VASRO

Update | Consumer Goods & Services

Baladna Q.P.S.C.

Ticker: BLDN | ISIN: QA000T98R9J4 | Bloomberg Symbol: BLDN:QD

Profit before portfolio gains up 20% in nine months

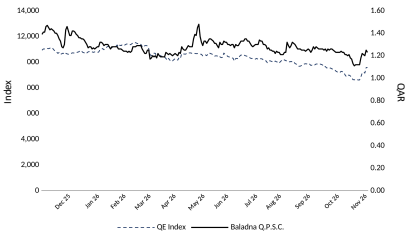
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BUY

Before: BUY

Target price **QAR** 2.14 (+74.0%)
Stock price* QAR 1.23

** Last Qatar Stock Exchange closing price, 2 November 2026*



Source: Qatar Stock Exchange

On 27 October, Baladna reported its results for the nine months to September. Net profit before portfolio gains rose 20.3% to QAR 149.3m, as sales grew 3.9% to QAR 977.8m and gross profit 17.9% to QAR 281.0m. The Board proposes 3 bonus shares for every 20 held, subject to shareholder approval.

In the third quarter, sales grew 6.5% and net profit excluding the portfolio rose 18.7% to QAR 41.9m. Reported net profit fell to QAR 21.8m from QAR 50.3m, because the portfolio had a non-cash loss of QAR 20.1m amid volatility in global equity markets, after a gain of QAR 15.1m a year earlier.

We reiterate our **BUY recommendation** with a target price of **QAR 2.14**, down from QAR 2.27 and 74.0% above the share price of QAR 1.23. Lower 2026 sales, QAR 1,325.7m instead of QAR 1,360.1m, take QAR 0.04 a share, and the portfolio's third-quarter loss takes QAR 0.01. The other QAR 0.08 is Algeria: if the project falls short of our base case, which we see as a 30% chance, Baladna would still pay its share of the building cost until first milk, and we now count that cost.

The recommendation rests on three reasons:

1. The business earns more on each sale, so profit grows faster than sales. The third-quarter gross margin was 27.2%, up from 24.0% a year earlier and above the second quarter's 26.7%. Each point of gross margin in every year is worth QAR 0.06 a share.

2. The dairy business and the portfolio alone are worth more than the whole company. We value the dairy business in Qatar at QAR 2,163.6m after its net debt and the portfolio at QAR 1,283.6m, QAR 3,447.3m together, against a market value of QAR 3,296.4m. Algeria, Syria and the QAR 541.4m raised in the rights issue, together QAR 0.62 a share, are therefore not priced at all.

3. Algeria is on schedule. 59 wells are complete and 32 irrigation pivots are running. We value Algeria at QAR 0.38 a share, down from QAR 0.46, only because of the building-cost change above.

Even the largest risk still leaves 65% upside. If Algeria fell short and Baladna paid all of its remaining building cost, our value would be QAR 2.03.

Three things test our case next: the first cows expected in Algeria from November, fourth-quarter sales against our 6.5% growth, and the shareholder vote on the bonus shares.

Change in our estimates

In QAR m (EPS in QAR), against our update of 22/10/2026

Change	FY2026E	FY2027E	FY2028E
Sales	-34.4	-36.0	-37.5
EBIT	-6.9	-6.6	-6.8
EPS	-0.012	-0.002	-0.002

Stock Basic Data

Number of Shares (in million)	2,680.0
Free Float (in %)	63.3%
Market Cap (in million QAR)	3,296
Trading Volume, last session	43,220,833
High (QAR, 52 weeks)	1.48
Low (QAR, 52 weeks)	1.11

Shareholders, 31.12.2025

Ramez Al Khayyat	13.74%
Mohamed Moutaz Al Khayyat	13.56%
GRSIA (Qatar state pension)	9.38%
Free float (31.12.2025)	63.32%

