclosures contain misstatements (or omissions) that are material.

Misstatements are deemed material if they could, individually or collectively, influence economic decisions that users make based on the financial statements.

To restrain those risks of financial reporting, Baladna has established ICOFR with the aim of providing reasonable but not absolute assurance against material misstatements. We conducted an assessment of the effectiveness of Baladna's internal controls over financial reporting based on the framework established in the Internal Control Integrated Framework (2013), issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO). COSO recommends the establishment of specific objectives to facilitate the design and evaluate adequacy of a control system. The COSO Framework includes 17 basic principles, and the following 5 components.

- Control environment
- Risk assessment
- Control activities
- Information and communication
- Monitoring

Controls covering each of the 17 principles and 5 components have been identified and documented. As a result, in establishing ICOFR, management has adopted the following financial statement objectives:

- Existence/Occurrence – assets and liabilities exist, and transactions have occurred.
- Completeness – all transactions are recorded; account balances are included in the financial statements.
- Valuation/Measurement – assets, liabilities and transactions are recorded in the consolidated financial reports at the appropriate amounts.
- Rights, Obligations and Ownership – rights and obligations are appropriately recorded as assets and liabilities.
- Presentation and Disclosures – classification, disclosure and presentation of financial reporting is appropriate

However, any internal control system, including ICOFR, no matter how well designed and operated, can provide only reasonable, but not absolute assurance that the objectives of that control system are met. As such, disclosure controls and procedures or systems for ICOFR may not prevent all errors and fraud. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs.

Organisation of the Internal Control System

Functions involved in the system of Internal Control over Financial Reporting

Controls within the system of ICOFR are performed by all business functions and support functions with an involvement in reviewing the reliability of the books and records that underlie the consolidated financial statements. As a result, the operation of ICOFR involves staff based in various functions across the organisation.

Controls to minimise the risk of financial reporting misstatement

The system of ICOFR consists of a large number of internal controls and procedures aimed at minimising the risk of misstatement of the consolidated financial statements.

Such controls are integrated into the operating process and include those which:

- Are ongoing or permanent in nature such as supervision within written policies and procedures or segregation of duties.
- Operate on a periodic basis such as those which are performed as part of the annual consolidated financial statement preparation process.
- Are preventative or detective in nature.
- Have a direct or indirect impact on the consolidated financial statements themselves. Controls which have an indirect effect on the consolidated financial statements include entity level controls and IT general controls such as system access and deployment controls whereas a control with a direct impact could be, for example, a reconciliation which directly supports a balance sheet line item.
- Feature automated and/or manual components. Automated controls are control functions embedded within system processes such as application enforced segregation of duty controls and interface checks over the completeness and accuracy of inputs. Manual internal controls are those operated by an individual or group of individuals such as authorisation of transactions.

Measuring Design, Implementation and Operating Effectiveness of Internal Control

For the financial year 2025, the Group has undertaken a formal evaluation of the adequacy of the design, implementation and operating effectiveness of the system of ICOFR. This evaluation incorporates an assessment of the design, implementation and operating effectiveness of the control environment as well as individual controls which make up the system of ICOFR taking into account:

- The risk of misstatement of the financial statement line items, considering such factors as materiality and the susceptibility of the particular financial statement item to misstatement.
- The susceptibility of identified controls to failure, considering such factors as the degree of automation, complexity, risk of management override, competence of personnel, and the level of judgement required.

These factors, in aggregate, determine the nature, timing and extent of evidence that management requires to be able to assess whether the design, implementation and operating effectiveness of the system of ICOFR is effective. The evidence itself is generated from procedures integrated within the daily responsibilities of staff or from procedures implemented specifically for purposes of the ICOFR evaluation. Information from other sources also form an important component of the evaluation since such evidence may either bring additional control issues to the attention of management or may corroborate findings.

The evaluation has included an assessment of the design, implementation, and operating effectiveness of controls within various processes including ELC, IT General controls, Revenue, receivable and receipt, Procure to Pay, Human Resource and payroll, Treasury, Fixed assets and intangibles, Biological assets, Inventory and General ledger and financial reporting.

Independent Assurance Report to the Shareholders of Baladna Q.P.S.C.

Evaluation and Conclusion

The overall control environment supporting financial reporting was appropriately designed and operated effectively during the year under review except for the certain observations were highlighted in IT General Controls in the areas of manage access and manage change, such as multiple users having inappropriate privileged access, lack of segregation of duties with respect to development and deployment of application changes and instances of direct changes to the system without review. These exceptions were addressed prior to year-end and did not constitute a material weakness in our ICOFR evaluation as at 31 December 2025.

Mr. Mohamed Moutaz Al Khayyat

Chairman of the Board

Report on the Compliance with the Qatar Financial Markets Authority's Law and relevant legislations including the Governance Code for Companies & Legal Entities Listed on the Main Market

Introduction

In accordance with Article 24 of the Governance Code for Companies & Legal Entities Listed on the Main Market Issued by the Qatar Financial Markets Authority ("QFMA") Board pursuant to Decision No. (5) of 2016, we have carried out a limited assurance engagement over the Board of Directors' assessment of compliance of Baladna Q.P.S.C. (the "Company") with the QFMA's law and relevant legislations including the Governance Code for Companies & Legal Entities Listed on the Main Market as at 31 December 2025.

Responsibilities of the Board of Directors and Those Charged with Governance

The Board of Directors of the Company is responsible for preparing the Corporate Governance Report 2025 that covers at the minimum the requirements of Article 4 of the Governance Code for Companies & Legal Entities Listed on the Main Market issued by the QFMA's Board pursuant to Decision No. (5) of 2016 (the "Code").

In the Corporate Governance Report 2025, the Board of Directors provide its Report on compliance with the QFMA's law and relevant legislations including the Code.

In addition, the Board of Directors of the Company is responsible for the design, implementation and maintenance of adequate internal controls that would ensure the orderly and efficient conduct of its business, including:

- adherence to Company's policies;
- the safeguarding of its assets;
- the prevention and detection of frauds and errors;
- the accuracy and completeness of the accounting records;
- the timely preparation of reliable financial information; and
- compliance with applicable laws and regulations, including the QFMA's law and relevant legislations and the Governance Code for Companies & Legal Entities Listed on the Main Market issued by the QFMA's Board pursuant to Decision No.(5) of 2016.

Our Responsibility

Our responsibility is to issue a limited assurance conclusion on whether anything has come to our attention that causes us to believe that the Corporate Governance Report 2025 on compliance with the QFMA's law and relevant legislations including the Code do not present fairly, in all material respects, the Company's compliance with the QFMA's law and relevant legislations including the Code, based on our limited assurance procedures.

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ("IAASB"). This standard requires that we plan and perform our procedures to obtain limited assurance about whether anything has come to our attention that causes us to believe that the Board of Directors' statement of compliance with the QFMA law and relevant legislations including the Code, taken as a whole, is not prepared in all material respects in accordance with the Code.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We did not perform any additional procedures that would have been required if this were to be a reasonable assurance engagement.

Our limited assurance procedures comprise mainly of inquiries of management to obtain an understanding of the processes followed to identify the requirements of the QFMA law and relevant legislations including the Code (the "Requirements"), the procedures adopted by management to comply with these Requirements, and the methodology adopted by management to assess compliance with these Requirements. When deemed necessary, we observed evidences gathered by management to assess compliance with the Requirements.

Our limited assurance procedures do not involve assessing the qualitative aspects or effectiveness of the procedures adopted by management to comply with the Requirements. Therefore, we do not provide any assurance as to whether the procedures adopted by management were functioning effectively to achieve the objectives of the QFMA's law and relevant legislations, including the Code.

Inherent Limitations

Non-financial information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

Many of the procedures followed by entities to adopt governance and legal requirements depend on the personnel applying the procedure, their interpretation of the objective of such procedure, their assessment of whether the compliance procedure was implemented effectively, and in certain cases would not maintain audit trail. It is also noticeable that the design of compliance procedures would follow best practices that vary from one entity to another and from one country to another, which do not form a clear set of criteria to compare with.

Our independence and quality management

In carrying out our work, we have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") issued by the International Ethics Standards Board for Accountants ("IESBA"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior and the ethical requirements that are relevant in the State of Qatar. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the Corporate Governance Report 2025 on compliance with QFMA's law and relevant legislations including the Code, and our report thereon.

Our conclusion on the Corporate Governance Report 2025 does not cover the other information and we do not and will not express any form of assurance conclusion thereon. We have been engaged by the Company to provide a separate reasonable assurance report on the Directors' Report on Internal Control Framework over Financial Reporting, included within the Annual Report 2025.

In connection with our engagement of the Corporate Governance Report 2025 on compliance with QFMA's law and relevant legislations including the Code, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Corporate Governance Report 2025 on compliance with QFMA's law and relevant legislations including the Code' or our knowledge obtained in the engagement, or otherwise appears to be materially misstated.

If, based on the work we have performed, on the other information that we obtained prior to the date of this report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the complete Corporate Governance Report 2025, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Emphasis of matter

We draw attention to the Note 26, Statement of Compliance in the Corporate Governance Report of the Group, which describes that the Qatar Financial Markets Authority ("QFMA"), through its Board Decision No. 5 of 2025, has issued the QFMA Corporate Governance Code 2025 ("the New Code"), replacing the QFMA's Board Decision No. 5 of 2016 (the "Code"). The New Code permits listed companies to reconcile their positions to conform with its provisions within one year of its publication, by August 2026. Accordingly, the Company based its compliance assessment on the requirements and provisions set forth in Decision No. 5 of 2016. Our opinion is not modified in respect of this matter.

Conclusion

Based on our limited assurance procedures, nothing has come to our attention that causes us to believe that the Corporate Governance Report 2025 on compliance with QFMA's law and relevant legislations including the Code do not present fairly, in all material respects, the Company's compliance with the QFMA's law and relevant legislations including the Code.



Ahmed Sayed
of Ernst and Young
Auditor's Registration No. 326

Date: 03 March 2026
Doha

Report on the Description of the Processes and Internal Controls and Suitability of the Design, Implementation and Operating Effectiveness of Internal Controls over Financial Reporting

Introduction

In accordance with Article 24 of the Governance Code for Companies & Legal Entities Listed on the Main Market Issued by the Qatar Financial Markets Authority (“QFMA”) Board pursuant to Decision No. (5) of 2016, we have carried out a reasonable assurance engagement over the Board of Directors’ description of the processes and internal controls and assessment of suitability of the design, implementation and operating effectiveness of Baladna Q.P.S.C. (the “Company”, or the “Baladna”) and its subsidiaries (together referred as the “Group”) internal controls over financial reporting as at 31 December 2025 (the “Directors’ Report on Internal Control over Financial Reporting”).

Responsibilities of the Board of Directors and Those Charged with Governance

The Board of Directors of the Group is responsible for preparing the Directors Report on Internal Control over Financial Reporting that covers at the minimum the requirements of Article 4 of the Governance Code for Companies & Legal Entities Listed on the Main Market issued by the QFMA’s Board pursuant to Decision No. (5) of 2016 (the “Code”).

The Board of Directors present in their Directors’ Report on Internal Control over Financial Reporting for the year 2025, which includes:

- the Board of Directors’ assessment of the suitability of design, implementation and operating effectiveness of internal control framework over financial reporting;
- the description of the process and internal controls over financial reporting for the processes revenue, receipts and receivables, treasury, procure to pay, human resources and payroll, fixed assets and intangibles, inventory, biological assets, general ledger and financial reporting, IT general controls and entity-level controls;
- the control objectives, identifying the risks that threaten the achievement of the control objectives;
- designing and implementing controls that are operating effectively to achieve the stated control objectives; and
- identification of control gaps and failures, how they are remediated, and procedures set to prevent such failures or to close control gaps.

The Board of Directors is responsible for establishing and maintaining internal financial controls based on the criteria of framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO framework”).

These responsibilities include the design, implementation, operation and maintenance of adequate internal financial controls that if operating effectively would ensure the orderly and efficient conduct of its business, including:

- adherence to Group’s policies;
- the safeguarding of its assets;
- the prevention and detection of frauds and errors;
- the accuracy and completeness of the accounting records;
- the timely preparation of reliable financial information; and
- compliance with applicable laws and regulations, including the QFMA’s law and relevant legislations and the Governance Code for Companies & Legal Entities Listed on the Main Market issued by the QFMA’s Board pursuant to Decision No. (5) of 2016.

Our Responsibilities

Our responsibilities are to express a reasonable assurance opinion on the fairness of the presentation of the Board of Directors’ description and on the suitability of the design, implementation and operating effectiveness of the Group’s internal controls over financial reporting of Significant Processes presented in the Directors’ Report on Internal Control over Financial Reporting to achieve the related control objectives stated in that description based on our assurance procedures.

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) ‘Assurance Engagements Other Than Audits or Reviews of Historical Financial Information’ issued by the International Auditing and Assurance Standards Board (“IAASB”). This standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the Board of Directors’ description of the processes and internal controls over financial reporting is fairly presented and the internal controls were suitably designed, implemented and operating effectively, in all material respects, to achieve the related control objectives stated in the description.

