



BARWA REAL ESTATE COMPANY Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 JUNE 2021

نبني المستقبل

BUILDING THE FUTURE



CONTENTS	PAGE(S)
REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS	1-2
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION	3
CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS	4
CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME	5
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY	6
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS	7-8
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS	9- 33

QR. 99-8

RN: 341/MMS/FY2022

INDEPENDENT AUDITOR’S REVIEW REPORT

The Board of Directors
Barwa Real Estate Company Q.P.S.C.
Doha - Qatar

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of **Barwa Real Estate Company Q.P.S.C.** (the “Company”) and its subsidiaries (together the “Group”) as at 30 June 2021, and the related condensed consolidated interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the six month period then ended and certain explanatory notes. Management is responsible for the preparation and presentation of interim financial information in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

INDEPENDENT AUDITOR'S REVIEW REPORT (CONTINUED)

Emphasis of Matter


We draw attention to note 9 of the condensed consolidated interim financial statements, which describes uncertainties relating to the measurement of the fair value of investment properties due to the effects of Covid-19 as at 30 June 2021. Our conclusion is not modified in respect of this matter.


Other Matter

The information presented in the condensed consolidated interim statements of profit or loss and comprehensive income for the three-month period ended 30 June 2021 has not been reviewed.

**Doha – Qatar
27 July 2021**

**For Deloitte & Touche
Qatar Branch**


Midhat Salha
Partner
License No. 257
QFMA Auditor License No. 120156



BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS AT 30 JUNE 2021

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

		30 JUNE 2021 (REVIEWED) QR'000	31 DECEMBER 2020 (AUDITED) QR'000
ASSETS			
CASH AND BANK BALANCES	5	869,450	746,157
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		41,214	35,792
RECEIVABLES AND PREPAYMENTS	6	832,985	602,122
TRADING PROPERTIES	7	1,416,157	1,440,108
FINANCE LEASE RECEIVABLES	6	2,926	32,427
DUE FROM RELATED PARTIES	8	138,059	153,086
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME		165,649	170,032
ADVANCES FOR PROJECTS AND INVESTMENTS		512,360	525,492
INVESTMENT PROPERTIES	9	30,032,678	28,158,282
PROPERTY, PLANT AND EQUIPMENT		652,817	675,175
RIGHT-OF-USE ASSETS	10	21,213	18,680
INVESTMENTS IN ASSOCIATES	11	419,469	455,493
INTANGIBLE ASSETS	27	132,411	132,411
DEFERRED TAX ASSETS		9,757	9,787
TOTAL ASSETS		35,247,145	33,155,044
LIABILITIES AND EQUITY			
LIABILITIES			
PAYABLES AND OTHER LIABILITIES	12	2,273,177	1,834,249
PROVISIONS	13	25,605	42,800
END OF SERVICE BENEFITS		115,510	114,453
DUE TO RELATED PARTIES	8	170,272	192,620
LEASE LIABILITIES	14	344,202	354,553
OBLIGATIONS UNDER ISLAMIC FINANCE CONTRACTS	15	11,780,909	10,082,855
DEFERRED TAX LIABILITIES		20,745	20,963
TOTAL LIABILITIES		14,730,420	12,642,493
EQUITY			
SHARE CAPITAL		3,891,246	3,891,246
LEGAL RESERVE		1,952,704	1,952,704
GENERAL RESERVE		4,639,231	4,639,231
OTHER RESERVES	23	(371,806)	(340,191)
RETAINED EARNINGS		10,233,254	10,186,699
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		20,344,629	20,329,689
NON-CONTROLLING INTERESTS		172,096	182,862
TOTAL EQUITY		20,516,725	20,512,551
TOTAL LIABILITIES AND EQUITY		35,247,145	33,155,044

THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS WERE AUTHORISED FOR ISSUANCE BY THE BOARD OF DIRECTORS ON 27 JULY 2021 AND SIGNED ON THEIR BEHALF BY:

H.E. SALAH BIN GHANIM AL ALI
CHAIRMAN

DELOITTE & TOUCHE
Doha - Qatar

ABDULLA JOBARA AL-ROMAHI
GROUP CHIEF EXECUTIVE OFFICER

27 JUL 2021

THE ATTACHED NOTES FROM 1 TO 31 FORM AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Signed for Identification
Purposes Only
BUILDING THE FUTURE

BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2021

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS

	NOTES	FOR THE THREE MONTHS ENDED 30 JUNE		FOR THE SIX MONTHS ENDED 30 JUNE	
		2021 (UNREVIEWED) QR'000	2020 (UNREVIEWED) QR'000	2021 (REVIEWED) QR'000	2020 (REVIEWED) QR'000
RENTAL INCOME		448,505	325,681	890,944	629,825
RENTAL OPERATION EXPENSES	16	(114,550)	(72,088)	(221,586)	(130,922)
NET RENTAL INCOME		333,955	253,593	669,358	498,903
FINANCE LEASE INCOME		280	3,032	1,406	6,661
NET RENTAL AND FINANCE LEASE INCOME		334,235	256,625	670,764	505,564
INCOME FROM CONSULTANCY AND OTHER SERVICES		72,477	67,796	147,469	150,210
CONSULTING OPERATION AND OTHER SERVICES EXPENSES	17	(63,940)	(53,537)	(134,139)	(126,875)
NET CONSULTING AND OTHER SERVICES INCOME		8,537	14,259	13,330	23,335
PROFIT ON SALE OF PROPERTY AND CONSTRUCTION SERVICES	18	9,346	-	31,424	-
NET FAIR VALUE GAIN ON INVESTMENT PROPERTIES	9	112,443	421,689	114,206	442,956
SHARE OF RESULTS OF ASSOCIATES	11	2,632	(4,386)	(7,362)	(3,976)
GENERAL AND ADMINISTRATIVE EXPENSES		(47,855)	(83,959)	(93,664)	(141,857)
NET IMPAIRMENT LOSSES	19	(9,883)	(98,853)	(43,876)	(128,911)
OTHER INCOME	20	22,425	4,259	23,662	80,964
OPERATING PROFIT BEFORE FINANCE COST, DEPRECIATION, AMORTISATION AND INCOME TAX		431,880	509,634	708,484	778,075
FINANCE INCOME	21	3,154	1,322	4,289	6,167
FINANCE COST	21	(71,500)	(77,318)	(144,931)	(158,020)
NET FINANCE COST		(68,346)	(75,996)	(140,642)	(151,853)
PROFIT BEFORE DEPRECIATION, AMORTISATION AND INCOME TAX		363,534	433,638	567,842	626,222
DEPRECIATION		(4,135)	(8,574)	(7,334)	(13,653)
AMORTISATION OF RIGHT-OF-USE ASSETS	10	(8,708)	(8,718)	(17,479)	(17,437)
PROFIT BEFORE INCOME TAX		350,691	416,346	543,029	595,132
INCOME TAX EXPENSE		(4,990)	(6,234)	(5,805)	(6,976)
NET PROFIT FOR THE PERIOD		345,701	410,112	537,224	588,156
ATTRIBUTABLE TO:					
EQUITY HOLDERS OF THE PARENT		343,400	408,920	532,961	586,080
NON-CONTROLLING INTERESTS		2,301	1,192	4,263	2,076
		345,701	410,112	537,224	588,156
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT (EXPRESSED IN QR PER SHARE)	22	0.088		0.105	0.151