Corporate Calendar

FY2026 results	February 2027e

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FY End: 31.12.; in QARm	CAGR (25A-28E)	2023A	2024A	2025A	2026E	2027E	2028E
Sales	4.5%	1,057.0	1,145.0	1,268.0	1,325.7	1,385.3	1,447.7
EBITDA		230.9	296.3	358.9	414.8	401.8	405.6
Margin		21.8%	25.9%	28.3%	31.3%	29.0%	28.0%
EBIT	8.1%	87.7	161.5	207.3	267.8	254.9	262.0
Margin		8.3%	14.1%	16.3%	20.2%	18.4%	18.1%
Net result		109.6	185.0	539.7	424.0	236.6	249.7
EPS		0.05	0.09	0.25	0.18	0.09	0.09
Dividend per share		0.062	0.000	0.000	0.020	0.018	0.019
EV/Sales(x)		5.0x	4.8x	4.3x	3.6x	3.4x	3.1x
EV/EBITDA(x)		23.0x	18.7x	15.0x	11.5x	11.6x	11.2x
P/E(x)		24.1x	14.3x	4.9x	6.7x	13.9x	13.2x
Net debt/EBITDA(x), dairy		8.8x	7.5x	5.8x	3.6x	3.4x	3.1x

Source: Baladna, VASRO. EBITDA and EBIT exclude portfolio gains; net result, EPS and P/E include them (2026E: QAR 234.4m). Net debt from 2026E is dairy only; Algeria is valued separately. Market cap and EV on 2,680.0m shares at QAR 1.23; EPS on weighted shares.

The nine months, the forecast and Algeria

Sales grew 3.9% in the nine months and 6.5% in the third quarter, behind the pace our forecast needed, so we lower 2026 sales to QAR 1,325.7m. Our forecast of QAR 1,360.1m needed about 17.0% growth in the fourth quarter. We now take the fourth quarter at the third quarter's 6.5% and keep the growth rates of later years on the lower base. The renewed government evaporated-milk contract keeps part of the volume steady, and management expects QAR 15m to 20m of ice-cream sales in 2027, about 1% of our 2027 sales forecast.

Net profit before portfolio gains rose 20.3% to QAR 149.3m, ahead of sales, because the gross margin rose to 28.7% from 25.3%. Third-quarter net profit was QAR 21.8m against QAR 50.3m a year earlier, because the portfolio moved from a gain of QAR 15.1m to a loss of QAR 20.1m.

The portfolio's third-quarter move of QAR −20.1m lowers our value by QAR 0.01 a share. We keep the portfolio at its 30 June value of QAR 1,303.7m less that move, QAR 1,283.6m; purchases made since 30 June are left out, as is the cash paid for them. Its 2026 gain in our forecast becomes the nine-month QAR 234.4m, with no further gain assumed for the fourth quarter, so 2026 net profit is QAR 424.0m.

Algeria is on schedule, and we now count its building cost in the 30% case where it falls short of our base case, which lowers our value by QAR 0.08 a share. Baladna has signed the building contracts, so in that case it would still pay its share of the cost until first milk, which we expect in late 2027: QAR 751.7m in present value. The debt drawn by 30 June is deducted from our value of the dairy business; the building cost still to be paid is counted in the Algeria line.

Valuation

The parts of Baladna are worth QAR 2.14 a share across our three cases, 74.0% above the share price. Our target weights the base case at 55%, the bull case at 35% and the bear case at 10%. In the base case the dairy business in Qatar is worth QAR 0.81 a share after its net debt; with the portfolio, Algeria, Syria and the cash from the rights issue it reaches QAR 1.91.

HOW THE TARGET IS BUILT

WHERE THE VALUE SITS, AND WHAT MOVED

Baladna Q.P.S.C. | sum-of-parts, Base case | QAR m unless stated

BUY | Target QAR 2.14 (was 2.27)

1. WHERE THE VALUE SITS TODAY

Value engine	QAR m	Per share	Share of value
Domestic Qatar platform	2,164	0.81	42%
Investment portfolio, 30 June value after the Q3 move	1,284	0.48	25%
Algeria, probability-weighted	1,009	0.38	20%
Syria, at the cost actually paid	119	0.04	2%
Cash raised in the rights issue	541	0.20	11%
Base case value	**5,116**	**1.91**	**100%**

On 2,680m shares in issue. The proposed 3-for-20 bonus issue is not yet approved and not in this count.

