

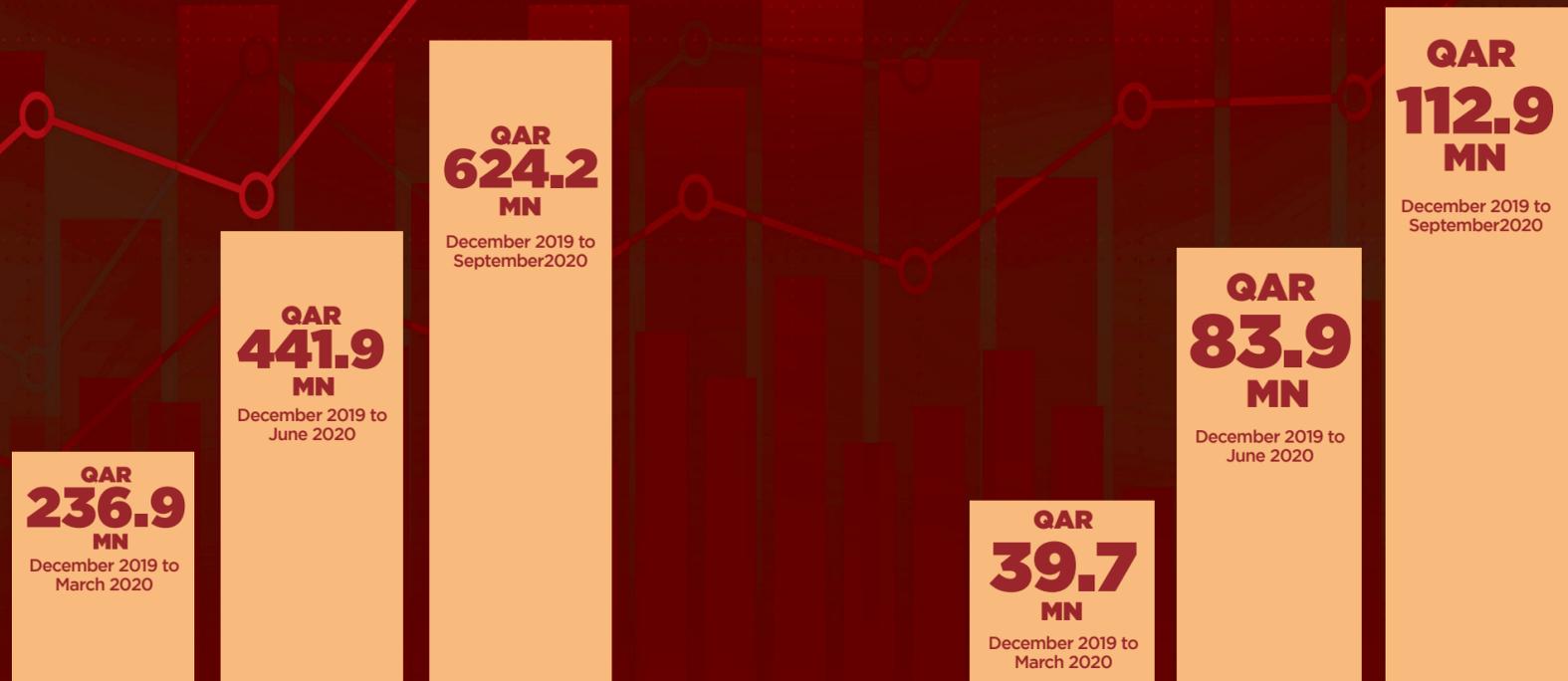
# Robust Growth Story, Baladna Achieves QAR 113 Million Cumulative Net Profit



بلدنا ش.م.ع.ق.  
BALADNA Q.P.S.C.



**Total 225 Products as of 30th September 2020**



**Total Revenue for 10 Months - QAR 624.2 MN**

**Total Net Profit for 10 Months - QAR 112.9 MN**

## Doha – 27th October 2020

Baladna Q.P.S.C. yesterday announced its results for the period from December 2nd 2019 (“establishment date”) to September 30th 2020 (approximately ten-month) and for the three-month period from July 1st to September 30th 2020. Baladna’s financial and operational results confirm the Company’s market leading position, being the customers’ preferred choice for dairy products and beverages in Qatar, as well as its corporate strategy and vision.

During the third quarter of 2020 (Q3), Baladna achieved revenues of QAR 182.3 million, totaling the revenue for the ten-month period since December 2019 to QAR 624.2 million (+92% growth compared to the same period in the previous year). Net profit attributable to Q3 stands at QAR 29.0 million, with a total net profit for the ten-month period of QAR 112.9 million (+233% growth compared to the same period in the previous year). Correspondingly, the Company achieved a strong net profit margin for the ten-month period of approximately 18.1%.

Regardless of the continuation of strong headwinds due to the impact of the Covid-19 pandemic and the precautionary measures established, Baladna was able to ensure the continuous production and supply of products to its customers while safeguarding the health and well-being of customers and employees. Furthermore, the Company was able to continue the growth of market share in key segments, especially the development of high profit (creams) and high growth (cheeses) segments which are attributable to the market intelligence and product development capabilities.

Smart product development and product portfolio management remain key during these volatile times. Baladna continues to focus on introducing innovative and value adding products, having launched 28 new SKUs and delisted 13 items to optimise its yield during the third quarter this year. As of September 30th, Baladna has an attractive product portfolio of 225 products.

Operational improvements continue across the supply chain. In particular, the farming division continues delivering significant productivity gains achieving an average daily milk yield of 36.8 liters per cow for the period compared to 31.2 liters per cow for the same period last year.

Despite a small decline in revenues compared to the second quarter, and the additional cost incurred to ensure business continuity, Management is pleased with the strong profit margins achieved which is a result of strategic planning, enhancing digitalisation, automating of processes, continuous cost monitoring and evaluation programs.

Baladna remains in a strong and solid financial position. For the ten-month period from December 2019 to September 30th 2020, earnings per share (weighted average) equate to QAR 0.061. Retained earnings balance on September 30th 2020 is QAR 103.2 million after distributing the first interim dividend of QAR 40.0 million in April 2020.

Management and all employees will continue to focus on driving business development, enhancing efficiency through actively streamlining all aspects of the value chain, remaining committed to serve customers and delivering shareholder value.

## Herd size as of 30th September 2020

**20,760**  
Cows

**36.8**  
Liters Per Cow  
Per Day

Milk yield for the period  
of 10 months