THE ATTACHED NOTES FROM 1 TO 31 FORM AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

BARWA REAL ESTATE COMPANY Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2021

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	FOR THE THREE MONTHS ENDED 30 JUNE		FOR THE SIX MONTHS ENDED 30 JUNE	
	2021 (UNREVIEWED) QR'000	2020 (UNREVIEWED) QR'000	2021 (REVIEWED) QR'000	2020 (REVIEWED) QR'000
NET PROFIT FOR THE PERIOD	345,701	410,112	537,224	588,156
OTHER COMPREHENSIVE INCOME				
<i>OTHER COMPREHENSIVE INCOME THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS:</i>				
EXCHANGE DIFFERENCES ON TRANSLATION OF FOREIGN OPERATIONS	(16,817)	5,421	(1,072)	(7,647)
<i>OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS:</i>				
NET CHANGE IN THE FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE (LOSS) / INCOME	(2,190)	22,577	(30,136)	54
OTHER RESERVES	-	(462)	(436)	(462)
OTHER COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	(19,007)	27,536	(31,644)	(8,055)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	326,694	437,648	505,580	580,101
ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE PARENT	324,422	436,272	501,346	577,777
NON-CONTROLLING INTERESTS	2,272	1,376	4,234	2,324
	326,694	437,648	505,580	580,101

DELOITTE & TOUCHE
Doha, Qatar
27 JUL 2021
Signed for Identification
Purposes Only

THE ATTACHED NOTES FROM 1 TO 31 FORM AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2021
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT					NON-CONTROLLING INTERESTS QR'000	TOTAL EQUITY QR'000
	SHARE CAPITAL QR'000	LEGAL RESERVE QR'000	GENERAL RESERVE QR'000	OTHER RESERVES QR'000	RETAINED EARNINGS QR'000		
BALANCE AT 31 DECEMBER 2020 (AUDITED)	3,891,246	1,952,704	4,639,231	(340,191)	10,186,699	182,862	20,512,551
NET PROFIT FOR THE PERIOD	-	-	-	-	532,961	4,263	537,224
OTHER COMPREHENSIVE LOSS FOR THE PERIOD	-	-	-	(31,615)	-	(29)	(31,644)
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	-	-	-	(31,615)	532,961	4,234	505,580
SHAREHOLDERS' CONTRIBUTION:							
DIVIDENDS FOR 2020 (NOTE 29)	-	-	-	-	(486,406)	-	(486,406)
DIVIDEND PAID TO NON-CONTROLLING INTEREST	-	-	-	-	-	(15,000)	(15,000)
TOTAL TRANSACTIONS WITH OWNERS	-	-	-	-	(486,406)	(15,000)	(501,406)
BALANCE AT 30 JUNE 2021 (REVIEWED)	3,891,246	1,952,704	4,639,231	(371,806)	10,233,254	172,096	20,516,725

	EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT					NON-CONTROLLING INTERESTS QR'000	TOTAL EQUITY QR'000
	SHARE CAPITAL QR'000	LEGAL RESERVE QR'000	GENERAL RESERVE QR'000	OTHER RESERVES QR'000	RETAINED EARNINGS QR'000		
BALANCE AT 31 DECEMBER 2019 (AUDITED)	3,891,246	1,952,417	4,639,231	(401,298)	9,781,402	198,479	20,061,477
NET PROFIT FOR THE PERIOD	-	-	-	-	586,080	2,076	588,156
OTHER COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	-	-	-	(8,303)	-	248	(8,055)
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	-	-	-	(8,303)	586,080	2,324	580,101
SHAREHOLDERS' CONTRIBUTION:							
DIVIDENDS FOR 2019 (NOTE 29)	-	-	-	-	(778,249)	-	(778,249)
DIVIDEND PAID TO NON-CONTROLLING INTEREST	-	-	-	-	-	(15,000)	(15,000)
TOTAL TRANSACTIONS WITH OWNERS	-	-	-	-	(778,249)	(15,000)	(793,249)
BALANCE AT 30 JUNE 2020 (REVIEWED)	3,891,246	1,952,417	4,639,231	(409,601)	9,589,233	185,893	19,848,329

DELOITTE & TOUCHE
Doha - Qatar

27 JUL 2021

Signed for Identification
Purposes Only

THE ATTACHED NOTES FROM 1 TO 31 FORM AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