2. WHAT MOVED SINCE 22 OCTOBER, PER SHARE

Base case in our update of 22 October 2026	**2.03**
The nine-month results and one change in method	
2026 sales QAR 1,360.1m to 1,325.7m, and the Q3 portfolio move	−0.04
Algeria: building cost up to first milk in the downside case	−0.08
Net effect	−0.12
Base case today	**1.91**

2026 sales QAR 1,325.7m, EBITDA QAR 414.8m before portfolio gains and net profit QAR 424.0m including them, from 1,360.1m, 421.7m and 450.9m on 22 October.

3. FROM THE BASE CASE TO THE TARGET

Scenario	Per share	Weight	Contribution	
Weaker execution (Bear)	0.37	10%	0.037	
Core execution (Base)	1.91	55%	1.050	
Stronger execution (Bull)	3.02	35%	1.058	
Fair value, scenario weighted		**100%**	**2.144**	**Target QAR 2.14**

Portfolio range from reported marks: bear at its audited 31 December value of QAR 994.5m, bull at QAR 1,656.9m, same proportion above the 30 June value after the Q3 move.

What would raise the Bull weight: financial close and first drawdown on the Algerian facility, first herd arrival and first milking, the partner's contribution reaching its 49% share.

Source: Baladna; VASRO

From the domestic cash flow to the target:

Component	QAR / share
Domestic Platform discounted cash flow, Qatar only, the cross-check	**0.38**
add: Valuing Qatar on a forward EBITDA multiple instead of a cash flow	+0.43
add: Investment portfolio, 30 June value after the Q3 move	+0.48
add: Algeria, probability-weighted	+0.38
add: Syria, at the cost actually paid	+0.04
add: Cash raised in the rights issue	+0.20
Sum-of-parts, Base case	**1.91**

Then the scenarios: Bear 0.37 at 10%, Base 1.91 at 55%, Bull 3.02 at 35%

Target price	**2.14**

Source: VASRO. Figures are rounded.

Each risk we measure, on its own, moves our value by QAR 0.11 a share or less. A one-point lower gross margin in every year would cost QAR 0.06 a share and a 10% lower portfolio QAR 0.07.

WHAT COULD MOVE OUR TARGET, MEASURED IN OUR MODEL

Risk	What would trigger it, and when	Effect on our target	Since our last report
Gross margin one point lower in every year	Q4 2026 results, early 2027	**QAR −0.06 per share**	Unchanged
Portfolio marked 10% lower, including the Egyptian holdings	Year-end accounts, portfolio marked at 31 December	**QAR −0.07 per share**	Unchanged
Algeria herd late or on time: weight 70% to 60% or 80%	First flights of the airlift, expected from November 2026	**QAR −0.05 or +0.05 per share**	Wider
Algeria downside case: no further cost, or all remaining cost	Progress to first milk, expected late 2027	**QAR +0.08 or −0.11 per share**	New

Source: VASRO model; effect of each risk on our fair value of QAR 2.14

SENSITIVITY OF THE SUM-OF-PARTS FAIR VALUE, QAR PER SHARE

SUM-OF-PARTS FAIR VALUE - 2,680.0M SHARES - QAR/share

Domestic forward EBITDA multiple ↓ / Algeria Base case probability →	40 %	55 %	70 %	85 %	100 %
8.0x	QAR 1.65	QAR 1.73	QAR 1.81	QAR 1.89	QAR 1.96
10.0x	QAR 1.82	QAR 1.90	QAR 1.98	QAR 2.05	QAR 2.13
12.0x	QAR 1.99	QAR 2.07	**QAR 2.14**	QAR 2.22	QAR 2.30
14.0x	QAR 2.16	QAR 2.23	QAR 2.31	QAR 2.39	QAR 2.47
16.0x	QAR 2.32	QAR 2.40	QAR 2.48	QAR 2.56	QAR 2.63

Source: VASRO

With the dairy business at 8x EBITDA and a 40% chance for our Algeria base case, our value is still QAR 1.65, above the price of QAR 1.23. At 12x and 70% it is our QAR 2.14.

The higher margin is already in our forecast. Our 2026 forecast needs fourth-quarter operating profit before portfolio gains of about QAR 65m, above the third quarter's QAR 59m.