An assurance engagement to issue a reasonable assurance opinion on the description of the processes and internal controls and the design, implementation and operating effectiveness of internal controls over financial reporting at an organization involves performing procedures to obtain evidence about the fairness of the presentation of the description of the processes and internal controls and the suitability of design, implementation and operating effectiveness of the controls. Our procedures on internal controls over financial reporting included, for all significant processes:

- obtaining an understanding of internal controls over financial reporting for all significant processes;
- assessing the risk that a material weakness exists; and
- testing and evaluating the design, implementation and operating effectiveness of internal control based on the assessed risk.

A process is considered significant if a misstatement due to fraud or error in the stream of transactions or financial statement amount would reasonably be expected to affect the decisions of the users of financial statements. For the purpose of this engagement, the processes that were determined as significant are: revenue, receipts and receivables, treasury, procure to pay, human resources and payroll, fixed assets and intangibles, inventory, biological assets, general ledger and financial reporting, IT general controls and entity-level controls.

In carrying out our engagement, we obtained understanding of the following components of the control system:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring

The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the suitability of design, implementation and operating effectiveness, whether due to fraud or error. Our procedures also included assessing the risks that the Board of Directors’ description of the processes and internal controls is not fairly presented and that the controls were not suitably designed, implemented and operating effectively to achieve the related control objectives stated in the Directors’ Report on Internal Control over Financial Reporting.

An assurance engagement of this type also includes evaluating the Group’s assessment of the suitability of the control objectives stated therein. It further includes performing such other procedures as considered necessary in the circumstances.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion on the Group’s internal control system over financial reporting.

Meaning of Internal Controls over Financial Reporting

An entity's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards. An entity's internal control over financial reporting includes those policies and procedures that:

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the entity;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with the generally accepted accounting principles, and that receipts and expenditures of the entity are being made only in accordance with authorizations of the management of the entity; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements, which would reasonably be expected to impact the decisions of the users of financial statements.

Inherent limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

Because of the inherent limitations of internal controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Therefore, internal controls over financial reporting may not prevent or detect all errors or omissions in processing or reporting transactions and consequently cannot provide absolute assurance that the control objectives will be met.

In addition, projections of any evaluation of the internal controls over financial reporting to future periods are subject to the risk that the internal control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Furthermore, the controls activities designed, implemented and operated during the period covered by our assurance report will not have retrospectively remedied any weaknesses or deficiencies that existed in relation to the internal controls over financial reporting prior to the date those controls were placed in operation.

Many of the procedures followed by entities to adopt governance and legal requirements depend on the personnel applying the procedure, their interpretation of the objective of such procedure, their assessment of whether the compliance procedure was implemented effectively, and in certain cases would not maintain audit trail. It is also noticeable that the design of compliance procedures would follow best practices that vary from one entity to another and from one country to another, which do not form a clear set of criteria to compare with.

Our independence and quality management

In carrying out our work, we have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") issued by the International Ethics Standards Board for Accountants ("IESBA"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior and the ethical requirements that are relevant in State of Qatar. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information to be included in the Group's Annual Report 2025 which are expected to be made available to us after the date of this report. The Directors' Report on Internal Control over Financial Reporting and our reasonable assurance report thereon will be included in the Annual Report 2025.

Our conclusion on the Directors' Report on Internal Control over Financial Reporting does not cover the other information and we do not and will not express any form of assurance conclusion thereon. We have been engaged by the Group to provide a separate limited assurance report on the Board of Directors' assessment on compliance with the QFMA and relevant legislations including the Code, to be included within the Annual Report 2025.

In connection with our engagement on the Directors' Report on Internal Control over Financial Reporting, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Directors' Report on Internal Control over Financial Reporting or our knowledge obtained in the engagement, or otherwise appears to be materially misstated.

If, based on the work we have performed, on the other information that we obtained prior to the date of this report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the complete Annual Report 2025, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Emphasis of matter

We draw attention to the Evaluation and Conclusion section in the Directors' Report on Internal Control over Financial Reporting, which describes certain deficiencies identified relating to access management and change management IT controls during the year, which were addressed at the year end. Our conclusion is not qualified in this respect.

Other matter

The Qatar Financial Markets Authority ("QFMA"), through its Board Decision No. 5 of 2025, has issued the QFMA Corporate Governance Code 2025 ("the New Code"), replacing the QFMA's Board Decision No. 5 of 2016 (the "Code"). The New Code permits listed companies to reconcile their positions to conform with its provisions within one year of its publication, by August 2026. Accordingly, the Group based its Directors' Report on Internal Control over Financial Reporting on the requirements and provisions set forth in Decision No. 5 of 2016.

Conclusions

In our opinion, based on the results of our reasonable assurance procedures:

- a) the Report on Internal Control over Financial Reporting fairly presents the Group's system that had been designed as at 31 December 2025; and
- b) the controls related to the control objectives described were suitably designed, implemented and operating effectively as at 31 December 2025,

in all material respects, based on the COSO framework.



Ahmed Sayed
of Ernst and Young
Auditor's Registration No. 326

Date: 03 March 2026
Doha



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Demonstrating financial strength, improving earnings quality and disciplining capital deployment to support growth and shareholder returns.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF BALADNA Q.P.S.C.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Baladna Q.P.S.C. (the "Company") and its subsidiaries (together referred as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the International Ethics Standard Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") as applicable to audits of consolidated financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the consolidated financial statements of public interest entities in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The consolidated financial statements of the Group as at and for the year ended 31 December 2024 were audited by another auditor, whose audit report dated 6 February 2025, expressed an unmodified audit opinion on those consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How our audit addresses the key audit matter
<p>Valuation of biological assets</p> <p>The Group holds biological assets that are measured at fair value. As at 31 December 2025, the fair value of the Group's biological assets amounted to QR 194.1 million (2024: QR 177.4 million). For the year ended 31 December 2025, the Group recognised a net fair value gain of QR 56.4 million (2024: QR 45.3 million).</p> <p>IAS 41 "Agriculture" requires biological assets to be measured at fair value less costs to sell, unless the fair value cannot be reliably measured. Management has used valuation method developed based on past information, assumptions, market prices of livestock of similar age, pregnancy, lactations and milk production.</p> <p>We identified the valuation of biological assets as a Key Audit Matter as the calculation of the fair value of biological assets involves a significant degree of judgement, particularly in respect of landed cost, market prices for calves and heifers.</p> <p>The Group's accounting policies, together with the related judgements, estimates, and disclosures, are presented in Note 3, Note 15, and Note 34 to the consolidated financial statements.</p>	<p>Our audit procedures included the following key areas, among others:</p> <ul style="list-style-type: none"> We performed walkthrough procedures and obtained understanding of the controls relating to the valuation of biological assets. We also checked the management's process for collecting information to support the key assumptions and inputs used in the valuation of biological assets and assessed the appropriateness of information based on our knowledge of the Group and other audit procedures performed. We reconciled the biological assets subledger with the general ledger account balances and investigated any unusual and reconciling items based on the established testing threshold. We attended the physical count of biological assets and observed the count process. Further, we obtained count results and compared with general ledger and sub ledger. We assessed on a sample basis, the input data used in the valuations of biological assets, including landed cost, breeding costs, number of lactation cycles and culling rates, based on available historical data. We assessed the adequacy of the related disclosures in the consolidated financial statements, including the disclosure of key assumptions and judgements.

Key audit matter	How our audit addresses the key audit matter
<p>Property, plant and equipment</p> <p>As at 31 December 2025, the Group's property, plant and equipment ("PPE") amounted to QR 3,285,605,491 (2024: QR 3,188,264,216), representing 53.79% of the Group's total assets (2024: 65.06%).</p> <p>The major classes of PPE include land, buildings and structures, production machinery, and capital work in progress, which are fundamental to the Group's dairy, juice and related production activities.</p> <p>We identified PPE as a Key Audit Matter due to its significance to the Group's total asset base and the scale of ongoing capital investments supporting core operations. The magnitude of these balances required increased auditor attention, including assessing the existence and valuation of assets and evaluating the appropriateness of capitalisation and depreciation policies applied by management.</p> <p>The Group's accounting policies relating to property, plant and equipment and the related disclosures are presented in Note 3 and Note 11 to the consolidated financial statements</p>	<p>Our audit procedures included the following key areas, among others:</p> <ul style="list-style-type: none"> We performed walkthrough procedures and obtained understanding of the controls relating to the PPE including capitalization, depreciation, depreciation methods, useful lives, and residual values, retirement and impairment review process. We read and understood Group's internal controls and accounting policies related to the recognition, capitalisation, depreciation, and impairment assessment of PPE We performed test of controls relating to additions to PPE by inspecting supporting documentation such as contracts, purchase invoices, payment evidence, and internal approvals to determine whether the expenditures had been appropriately capitalized. We checked the capital work in progress by reviewing project status and management's assessment of when assets are ready for their intended use. We checked the depreciation methods, useful lives, and residual values applied to significant categories of assets and assessing whether they reflect the pattern of economic benefits derived from those assets and appropriateness. We checked whether there are any indicators of impairment existed for major asset groups and reviewing the reasonableness of management's judgments in this area. We reviewed the consolidated financial statement disclosures to assess whether the information presented regarding PPE, related judgements, and estimates was complete and appropriate

Other information included in the Group's 2025 Annual Report

Other information consists of the information included in the Group's 2025 Annual Report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Group's 2025 Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of management and the Board of Directors for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on legal and other regulatory requirements

Furthermore, in our opinion, proper books of account have been kept by the Company, an inventory count has been conducted in accordance with established principles and the consolidated financial statements comply with the Qatar Commercial Companies' Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No. 8 of 2021 and the Company's Articles of Association. We have obtained all the information and explanations we required for the purpose of our audit, and are not aware of any violations of the above mentioned law or the Articles of Association having occurred during the year, which might have had a material adverse effect on the Group's financial position or performance.



Ahmed Sayed
of Ernst and Young
Auditor's Registration No. 326

Date: 11 February 2026
Doha



CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

	Notes	2025 QR	2024 QR
Revenue from contract with customers	4	1,267,847,003	1,145,227,183
Cost of sales	5	(938,068,987)	(884,890,199)
GROSS PROFIT		329,778,016	260,336,984
Other income	6	93,232,041	114,170,691
Gain on investment in financial assets at fair value through profit or loss	14	408,007,466	37,956,908
Selling and distribution expenses	7	(95,389,019)	(92,919,349)
General and administrative expenses	8	(81,298,969)	(74,436,384)
Net write off of advances for projects		(35,789,509)	-
Operating profit for the year		618,540,026	245,108,850
Finance cost	9	(78,471,415)	(58,915,256)
Profit before income tax		540,068,611	186,193,594
Income tax expense	10	(1,293,253)	(893,288)
NET PROFIT FOR THE YEAR		538,775,358	185,300,306
Net profit for the year attributable to:			
Equity holders of the parent		539,736,320	185,012,156
Non-controlling interests		(960,962)	288,150
		538,775,358	185,300,306
Basic and diluted earnings per share			
Basic and diluted earnings per share (2024: restated)	26	0.252	0.086

The attached notes from 1 to 36 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	2025 QR	2024 QR
Profit for the year	538,775,358	185,300,306
Other comprehensive income		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):		
Exchange difference on translation of foreign operation	(198,961)	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	538,576,397	185,300,306
Total comprehensive income for the year attributable to:		
Equity holders of the parent	539,537,359	185,012,156
Non-controlling interests	(960,962)	288,150
	538,576,397	185,300,306

The attached notes from 1 to 36 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	Notes	2025 QR	2024 QR
ASSETS			
Non-current assets			
Property, plant and equipment	11	3,285,605,491	3,188,264,216
Right-of-use assets	12	105,276,839	110,394,944
Intangible assets	13	4,914,015	7,948,693
Investments in financial assets at fair value through profit or loss	14	994,476,800	523,694,449
Biological assets	15	193,661,272	176,904,780
Goodwill	16	6,792,635	6,792,635
Advance to suppliers	18	372,583,615	-
Other non-current assets		3,524,427	-
		4,966,835,094	4,013,999,717
Current assets			
Inventories	17	400,494,534	430,058,802
Trade and other receivables	18	336,242,665	404,279,931
Biological assets	15	446,200	482,800
Due from related parties	27	29,457,007	24,316,462
Cash and bank balances	19	374,789,122	27,623,729
		1,141,429,528	886,761,724
TOTAL ASSETS		6,108,264,622	4,900,761,441
EQUITY AND LIABILITIES			
Equity			
Share capital	20	2,143,984,962	1,901,000,000
Legal reserve	21	120,595,369	66,621,737
Acquisition reserve	22	201,123,011	201,123,011
Retained earnings		464,569,931	235,285,613
Translation reserves		(198,961)	-
Equity attributable to equity holders of the parent		2,930,074,312	2,404,030,361
Non-controlling interests	30	390,288,880	3,011,202
TOTAL EQUITY		3,320,363,192	2,407,041,563
LIABILITIES			
Non-current liabilities			
Islamic financing contracts	23	1,939,005,167	1,707,522,765
Employees' end of service benefits	24	22,244,706	19,057,564
Lease liabilities	12	87,245,526	78,041,691
		2,048,495,399	1,804,622,020
Current liabilities			
Bank overdraft	19	21,022,878	104,846,659
Islamic financing contracts	23	508,338,571	366,657,764
Trade and other payables	25	201,963,875	212,831,282
Lease liabilities	12	83,316	77,030
Due to related parties	27	7,997,391	4,685,123
		739,406,031	689,097,858
TOTAL LIABILITIES		2,787,901,430	2,493,719,878
TOTAL EQUITY AND LIABILITIES		6,108,264,622	4,900,761,441