نبينا لمستقبلنا

BUILDING THE FUTURE

BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2021

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

		<i>30 JUNE</i> <i>2021</i> <i>(REVIEWED)</i> <i>QR'000</i>	<i>30 JUNE</i> <i>2020</i> <i>(REVIEWED)</i> <i>QR'000</i>
	<i>NOTES</i>		
OPERATING ACTIVITIES			
NET PROFIT FOR THE PERIOD		537,224	588,156
<i>ADJUSTMENTS FOR:</i>			
FINANCE COST	21	126,158	137,670
UNWINDING OF DEFERRED FINANCE COST	21	18,773	20,350
FINANCE INCOME	21	(4,289)	(6,167)
NET FAIR VALUE GAIN ON INVESTMENT PROPERTIES	9	(114,206)	(442,956)
DEPRECIATION	(1)	28,271	32,394
AMORTISATION OF RIGHT-OF-USE ASSETS	10	17,479	17,437
SHARE OF RESULTS OF ASSOCIATES	11	7,362	3,976
NET IMPAIRMENT LOSSES	19	43,876	128,911
FINANCE LEASE INCOME		(1,406)	(6,661)
OTHER INCOME		(23,662)	(80,964)
OPERATING GAIN BEFORE WORKING CAPITAL CHANGES		635,580	392,146
<i>CHANGES IN WORKING CAPITAL:</i>			
CHANGE IN RECEIVABLES AND PREPAYMENTS		(225,765)	(182,553)
CHANGE IN TRADING PROPERTIES		38,080	(6,890)
CHANGE IN FINANCE LEASE RECEIVABLES		31,692	1,786
CHANGE IN AMOUNTS DUE FROM / DUE TO RELATED PARTIES		(9,965)	348,074
CHANGE IN PROVISIONS		(17,195)	40,595
CHANGE IN PAYABLES AND ACCRUALS		(111,005)	(500,581)
NET CASH GENERATED FROM OPERATING ACTIVITIES		341,422	92,577
INVESTING ACTIVITIES			
FINANCE INCOME RECEIVED		3,326	6,807
DIVIDENDS RECEIVED FROM ASSOCIATES	11	4,000	4,000
PAYMENTS FOR INVESTMENT PROPERTIES		(1,026,400)	(76,772)
ADVANCES PAID FOR PROJECTS AND INVESTMENTS		(193,941)	(4,363)
PAYMENTS FOR PURCHASE OF PROPERTY, PLANT AND EQUIPMENT		(5,009)	(4,011)
PROCEEDS FROM SALE OF PROPERTY, PLANT AND EQUIPMENT		46	-
DIVIDEND INCOME RECEIVED		1,030	2,712
PROCEEDS FROM DISPOSAL OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		8,002	16,999
PAYMENTS FOR PURCHASE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		(10,468)	(14,546)
NET MOVEMENT IN SHORT TERM DEPOSITS MATURING AFTER THREE MONTHS		(92,097)	283,455
NET CASH (USED IN) / GENERATED FROM INVESTING ACTIVITIES		(1,311,511)	214,281

DELOITTE & TOUCHE
Doha- Qatar

27 JUL 2021

Signed for Identification
Purposes Only

THE ATTACHED NOTES FROM 1 TO 31 FORM AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS



BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2021

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (CONTINUED)

		<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>30 JUNE 2020 (REVIEWED) QR'000</i>
	<i>NOTES</i>		
FINANCING ACTIVITIES			
FINANCE COST PAID		(187,086)	(217,026)
PROCEEDS FROM OBLIGATIONS UNDER ISLAMIC FINANCE CONTRACTS	15	2,457,460	185,000
PAYMENTS FOR OBLIGATIONS UNDER ISLAMIC FINANCE CONTRACTS	15	(761,448)	(286,639)
DIVIDEND PAID TO NON-CONTROLLING INTEREST		(15,000)	(15,000)
DIVIDENDS PAID		(474,955)	(384,314)
PAYMENT OF LEASE LIABILITIES		(12,151)	(23,651)
CHANGE IN RESTRICTED BANK BALANCES		(9,391)	(1,177)
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES		997,429	(742,807)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS			
		27,340	(435,949)
NET FOREIGN EXCHANGE DIFFERENCE		(5,486)	7,678
CASH AND CASH EQUIVALENTS AT 1 JANUARY	5	416,054	718,181
CASH AND CASH EQUIVALENTS AT 30 JUNE	5	437,908	289,910

NOTE:

- (i) DEPRECIATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2021 INCLUDES AN AMOUNT OF QR 20,937 THOUSAND CHARGED TO OPERATION EXPENSES IN THE CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS (2020 - QR 18,741 THOUSAND).
- (ii) THE ABOVE CONSOLIDATED STATEMENT OF CASH FLOWS SHOULD BE READ IN CONJUNCTION WITH NOTE 30.



THE ATTACHED NOTES FROM 1 TO 31 FORM AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS



BARWA REAL ESTATE COMPANY Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1 CORPORATE INFORMATION AND PRINCIPAL ACTIVITIES

BARWA REAL ESTATE COMPANY Q.P.S.C. (“THE COMPANY” OR “THE PARENT”) WAS INCORPORATED PURSUANT TO THE PROVISION OF ARTICLE 68 OF THE QATAR COMMERCIAL COMPANIES LAW NO. 5 OF 2002 AS QATARI PUBLIC SHAREHOLDING COMPANY UNDER COMMERCIAL REGISTRATION NO. 31901 DATED 27 DECEMBER 2005. THE TERM OF THE COMPANY IS 100 YEARS STARTING FROM THE DATE OF DECLARATION IN THE COMMERCIAL REGISTER. THE COMPANY IS A LISTED ENTITY ON THE QATAR EXCHANGE.

THE COMPANY’S REGISTERED OFFICE ADDRESS IS P.O. Box 27777, DOHA, STATE OF QATAR.

THE PRINCIPAL ACTIVITIES OF THE COMPANY AND ITS SUBSIDIARIES (TOGETHER, “THE GROUP”) INCLUDE INVESTMENT IN ALL TYPES OF REAL ESTATE INCLUDING ACQUIRING, RECLAMATION, DIVIDING, DEVELOPING AND RESELLING OF LAND AND TO ESTABLISH AGRICULTURAL, INDUSTRIAL, COMMERCIAL PROJECTS ON LAND, OR LEASE THOSE LAND, AND ALSO BUYING, SELLING AND LEASING BUILDINGS OR PROJECTS. IT ALSO ADMINISTERS AND OPERATES REAL ESTATE INVESTMENTS IN AND OUTSIDE THE STATE OF QATAR. THE GROUP IS ENGAGED IN THE BUSINESS OF DEVELOPING DOMESTIC AND INTERNATIONAL REAL ESTATE PROJECTS, INVESTING, HOTELS OWNERSHIP AND MANAGEMENT, PROJECTS CONSULTING AND OTHERS.

QATAR COMPANIES LAW NO. 11 OF 2015 (COMPANIES LAW) WHICH IS APPLICABLE TO THE GROUP HAS COME INTO EFFECT FROM 16 SEPTEMBER 2015. THE COMPANY AND ITS SUBSIDIARIES’ AMENDED ARTICLES OF ASSOCIATION HAVE BEEN APPROVED BY THE MINISTRY OF COMMERCE AND INDUSTRY (MOCI).

THE GROUP’S SUBSIDIARIES ACCOUNTING FOR MORE THAN 2% OF THE TOTAL ASSETS AND/OR OPERATIONAL RESULTS OF THE GROUP DURING THE CURRENT OR PREVIOUS PERIOD ARE INCLUDED IN THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS LISTED BELOW. IN ADDITION TO THE BELOW LISTED SUBSIDIARIES, THERE ARE A NUMBER OF OTHER SUBSIDIARIES’ FINANCIAL STATEMENTS THAT ARE CONSOLIDATED INTO THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND ARE ACCOUNTING FOR LESS THAN 2% OF THE TOTAL ASSETS AND/OR OPERATIONAL RESULTS OF THE GROUP.