The proposed bonus issue of 3 shares for every 20 leaves the value of Baladna unchanged. On the larger share count our target would be QAR 1.86 a share.

Appendix

FY2023A to FY2025A are Baladna's reported IFRS figures; FY2026E onward are VASRO estimates for the business in Qatar: Algeria and Syria are not in the forecast P&L and are valued separately in the sum of parts. EBITDA and EBIT exclude portfolio gains. Net profit before portfolio gains is QAR 189.6m in 2026E, QAR 189.1m in 2027E and QAR 200.5m in 2028E (EPS QAR 0.08, 0.07 and 0.07); reported 2026E net profit includes the nine-month portfolio gain of QAR 234.4m.

P&L - IFRS (QAR m)

	FY2023A	FY2024A	FY2025A	FY2026E	FY2027E	FY2028E
Revenue	1,057.0	1,145.0	1,268.0	1,325.7	1,385.3	1,447.7
Revenue Growth (%)	7.2%	8.4%	10.7%	4.5%	4.5%	4.5%
Cost of Revenue	924.6	930.2	994.5	954.5	1,021.0	1,071.3
Gross Profit	**132.4**	**214.8**	**273.5**	**371.2**	**364.3**	**376.4**
Gross Margin (%)	12.5%	18.8%	21.6%	28.0%	26.3%	26.0%
Selling, General & Administrative Expenses	162.3	167.4	176.7	176.3	184.3	191.1
Other Operating Income / (Expense), net	(117.6)	(114.1)	(110.5)	(72.9)	(74.8)	(76.7)
Total Operating Expenses	**44.7**	**53.3**	**66.2**	**103.4**	**109.4**	**114.4**
				-	-	-
EBITDA	**230.9**	**296.3**	**358.9**	**414.8**	**401.8**	**405.6**
EBITDA Margin (%)	21.8%	25.9%	28.3%	31.3%	29.0%	28.0%
Depreciation & Amortization	143.2	134.8	151.6	147.0	146.9	143.6
Operating Income / EBIT	**87.7**	**161.5**	**207.3**	**267.8**	**254.9**	**262.0**
EBIT Margin (%)	8.3%	14.1%	16.4%	20.2%	18.4%	18.1%
EBIT / Interest expense (interest coverage)	1.3x	2.7x	2.4x	3.3x	3.0x	3.1x
Net debt / EBITDA	8.8x	7.5x	5.8x	3.6x	3.4x	3.1x
FCF conversion (FCF / EBITDA)	-28.0%	37.2%	3.3%	20.5%	39.3%	42.2%
				-	-	-
Finance Income	2.3	-	-	5.6	21.7	24.9
Finance Cost	(68.1)	(58.9)	(78.5)	(81.7)	(86.0)	(84.5)
Net Finance Income / (Cost)	**(65.8)**	**(58.9)**	**(78.5)**	**(76.0)**	**(64.4)**	**(59.5)**
Investment Income / Non-Operating Income, net	88.2	83.6	411.2	234.4	47.5	49.2
Profit Before Tax	**110.0**	**186.2**	**540.1**	**426.1**	**238.1**	**251.7**
Income Tax Expense	0.6	0.9	1.3	2.1	1.4	2.0
Effective Tax Rate (%)	0.55 %	0.48 %	0.24 %	0.50 %	0.60 %	0.80 %
Profit for the period	**109.4**	**185.3**	**538.8**	**424.0**	**236.6**	**249.7**
Non-controlling interests	0.2	(0.3)	1.0	-	-	-
Profit attributable to owners of the parent	**109.6**	**185.0**	**539.7**	**424.0**	**236.6**	**249.7**
Net Margin (%)	10.4%	16.2%	42.6%	32.0%	17.1%	17.2%
				-	-	-
Shares Outstanding Basic (mn)	2,144.0	2,144.0	2,144.0	2,322.7	2,680.0	2,680.0
Shares Outstanding Diluted (mn)	2,144.0	2,144.0	2,144.0	2,322.7	2,680.0	2,680.0
EPS Basic (QAR/share)	**0.05**	**0.09**	**0.25**	**0.18**	**0.09**	**0.09**
EPS Diluted (QAR/share)	**0.05**	**0.09**	**0.25**	**0.18**	**0.09**	**0.09**
				-	-	-
Dividends Paid	**(1.5)**	**(134.4)**	**(1.1)**	**-**	**(47.4)**	**(47.3)**
Dividend Payout Ratio (%)	**1.3%**	**72.7%**	**0.2%**	**-**	**20.0%**	**18.9%**