These consolidated financial statements were approved and authorized for issuance by the Board of Directors on 11 February 2026 and signed on their behalf by:



Mr. Ramez Mhd Ruslan Al Khayat
Managing Director



Mr. Marek Warzywoda
Group Chief Executive Officer



Mr. Saifullah Khan
Group Chief Financial Officer

The attached notes from 1 to 36 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Attributable to the equity holders of the Parent					Total	Non-controlling interests	Total equity
	Share capital	Legal reserve	Acquisition reserve	Retained earnings	Translation reserve			
	QR	QR	QR	QR	QR	QR	QR	
As at 1 January 2024	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 year	-	-	-	185,012,156	-	185,012,156	288,150	185,300,306
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	185,012,156	-	185,012,156	288,150	185,300,306
Dividend (Note 28)	-	-	-	(132,119,500)	-	(132,119,500)	-	(132,119,500)
Increase in investment	-	-	-	-	-	-	361,970	361,970
Transfer to legal reserve (Note 21)	-	18,501,216	-	(18,501,216)	-	-	-	-
Transfer to social and sport fund (Note 29)	-	-	-	(4,625,304)	-	(4,625,304)	-	(4,625,304)
As at 31 December 2024	1,901,000,000	66,621,737	201,123,011	235,285,613	-	2,404,030,361	3,011,202	2,407,041,563
Incorporation of a subsidiary	-	-	-	-	-	-	388,166,140	388,166,140
Increase in investment	-	-	-	-	-	-	72,500	72,500
Profit for the year	-	-	-	539,736,320	-	539,736,320	(960,962)	538,775,358
Other comprehensive income	-	-	-	-	(198,961)	(198,961)	-	(198,961)
Total Comprehensive income for the year	-	-	-	539,736,320	(198,961)	539,537,359	(960,962)	538,576,397
Bonus share issued (Note 28)	242,984,962	-	-	(242,984,962)	-	-	-	-
Transfer to legal reserve (Note 21)	-	53,973,632	-	(53,973,632)	-	-	-	-
Transfer to social and sport fund (Note 29)	-	-	-	(13,493,408)	-	(13,493,408)	-	(13,493,408)
As at 31 December 2025	2,143,984,962	120,595,369	201,123,011	464,569,931	(198,961)	2,930,074,312	390,288,880	3,320,363,192

The attached notes from 1 to 36 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	Notes	2025 QR	2024 QR
OPERATING ACTIVITIES			
Profit before tax for the year		540,068,611	186,193,594
Adjustments for:			
Depreciation of property, plant and equipment	11	136,468,596	120,264,308
Depreciation of right-of-use assets	12	11,825,665	11,122,165
Amortization of intangible assets	13	3,272,968	3,422,895
Provision for employees' end of service benefits	24	5,391,918	5,193,918
(Reversal) / allowance for expected credit losses	18	(75,433)	78,561
Provision of slow-moving inventories	17	1,000,000	5,472,343
Gain on disposal of property, plant and equipment	6	(196,925)	(123,585)
Gain on investments in financial assets at fair value through profit or loss	14	(408,007,466)	(37,956,908)
Dividend income	6	(3,299,277)	(2,224,890)
Net fair value gain on biological assets	15	(56,413,733)	(45,297,535)
Loss from death and disposal of livestock		12,059,179	16,174,161
Finance cost	9	78,471,415	58,915,256
Net write off of advances for projects		35,789,509	-
Operating cashflow before working capital changes		356,355,027	321,234,283
Changes in:			
Inventories		28,564,268	(35,201,750)
Due from related parties		(5,140,545)	53,673,970
Trade and other receivables		17,323,190	6,716,851
Due to related parties		3,312,268	(407,433)
Trade and other payables		(7,314,321)	2,640,795
Cash generated from operating activities		393,099,887	348,656,716
Employees' end of service benefit paid	24	(2,204,776)	(2,138,322)
Finance cost paid		(116,296,565)	(120,975,266)
Finance cost on lease liabilities paid		(322,970)	(2,179,581)
Income tax paid		(952,674)	(213,959)
Net cash generated from operating activities		273,322,902	223,149,588
INVESTING ACTIVITIES			
Additions to property, plant and equipment	11	(227,489,513)	(112,991,577)
Proceeds from disposal of property, plant and equipment		781,856	717,366
Additions to intangible assets	13	(29,894)	(1,090,630)
Net movement in advance to suppliers – non-current		(372,583,615)	-
Acquisition of financial assets at fair value through profit or loss	14	(62,774,885)	(116,108,854)
Disposal of financial assets at fair value through profit or loss	14	-	2,212,437
Dividend received		3,299,277	2,224,890
Additions to biological assets	15	(34,581,698)	-
Additions to other non-current assets		(3,524,427)	-
Movement in biological assets		62,216,360	50,446,888
Net cash used in investing activities		(634,686,539)	(174,589,480)
FINANCING ACTIVITIES			
Net movement in Islamic financing		406,777,235	80,144,874
Payment of principal portion of lease liabilities		(77,030)	(43,944,295)
Change in non-controlling interest		386,945,387	361,970
Dividend paid		(1,093,820)	(134,411,095)
Net movement in restricted bank balances		(129,845,288)	(10,287,484)
Net cash from / (used in) financing activities		662,706,484	(108,136,030)
Net increase / (decrease) in cash and cash equivalents		301,342,847	(59,575,922)
Foreign exchange differences		(198,961)	-
Cash and cash equivalents at 1 January		(92,941,383)	(33,365,461)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	19	208,202,503	(92,941,383)

Non-cash transactions:

Borrowing costs capitalized to property, plant and equipment amounted to QR 7,113,685 (2024: QR 10,080,203) has been adjusted with finance cost as non-cash transactions.

The attached notes from 1 to 36 are an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

1 CORPORATE INFORMATION AND PRINCIPAL ACTIVITIES

Baladna Q.P.S.C. (the “Company” or the “Parent”) was incorporated 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.

The principal activities of the Company and its subsidiaries (together referred as the “Group”) are agricultural activities of production and sales of milk, juice, slaughter of animal, sale of meats and detergent. The Group is also engaged in the investment and management of agricultural projects, along with investments outside the State of Qatar.

2 BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Parent and its all subsidiaries as at 31 December at each year. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group’s voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (“OCI”) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into in line with the Group’s accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

These consolidated financial statements comprise of the financial statements of the Company and its subsidiaries (collectively, the “Group”) as at 31 December 2025 as follows. The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company using consistent accounting policies.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

Subsidiary Name	Country of incorporation	Percentage of effective control	
		2025	2024
Baladna Food Industries W.L.L. (Note i)	Qatar	100%	100%
Baladna Food Trading W.L.L. (Note ii)	Qatar	100%	100%
Baladna Business and Trading L.L.C. (Note iii)	Oman	100%	100%
Awafi W.L.L. (Note iv)	Qatar	100%	100%
Baladna for Trading and Investment W.L.L. (Note v)	Qatar	100%	100%
Agrocare Development S.R.L. (Note vi)	Romania	100%	100%
E-Life Detergent Factory W.L.L. (Note vii)	Qatar	75%	75%
Baladna for Trading and Investment L.L.C. (QFC) (Note viii)	Qatar	100%	100%
Baladna Algeria S.P.A. (ix)	Algeria	51%	-
Qatar Vision for Support and Services (x)	Egypt	100%	-
Baladna Food Industries L.L.C. (xi)	Syria	100%	-

Notes:

- Baladna Food Industries W.L.L. is a limited liability company registered in the State of Qatar under Commercial Registration No. 64756 and is 100% owned by Baladna Q.P.S.C. The principal activity is production and sales of milk, juice, slaughter of animal and sale of meats.
- Baladna Food Trading W.L.L. is a limited liability company registered in the State of Qatar under Commercial Registration No. 133592 and is 100% owned by Baladna Food Industries W.L.L. The principal activity is trading in the food materials.
- Baladna Business and Trading L.L.C. is a limited liability registered in the Sultanate of Oman incorporated 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.
- Awafi W.L.L. is a limited liability company registered in the State of Qatar under Commercial Registration No. 141419 and is 100% owned by Baladna Q.P.S.C. The principal activity is trading in food materials, packaging and dairy products.
- Baladna for Trading and Investment W.L.L. is a limited liability company registered in the State of Qatar under Commercial Registration No. 157435 and is 100% owned by Baladna Q.P.S.C. The principal activity is trading feed, investment and management of agricultural projects and investment outside Qatar.
- Agrocare Development S.R.L. is a limited liability company registered in Romania under Commercial Registration No. 593753 and is 100% owned by Baladna for Trading and Investment W.L.L. The principal activity of the company is growing of cereals, leguminous Crops and Oil Seeds.
- E-Life Detergent Factory W.L.L. is a limited liability Company registered in the State of Qatar under Commercial Registration No. 106993 and is 75% owned by Baladna Food Industries W.L.L. During the year, there was an increase in the investment amounting to QR 290,000 (2024: QR 1,447,875). The principal activity is trading in medical cosmetics and production of liquid and powder detergents.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

- (viii) Baladna for Trading and Investment L.L.C, is a limited liability company registered in the State of Qatar under Qatar Financial Centre Authority License No. 02713 and is 100% owned by Baladna Q.P.S.C. The principal activity of the company is holding subsidiary companies. The principal activities of the Group are agricultural activities of production and sales of milk, juice, slaughter of animal, sale of meat and detergent.
- (ix) Baladna Algeria S.P.A. is a joint stock Company registered in Algeria under Commercial Registration No. 16/00-1282922B25. It is 51% owned by Baladna for Trading and Investment L.L.C. The principal activities are agricultural production and sales of powder milk.
- (x) Qatar Vision for Support and Services. is a limited liability Company registered in Egypt under Commercial Registration No. 272138 and is 100% owned by Baladna for Trading and Investment L.L.C. The company's principal activities are providing technical support and related consulting services, excluding legal consulting, valuation-related studies for capital increases or acquisitions, and financial consulting on securities.
- (xi) Baladna Food Industries L.L.C is a limited liability Company registered in Syria under Commercial Registration No. 341 and is 99% owned by Baladna for Trading and Investment L.L.C. and 1% owned by Baladna Food Industries W.L.L. The principal activities of the company are the production and sale of dairy products, beverages, and fruit-based items, along with related wholesale, retail, import, export, and related activities.

3 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

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

These consolidated financial statements have been prepared in Qatari Riyals ("QR"), which is the Group's functional and presentation currency.

3.2 Statement of compliance

The consolidated financial statements are in compliance with the requirements of the Commercial Companies Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No.8 of 2021 and the Company's Articles of Association.

3.3 New and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial period, except for the following new and amended standard and amendment, which are effective for annual periods beginning on or after 1 January 2025. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Content	Effective date
Lack of exchangeability – Amendments to IAS 21	1 January 2025

Lack of exchangeability – Amendments to IAS 21

For annual reporting periods beginning on or after 1 January 2025, Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments did not have any impact on the Group's financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

3.4 New and amended standards issued but not yet effective and not early implemented

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Content	Effective date
Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
Amendments to IFRS 9 & IFRS 7 – Classification and Measurement of Financial Instruments	1 January 2026
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	1 January 2026
IFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	1 January 2027

The Group did not early adopt any other standards, interpretations or amendments that have been issued but are not yet effective.

3.5 Material accounting policy information

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Non-controlling interests

Non-controlling interests represent the portion of profit or loss and net assets not owned, directly or indirectly, by the Group and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position, separately from parent partners' equity. Acquisitions of non-controlling interests are accounted for using the parent entity extension method, whereby, the difference between the consideration and the fair value of the share of the net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired (i.e. a discount on acquisition) is recognised directly in the consolidated statement of profit or loss and other comprehensive income in the year of acquisition.

Revenue from contracts with customers

Sale of dairy, livestock for meat and consumables

The Group is in the business of producing milk from cows for the sale of fresh milk, long life milk, cheese, yoghurt and other dairy products and the slaughter of cows for the sale of meat, production and sale of chilled and long-life juices and production and sale of liquid and powder detergents and other cleaning agents. Revenue from contracts with customers is recognised at point in time when control of goods or services are transferred to the customer, generally upon delivery of the goods and acceptance by the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services.