NAME OF SUBSIDIARY	COUNTRY OF INCORPORATION	GROUP EFFECTIVE SHAREHOLDING PERCENTAGE	
		30 JUNE 2021	31 DECEMBER 2020
ASAS REAL ESTATE COMPANY W.L.L	QATAR	100%	100%
AL-WASEEF ASSET MANAGEMENT COMPANY W.L.L.	QATAR	100%	100%
BARWA INTERNATIONAL COMPANY W.L.L.	QATAR	100%	100%
BARWA AL SADD COMPANY W.L.L.	QATAR	100%	100%
BARWA SALWA COMPANY W.L.L	QATAR	100%	100%
BARWA AL BARAHA COMPANY W.L.L.	QATAR	100%	100%
BARWA VILLAGE COMPANY W.L.L.	QATAR	100%	100%
MASAKEN AL SAILIYA AND MESAIMER COMPANY W.L.L.	QATAR	100%	100%
QATAR REAL ESTATE INVESTMENT COMPANY P.J.S.C.	QATAR	100%	100%
QATAR PROJECT MANAGEMENT COMPANY Q.P.S.C.	QATAR	70%	70%
LUSAIL GOLF DEVELOPMENT COMPANY W.L.L.	QATAR	100%	100%
WAHAT AL RIYADH REAL ESTATE COMPANY W.L.L. (i)	KSA	100%	100%
MADINAT AL MAWATER COMPANY W.L.L.	QATAR	100%	100%
BARAHAT AL JANOUB REAL ESTATE COMPANY W.L.L.	QATAR	100%	100%
RAWASY REAL ESTATE COMPANY W.L.L.	QATAR	100%	100%
BARWA DISTRICT COOLING COMPANY W.L.L.	QATAR	100%	100%

NOTE:

(i) FORMERLY BARWA REAL ESTATE SAUDI ARABIA COMPANY W.L.L.

BARWA REAL ESTATE COMPANY Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1 CORPORATE INFORMATION AND PRINCIPAL ACTIVITIES (CONTINUED)

SIGNIFICANT UPDATES :

- THE OUTBREAK OF NOVEL CORONAVIRUS CONTINUES TO DISRUPT BUSINESS OPERATIONS AND ECONOMIC ACTIVITY GLOBALLY. THE EXTENT AND DURATION OF THE IMPACTS DEPEND HIGHLY ON FUTURE EVENTS THAT CANNOT BE ACCURATELY PREDICTED. AS THE SITUATION IS RAPIDLY EVOLVING, THE IMPACT ON THE GROUP'S ACTIVITIES AND OPERATIONS IS UNCERTAIN AND ACCORDINGLY MANAGEMENT ESTIMATES IN THE MEASUREMENT OF AMOUNTS REPORTED IN THESE FINANCIAL STATEMENTS REMAIN SENSITIVE TO MARKET FLUCTUATIONS.

➤ INVESTMENT PROPERTIES

- THE GROUP HAS CONSIDERED THE IMPACT OF COVID 19 ON THE VALUATION OF INVESTMENT PROPERTIES BASED ON THE CHARACTERISTICS OF THE PORTFOLIO INCLUDING DIVERSIFICATION ACROSS ASSET CATEGORIES, LOCATION AND THE NATURE OF SECURED FUTURE CASH FLOW. REFER TO NOTE 9 FOR ADDITIONAL DETAILS ON IMPACT OF COVID 19 ON VALUATION OF INVESTMENT PROPERTIES AND MANAGEMENT CONSIDERATION.

➤ EXPECTED CREDIT LOSSES ("ECL") AND IMPAIRMENT OF FINANCIAL ASSETS

- THE UNCERTAINTIES CAUSED BY COVID-19 HAVE REQUIRED THE GROUP TO REASSESS THE INPUTS AND ASSUMPTIONS USED FOR THE DETERMINATION OF EXPECTED CREDIT LOSSES ("ECLs") AS AT 30 JUNE 2021. THE GROUP HAS UPDATED THE RELEVANT FORWARD-LOOKING INFORMATION WITH RESPECT TO THE WEIGHTAGE OF THE RELEVANT MACROECONOMIC SCENARIOS OF THE MARKET; INCREASE IN CREDIT RISK; AND ASSESSING THE INDICATORS OF IMPAIRMENT FOR THE EXPOSURES IN POTENTIALLY AFFECTED SECTORS.
- DURING THE PERIOD ENDED 30 JUNE 2021, BASED ON MANAGEMENT'S IMPAIRMENT ASSESSMENT, THE GROUP RECOGNISED AN IMPAIRMENT OF QR 55,926 THOUSAND AGAINST ITS TRADE RECEIVABLES. REFER TO NOTE 19.

➤ COMMITMENTS AND CONTINGENT LIABILITIES

- THE GROUP HAS ASSESSED THE IMPACT OF ANY OPERATIONAL DISRUPTIONS, INCLUDING ANY CONTRACTUAL CHALLENGES AND CHANGES IN BUSINESS OR COMMERCIAL RELATIONSHIPS AMONG THE GROUP ENTITIES, CUSTOMERS AND SUPPLIERS, TO DETERMINE IF THERE IS ANY POTENTIAL INCREASE IN CONTINGENT LIABILITIES AND COMMITMENTS. REFER TO NOTES 24 AND 25.

➤ GOING CONCERN

- THE GROUP HAS PERFORMED AN ASSESSMENT OF WHETHER GOING CONCERN ASSUMPTION IS APPROPRIATE IN THE LIGHT OF CURRENT ECONOMIC CONDITIONS AND ALL AVAILABLE INFORMATION ABOUT FUTURE RISKS AND UNCERTAINTIES. THE PROJECTIONS HAVE BEEN PREPARED COVERING THE GROUP'S FUTURE PERFORMANCE, CAPITAL AND LIQUIDITY. THE IMPACT OF COVID-19 MAY CONTINUE TO EVOLVE, BUT AT THE PRESENT TIME THE PROJECTIONS SHOW THAT THE GROUP HAS SUFFICIENT RESOURCES TO CONTINUE IN OPERATIONAL EXISTENCE AND ITS ASSUMPTION ON GOING CONCERN REMAINS LARGELY UNAFFECTED AND UNCHANGED FROM 31 DECEMBER 2020. AS A RESULT, THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS HAVE BEEN APPROPRIATELY PREPARED ON A GOING CONCERN BASIS.
- THE GROUP WILL CONTINUE TO CLOSELY MONITOR THE IMPACT OF COVID-19 AS THE SITUATION PROGRESSES TO MANAGE THE POTENTIAL BUSINESS DISRUPTION COVID-19 OUTBREAK MAY HAVE ON ITS 'OPERATIONS AND FINANCIAL PERFORMANCE IN 2021.