Source: Baladna; VASRO

QAR m unless noted; m = millions. Gross profit on our cost allocation; Baladna reports QAR 329.8m for FY2025.

Balance sheet - IFRS (QAR m)

	FY2023A	FY2024A	FY2025A	FY2026E	FY2027E	FY2028E
ASSETS						
Cash & Cash Equivalents	59.7	27.6	374.8	1,444.5	1,663.2	1,796.9
Short-Term Investments	-	-	-	-	-	-
Accounts Receivable	178.7	128.3	151.2	159.8	167.0	170.5
Other Receivables	125.5	115.0	96.4	92.8	95.6	98.4
Inventory	400.3	430.1	400.5	381.8	405.6	422.6
Prepaid Expenses & Other Current Assets	186.4	185.8	118.6	116.7	120.5	124.5
Total Current Assets	**950.6**	**886.8**	**1,141.4**	**2,195.6**	**2,451.9**	**2,613.1**
Property, Plant & Equipment	3,507.0	3,476.0	3,585.0	3,583.8	3,589.3	3,605.0
Right-of-Use Assets	-	-	-	-	-	-
Long-Term Investments	371.8	523.7	994.5	1,357.9	1,405.5	1,454.6
Goodwill & Intangible Assets	14.3	14.7	11.7	11.7	11.7	11.7
Advance to suppliers & other non-current assets	-	-	376.1	376.1	376.1	376.1
Total Non-Current Assets	**3,893.1**	**4,014.4**	**4,967.3**	**5,329.6**	**5,382.6**	**5,447.4**
Total Assets	**4,843.7**	**4,901.2**	**6,108.7**	**7,525.2**	**7,834.5**	**8,060.5**
LIABILITIES						
Accounts Payable	174.8	111.6	88.1	94.1	100.7	108.6
Accrued Expenses & Other Current Liabilities	90.9	104.4	120.1	122.0	127.5	133.2
Short-Term Debt	184.6	260.4	355.9	409.1	425.6	428.4
Current Portion of Long-Term Debt	176.3	211.2	173.4	204.5	212.8	214.2
Current Lease Liabilities	10.1	0.1	0.1	10.0	10.0	10.0
Current Tax Payable	-	1.5	1.8	1.8	1.8	1.8
Total Current Liabilities	**636.6**	**689.1**	**739.4**	**841.5**	**878.4**	**896.2**
Long-Term Debt	1,721.0	1,708.0	1,939.0	2,308.4	2,401.6	2,417.4
Revolver Balance (Short-Term)	-	-	-	-	-	-
Long-Term Lease Liabilities	111.9	78.0	87.3	66.9	56.9	46.9
Pension / Post-Retirement Obligations	16.0	19.1	22.2	22.2	22.2	22.2
Deferred Tax Liabilities	-	-	-	-	-	-
Other Non-Current Liabilities	1.0	1.0	0.5	0.5	0.5	0.5
Total Non-Current Liabilities	**1,850.0**	**1,806.1**	**2,048.9**	**2,397.9**	**2,481.1**	**2,486.9**
Total Liabilities	**2,486.6**	**2,495.2**	**2,788.3**	**3,239.4**	**3,359.5**	**3,383.1**
EQUITY						
Share Capital / Common Stock	1,901.0	1,901.0	2,144.0	2,680.0	2,680.0	2,680.0
Retained Earnings	253.6	301.9	585.2	1,009.2	1,198.4	1,400.8
Other Reserves / Comprehensive Income	200.1	200.1	200.9	206.3	206.3	206.3
Treasury Shares	-	-	-	-	-	-
Equity Attributable to Shareholders	**2,354.8**	**2,403.0**	**2,930.1**	**3,895.4**	**4,084.7**	**4,287.1**
Non-controlling interests	2.4	3.0	390.3	390.3	390.3	390.3
Total Equity	**2,357.1**	**2,406.0**	**3,320.4**	**4,285.7**	**4,475.0**	**4,677.4**
Total Liabilities & Equity	**4,843.7**	**4,901.2**	**6,108.7**	**7,525.2**	**7,834.5**	**8,060.5**