The Group has concluded that it is the principal in its revenue arrangements because it typically controls the products before transferring them to the customer.

Products are sold principally on a sale or return basis. Allowances for expected sales returns are calculated based on the forecasted return of expired products based on historical experience. Expected sales returns are netted off against revenue with the corresponding impact in trade and other payables.

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with a right to return the goods within a specified period. The Group also provides retrospective volume rebates to certain customers once the quantity of goods purchased during the period exceeds the threshold specified in the contract. The rights of return and volume rebates give rise to variable consideration.

Right of return

The Group uses the expected value method to estimate the variable consideration given the large number of contracts that have similar characteristics. The Group then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability is recognised for the goods that are expected to be returned (i.e., the amount not included in the transaction price). A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover the goods from the customer.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

Volume rebates

The Group applies either the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value method is used for those with more than one volume threshold.

The Group then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability is recognised for the expected future rebates (i.e., the amount not included in the transaction price).

Contract balances

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Assets and liabilities arising from rights of return

Right of return assets

A right of return asset is recognised for the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods and any potential decreases in value. The Group updates the measurement of the asset for any revisions to the expected level of returns and any additional decreases in the value of the returned products.

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Group's refund liabilities arise from customers' right of return and volume rebates. The liability is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Other income

Other income represents income generated by the Group that arises from activities outside of the principal activities of the Group. Key components of other income are recognised as follows:

Government grants/support

Government grants are recognized when there is reasonable assurance that grants will be received and the Group will comply with all conditions attached to the grants. When the grants relates to an asset, it is recognised as income in equal amount over the expected useful life of the related assets.

The Group receives government grant related to the investments made in the field of dairy production in the State of Qatar. Government grant is recognized in the consolidated statement of profit or loss and other comprehensive income when there is reasonable assurance that it will be received and the Group will comply with the conditions associated with the support.

The Group has elected to present the grant in the consolidated statement of financial position which is recognised in the consolidated statement of profit or loss and other comprehensive income on a systematic and rational basis.

Rental income

Rental income arising from operating leases on properties is accounted for on a straight-line basis over the lease terms.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

Dividend income

Dividend income is recognised when the Group's right to receive the dividend is established.

Finance cost

Finance costs are costs that the Group incurs in connection with the borrowing of funds and lease liabilities. The Group recognises it as an expense in the period incurred. The Group capitalises financing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. A qualifying asset for finance cost capitalisation is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

The Group begins capitalising financing costs as part of the cost of a qualifying asset on the commencement date. The commencement date for capitalisation is the date when the Group first meets all of the following conditions:

- incurs expenditures for the asset;
- incurs borrowing costs; and
- undertakes activities that are necessary to prepare the asset for its intended use or sale.

To the extent that the Group borrows funds specifically for the purpose of obtaining a qualifying asset, the Group determines the amount of financing costs eligible for capitalisation as the actual financing costs incurred on that financing during the period less any investment income on the temporary investment of those financings, if any. The financing costs applicable to the financing of the Group that are outstanding during the period, are capitalised by applying a capitalisation rate to the expenditures on that asset.

The amount of financing costs that the Group capitalises during the period is not to exceed the amount of financing costs it incurred during that period. The Group suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset, and ceases capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

BEPS Pillar Two

On 27 March 2025, the State of Qatar published Law No. (22) of 2024 amending the Income Tax Law No. (24) of 2018 in the Official Gazette. These amendments introduce an Income Inclusion Rule (IIR) and a Domestic Minimum Top-up Tax (DMTT) applicable to multinational groups, in accordance with the Base Erosion and Profit Shifting (BEPS) Pillar Two Global Anti-Base Erosion framework (GloBE Rules or Pillar Two). The GloBE Rules in Qatar are effective for accounting periods beginning on or after 1 January 2025.

These rules incorporate various mechanisms that were introduced into domestic legislation with the aim to ensure that large multinational enterprises maintain a minimum effective tax rate of 15% calculated on the profits in every jurisdiction that they operate.

The Group has performed a preliminary assessment on the applicability of the GloBE Rules and assessed that it does not meet the requirements. Accordingly, the Group is out of scope of Pillar Two and is not subject to Pillar Two top up taxes for the year ended 31 December 2025.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

The Group will continue to monitor developments in Pillar Two tax legislation and related regulations in Qatar and other jurisdictions in which it operates. The Group will continue to assess the applicability of the GloBE Rules and evaluate any potential future impact on its consolidated income statement, financial position and cash flows should circumstances change.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences,
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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Foreign currency transactions

The Group's consolidated financial statements are presented in Qatari Riyals, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

On consolidation, the assets and liabilities of foreign operations are translated into Qatari Riyals at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Buildings and structures	5-40 years
Machineries	2-25 years
Motor vehicles	5-12 years
Furniture and fixtures	3-5 years

Land and capital work-in-progress are not depreciated.

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

The useful lives are reviewed at each financial reporting date. The change in estimated useful life of assets affects depreciation expense for the year in which the change has occurred and for each future year during the assets' remaining useful life.

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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capitalised only when it increases future economic benefits of the related item of property, plant and equipment. All other expenditure is recognised in the consolidated statement of profit or loss and other comprehensive income as the expense is incurred.

Capital work-in-progress comprises cost incurred for property, plant and equipment and will be transferred to the appropriate classification of property, plant and equipment upon its completion. Capital work in progress is not depreciated.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the consolidated statement of profit or loss and other comprehensive income in the year the asset is derecognised.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Buildings	10 years
Lands	5-48 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments

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made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are recorded in a separate line item in the consolidated statements of financial position under current and non-current.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and any change in estimate is accounted for on prospective basis.

Intangible assets with indefinite useful lives are not amortised but are tested for impairment annually. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit or loss and other comprehensive income when the asset is derecognised.

Amortisation is calculated using the straight-line method. The amortization expense on intangible assets with finite lives is recognised as an expense in the consolidated statement of profit or loss and other comprehensive income.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated income statement when the asset is derecognised.

Amortisation is calculated on a straight-line basis over the estimated useful economic life of the assets as follows:

Trademark/license	3 to 10 years
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Biological assets

Biological asset is a living animal or plant. Biological assets of the Group consist of cows. Biological assets are measured at fair value less cost to sell except when fair value cannot be measured reliably. Where fair value cannot be measured reliably, in such a case, that biological asset shall be measured at its cost less any accumulated depreciation and any accumulated impairment losses.

The fair value of immature livestock is determined by reference to meat price of veal, adjusted to reflect the age of the calves and to the landed cost of a heifer by reference to the recent purchases of the Group. The fair value of mature cows is determined by reference to the latest landed cost of a heifer by reference to the recent purchases adjusted to reflect the decline in productivity through the lactation cycles, the meat price at the point of slaughter.

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The Group expenses out all the costs incurred in raising immature biological assets and appreciates their values from birth till their first calving considering the costs incurred on rearing or raising them to their respective age. The appreciation is carried out on a basis considering that immature biological assets would mature by the age of 25 months by benchmarking on the cost incurred to acquire the biological assets.

Once the biological asset is matured and enters the lactation cycle it is depreciated on a straight-line basis over 5 lactation cycles till it reached its residual value.

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

Impairment losses are recognised in the consolidated statement of profit or loss and other comprehensive income in those expense categories consistent with the function of the impaired asset, except for assets previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation. An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit or loss and other comprehensive income unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income "(OCI)", and fair value through profit or loss.

Classification

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

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In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Business model: The business model reflects how the Group manages the assets in order to generate cash flows. That is, whether the Group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at fair value through profit or loss ('FVTPL'). Factors considered by the Group in determining the business model for a Group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at Fair value through profit or loss ("FVTPL").

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate "(EIR)" method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost include trade receivables, amount due from related parties, government support, accrued income, staff receivables, other receivables, bank balances and cash.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised as other income in the statement of profit or loss and other comprehensive income when the right of payment has been established.

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Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses "(ECLs)" for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, staff receivables, other receivables, government support, accrued income, and amount due from related parties, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, Islamic financing contracts, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of Islamic financing contracts and payables, net of directly attributable transaction cost.

The Group's financial liabilities include trade payable, amount due to related parties, Islamic financing contracts, bank overdraft, lease liabilities, accrued expenses and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification.

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Islamic financing contracts (Amortised cost)

This is the category most relevant to the Group. After initial recognition, finance-bearing Islamic financing contracts are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the separate statement of profit or loss and other comprehensive income when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the separate statement of profit or loss and other comprehensive income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Inventories

Inventories are stated at the lower of cost and net realizable value. Costs are those expenses incurred in bringing each item to its present location and condition. Cost of the inventory is determined as follows;

- Raw material: by the weighted average cost methods and includes invoiced cost and other expenditures incurred in bringing the inventories to their present location and condition.
- Finished goods and semi-finished goods: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Agriculture produce harvested from biological assets are measured at fair value less cost to sell at the point of harvest.

Cash and cash equivalents

Cash and bank balances in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a remaining maturity of less than 1 year, that are readily convertible to a known amount of cash. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and bank balances, short-term deposits with an original maturity of three months or less, net of bank overdrafts and restricted cash if any as they are considered an integral part of the Group's cash management.

Dividends

The Group recognises a liability to make cash distributions to equity holders of the Parent when the cash distribution is authorised and the distribution is no longer at the discretion of the Group. As per the Qatar Commercial Companies Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No.8 of 2021, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. Dividends for the year that are approved after the reporting date of the consolidated financial statements are considered as an event after the reporting date.

Bonus shares

Bonus shares represent a capitalisation of the parent company's reserves and do not involve any inflow or outflow of cash or other assets. Accordingly, the issue of bonus shares does not result in any change in the total equity of the Group.

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When bonus shares are issued, an amount equal to the nominal value of the shares issued is transferred from retained earnings or other distributable reserves to share capital. No consideration is received from shareholders in respect of bonus shares and no gain or loss is recognised in profit or loss.

Provision for employees' end of service benefits

The Group provides end of service benefits to its employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. The Group has no expectation of settling all its employees' end of service benefits within the next 12 month period and hence has classified the same as a non-current liability.

Under Law No. 14 of 2014 on Retirement and Pension, the Company is required to make contributions to a Government fund scheme for Qatari employees calculated as a percentage of the Qatari employees' salaries. The Company's obligations are limited to these contributions, which are expensed when due.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and the costs to settle the obligation are both probable and able to be reliably measured.

Contingent liabilities and contingent assets

Contingent liabilities are not recognised in the consolidated financial statements, but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognised in the consolidated financial statements but are disclosed when an inflow of economic benefits is probable.

Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Current versus non-current classification

The Group presents assets and liabilities based on current/non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when it is:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Segmental reporting

An operating segment is a component of the Group that engages in the business activities from which it may earn revenues and incur expenses, including revenue and expenses that relate to transactions with any of Group's other components. The segmental results that are reported to the Group's chief operating decision makers ("CODM") to make decision about the resources to be allocated to segment and to assess its performance and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Events after the reporting date

The Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its separate financial statements. The Group will adjust the amounts recognised in its consolidated financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its consolidated financial statements, but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

Earnings per share ("EPS")

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

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4 REVENUE FROM CONTRACT WITH CUSTOMERS

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

	2025 QR	2024 QR
Type of goods		
Dairy sales	1,132,924,050	1,012,218,029
Juice sales	70,699,654	73,935,069
Livestock sales	38,031,308	35,910,139
Detergent sales	20,403,033	17,767,256
Plastic sales	3,224,198	2,816,729
Compost and manure sales	2,564,760	2,565,275
Feed sales	-	14,686
	1,267,847,003	1,145,227,183

	2025 QR	2024 QR
Timing of satisfaction of performance obligation		
Goods transferred at point in time	1,267,847,003	1,145,227,183
Geographical location		
State of Qatar	1,259,795,642	1,138,094,131
Outside of Qatar	8,051,361	7,133,052
	1,267,847,003	1,145,227,183
Type of customers		
External customers	1,234,469,928	1,107,209,557
Related parties (Note 27)	33,377,075	38,017,626
	1,267,847,003	1,145,227,183

Contract balances

The Company's contract balances at gross amounts are as follows:

	2025 QR	2024 QR
Contract asset		
Trade receivables (Note 18)	133,871,323	115,537,249
Contract liabilities		
Refund liabilities		
Arising from volume rebates (Note 25)	11,143,959	7,844,206

Unsatisfied performance obligations:

Details of unsatisfied performance obligations at the reporting date are as follows:

	2025 QR	2024 QR
Unsatisfied performance obligation relating to the delivery of goods	2,223,596	2,319,394

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5 COST OF SALES

	2025 QR	2024 QR
Cost of materials	573,113,618	513,308,766
Depreciation of property, plant and equipment (Note 11)	131,660,123	114,081,287
Direct labour cost and related expenses	81,998,850	83,925,218
Rent and maintenance	58,855,427	65,554,438
Cost of sale, death, slaughter, disposal and transfer of biological asset (Note 15)	74,275,539	66,621,049
Utilities	28,700,942	35,357,963
Production related indirect expenses	24,171,870	21,612,796
Depreciation of right-of-use assets (Note 12)	8,402,873	7,994,847
Insurance expenses	7,602,139	7,278,769
Provision for slow moving inventories (Note 17)	1,000,000	5,472,343
New product development cost	425,150	825,657
Inventory written off	89,309	-
Amortization of intangible assets (Note 13)	4,091	32,836
Others	4,182,789	8,121,765
	994,482,720	930,187,734
Net fair value gain on biological assets (Note 15)	(56,413,733)	(45,297,535)
	938,068,987	884,890,199

6 OTHER INCOME

	2025 QR	2024 QR
Government support (Note i)	83,752,375	104,933,491
Dividend income	3,299,277	2,224,890
Rental income	69,521	816,788
Gain on disposal of property, plant and equipment	196,925	123,585
Stock holding charges	3,600,000	3,600,000
Miscellaneous income	2,313,943	2,471,937
	93,232,041	114,170,691

Note i:

During the year, the Group's has recognised a support from the Government amounting to QR 83,752,375 (2024: 104,933,491). The support is granted to the Group on account of the investment made in the field of dairy manufacturing to ensure the country's food supplies. There are certain conditions that need to be met by the Group in order to be entitled to the government support. As at 31 December 2025, management believes that these conditions have been satisfactorily achieved, accordingly, the support has been recognised on an accrued basis (Note 18).