BARWA REAL ESTATE COMPANY Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

2 BASIS OF PREPARATION

THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2021 HAVE BEEN PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS, IAS 34 "INTERIM FINANCIAL REPORTING".

THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS ARE PRESENTED IN QATARI RIYALS, WHICH IS THE GROUP'S FUNCTIONAL AND PRESENTATIONAL CURRENCY AND ALL VALUES ARE ROUNDED OFF TO THE NEAREST THOUSANDS (QR'000) EXCEPT WHEN OTHERWISE INDICATED.

THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS DO NOT INCLUDE ALL INFORMATION AND DISCLOSURES REQUIRED IN THE ANNUAL CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ IN CONJUNCTION WITH THE GROUP'S ANNUAL CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020. IN ADDITION, RESULTS FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2021 ARE NOT NECESSARILY INDICATIVE OF THE RESULTS THAT MAY BE EXPECTED FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2021.

3 SIGNIFICANT ACCOUNTING POLICIES

A) *THE ACCOUNTING POLICIES ADOPTED IN THE PREPARATION OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS ARE CONSISTENT WITH THOSE FOLLOWED IN THE PREPARATION OF THE GROUP'S ANNUAL CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020.*

B) *NEW STANDARDS AND INTERPRETATIONS EFFECTIVE FOR ANNUAL PERIODS BEGINNING ON OR AFTER 1 JANUARY 2021:*

- AMENDMENTS REGARDING REPLACEMENT ISSUES IN THE CONTEXT OF THE IBOR REFORM
- AMENDMENT TO EXTEND THE EXEMPTION FROM ASSESSING WHETHER A COVID-19-RELATED RENT CONCESSION IS A LEASE MODIFICATION

C) *NEW AND REVISED STANDARDS AND INTERPRETATIONS BUT NOT YET EFFECTIVE:*

- PROPERTY, PLANT AND EQUIPMENT — PROCEEDS BEFORE INTENDED USE (AMENDMENTS TO IAS 16)- ANNUAL REPORTING PERIODS BEGINNING ON OR AFTER 1 JANUARY 2022
- AMENDMENTS RESULTING FROM ANNUAL IMPROVEMENTS TO IFRS STANDARDS 2018-2020 (SUBSIDIARY AS A FIRST-TIME ADOPTER)- MAY 2020- ANNUAL PERIODS BEGINNING ON OR AFTER 1 JAN 2022
- AMENDMENTS REGARDING THE COSTS TO INCLUDE WHEN ASSESSING WHETHER A CONTRACT IS ONEROUS- MAY 2020-ANNUAL PERIODS BEGINNING ON OR AFTER 1 JAN 2022



BARWA REAL ESTATE COMPANY Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C) NEW AND REVISED STANDARDS AND INTERPRETATIONS BUT NOT YET EFFECTIVE:

EFFECTIVE FOR ANNUAL PERIODS BEGINNING ON OR AFTER 1 JANUARY 2023

- EXTENSION OF THE TEMPORARY EXEMPTION FROM APPLYING IFRS 9 (AMENDMENTS TO IFRS 4)
- DEFERRED TAX RELATED TO ASSETS AND LIABILITIES ARISING FROM A SINGLE TRANSACTION (AMENDMENTS TO IAS 12)
- AMENDMENTS TO ADDRESS CONCERNS AND IMPLEMENTATION CHALLENGES THAT WERE IDENTIFIED AFTER IFRS 17 WAS PUBLISHED (INCLUDES A DEFERRAL OF THE EFFECTIVE DATE TO ANNUAL PERIODS BEGINNING ON OR AFTER 1 JANUARY 2023)
- AMENDMENTS REGARDING THE CLASSIFICATION OF LIABILITIES - JAN 2020
- INSURANCE - ORIGINAL ISSUE - MAY 2017
- AMENDMENTS REGARDING THE DISCLOSURE OF ACCOUNTING POLICIES - FEB 2021
- DEFINITION OF ACCOUNTING ESTIMATES (AMENDMENTS TO IAS 8)
- AMENDMENTS REGARDING DEFERRED TAX ON LEASES AND DECOMMISSIONING OBLIGATIONS



BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

4 ACCOUNTING ESTIMATES

THE PREPARATION OF THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS REQUIRES MANAGEMENT TO MAKE JUDGEMENTS, ESTIMATES AND ASSUMPTIONS THAT AFFECT THE APPLICATION OF ACCOUNTING POLICIES AND THE REPORTED AMOUNTS OF ASSETS, LIABILITIES, INCOME AND EXPENSE. ACTUAL RESULTS MAY DIFFER FROM THESE ESTIMATES. INFORMATION ABOUT SIGNIFICANT AREAS OF ESTIMATION UNCERTAINTY AND CRITICAL JUDGEMENT IN APPLYING ACCOUNTING POLICIES THAT HAVE THE MOST SIGNIFICANT EFFECT ON THE AMOUNT RECOGNISED IN THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENT IS DESCRIBED IN NOTE 47 OF THE ANNUAL CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020. IN PREPARING THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS, THE SIGNIFICANT JUDGMENTS MADE BY THE MANAGEMENT IN APPLYING THE GROUP'S ACCOUNTING POLICIES AND THE KEY SOURCES OF ESTIMATION UNCERTAINTY WERE THE SAME AS THOSE THAT WERE APPLIED TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020.