Source: Baladna; VASRO

Cash flow statement (QAR m)

	FY2023A	FY2024A	FY2025A	FY2026E	FY2027E	FY2028E
OPERATING ACTIVITIES						
Profit for the period	109.6	185.0	539.7	424.0	236.6	249.7
Depreciation & Amortization	143.2	134.8	151.6	147.0	146.9	143.6
Gain / Loss on Investments and Assets	(30.3)	(38.1)	(408.2)	(234.4)	(47.5)	(49.2)
Other Non-Cash Items	(77.7)	(86.0)	(46.4)	78.2	65.8	61.5
Change in Accounts Receivable	(71.8)	6.7	17.3	(8.6)	(7.2)	(3.5)
Change in Inventory	45.8	(35.2)	28.6	18.7	(23.8)	(17.0)
Change in Accounts Payable	27.1	2.6	(7.3)	6.0	6.6	7.9
Change in Other Working Capital	(46.9)	53.3	(1.8)	7.4	(1.2)	(1.1)
Interest Received	2.3	-	-	5.6	21.7	24.9
Interest Paid	(110.0)	(123.2)	(116.6)	(81.7)	(86.0)	(84.5)
Tax Paid	(0.6)	(0.2)	(1.0)	(2.1)	(1.4)	(2.0)
Net cash from operating activities	**99.1**	**223.2**	**273.3**	**360.1**	**310.5**	**330.3**
Algeria (valued separately, not in this cash flow)	-	-	-	-	-	-
INVESTING ACTIVITIES						
Capital Expenditure	(163.8)	(113.0)	(262.1)	(145.8)	(152.4)	(159.2)
Investment Purchases / Sales	(123.5)	(113.9)	(62.8)	-	-	-
Algeria funding (valued separately, not in this cash flow)	-	-	-	-	-	-
Other Investing Activities	28.3	52.3	(309.8)	(129.1)	-	-
Net cash used in investing activities	**(259.0)**	**(174.6)**	**(634.7)**	**(274.9)**	**(152.4)**	**(159.2)**
FINANCING ACTIVITIES						
Cash Before Debt Financing	(110.6)	(8.6)	(31.9)	990.9	1,545.2	1,776.9
Debt Issued / (Repaid), net	170.3	36.2	406.7	453.6	118.0	20.0
Lease Payments	-	-	-	(10.5)	(10.0)	(10.0)
Dividends Paid	(1.5)	(134.4)	(1.1)	-	(47.4)	(47.3)
Equity Issuance Proceeds	-	-	243.0	541.4	-	-
Revolver Draw / (Repayment)	-	-	-	-	-	-
Other Financing Activities	14.3	(9.9)	14.1	-	-	-
Net cash from financing activities	**183.2**	**(108.1)**	**662.7**	**984.5**	**60.6**	**(37.3)**
NET CASH FLOW						
Foreign Exchange Effect	-	-	(0.2)	-	-	-
Net Change in Cash	**23.3**	**(59.6)**	**301.1**	**1,069.7**	**218.7**	**133.7**
Beginning Cash	36.5	87.2	73.7	374.8	1,444.5	1,663.2
Ending Cash	**59.7**	**27.6**	**374.8**	**1,444.5**	**1,663.2**	**1,796.9**
				-	-	-
FREE CASH FLOW				-	-	-
Free Cash Flow	**(64.7)**	**110.2**	**11.3**	**85.2**	**158.1**	**171.0**
Free Cash Flow Margin (%)	**-6.1%**	**9.6%**	**0.9%**	**6.4%**	**11.4%**	**11.8%**
Free Cash Flow Per Share (QAR/share)	**-0.03**	**0.05**	**0.01**	**0.04**	**0.06**	**0.06**