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7 SELLING AND DISTRIBUTION EXPENSES

	2025 QR	2024 QR
Staff cost	42,390,465	43,135,985
Advertising and promotion expenses	36,853,329	31,037,599
Utilities and maintenance expenses	7,206,682	6,617,487
Depreciation of property, plant and equipment (Note 11)	3,141,845	3,760,849
Depreciation of right-of-use assets (Note 12)	3,381,611	3,064,470
(Reversal) / allowance for expected credit losses (Note 18)	(75,433)	78,561
Insurance expenses	422,805	438,063
Amortization of intangible assets (Note 13)	267,239	287,897
Others	1,800,476	4,498,438
	95,389,019	92,919,349

8 GENERAL AND ADMINISTRATIVE EXPENSES

	2025 QR	2024 QR
Staff cost	35,672,185	29,216,915
Professional charges	14,527,436	13,446,646
Communication and SAP expenses	7,572,529	9,513,080
Management fees (Note 27)	9,000,000	9,000,000
Board remuneration (Note 27)	6,504,353	3,142,883
Amortization of intangible assets (Note 13)	3,001,638	3,102,162
Depreciation of property, plant and equipment (Note 11)	1,666,628	2,422,172
Bank charges	1,083,057	2,054,780
Insurance expenses	895,887	975,209
Utilities, rent and maintenance expenses	958,266	913,313
Stationery and printing expenses	184,710	316,816
Governmental fees	191,099	269,560
Depreciation of right-of-use assets (Note 12)	41,181	62,848
	81,298,969	74,436,384

9 FINANCE COST

	2025 QR	2024 QR
Finance cost on Islamic financing contracts	72,540,997	62,546,943
Finance cost on bank overdrafts	10,141,542	4,268,935
Finance cost on lease liabilities (Note 12)	2,902,561	2,179,581
	85,585,100	68,995,459
Finance costs capitalised (Note 11)	(7,113,685)	(10,080,203)
	78,471,415	58,915,256

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10 INCOME TAX

Income tax

In December 2019, a new Executive Regulations for the tax was introduced in the State of Qatar, replacing the previous executive regulations. The tax exemption provided under Article 4 (paragraph 13) of the New Tax Law in relation to non-Qatari investors' share in profits in listed entities shall not be extended to subsidiaries/associates of listed entities. Accordingly, if a listed entity holds shares in a non-listed entity, the share of profits in the non-listed entity attributable to the listed entity would be subject to tax to the extent of the profit share attributable to non-Qatari shareholders in the listed entity.

Current year income tax details of the Group are as follows:

	2025 QR	2024 QR
Current income tax		
Income tax expense Note (i)	1,293,253	893,288

Reconciliation between profit before income tax expense as per the statement of comprehensive income and taxable profit of a subsidiary is as follows:

	2025 QR	2024 QR
Accounting profit before tax	157,091,363	146,270,199
Add: Non-deductible expense	4,907,960	17,998,460
Less: deductible provisions	(31,499,523)	(60,397,961)
Taxable income	130,499,800	103,870,698
Effective tax rate applicable foreign partners share of profit	0.9910%	0.8600%
Income tax expenses for the year	1,293,253	893,288

The movement of income tax payable is as below;

	2025 QR	2024 QR
At 1 January	1,460,031	780,702
Provided during the year	1,293,253	893,288
Payment during the year	(952,674)	(213,959)
At 31 December (Note 25)	1,800,610	1,460,031

Note (i):

The income tax represents amounts recognised by a subsidiary company.

Deferred tax

The Group has not recognised deferred tax assets relating to temporary differences amounted to QR 9,589,444 as at 31 December 2025 (2024: QR 8,496,227).

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At 31 December 2025

11 PROPERTY, PLANT AND EQUIPMENT

	Land QR	Building and structures QR	Machineries QR	Motor vehicles QR	Furniture and fixtures QR	Capital work in progress QR	Total QR
Cost:							
As at 1 January 2025	55,200,100	1,991,059,772	1,065,064,858	84,340,010	47,644,169	668,452,052	3,911,760,961
Additions	-	8,183,575	16,258,124	4,213,448	500,307	205,447,744	234,603,198
Transfers	-	255,536,215	185,006,864	4,717,934	3,238,911	(448,499,924)	-
Disposals	-	-	(597,162)	(1,890,074)	(1,719,123)	-	(4,206,359)
Transfer to intangible assets (Note 13)	-	-	-	-	-	(208,396)	(208,396)
As at 31 December 2025	55,200,100	2,254,779,562	1,265,732,684	91,381,318	49,664,264	425,191,476	4,141,949,404
Accumulated depreciation:							
As at 1 January 2025	-	348,701,831	290,063,313	44,095,017	40,636,584	-	723,496,745
Charge for the year	-	63,082,085	59,675,870	8,732,961	4,977,680	-	136,468,596
Related to disposals	-	-	(535,946)	(1,370,155)	(1,715,327)	-	(3,621,428)
As at 31 December 2025	-	411,783,916	349,203,237	51,457,823	43,898,937	-	856,343,913
Net book value:							
As at 31 December 2025	55,200,100	1,842,995,646	916,529,447	39,923,495	5,765,327	425,191,476	3,285,605,491

	Land QR	Building and structures QR	Machineries QR	Motor vehicles QR	Furniture and fixtures QR	Capital work in progress QR	Total QR
Cost:							
As at 1 January 2024	55,200,100	1,974,208,136	1,050,792,985	78,864,491	46,909,042	592,781,076	3,798,755,830
Additions	-	1,290,912	6,548,964	7,702,404	2,176,198	105,353,302	123,071,780
Transfers	-	15,560,724	11,127,042	112,645	92,744	(26,893,155)	-
Disposals	-	-	(3,404,133)	(2,339,530)	(1,533,815)	-	(7,277,478)
Transfer to intangible assets (Note 13)	-	-	-	-	-	(2,789,171)	(2,789,171)
As at 31 December 2024	55,200,100	1,991,059,772	1,065,064,858	84,340,010	47,644,169	668,452,052	3,911,760,961
Accumulated depreciation:							
As at 1 January 2024	-	294,719,273	240,935,057	38,191,227	36,070,577	-	609,916,134
Charge for the year	-	53,982,558	52,533,068	7,653,166	6,095,516	-	120,264,308
Related to disposals during the year	-	-	(3,404,133)	(1,750,055)	(1,529,509)	-	(6,683,697)
As at 31 December 2024	-	348,701,831	290,063,992	44,094,338	40,636,584	-	723,496,745
Net book value:							
As at 31 December 2024	55,200,100	1,642,357,941	775,000,866	40,245,672	7,007,585	668,452,052	3,188,264,216

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

Notes:

i. Depreciation expenses charged for the year have been allocated as follows:

	2025 QR	2024 QR
Cost of sales (Note 5)	131,660,123	114,081,287
Selling and distribution expenses (Note 7)	3,141,845	3,760,849
General and administrative expenses (Note 8)	1,666,628	2,422,172
	136,468,596	120,264,308

ii. Capital work-in-progress represents expenses incurred by the Group in respect of construction of farm and factories.

iii. Additions during the year included borrowing capitalized amounted to QR 7,113,685 (2024: QR 10,080,203).

12 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Right-of-use assets

The Group leases land used for farm and leasehold building for employee accommodation. Information about the leases for which the Group is a lessee is presented below:

	Land QR	Building QR	Total QR
Cost:			
As at 1 January 2025	8,544,215	138,326,847	146,871,062
Expiration	(578,964)	-	(578,964)
Remeasurement	-	6,707,560	6,707,560
As at 31 December 2025	7,965,251	145,034,407	152,999,658
Accumulated depreciation:			
As at 1 January 2025	804,161	35,671,957	36,476,118
Relating to expiration	(578,964)	-	(578,964)
Charge for the year	177,006	11,648,659	11,825,665
As at 31 December 2025	402,203	47,320,616	47,722,819
Net carrying amounts:			
As at 31 December 2025	7,563,048	97,713,791	105,276,839

	Land QR	Building QR	Total QR
Cost:			
As at 1 January 2024	8,544,215	138,326,847	146,871,062
As at 31 December 2024	8,544,215	138,326,847	146,871,062
Accumulated depreciation:			
As at 1 January 2024	531,017	24,822,936	25,353,953
Charge for the year	273,144	10,849,021	11,122,165
As at 31 December 2024	804,161	35,671,957	36,476,118
Net carrying amounts:			
As at 31 December 2024	7,740,054	102,654,890	110,394,944

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

Depreciation expenses of right of use assets have been allocated in the statement of profit and loss are as follows:

	2025 QR	2024 QR
Cost of sales (Note 5)	8,402,873	7,994,847
Selling and distribution expenses (Note 7)	3,381,611	3,064,470
General and administrative expenses (Note 8)	41,181	62,848
	11,825,665	11,122,165

Lease liabilities

Below are the carrying amounts of lease liabilities and the movements during the year:

	2025 QR	2024 QR
As at 1 January	78,118,721	122,063,016
Remeasurement	6,707,560	-
Finance cost charged (Note 9)	2,902,561	2,179,581
Repayments during the year	(400,000)	(46,123,876)
As at 31 December	87,328,842	78,118,721

The lease liabilities are presented in the consolidated statement of financial position as follows:

	2025 QR	2024 QR
Non-current	87,245,526	78,041,691
Current	83,316	77,030
	87,328,842	78,118,721

The following are the amounts recognised in consolidated statements of profit or loss and other comprehensive income for the year:

	2025 QR	2024 QR
Depreciation on right-of-use assets	11,825,665	11,122,165
Finance cost on lease liabilities (Note 9)	2,902,561	2,179,581
Short term and variable leases rent	16,739,496	20,934,944
	31,467,722	34,236,690

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

13 INTANGIBLE ASSETS

	2025 QR	2024 QR
Cost:		
As at 1 January	21,086,043	17,206,242
Additions	29,894	1,090,630
Transfer from property, plant and equipment (Note 11)	208,396	2,789,171
As at 31 December	21,324,333	21,086,043
Accumulated depreciation:		
As at 1 January	13,137,350	9,714,455
Charge for the year	3,272,968	3,422,895
As at 31 December	16,410,318	13,137,350
Net carrying amounts:		
As at 31 December	4,914,015	7,948,693

Amortization expenses charged for the year ended 31 December is allocated as follows:

	2025 QR	2024 QR
Cost of sales (Note 5)	4,091	32,836
Selling and distribution expenses (Note 7)	267,239	287,897
General and administrative expenses (Note 8)	3,001,638	3,102,162
	3,272,968	3,422,895

14 INVESTMENTS IN FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The movement in investment in financial assets at fair value through profit or loss is as follows:

	2025 QR	2024 QR
As at 1 January	523,694,449	371,841,124
Addition during the year	62,774,885	116,108,854
Cost of disposal during the year	-	(1,820,715)
Net change in fair value of financial investments (Note i)	408,007,466	37,565,186
As at 31 December	994,476,800	523,694,449

As at 31 December 2025 and 31 December 2024, investment in financial assets at fair value through profit and loss represent equity shares quoted in the Qatar Stock Exchange and the Egyptian Exchange.

Note i

During 2024, net change in fair value of financial investments include a realized gain amounted to QR 391,722.

15 BIOLOGICAL ASSETS

The Group's livestock balance primarily comprises cows which are used in the production of milk and meat. The Group's biological assets stock comprises both immature and mature biological assets.