5 CASH AND BANK BALANCES

CASH AND BANK BALANCES ARE COMPRISED OF THE FOLLOWING:

	<i>As at</i> 30 JUNE <i>2021</i> <i>(REVIEWED)</i> <i>QR'000</i>	<i>As at</i> 31 DECEMBER <i>2020</i> <i>(AUDITED)</i> <i>QR'000</i>
CASH ON HAND	377	298
SHORT TERM DEPOSITS (I)	423,198	200,061
CURRENT ACCOUNTS	136,130	183,694
CALL ACCOUNTS	140,760	202,461
RESTRICTED BALANCES	160,762	152,315
MARGIN BANK ACCOUNTS	10,522	9,578
ALLOWANCE FOR IMPAIRMENT (NOTE 19)	<u>(2,299)</u>	<u>(2,250)</u>
TOTAL CASH AND BANK BALANCES	869,450	746,157
SHORT TERM BANK DEPOSITS MATURING AFTER 3 MONTHS	(262,557)	(170,460)
RESTRICTED BANK BALANCES AND MARGIN ACCOUNTS (II)	(171,284)	(161,893)
REVERSAL OF NON-CASH PROVISION	<u>2,299</u>	<u>2,250</u>
CASH AND CASH EQUIVALENTS	437,908	416,054

NOTES:

- (I) SHORT TERM BANK DEPOSITS ARE MADE FOR VARYING PERIODS DEPENDING ON THE CASH REQUIREMENTS OF THE GROUP WITH ORIGINAL MATURITY PERIOD RANGING UP TO TWELVE MONTHS CARRYING PROFIT AT COMMERCIAL MARKET RATES. CASH AND CASH EQUIVALENTS INCLUDE FIXED DEPOSITS MATURING WITHIN THREE MONTHS AMOUNTING TO QR 160,641 THOUSAND (2020: QR 29,601 THOUSAND).
- (II) RESTRICTED BANK BALANCES ARE RESTRICTED MAINLY TO COVER CERTAIN BANK GUARANTEES ISSUED BY THE GROUP AND THE SETTLEMENT OF DIVIDENDS YET UNCLAIMED BY THE PARENT'S SHAREHOLDERS.



BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

6 CURRENT AND NON-CURRENT PRESENTATION OF RECEIVABLES AND PREPAYMENTS AND FINANCE LEASE RECEIVABLES

THE FOLLOWING TABLE PRESENTS THE CURRENT AND NON-CURRENT CLASSIFICATION OF RECEIVABLES AND PREPAYMENTS AND FINANCE LEASE RECEIVABLES AT THE REPORTING DATE:

	<i>RECEIVABLES AND PREPAYMENTS</i>		<i>FINANCE LEASE RECEIVABLES</i>	
	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>31 DECEMBER 2020 (AUDITED) QR'000</i>	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>31 DECEMBER 2020 (AUDITED) QR'000</i>
CURRENT	535,490	451,723	2,815	31,444
NON-CURRENT	297,495	150,399	111	983
	832,985	602,122	2,926	32,427

RECEIVABLES AND PREPAYMENTS INCLUDE CONTRACT ASSETS AMOUNTING TO QR 160,658 THOUSAND (2020: QR 13,031 THOUSAND) RELATING TO THE PUBLIC PARTNERSHIP AGREEMENT SIGNED IN 2020 BETWEEN ONE OF THE GROUP'S SUBSIDIARIES AND THE PUBLIC WORKS AUTHORITY "ASHGHAL". FOR FURTHER DETAILS REFER TO NOTE 18.

AT 30 JUNE 2021, TRADE RECEIVABLES AMOUNTING TO QR 238,220 THOUSAND (2020: QR 185,244 THOUSAND) WERE IMPAIRED AND FULLY PROVIDED FOR. MOVEMENTS IN THE ALLOWANCE FOR IMPAIRMENT OF TRADE RECEIVABLES IS AS FOLLOWS:

	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>31 DECEMBER 2020 (AUDITED) QR'000</i>
AT 1 JANUARY	185,244	87,820
ALLOWANCE CHARGE FOR THE PERIOD (NOTE 19)	55,926	113,840
REVERSAL OF PROVISION (NOTE 19)	(2,950)	(16,516)
TRANSLATION ADJUSTMENT	-	100
	238,220	185,244

7 TRADING PROPERTIES

	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>31 DECEMBER 2020 (AUDITED) QR'000</i>
PROPERTIES AVAILABLE FOR SALE (I)	153,184	201,304
PROPERTIES UNDER DEVELOPMENT-NET (II)	1,262,973	1,238,804
	1,416,157	1,440,108

(I) MOVEMENTS OF PROPERTIES AVAILABLE FOR SALE DURING THE PERIOD WERE AS FOLLOWS:

	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>31 DECEMBER 2020 (AUDITED) QR'000</i>
AT 1 JANUARY	201,304	114,470
SOLD DURING THE PERIOD / YEAR	(41,553)	(50,440)
TRANSFER (TO) / FROM TRADING PROPERTIES - PROPERTIES UNDER DEVELOPMENT	(6,567)	137,274
	153,184	201,304



BARWA REAL ESTATE COMPANY Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

7 TRADING PROPERTIES (CONTINUED)

(II) MOVEMENTS OF PROPERTIES UNDER DEVELOPMENT DURING THE PERIOD WERE AS FOLLOWS:

	<i>30 JUNE</i> <i>2021</i> <i>(REVIEWED)</i> <i>QR'000</i>	<i>31 DECEMBER</i> <i>2020</i> <i>(AUDITED)</i> <i>QR'000</i>
AT 1 JANUARY	1,238,804	1,394,778
ADDITIONS	6,188	8,130
CAPITALISED FINANCE COST (NOTE 21)	-	1,706
TRANSFERRED TO INVESTMENT PROPERTIES (NOTE 9)	-	(4,567)
TRANSFER FROM / (TO) TRADING PROPERTIES - PROPERTIES AVAILABLE FOR SALE	6,567	(137,274)
NET REVERSAL OF IMPAIRMENT/ (IMPAIRMENT) (NOTE 19)	9,054	(29,684)
FOREIGN EXCHANGE ADJUSTMENT	2,360	5,715
	<u>1,262,973</u>	<u>1,238,804</u>

8 RELATED PARTY DISCLOSURES

QATARI DIAR REAL ESTATE INVESTMENT COMPANY Q.S.C IS THE MAIN SHAREHOLDER OF THE COMPANY, WHICH OWNS 45% OF THE COMPANY'S SHARES INCLUDING ONE PREFERRED SHARE THAT CARRIES PREFERRED RIGHTS OVER THE FINANCIAL AND OPERATING POLICIES. THE REMAINING 55% OF THE SHARES ARE WIDELY HELD AND PUBLICLY TRADED AT THE QATAR EXCHANGE.