Source: Baladna; VASRO

DOMESTIC PLATFORM DCF, BASE CASE

Baladna Q.P.S.C. (QE: BLDN) | QAR millions | Mid-year convention | Excludes the investment portfolio and Algeria

Operating Free Cash Flow											
Unit		FY2026E	FY2027E	FY2028E	FY2029E	FY2030E	FY2031E	FY2032E	FY2033E	FY2034E	FY2035E
QAR mn	EBIT	267.8	254.9	262.0	268.0	275.1	281.4	290.7	296.0	302.5	304.7
QAR mn	Less: Taxes on EBIT	(2.1)	(1.4)	(2.0)	(2.6)	(3.3)	(4.3)	(5.4)	(6.2)	(7.1)	(8.3)
QAR mn	NOPAT	265.7	253.5	260.0	265.4	271.7	277.1	285.3	289.8	295.4	296.4
QAR mn	Plus: D&A	147.0	146.9	143.6	144.2	141.1	142.0	143.1	144.4	145.8	147.4
QAR mn	Less: Capital Expenditure	145.8	152.4	159.2	158.1	164.1	169.8	175.4	180.7	185.8	190.4
QAR mn	Plus/(Less): Change in NWC	23.5	(25.6)	(13.8)	(19.3)	(9.7)	(20.0)	(14.3)	(7.9)	(13.2)	(15.7)
QAR mn	**Unlevered Free Cash Flow**	**290.3**	**222.4**	**230.6**	**232.2**	**239.1**	**229.4**	**238.7**	**245.5**	**242.3**	**237.7**

Discounted Cash Flows											
Unit		FY2026E	FY2027E	FY2028E	FY2029E	FY2030E	FY2031E	FY2032E	FY2033E	FY2034E	FY2035E
Years	Discount period	0.5	1.5	2.5	3.5	4.5	5.5	6.5	7.5	8.5	9.5
	Discount factor	0.965x	0.899x	0.837x	0.780x	0.726x	0.676x	0.630x	0.587x	0.546x	0.509x
QAR mn	PV of Explicit FCFF	280.2	199.9	193.0	181.0	173.6	155.1	150.3	144.0	132.4	120.9
QAR mn	PV of Terminal Value										2,545.1

QAR mn	PV of Explicit FCFF	**1,730.5**
QAR mn	PV of Terminal Value	**2,545.1**
QAR mn	**Enterprise Value**	**4,275.6**
%	Terminal Value as % of Enterprise Value	**59.5%**

EV-to-Equity Bridge		
QAR mn	Enterprise Value	4,275.6
QAR mn	Less: Gross Debt	(2,923.8)
QAR mn	Less: Lease Liabilities	(96.4)
QAR mn	Add: Cash & Cash Equivalents	284.2
QAR mn	Less: Non-Controlling Interests	(530.6)
QAR mn	**Equity Value**	**1,008.9**
mn	**Shares Outstanding**	**2,680.0**
QAR/share	**Domestic Platform DCF Cross-Check per Share**	**QAR 0.38**

Source: VASRO

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a) First publication: 03/11/2026
b) Publisher: Dr. Vaseghi, Javad
c) Time conditions of expected updates: quarterly
d) Previous analyses: No analysis was published in the 12 months before publication of this analysis that contains a recommendation for a specific investment decision which contradicts this analysis.
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Company	Disclosure (s)
Baladna Q.P.S.C.	f)

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In Peer Group Analysis, targeted companies listed on the stock exchange are evaluated by comparing ratios (e.g. price/profit ratio, Enterprise Value/turnover, Enterprise Value/EBITDA, Enterprise Value/EBIT). The comparability of the ratios is primarily determined with reference to the business activity and economic prospects.

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9. Recommendation History for the Last 12 Months:

Date	Recommendation	Stock Price at Publication (QAR)	Price Target (QAR)	Target Price Change
04/08/2026	BUY	1.21	2.43	-
07/09/2026	BUY	1.28	2.33	-4.1%
22/10/2026	BUY	1.12	2.27	-2.6%
03/11/2026	BUY	1.23	2.14	-5.7%

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