Immature biological assets comprise of calves that are intended to be reared to mature. These calves are held to produce milk, but have not started to produce milk. The fair value of the immature biological assets is determined by reference to meat price of veal, adjusted to reflect the age of the immature biological assets and cost to acquire a heifer.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

Mature biological assets include cows, which have begun milk production. The fair value of the matured cows is determined by reference to the latest landed cost of a heifer adjusted to reflect the decline in productivity through the lactation cycles and the meat price at the point of slaughter.

The movement in the value of biological assets during the year is as follows:

	2025 QR	2024 QR
As at 1 January	177,387,580	198,711,094
Addition	34,581,698	-
Net fair value gain on biological assets (Note 5)	56,413,733	45,297,535
Cost of sale, death, slaughter, disposal and transfer of biological asset (Note 5)	(74,275,539)	(66,621,049)
As at 31 December	194,107,472	177,387,580

The value of biological assets presented in the consolidated statement of financial position is as follows:

	2025 QR	2024 QR
Current	446,200	482,800
Non-current	193,661,272	176,904,780
	194,107,472	177,387,580

	2025 QR	2024 QR
Mature biological assets	131,786,202	115,662,580
Immature biological assets	62,321,270	61,725,000
	194,107,472	177,387,580

The quantity (number) of biological assets owned by the Group is as follows:

	2025 QR	2024 QR
Mature biological assets	10,369	9,818
Immature biological assets	9,581	8,762
	19,950	18,580

16 GOODWILL

During 2023, the Group acquired 75% shareholding in the subsidiary E-Life Detergent Factory W.L.L for purchase consideration of QR 13,840,000. The net asset value of the Groups share of subsidiary as of the date of acquisition was QR 7,047,365. The Group has therefore, recognised goodwill of QR 6,792,635 on acquisition.

The Group has considered the acquired subsidiary as a single cash-generating unit. The recoverable amount of this cash-generating unit has been determined based on value-in-use calculations, based on projected cash flows and forecasted revenues prepared and approved internally by management.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

17 INVENTORIES

	2025 QR	2024 QR
Packaging and raw material	195,577,664	228,770,150
Feed inventories	85,854,572	72,407,162
Spare parts	77,163,487	72,286,341
Finished goods	22,498,836	34,551,079
Others	20,446,898	25,670,502
	401,541,457	433,685,234
Less: Provision for slow moving inventories	(1,046,923)	(3,626,432)
	400,494,534	430,058,802

At 31 December 2025, the provision for slow-moving inventories amounted to QR 1,046,923 (2024: QR 3,626,432).

The movement in provision for slow moving inventories is recognized in the consolidated statement of financial position as follows:

	2025 QR	2024 QR
As at 1 January	3,626,432	9,574,827
Provision during the year (Note 5)	1,000,000	5,472,343
Write-off during the year	(3,579,509)	(11,420,738)
As at 31 December	1,046,923	3,626,432

18 TRADE AND OTHER RECEIVABLES

	2025 QR	2024 QR
Trade receivables (Note 4)	133,871,323	115,537,249
Government support (Note 6)	83,752,375	104,933,491
Prepayments, other advances and receivables (Note ii)	90,921,125	150,355,259
Advances to suppliers (Note iii)	23,175,372	30,571,376
Deferred expenses	4,055,111	4,336,690
Staff receivables	31,065	30,413
Other receivables	1,845,408	-
	337,651,779	405,764,478
Less: Allowance for expected credit loss (Note i)	(1,409,114)	(1,484,547)
	336,242,665	404,279,931

Note i

Allowance for expected credit loss as at 31 December 2025 is QR 1,409,114 (2024: QR 1,484,547). The movement in expected credit loss on receivables is as follows:

	2025 QR	2024 QR
As at 1 January	1,484,547	1,484,636
(Reversal) / provided during the year (Note 7)	(75,433)	78,561
Written off during the year	-	(78,650)
As at 31 December	1,409,114	1,484,547

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

Note ii

During the year, the Group has written off a net amount of QR 35,789,509 in the statement of profit or loss relating to advances for projects and excess budgetary accruals.

Note iii

Advance to suppliers

Advances to suppliers is presented in the consolidated statement of financial position as follows:

	2025 QR	2024 QR
Current	23,175,372	30,571,376
Non-current*	372,583,615	-
	395,758,987	30,571,376

* These are the capital advances paid to various contractors mainly relating to the construction of plant in a subsidiary located in Algeria.

* This includes QR 71,200,547 paid to Urbacon Trading and Contracting W.L.L., a related party of the Group.

19 CASH AND BANK BALANCES

	2025 QR	2024 QR
Cash on hand	415,367	452,708
Cash in transit	674,653	74,760
Bank balances (Note i)	373,699,102	27,096,261
Cash and bank balances	374,789,122	27,623,729
Bank overdrafts	(21,022,878)	(104,846,659)
Restricted bank balances (Note i)	(145,563,741)	(15,718,453)
Cash and cash equivalents	208,202,503	(92,941,383)

Note i

Restricted bank balances are primarily related to unclaimed dividends amounting to QR 14,624,633 (2024: 15,718,453) and an amount of QR 130,939,108 pertaining to a letter of credit issued for the Algeria project, which was established against a cash margin.

20 SHARE CAPITAL

	2025		2024	
	No of shares	Amount QR	No of shares	Amount QR
Authorised, issued and paid-up ordinary and special shares QR 1 per each share				
As at 1 January	1,901,000,000	1,901,000,000	1,901,000,000	1,901,000,000
Bonus share issued (1:19) (Note 28)	100,052,631	100,052,631	-	-
Bonus share issued (1:14) (Note 28)	142,932,331	142,932,331	-	-
	2,143,984,962	2,143,984,962	1,901,000,000	1,901,000,000

The Group's authorized, issued and paid-up share capital amounting to QR 2,143,984,962 (2024: QR 1,901,000,000) is divided into 2,143,984,961 (2024: 1,900,9999) ordinary shares and one special share, the nominal value is QR 1 of each share.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

The bonus shares were issued by capitalizing an equivalent amount from retained earnings (Note 28).

There was no impact on the total earnings attributable to shareholders, however, the number of shares used in the EPS calculation increased, resulting in a proportionate decrease in EPS (Note 26).

Special share

The State of Qatar, represented by the Ministry of Commerce and Industry, has been allotted one Special Share, and the Special Share will have specific rights to appoint certain Directors, veto particular decisions of the Company, and other rights. The Special Shareholder, as holder of the Special Share, has the rights set out in Article 28 of Company's Article of Association.

21 LEGAL RESERVE

In accordance with Qatar Commercial Companies' Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No.8 of 2021 and the Company's Article of Association, 10% of the profit for the year is to be transferred to the legal reserve. The Group may resolve to discontinue such annual transfers when the reserve totals 50% of the share capital. This reserve is not available for distribution except in the manner stated in Qatar Commercial Companies' Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No.8 of 2021.

22 ACQUISITION RESERVE

This balance represents the issuance of shares to the founders against the transferring of ownership in capital of Baladna Food Industries W.L.L. and settling of their current account. The reserve is recognized directly in equity and is not subject to subsequent remeasurement.

23 ISLAMIC FINANCING CONTRACTS

	2025 QR	2024 QR
Long term financing (Note a)	834,327,521	892,327,525
Long term financing (Note b)	834,975,960	888,240,384
Long term financing (Note c)	71,012,467	77,769,637
Long term financing (Note d)	372,113,685	60,339,185
Short term financing (Note e)	334,914,105	155,503,798
	2,447,343,738	2,074,180,529

Islamic financing is presented in the consolidated statement of financial position as follows:

	2025 QR	2024 QR
Non-current	1,939,005,167	1,707,522,765
Current	508,338,571	366,657,764
	2,447,343,738	2,074,180,529

The movement in Islamic financing contracts during the year is as follows:

	2025 QR	2024 QR
At 1 January	2,074,180,529	1,994,035,655
Drawdowns during the year	515,524,376	256,938,950
Repayments during the year	(142,361,167)	(176,794,076)
At 31 December	2,447,343,738	2,074,180,529

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

Notes:

- (a) This represents an Islamic finance (Murabaha) facility obtained from a bank in the State of Qatar to finance the construction of cow farm and working capital requirements. The facility is repayable in agreed quarterly instalments maturing in 2036. This facility carries an annual profit rate of 5.25%.
- (b) This represents an Islamic finance facility obtained from a bank in the State of Qatar to finance the property, plant and equipment. The facility is repayable at agreed quarterly instalments maturing in 2038. This facility carries an annual profit rate of 4.9%.
- (c) This represents an Islamic finance facility obtained from a bank in the State of Qatar to finance the construction of cow farm and working capital requirements. The facility is repayable in agreed quarterly instalments maturing in 2034. The bank facility carries an annual profit rate of 5.15%.
- (d) This represents an Islamic finance facility (Murabaha) obtained from a bank in State of Qatar (through a foreign branch) to finance the Algeria projects. The total facility is USD 570 million of which USD 100 million has been drawn down as at 31 December 2025. The facility is expected to be re-paid from 2035 to 2044. The expected Murabaha profit rates during the repayment period is US\$ 3 months SOFR + 2.75% margin with a minimum profit rate of 5.25%. The Master Murabaha agreement is still awaiting formal sign off from the Bank. This facility is secured against corporate guarantee of Baladna for Trading and investment L.L.C., Baladna Food Industries W.L.L. and bank account of the project Company.
- (e) Short-term financing is maintained to provide working capital support, primarily for meeting supplier payment obligations through trade finance instruments and direct fund transfers. The Group currently maintains two such short-term working capital facilities: (i) a QR denominated working capital facility with a bank bearing a fixed interest rate of 5.25% per annum; and (ii) a USD denominated working capital facility with a bank priced at EIBOR 6M, transitioning to a flat rate of 5.00% per annum in 2025. Both facilities are structured with a repayment tenor of 180 days.

There are no securities and collaterals against the long-term financing except stated otherwise.

24 EMPLOYEES' END OF SERVICE BENEFITS

	2025 QR	2024 QR
As at 1 January	19,057,564	16,001,968
Provided during the year	5,391,918	5,193,918
Paid during the year	(2,204,776)	(2,138,322)
As at 31 December	22,244,706	19,057,564

25 TRADE AND OTHER PAYABLES

	2025 QR	2024 QR
Trade payables	85,582,302	111,262,582
Accrued expenses	73,033,689	71,772,653
Refund liabilities relating to volume rebates (Note 4)	11,143,959	7,844,206
Dividend payable	14,624,633	15,718,453
Provision for social and sports fund (Note 29)	13,493,408	4,625,304
Income tax payable (Note 10)	1,800,610	1,460,031
Other liabilities	2,285,274	148,053
	201,963,875	212,831,282

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

26 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity holders of the Parent by the weighted average number of ordinary shares outstanding during the year.

There were no potentially diluted shares outstanding at any time during the year and, therefore, the diluted earnings per share is equal to the basic earnings per share.

The following reflects the profit and share data used in the basic and diluted earnings per share computations:

	2025 QR	2024 QR (Restated)
Profit attributable to equity holders of the parent (QR)	539,736,320	185,012,156
Number of shares outstanding during the period after bonus share adjustment (Note 20 & 28)	2,143,984,962	2,143,984,962
Basic and diluted earnings per share (QR)	0.252	0.086

27 RELATED PARTY DISCLOSURES

Related parties represent associates, affiliate entities, partners, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

Related party transactions

Transactions with related parties included in the consolidated income statement are as follows:

Affiliate	31 December 2025		
	Revenue QR	Purchases QR	Services QR
Yemek Doha Catering Services W.L.L.	25,653,809	-	-
Aura Hospitality W.L.L.	4,312,696	-	174,975
Elegancia Group W.L.L.	1,752,987	-	-
Distri Mart L.L.C.	872,992	-	-
Elegancia Facility Management Limited W.L.L.	356,809	-	1,010,966
Assets Real Estate Development Co. W.L.L.	225,763	-	-
Elegancia Landscape W.L.L.	132,400	-	-
Power International Holding W.L.L. (Note i)	-	-	16,924,679
Aura Entertainment W.L.L.	-	-	985,016
Aura International for Hospitality Services W.L.L.	-	19,152	219,032
Urbacon Plant, Machinery and Vehicles (A Branch of Urbacon Trading and Contracting Company W.L.L.)	-	-	574,443
Joury Tour & Travels W.L.L.	-	-	4,008,180
Stark Security W.L.L.	-	-	2,161,334
Printshop for Printing Services W.L.L.	-	-	82,737
Credo Trading Company W.L.L.	-	206,920	-
General Pension and Social Security Authority	-	-	276,802
Newrest Gulf L.L.C.	-	-	8,179,550
Gemini-X Trading	-	-	215,250
Others	69,619	9,493	450,203
	33,377,075	235,565	35,263,167

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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	31 December 2024	
	Revenue QR	Services QR
Affiliates		
Yemek Doha Catering Services W.L.L.	29,192,389	-
Aura Hospitality W.L.L.	6,001,625	1,249,958
Elegancia Group W.L.L.	1,724,540	-
Aura Entertainment W.L.L.	729,654	1,780,500
Elegancia Facility Management Limited W.L.L.	148,153	861,472
QA Aura Restaurant	100,496	-
Urbacon Trading and Contracting W.L.L.	38,200	-
Power International Holding W.L.L. (Note i)	-	12,587,853
Aura International for Hospitality Services W.L.L.	-	153,611
Urbacon Plant, Machinery and Vehicles (A Branch of Urbacon Trading and Contracting Company W.L.L.)	-	117,600
Joury Tour & Travels W.L.L.	-	2,207,806
Stark Security W.L.L.	-	2,096,018
Credo Trading Company W.L.L.	-	357,708
Mall of Qatar W.L.L.	-	1,000,000
General Pension and Social Security Authority	-	279,993
Other	82,569	158,555
	38,017,626	22,851,074

Note i:

This includes management fee amounted to QR 9,000,000 (2024: QR 9,000,000) charged by Power International Holding (PIH) for providing the HR, IT, and other support services to the Group as per the signed agreement by the Group and PIH.