THE GROUP HAS TRANSACTIONS WITH RELATED PARTIES, I.E. MAIN SHAREHOLDER, ASSOCIATED COMPANIES, DIRECTORS AND KEY MANAGEMENT OF THE COMPANY, 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 DURING THE PERIOD WERE AS FOLLOWS:

	<i>30 JUNE</i> <i>2021</i> <i>(REVIEWED)</i> <i>QR'000</i>	<i>30 JUNE</i> <i>2020</i> <i>(REVIEWED)</i> <i>QR'000</i>
INCOME FROM CONSULTANCY AND OTHER SERVICES - MAIN SHAREHOLDER	24,154	29,780
RENTAL INCOME - MAIN SHAREHOLDER	1,138	1,138
OTHER INCOME - MAIN SHAREHOLDER	-	74,647

BALANCES WITH RELATED PARTIES INCLUDED IN THE CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION WERE AS FOLLOWS:

	<i>DUE FROM RELATED PARTIES</i>		<i>DUE TO RELATED PARTIES</i>	
	<i>30 JUNE</i> <i>2021</i> <i>(REVIEWED)</i> <i>QR'000</i>	<i>31 DECEMBER</i> <i>2020</i> <i>(AUDITED)</i> <i>QR'000</i>	<i>30 JUNE</i> <i>2021</i> <i>(REVIEWED)</i> <i>QR'000</i>	<i>31 DECEMBER</i> <i>2020</i> <i>(AUDITED)</i> <i>QR'000</i>
QATARI DIAR REAL ESTATE INVESTMENT Co. Q.S.C. AND ITS SUBSIDIARIES COMPANIES	137,855	152,889	165,271	186,801
ASSOCIATE COMPANIES	204	197	3,682	4,422
OTHER RELATED PARTIES	-	-	1,319	1,397
	<u>138,059</u>	<u>153,086</u>	<u>170,272</u>	<u>192,620</u>

BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

8 RELATED PARTY DISCLOSURES (CONTINUED)

CURRENT AND NON-CURRENT PORTIONS OF DUE FROM AND DUE TO RELATED PARTIES WERE AS FOLLOWS:

	<i>DUE FROM RELATED PARTIES</i>		<i>DUE TO RELATED PARTIES</i>	
	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>31 DECEMBER 2020 (AUDITED) QR'000</i>	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>31 DECEMBER 2020 (AUDITED) QR'000</i>
CURRENT	138,059	153,086	169,693	192,041
NON-CURRENT	-	-	579	579
	<u>138,059</u>	<u>153,086</u>	<u>170,272</u>	<u>192,620</u>

COMPENSATION OF DIRECTORS AND OTHER KEY MANAGEMENT PERSONNEL

THE REMUNERATION OF DIRECTORS AND OTHER MEMBERS OF KEY MANAGEMENT OF THE PARENT DURING THE PERIOD WERE AS FOLLOWS:

	<i>FOR THE SIX MONTHS ENDED 30 JUNE</i>	
	<i>2021 (REVIEWED) QR'000</i>	<i>2020 (REVIEWED) QR'000</i>
SHORT TERM BENEFITS	9,424	9,544
END OF SERVICE BENEFITS	540	545

9 INVESTMENT PROPERTIES

	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>31 DECEMBER 2020 (AUDITED) QR'000</i>
AT 1 JANUARY	28,158,282	26,598,318
ADDITIONS	1,725,964	595,296
CAPITALISED FINANCE COST (NOTE 21)	51,134	81,738
RIGHT-OF-USE ASSETS - ADDITIONS DURING THE PERIOD /YEAR	-	68,106
RIGHT-OF-USE ASSETS - LEASE MODIFICATION	(17,947)	7,634
TRANSFER FROM TRADING PROPERTIES - PROPERTIES UNDER DEVELOPMENT (NOTE 7.II)	-	4,567
NET FAIR VALUE GAIN	114,206	786,413
FOREIGN EXCHANGE ADJUSTMENT	1,039	16,210
	<u>30,032,678</u>	<u>28,158,282</u>

BARWA REAL ESTATE COMPANY Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

9 INVESTMENT PROPERTIES (CONTINUED)

AS A RESULT OF THE COVID-19 OUTBREAK AND THE WIDE RANGING IMPACTS ON BUSINESSES GLOBALLY AS WELL AS LOCALLY IN THE STATE OF QATAR, THE GROUP'S EXTERNAL VALUERS HAVE TAKEN INTO ACCOUNT LATEST GUIDELINES FROM RICS AND REPORTED THE GROUP'S INVESTMENT PROPERTY VALUATIONS ON THE BASIS OF 'MATERIAL VALUATION UNCERTAINTY'. MANAGEMENT HAVE EVALUATED THE BASIS, AND MEANING, OF SUCH PREPARATION. ALTHOUGH UNCERTAINTY IS PRESENT WITHIN THE WIDER REAL ESTATE MARKET, WITH VARYING IMPACTS BEING OBSERVED, MANAGEMENT CONSIDERS THAT THE EXISTING INVESTMENT PROPERTY PORTFOLIO OF THE GROUP TO BE LESS IMPACTED BY SUCH ADVERSE EVENTS DUE TO INHERENT CHARACTERISTICS OF THE PORTFOLIO INCLUDING DIVERSIFICATION ACROSS ASSET CATEGORIES, GEOGRAPHIC SPREAD LOCALLY AND THE NATURE OF PARTIALLY SECURED FUTURE CASHFLOW IN RELATION TO THE INCOME GENERATING PORTFOLIO OF ASSETS. MANAGEMENT UNDERSTANDS THE BASIS OF SUCH PREPARATION, WHICH PRIMARILY INTENDS TO HIGHLIGHT FUTURE UNCERTAINTY AND A HIGHER DEGREE OF CAUTION. MANAGEMENT HAVE CONSIDERED THIS IN RESPECT OF KEY SOURCES OF ESTIMATION UNCERTAINTY AND HAVE CONCLUDED BASED UPON THE GROUP'S INVESTMENT PROPERTY PORTFOLIO INHERENT CHARACTERISTICS AND TRENDS OBSERVED, RELATIVE TO THE WIDER REAL ESTATE MARKET IN THE STATE OF QATAR, THAT THE EVENTS OF COVID-19 DO NOT GIVE RISE TO NEW COURSE OF KEY ESTIMATION UNCERTAINTY, NOR DO THEY IMPACT THE POTENTIAL SENSITIVITY LEVEL OF A REASONABLE AND POSSIBLE CHANGE THAT MAY OCCUR WITHIN THE NEXT 12 MONTHS.

