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BALADNA Q.P.S.C.
("Baladna" or the "Company")

BALADNA Q.P.S.C. IPO Press Release

Baladna announces its QAR 1,425,750,000 IPO on the Qatar Stock Exchange and Invites Individual Investors and Corporate Investors for Subscription

- *Subscription Period open from 27 October 2019 to 7 November 2019*
- *New, strategic investors, already committed to 23% of share capital*
- *Offering open in Qatar only, to Qatari citizens and Qatari companies*
- *Up to 52% of share capital available to eligible individual and corporate investors*
- *Existing owners to retain 25% ownership; no sale of existing shares*
- *Proceeds will be used to strengthen the company's balance sheet*
- *A fatwa has been issued declaring that subscription in the shares of the Company is sharia-compliant*

DOHA, 17 October 2019: Baladna Q.P.S.C., a Qatari public shareholding company under incorporation in the State of Qatar, is pleased to announce its Initial Public Offering ("IPO" or the "Offering") of 1,425,750,000 new shares (the "Offer Shares") on the Qatar Stock Exchange, representing 75% of the share capital of the Company. There is no sale of any existing shares in the IPO.

The Offering provides eligible investors the opportunity to invest in Baladna Food Industries W.L.L ("BFI"), the locally-owned dairy and beverage company, through Baladna Q.P.S.C. Eligible investors are individual Qatari investors and corporate investors, defined as legal entities incorporated in the State of Qatar holding a commercial registration certificate issued by the Qatari Ministry of Commerce and Industry, regardless of any nationality.

The founding shareholders of the Company (the "Founders") will transfer 100% of the issued share capital of BFI to the Company upon its final incorporation. In return, the Founders will receive, as consideration for the transfer of the BFI shares, 475,250,000 shares representing 25% of the Company's share capital.

BFI is Qatar's largest dairy and beverage company, and since its incorporation in the State of Qatar on 16 March 2014, the company's herd has grown to approximately 18,000 cows, housed in two farms spread over a total area of more than 2 million square meters. In its barns, plants, and factories, BFI implements international best practice in veterinary care, hygiene and food safety to maintain the highest quality of fresh produce, so that in 2017, mid-blockade, BFI proactively made Qatar self-sufficient in fresh milk. In April 2019, the company began selling non-dairy products, namely juices. Baladna has also commenced limited exports to neighboring countries.

BFI's resources include its own plastic factory and on-site packaging/bottling plants, a water treatment facility to meet farm operation needs, a feed storage facility with a six-month reserve capacity, and state-of-the-art facilities including the most advanced milking parlour in the region.

Commenting on the IPO, **Ramez Al Khayyat, Vice Chairman of Baladna Q.P.S.C.,** said**:** *"The time is ripe for this IPO, which reflects Baladna's commitment to provide the highest value to consumers by continuing to share its successes with the community.*

"BFI already enjoys an unparallelled position in Qatar as a market leader with growing exports and increasing economies of scale, a robust financial basis and continuing company support. We look forward to continued growth as Baladna leads the way towards real sustainability for Qatar as part of the Qatar National Food Security Programme, helping bring QNV 2030 into reality."

Details on the Offering

The Offer Shares are being offered at QAR 1.01 per Offer Share (the "Offer Price"), representing the nominal value of QAR 1.00 per Offer Share plus offering and listing expenses of QAR 0.01 per Offer Share.

The IPO opens for subscription on Sunday 27 October 2019 and closes Thursday 7 November 2019. It is proposed that allotment of Offer Shares and refunds of excess application amounts, if any, will occur by 21 November 2019. The Company is expected to be incorporated on 26 November 2019, with its shares expected to be listed on the Qatar Stock Exchange on Wednesday 11 December 2019.

It should also be noted that on 10 October 2019, Sheikh Prof. Dr. Ali Al-Qaradaghi and Sheikh Dr. Walid Bin Hadi issued a fatwa permitting subscription in the shares of the Company based on its commitment to the rules of Islamic Sharia and the formation of a Shariah Committee at the Company.

The Company will have a total share capital of QAR 1,901,000,000 divided into 1,900,999,999 ordinary shares consisting of the Offer Shares, the Founders' Shares (all ordinary shares), and the Special Share.

The Offer Shares, constituting 75% of the share capital of the Company, will be offered to eligible investors as follows:

1. **Strategic Investors**: a total of 437,230,000 of Offer Shares, equivalent to 23% of the entire share capital of the Company, are being offered and fully allocated to the following Strategic Investors:
    - General Retirement and Social Insurance Authority (GRSIA), 190,100,000 Offer Shares constituting a shareholding of 10%;
    - Hassad Food Company Q.P.S.C. (Private), 95,050,000 Offer Shares (5%);

- Al Meera Consumer Goods Q.P.S.C., 76,040,000 Offer Shares (4%);
- Qatar Ports Management Company (Mwani Qatar), 38,020,000 Offer Shares (2%); and
- Widam Food Company Q.P.S.C., 38,020,000 Offer Shares (2%).