Note ii:

The Group has a contract with a related party, Urbacon Trading and Contracting W.L.L., for the lease of staff accommodation as disclosed in Note 12. The Company did not make any lease payment during the year (2024: QR 45,606,588).

Note iii:

Additions and capital work in progress to the property, plant and equipment during the year included the following transactions with related parties:

Related party	Nature of transactions	2025 QR	2024 QR
		Urbacon Trading and Contracting W.L.L.	Construction work
Elegancia Electro Mechanical Services W.L.L.	Supply and installation of utilities	3,056,513	4,099,531
Golden Bay Trading and Contracting W.L.L.	Construction work	1,909,293	1,580,100
Aura Entertainment W.L.L.	Construction work	1,530,837	-
Joury Tour & Travels W.L.L.	Logistics for Construction work	923,207	2,521,618
Elegancia Water Solutions W.L.L. (previously Watermaster Qatar W.L.L.)	Construction work	107,171	1,071,712
Credo Trading Company W.L.L.	Construction work	43,878	437,878
Others		30,000	78,613

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

Related party balances

Balances with related parties included in the consolidated statement of financial position are as follows:

Due from related parties:

	2025 QR	2024 QR
Affiliates		
Aura Hospitality and Food Services W.L.L.	10,028,939	4,592,122
Elegancia Steel Trading W.L.L.	7,050,000	-
Yemek Doha Catering Services W.L.L.	5,952,405	8,579,127
Golden Bay Trading and Contracting W.L.L.	1,505,000	-
Urbacon Trading and Contracting W.L.L.	1,315,776	-
Elegancia Group W.L.L.	1,089,985	1,021,513
Distri Mart L.L.C	872,992	-
Power International Holding W.L.L.	547,911	6,713,303
Elegancia Landscape W.L.L.	364,920	232,520
Assets Real Estate Development Co. WLL	275,243	44,282
Aura Lifestyle W.L.L.	179,262	-
Elegancia Facility Management W.L.L.	151,091	-
Al Maha Island W.L.L.	69,516	-
Printshop for Printing Services W.L.L.	46,057	130,594
Aura Entertainment W.L.L.	-	2,604,047
Sazeli Restaurant W.L.L.	-	230,816
Damasca Restaurant W.L.L.	-	134,091
Ghassan Khalid Al Salama	-	26,047
Retaj Baywalk Residence W.L.L.	-	8,000
Others		
QLM Life and Medical Insurance	7,910	-
	29,457,007	24,316,462

Due to related parties:

	2025 QR	2024 QR
Affiliates		
Elegancia Electro Mechanical Services W.L.L.	2,546,290	2,386,868
Aura Entertainment W.L.L.	2,523,349	-
Power International Holding W.L.L.	1,190,000	-
Newrest Gulf L.L.C.	640,276	9,000
Aura International for Hospitality Services W.L.L.	458,178	25,800
Joury Tour & Travels W.L.L.	227,555	67,035
Elegancia Water Solutions W.L.L. (previously Watermaster Qatar W.L.L.)	118,371	479,412
Gemini-X Trading L.L.C.	117,950	-
The Zone Gym W.L.L.	50,000	-
Urbacon Plant, Machinery and Vehicles (A Branch of Urbacon Trading and Contracting Company W.L.L.)	43,950	117,600
Credo Trading Company W.L.L.	43,788	32,423
Stark Security W.L.L.	29,200	-
Elegancia Gabro Trading and Transport W.L.L.	7,693	-
Union Iron Steel L.L.C. (United Arab Emirates)	791	-
Urbacon Trading and Contracting W.L.L.	-	1,015,989
Golden Bay Trading and Contracting W.L.L.	-	197,900
Elegancia Facility Management W.L.L.	-	191,320
Others		
Essa Ahmed Jabor Ali Abdullah	-	161,776
	7,997,391	4,685,123

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Terms and conditions of transactions with related parties

Transactions with related parties are made at normal market prices or contractually agreed terms. Outstanding balances as of 31 December 2025 are unsecured, interest-free and the settlement normally occurs in cash. This condition is being yearly monitored based on the financial decision and economic condition of the management.

Compensation of key management personnel

	2025 QR	2024 QR
Salaries and short-term benefits	13,389,951	12,029,980
Employees' end of service benefits	786,573	368,290
	14,176,524	12,398,270
Director's remuneration (Note i)	6,504,353	3,142,883

Note i

Directors' remuneration for the year 2025 is subject to the approval of the Group's Annual General Assembly (2024: QR 3,142,883, approved by the shareholders of the Group at the Annual General Meeting held on 3 March 2025). During 2025, an amount of QR 810,353 (2024: Nil) related to sitting fees for a subsidiary's board of directors.

28 DIVIDENDS

The shareholders of the Parent at the Extraordinary General Meetings held on 9 March 2025 and 6 November 2025 approved to issue bonus shares to existing shareholders in the ratio of one bonus share for every nineteen shares held [1:19] and one bonus share for every twenty-four shares held [1:14] from the profit of 2024 and 2025 amounting to QR 100,052,631 and QR 142,932,331 respectively.

The shareholders of the Parent at the General Assembly held on 19 March 2024 approved a cash dividend of QR 0.0695 per ordinary share, amounting to a total of QR 132,119,500.

29 SOCIAL AND SPORTS FUND

In accordance with Law No. 13 of 2008, the Group is required to provide a provision for the support of sports, social, cultural, and charitable activities with an amount equivalent to 2.5% of the annual net profit. This social and sports contribution is considered as an appropriation of retained earnings of the Group and presented in the consolidated statement of changes in the equity. The Group appropriated accounted for QR 13,493,408 for the social contribution funds during the year ended 31 December 2025 (2024: QR 4,625,304) (Refer Note 25).

30 NON-CONTROLLING INTERESTS

The financial information of Group's material non-controlling interests are provided below:

	2025 QR	2024 QR
Name of the subsidiary		
E-Life Detergent Factory W.L.L.	25%	25%
Baladna Algeria S.P.A.	49%	-

Proportion of equity interest held by non-controlling interests are as follows:

	2025 QR	2024 QR
Name of the subsidiary		
E-Life Detergent Factory W.L.L.	3,384,315	3,011,202
Baladna Algeria S.P.A.	386,904,565	-
	390,288,880	3,011,202

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Summarised statement of comprehensive income for the year ended 31 December:

	2025		2024	
	E life Detergent Factory W.L.L. QR	Baladna Algeria S.P.A. QR	E life Detergent Factory W.L.L. QR	Baladna Algeria S.P.A. QR
Revenues and gains	20,518,779	-	17,946,171	-
Expenses and losses	(19,316,322)	(2,574,646)	(16,793,572)	-
Profit / (loss) for the year	1,202,457	(2,574,646)	1,152,599	-
Total comprehensive loss for the year	1,202,457	(2,574,646)	1,152,599	-
Attributable to:				
Equity holders of the parent	901,843	(1,313,070)	864,449	-
Non-controlling interests	300,614	(1,261,576)	288,150	-

Summarised statement of financial position as at 31 December:

	2025		2024	
	E life Detergent Factory W.L.L. QR	Baladna Algeria S.P.A. QR	E life Detergent Factory W.L.L. QR	Baladna Algeria S.P.A. QR
Non-current assets	9,812,745	482,787,409	9,711,684	-
Current assets	12,803,020	327,734,835	10,700,022	-
Non-current liabilities	(456,522)	-	(348,530)	-
Current liabilities	(8,621,985)	(20,921,095)	(8,018,375)	-
Total equity	13,537,258	789,601,149	12,044,801	-
Attributable to:				
Equity holders of the parent	10,152,942	402,696,585	9,033,599	-
Non-controlling interests	3,384,316	386,904,564	3,011,202	-

Summarised statement of cash flows for the year ended 31 December:

	2025 QR	2024 QR
Operating activities	12,963,724	(237,528)
Investing activities	(483,565,815)	(714,176)
Financing activities	660,108,574	1,447,875
Net increase in cash and cash equivalents	189,506,483	496,171

31 COMMITMENT AND CONTINGENT LIABILITIES

Commitments

As at 31 December 2025, the Group had the following capital commitments relating to the projects in progress.

	2025 QR	2024 QR
Capital commitments	847,943,058	49,515,550

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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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:

	2025 QR	2024 QR
Letters of credits	62,768,111	38,944,378
Guarantees	25,489,949	25,352,713
Bill for collection	1,089,608	2,427,112

32 FINANCIAL RISK MANAGEMENT

Objective and policies

The Group's principal financial liabilities comprise trade payables, amounts due to related parties, accrued expenses, lease liabilities, Islamic financing contracts, bank overdrafts and other payables. The main purpose of these financial liabilities is to manage the working capital requirements for the Group's operations. The Group has various financial assets such as trade receivables, amounts due from related parties, government support, accrued income, staff receivables, other receivables, cash and bank balances and investment in financial assets at fair value through profit or loss, which arise directly from its operations.

The main risks arising from the Group's financial instruments are market risk, credit risk and liquidity risk and other risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Group's exposure to the risk of changes in market interest rate relates primarily to the Group's financial instruments with floating interest rates.

The following table demonstrates the sensitivity of the consolidated statement of profit or loss to reasonably possible changes in interest rates by 25 basis points, with all other variables held constant. The sensitivity on the consolidated income statement is the effect of the assumed changes in interest rates for one year, based on the floating rate financial instruments held at 31 December.

The effect of decreases in interest rates is expected to be equal and opposite to the effect of the increases shown.

	Increase in basis points	Effect on profit QR
2025	+25	1,997,658
2024	+25	845,300

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. As the Qatari Riyal is pegged to the US Dollar, balances in US Dollars are not considered to represent significant currency risk. In addition, as other GCC currencies, with the exception of Kuwaiti Dinar, are pegged to the US Dollar, balances in other GCC currencies are also not considered to represent significant currency risk. The Group does not have any balances in Kuwaiti Dinar as at 31 December 2025. GCC countries comprise the members of the Gulf Co-operation Council being Kingdom of Bahrain, State of Kuwait, Sultanate of Oman, State of Qatar, Kingdom of Saudi Arabia and the United Arab Emirates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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The following table illustrates the effect of a reasonable possible change of the material relevant foreign currencies against the Qatari Riyal, with all other variables held constant, on the consolidated statement of profit or loss. An equal decrease in each of the below mentioned currencies against the Qatari Riyal is expected to have an equal but opposite impact.

	Percentage change	2025 QR	2024 QR
EUR	5%	(140,437)	(177,749)
GBP	5%	(3,135)	(4,158)
EGP	5%	18,126,800	19,216,504
DZD	5%	15,928,442	-

Equity price risk

Equity price risk arises from fluctuations in equity indices and prices. The following table demonstrates the sensitivity of the effect of cumulative changes in fair values recognised in the equity to reasonably possible changes in equity prices, with all other variables held constant. The effect of decreases in equity prices is expected to be equal and opposite to the effect of the increases shown.

The following table demonstrates the sensitivity of the effect of cumulative changes in fair values recognised in the equity to reasonably possible changes in equity prices, with all other variables held constant. The effect of decreases in equity prices is expected to be equal and opposite to the effect of the increases shown.

	Changes in equity prices	Effect on equity QR
2025		
Investment in financial assets at fair value through profit or loss	+5%	49,723,840
2024		
Investment in financial assets at fair value through profit or loss	+5%	26,184,722

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Group is exposed to credit risk on its trade receivables, amounts due from related parties, deposits, other receivables, bank balances and certain other assets as reflected in the consolidated statement of financial position.

With respect to credit risk arising from the financial assets of the Group, the exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments as follows:

	2025 QR	2024 QR
Amounts due from related parties	29,457,007	24,316,462
Trade receivables	132,462,209	104,933,491
Bank balances	373,699,102	27,096,261
Staff receivables	31,065	30,413
Other receivables	1,845,408	-
	537,494,791	156,376,627

Group manages the credit risk based on the Group's established policies and procedures. Outstanding customer receivables are regularly monitored by the Group and the Group seeks to limit its credit risk with respect to customers by setting credit limits for individual customers.