2. **Individual and Corporate Investors:** a total of 988,520,000 Shares, equivalent to 52% of the issued share capital of the Company, are being offered to eligible Individual and Corporate Investors as follows:

    - One (1) special share for the Government of Qatar represented by the Ministry of Commerce and Industry
    - 988,519,999 ordinary shares offered to Individual and Corporate Investors (defined as legal entities incorporated in the State of Qatar holding a commercial registration certificate issued by the Qatari Ministry of Commerce and Industry)

Allocation Strategy

The allocation of Offer Shares to Individual and Corporate Investors will be made in whole numbers of Shares only. Offer Shares will be allocated to Individual Investors in tranches, as follows

- In the “First Allocation Tranche”, subscriptions of between 500 and 2,500 Offer Shares (inclusive) will be allotted in full.
- In the “Second Allocation Tranche”, subscriptions above 2,500 Offer Shares will be allotted in multiples of 100 Offer Shares, provided and to the extent that the number of remaining Offer Shares available for subscription is sufficient to satisfy all such subscriptions in full and equally.
- In the event that, following the First Allocation Tranche and the Second Allocation Tranche, there remains available a number of Offer Shares not divisible by 100 (ignoring fractions) or multiples thereof to satisfy subscriptions in full and equally, then such remaining Offer Shares may be allocated to investors at the direction of the Company in its absolute discretion (the “Third Allocation Tranche”). It is intended that any such Offer Shares remaining be allocated equally (or as near as equally as is reasonably practicable) among subscribers who, following completion of the First Allocation Tranche and the Second Allocation Tranche, have not yet received the total number of Offer Shares for which they applied in the Offering.

If, following the Third Allocation Tranche, there remain Offer Shares not allocated to Individual Investors, those remaining Offer Shares shall be allocated to the Corporate Investors in accordance with the procedures and tranches applied above to Individual Investors.

The maximum application by an Individual and Corporate Investor is set at 475,250,000 Offer Shares (“Maximum Application”) , which is the equivalent to 25% of the Shares, directly or indirectly.

Any allocation to Strategic Investors above 437,230,000 Offer Shares (representing 23% of the Offer Shares) will be dependent on subscriptions received from Individual and Corporate Investors and will be made at the discretion of the Company.

In the event that at the end of the Subscription Period a number of Offer Shares remain available, the Company and the Listing Advisor and Offering Manager reserve the right to allocate such Offer Shares to investors at their joint discretion.

Approval by QFMA of the Listing of Shares on the Qatar Exchange is expected to take place around 4 December 2019 and trading of the Shares to start on 11 December 2019. Following the Offering and allotment of subscribed shares to investors, non-Qataris (individuals and legal entities) will be able to own up to 49% of the Shares of the Company.

Timetable of key events:

Investors wishing to subscribe should note key dates in the IPO timeline, as follows:

Intention to Float / Offering invitation published in newspapers	Sunday 20 October 2019
Subscription Period opens	Sunday 27 October 2019
Subscription Period ends	Thursday 7 November 2019
Allotment of Offer Shares	Thursday 21 November 2019
Refund of excess application amounts, if any	Thursday 21 November 2019
Constitutive General Assembly	Tuesday 26 November 2019
Issuance of the commercial registration certificate of the Company	Tuesday 26 November 2019
Finalization of Transfer of the shares of Baladna Food Industries to the Company	Tuesday 26 November 2019
Approval by QFMA on the Listing of Shares on Qatar Exchange	Wednesday 4 December 2019
First day of trading of the Shares on the Qatar Exchange	Wednesday 11 December 2019

Before investing, Individual or Corporate Investors must consult the Prospectus issued in association with this IPO. The Prospectus is available from offices of the Company, the Lead Receiving Bank (Qatar National Bank) throughout its branch network, as well as selected Receiving Banks.

The following Receiving Banks are expected to provide personal loans to finance subscription in the Company's IPO: Qatar National Bank Q.P.S.C., Ahli Bank Q.S.C., Doha Bank Q.P.S.C., Masraf Al Rayan Q.P.S.C., Qatar Islamic Bank Q.P.S.C., Qatar International Islamic Bank Q.P.S.C., The Commercial Bank Q.P.S.C., Barwa Bank Q.S.C., Al Khalij Commercial Bank (Al Khaliji) Q.P.S.C. (Each bank's Terms & Conditions apply).

Ends

About Baladna Q.P.S.C

Baladna Q.P.S.C. is a public shareholding company under incorporation in Qatar. The Company's principal activity is to provide overall management, supervision and strategic support to its Subsidiary, Baladna Food Industries.

For more information, see to company's website: https://baladna.com/

About Baladna Food Industries W.L.L ("BFI")

Baladna Food Industries W.L.L. was established in 2014 and is Qatar's largest locally-owned food and dairy producer, supplying over 90% of the country's fresh milk. BFI is creating a foundation from which to ensure healthy, natural food resources to contribute to the self-sufficiency of the State of Qatar. The company's objectives are to focus on enhancing the standards of quality of its products and providing a wonderful and fresh taste for its clients. BFI's plot spans over 2 million square meters and is home to approximately 18,000 Holstein cows, with capacity for a total of 24,000 cows. In addition to fresh milk, Baladna's fast-growing product line includes yoghurt, laban, long-life milk, cheese, labneh, fresh cream, desserts, ghee, and non- dairy products, namely juices.

For more information, see to company's website: https://baladna.com/

For more information:

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