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An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customers with similar loss patterns. The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables, Government support, accrued income, staff receivables, other receivables, amount due from related parties and bank balances.

The following table provides information about the exposure to credit risk and ECLs for trade receivables from customers as at 31 December.

	Days past due						Total QR
	Current QR	31-60 days QR	61-90 days QR	91-120 days QR	121-365 days QR	Over 365 days QR	
2025							
Expected credit loss rate	0%	1%	3%	4%	69%	100%	0.2%
Trade receivables	125,997,633	4,851,955	970,540	765,397	933,323	352,475	133,871,323
Government support	83,752,375	-	-	-	-	-	83,752,375
Bank balances	373,699,102	-	-	-	-	-	373,699,102
Staff receivables	31,065	-	-	-	-	-	31,065
Other receivables	1,845,408	-	-	-	-	-	1,845,408
Due from related parties	29,457,007	-	-	-	-	-	29,457,007
Loss allowance	(315,119)	(38,463)	(28,908)	(28,999)	(645,150)	(352,475)	(1,409,114)
Net trade receivables	614,467,471	4,813,492	941,632	736,398	288,173	-	621,247,166

	Days past due						Total QR
	Current QR	31-60 days QR	61-90 days QR	91-120 days QR	121-365 days QR	Over 365 days QR	
2024							
Expected credit loss rate	-	-	15%	72%	100%	100%	0.4%
Trade receivables	100,188,320	10,379,569	3,988,722	367,322	438,075	175,241	115,537,249
Government support	104,933,491	-	-	-	-	-	104,933,491
Bank balances	27,096,261	-	-	-	-	-	27,096,261
Staff receivables	30,413	-	-	-	-	-	30,413
Due from related parties	24,316,462	-	-	-	-	-	24,316,462
Loss allowance	-	-	(605,340)	(265,891)	(438,075)	(175,241)	(1,484,547)
Net trade receivables	256,564,947	10,379,569	3,383,382	101,431	-	-	270,429,329

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to its reputation.

The Group limits its liquidity risk by ensuring bank facilities are available. The Group's terms of sale require amounts to be settled within its specified terms in the contract and invoices. Trade payables are normally settled within the terms of purchase from the supplier.

The table below summarises the maturities of the Group's undiscounted financial liabilities at 31 December, based on contractual payment dates and current market rates.

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	Less than 1 year QR	Between 1 and 5 years QR	Over 5 years QR	Total QR
31 December 2025				
Islamic Financing contracts	593,831,526	1,135,814,025	1,719,288,993	3,448,934,544
Bank overdraft	21,022,878	-	-	21,022,878
Trade payables	85,582,302	-	-	85,582,302
Accrued expenses	73,033,689	-	-	73,033,689
Refund liabilities relating rebates	11,143,959	-	-	11,143,959
Dividend payable	14,624,633	-	-	14,624,633
Other liabilities	2,285,274	-	-	2,285,274
Due to related parties	7,997,391	-	-	7,997,391
Lease liabilities	400,000	79,918,000	27,453,000	107,771,000
	809,921,652	1,215,732,025	1,746,741,993	3,772,395,670

	Less than 1 year QR	Between 1 and 5 years QR	Over 5 years QR	Total QR
31 December 2024				
Islamic Financing contracts	467,421,694	930,456,043	1,280,806,341	2,678,684,078
Bank overdraft	104,846,659	-	-	104,846,659
Trade payables	111,262,582	-	-	111,262,582
Accrued expenses	71,772,653	-	-	71,772,653
Refund liabilities relating rebates	7,844,206	-	-	7,844,206
Dividend payable	15,718,453	-	-	15,718,453
Other liabilities	148,053	-	-	148,053
Due to related parties	4,685,123	-	-	4,685,123
Lease liabilities	400,000	40,759,000	67,012,000	108,171,000
	784,099,423	971,215,043	1,347,818,341	3,103,132,807

Agriculture risk

(a) Failure to secure long-term production of fodder

The Group has developed an extensive supply chain network in North America and South America, to source fodder, to ensure continuous supply of fodder for its biological assets. The Group's farms also carry a large inventory of forage to ensure no disruption of supply. In addition, its Algeria agricultural project has commenced with soil preparation and cropping, with the first harvest expected in 2026.

(b) Large scale loss of biological assets due to disease/pandemic

Strong bio-security procedures, cows located in different barns to reduce risk, disease control and vaccination program are in place along with screening and quarantine of incoming animals. Professional vet group within the farming division ensure large scale losses do not occur.

(c) Severe operational disruption (Fire, Flood, etc.)

The Group is prepared to respond to operational disruptions to minimise losses and remain viable. An effective Business Continuity Plan is continually reviewed and adapted for the changing nature of operational disruptions. Risk assessments are continually performed to identify possible events that could cause significant disruptions. Risk of business disruption from flood has been removed through farm design. Farm buildings are constructed in areas that do not have flash floods and also elevated above ground level.

Commodity price risk

Commodity price risk is the risk associated with changes in prices to certain commodities including corn, sugar and soya etc. that the Group is exposed to and its unfavourable effect on the Group's costs and cash flow. This commodity price

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risk arises from forecasted purchases of certain commodities that the Group uses as raw material. To mitigate commodity price volatility, the Group has diversified its feed sourcing strategy by initiating an agricultural project in Algeria. Soil preparation and cropping are underway, with the first harvest expected in 2026, providing a natural hedge against market fluctuations.

The sensitivity of the commodity prices to reasonably possible changes in rates by 5% would have increased is as follows.

	Increase in price	Effect on profit QR
2025	+5%	16,166,552
2024	+5%	17,888,623

Capital management

The Group's objective when managing capital is to ensure its ability to maintain a strong credit rating and healthy capital ratios in order to support its business to provide returns for its shareholders and to provide best returns on capital investment by pricing goods and services commensurately with the level of risk.

The Group sets the amount of capital funds in accordance with the planned level of operations and in proportion to the levels of risk. The Group manages the shareholder's funds and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholder, return capital to shareholder, issue new shares in order to reduce debt. The Group's equity comprises share capital, legal reserve, retained earnings, acquisition reserve and is measured at QR 2,930,273,273 (2024: QR 2,404,030,361).

The Group is not subject to externally-imposed capital requirements.

33 SEGMENT REPORTING

The Group has a single significant business operation located in the State of Qatar which is an agricultural activity of production and sales of dairy products in addition to other insignificant products and activities. There are no other significant business segments at 31 December 2025 and 2024.

34 FAIR VALUE MEASUREMENTS

Financial assets consist of trade receivables, amounts due from related parties, government support, accrued income, staff receivables, other receivables, cash and bank balances and investment in financial assets at fair value through profit or loss. Financial liabilities consist of Islamic financing contracts, payables, and accrued expenses, trade payables, amounts due to related parties, accrued expenses, lease liabilities, Islamic financing contracts, overdrafts and other payables.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Differences can therefore arise between book value under historical cost method and fair value estimates.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the financial assets held at fair value through profit or loss and biological assets by following valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

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As at 31 December, the Group held the following financial and non-financial assets measured at fair value:

	Total QR	Level 1 QR	Level 2 QR	Level 3 QR
31 December 2025				
Financial assets				
Financial investments held at fair value through profit or loss	994,476,800	994,476,800	-	-
Non-financial assets				
Biological assets	194,107,472	-	194,107,472	-
	1,188,584,272	994,476,800	194,107,472	-

	Total QR	Level 1 QR	Level 2 QR	Level 3 QR
31 December 2024				
Financial assets				
Financial investments held at fair value through profit or loss	523,694,449	523,694,449	-	-
Non-financial assets				
Biological assets	177,387,580	-	177,387,580	-
	701,082,029	523,694,449	177,387,580	-

Biological assets are measured at fair value less cost to sell, based on local and international market prices, whenever available, of livestock of similar age, breed and genetic merit with adjustments, where necessary, to reflect the differences.

The Group's biological assets comprise of both immature and mature livestock. Immature livestock comprises dairy cows that are intended to be reared to maturity. These immature cows are held to produce milk or offspring but have not yet produced their first calf and begun milk production.

The fair value of immature livestock is determined by reference to meat price of veal, adjusted to reflect the age of the calves and to the landed cost of a heifer by reference to the recent purchases of the Group. The fair value of mature cows is determined by reference to latest landed cost of a heifer by reference to the recent purchases adjusted to reflect the decline in productivity through the lactation cycles, the meat price at the point of slaughter.

35 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Use of estimates and judgments

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The estimates and underlying assumptions are reviewed regularly. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

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Satisfaction of performance obligation

The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognizing revenue. For sale of goods through retail outlets, hotels, restaurants and cafeteria's revenue recognized by the Group at a point in time when the goods are sold and control is transferred to customer.

Significant increase in credit risk

The Group uses a provision matrix to calculate ECLs for receivables including Government support, staff receivables, other receivables and due from related parties. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. During the current financial year, there has been no revision in the lease terms.

Estimating the incremental borrowing rate on leases

The Group cannot readily determine the financing rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay' which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Classification of investments

Management exercised significant judgement in determining the appropriate classification of the Company's investments in listed equity securities under IFRS 9 Financial Instruments. Based on the Company's investment strategy and the characteristics of these instruments, the investments have been classified as fair value through profit or loss (FVTPL).

In reaching this conclusion, management considered that the listed shares are not held for long-term strategic purposes, nor do they provide contractual cash flows that meet the requirements for amortised cost or fair value through other comprehensive income (FVOCI) classification. Instead, these investments are actively managed and monitored with the objective of realising fair value changes through trading activities. Accordingly, changes in fair value are recognised directly in profit or loss in the period in which they arise, consistent with the requirements of IFRS 9.

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Impairment of financial assets

Allowance for expected credit losses of receivables

At the reporting date, the gross amount receivables were QR 622,656,280 (2024: QR 271,913,876) with allowance for expected credit loss amounting to QR 1,409,114 (2024: QR 1,484,547). Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the consolidated statement of income.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, Government support, staff receivables, other receivables, and due from related parties, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Useful lives of property, plant and equipment and intangible assets

The Group's management determines the estimated useful lives of its property, plant and equipment and intangible assets for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Provision for slow moving inventories

Inventories are held at the lower of cost or net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence.

At the reporting date, gross inventories were QR 401,541,457 (2024: QR 433,685,234) with provision for slow-moving inventories amounting to QR 1,046,923 (2024: QR 3,626,432). Any difference between the amounts actually realised in future periods and the amounts expected will be recognised in the consolidated statement of income.

Measurement of biological assets

Biological assets are measured at fair value less cost to sell, with any change therein recognised in consolidated statement of profit or loss and other comprehensive income. The fair value of immature livestock is determined by reference to meat price of veal, adjusted to reflect the age of the calves and to the landed cost of a heifer by reference to the recent purchases of the Group. The fair value of mature cows is determined by reference to landed cost of a heifer by reference to the recent purchases adjusted to reflect the decline in productivity through the lactation cycles, the meat price at the point of slaughter. Where the fair value cannot be measured reliably, in such a case, that biological asset shall be measured at its cost less any accumulated depreciation and any accumulated impairment losses. Once the fair value of such a biological asset becomes reliably measurable, an entity shall measure it at its fair value less costs to sell.

Goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which the goodwill has been allocated. Management tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective country in which it operates. The amount of such provisions is based on various factors, such as differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective country of operations.

Going concern

The Group's management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on a going concern basis.

36 COMPARATIVE FINANCIAL INFORMATION

Certain comparative information in the consolidated financial statements has been reclassified to conform to the current year presentation and classification. The changes have been made to improve the quality of the information presented and do not affect the previously reported net profit or equity.

Effects of the reclassification to the consolidated financial statements are summarized below:

Effect on the consolidated statement of financial position as at 31 December 2024:

	As previously reported 31 December 2024 QR	Reclassification QR	Reclassified 31 December 2024 QR
Reclassification of bank overdrafts			
Bank overdrafts	175,098,166	(70,251,507)	104,846,659
Islamic financing contracts - current	296,406,257	70,251,507	366,657,764
Net effect	471,504,423	-	471,504,423
Reclassification of due from related parties to lease liability and due to related parties			471,504,423
Due from related parties	57,020,723	(32,704,261)	24,316,462
Lease liabilities			
Current	(9,114,108)	9,037,078	(77,030)
Non-current	(102,724,863)	24,683,172	(78,041,691)
Due to related parties	(3,669,134)	(1,015,989)	(4,685,123)
Net effect	(58,487,382)	-	(58,487,382)

Effect on the consolidated statement of cashflows for the year ended 31 December 2024:

	As previously reported 31 December 2024 QR	Reclassification QR	Reclassified 31 December 2024 QR
Operating activities	189,429,338	33,720,250	223,149,588
Financing activities	(128,948,834)	20,812,804	(108,136,030)
Cash and cash equivalent as at 31 December	(147,474,437)	54,533,054	(92,941,383)



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