NOTES:

- (i) INVESTMENT PROPERTIES ARE LOCATED IN THE STATE OF QATAR, KINGDOM OF SAUDI ARABIA, KINGDOM OF BAHRAIN, REPUBLIC OF CYPRUS AND UNITED KINGDOM.
- (ii) FAIR VALUES OF INTERNATIONAL INVESTMENT PROPERTIES HAVE BEEN VALUED INTERNALLY AS OF 30 JUNE 2021, EXCEPT FOR 2 PROPERTIES LOCATED IN THE KINGDOM OF BAHRAIN AND THE KINGDOM OF SAUDI ARABIA, WHICH HAVE BEEN VALUED AT 31 DECEMBER 2020. INVESTMENT PROPERTIES LOCATED IN THE STATE OF QATAR ARE STATED AT FAIR VALUE BASED ON VALUATIONS PERFORMED BY ACCREDITED INDEPENDENT VALUERS AS AT 30 JUNE 2021. THOSE VALUERS ARE ACCREDITED INDEPENDENT VALUERS WITH RECOGNISED AND RELEVANT PROFESSIONAL QUALIFICATIONS AND WITH RECENT EXPERIENCE IN THE LOCATION AND CATEGORY OF THOSE INVESTMENT PROPERTIES BEING VALUED. IN ARRIVING AT ESTIMATED MARKET VALUES THE VALUERS HAVE USED THEIR MARKET KNOWLEDGE AND PROFESSIONAL JUDGMENT AND NOT ONLY RELIED ON HISTORICAL TRANSACTIONAL COMPARABLE. IN THE ABSENCE OF CURRENT PRICES IN AN ACTIVE MARKET, THE VALUATIONS ARE BASED ON THE AGGREGATE OF THE ESTIMATED CASH FLOWS EXPECTED TO BE RECEIVED FROM RENTING THE PROPERTY. A YIELD THAT REFLECTS THE SPECIFIC RISKS INHERENT IN THE NET CASH FLOWS IS APPLIED TO THE NET ANNUAL CASH FLOWS TO ARRIVE AT THE PROPERTY VALUATION.
- (iii) THE GROUP HAS NO RESTRICTIONS ON THE REALISABILITY OF ITS INVESTMENT PROPERTIES AND NO CONTRACTUAL OBLIGATIONS TO EITHER PURCHASE, CONSTRUCT OR DEVELOP INVESTMENT PROPERTIES OR FOR REPAIRS, MAINTENANCE AND ENHANCEMENTS, OTHER THAN THE COMMITMENTS DISCLOSED IN NOTE 25.
- (iv) INCLUDED IN INVESTMENT PROPERTIES ARE CERTAIN PROPERTIES WITH A CARRYING VALUE OF QR 8,381,367 THOUSAND AT 30 JUNE 2021 (31 DECEMBER 2020 – QR 8,380,638 THOUSAND) FOR WHICH THE TITLE DEEDS WILL BE TRANSFERRED TO THE GROUP UPON COMPLETION OF THE CONSTRUCTION OF THE PROJECTS. THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS HAVE BEEN PREPARED ON THE BASIS THAT THE BENEFICIAL INTEREST OF THESE INVESTMENT PROPERTIES RESIDES WITH THE GROUP.

BARWA REAL ESTATE COMPANY Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

9 INVESTMENT PROPERTIES (CONTINUED)

- (v) DESCRIPTION OF VALUATION TECHNIQUES USED BY THE GROUP AND KEY INPUTS TO VALUATION ON SOME OF THE INVESTMENT PROPERTIES ARE AS FOLLOWS:

TYPE OF PROPERTIES	VALUATION TECHNIQUE	SIGNIFICANT UNOBSERVABLE INPUTS	RANGE	RANGE
			(WEIGHTED AVERAGE) 30 JUNE 2021	(WEIGHTED AVERAGE) 31 DECEMBER 2020
COMMERCIAL PROPERTIES	DCF METHOD	ESTIMATED RENTAL VALUE PER SQM PER MONTH	QR 20 -QR 293	QR 20 - QR 293
		RENT GROWTH P.A.	0%-0%	0%-0%
		LONG-TERM VACANCY RATE	0% - 15%	0%-15%
		DISCOUNT RATE	6.90% - 7.30%	6.90% - 7.30%
		MARKET CAP	7.30%	7.30%
RESIDENTIAL PROPERTIES	DCF METHOD	ESTIMATED RENTAL VALUE PER UNIT PER MONTH	QR 1,600-20,000	QR 1,600-20,000
		RENT GROWTH P.A.	0%-0%	0%-0%
		LONG-TERM VACANCY RATE	0%-25%	0%-25%
		DISCOUNT RATE	5.95% - 7.30%	5.95% - 7.30%
		MARKET CAP	7.30%	7.30%
LAND BANK	DIRECT COMPARISON	ESTIMATED LAND VALUE PER SQM	QR 960 - 11,044	QR 960- QR 11,044

DISCOUNTED CASH FLOW METHOD (DCF): IT IS CONSIDERED THE MOST COMMONLY USED TECHNIQUE FOR ASSESSING MARKET VALUE WITHIN THE INCOME APPROACH. THIS IS A FINANCIAL MODELLING TECHNIQUE BASED ON EXPLICIT ASSUMPTIONS REGARDING THE PROSPECTIVE CASH-FLOW TO A PROPERTY OR BUSINESS AND THE COSTS ASSOCIATED WITH BEING ABLE TO GENERATE THE INCOME. A MARKET-DERIVED DISCOUNT IS APPLIED TO ESTIMATE CASH FLOWS TO ESTABLISH A PRESENT VALUE OF THE INCOME STREAM. THIS NET PRESENT VALUE ("NPV") IS AN INDICATION OF MARKET VALUE.

DIRECT COMPARISON APPROACH: THIS APPROACH INVOLVES A COMPARISON OF THE SUBJECT PROPERTY TO SIMILAR PROPERTIES THAT HAVE ACTUALLY BEEN SOLD IN ARMS'-LENGTH TRANSACTIONS OR ARE OFFERED FOR SALE. THIS APPROACH DEMONSTRATES WHAT BUYERS HAVE HISTORICALLY BEEN WILLING TO PAY (AND SELLERS WILLING TO ACCEPT) FOR SIMILAR PROPERTIES IN AN OPEN AND COMPETITIVE MARKET AND IS PARTICULARLY USEFUL IN ESTIMATING THE VALUE OF THE LAND AND PROPERTIES THAT ARE TYPICALLY TRADED ON A UNIT BASIS. GENERALLY, THE OPINION ON VALUE IS BASED ON EVIDENCE OF OPEN MARKET TRANSACTIONS IN SIMILAR PROPERTY WITH ADJUSTMENTS OF THE COMPARABLE TO DIFFERENTIATE THE DIFFERENCES BETWEEN THE SUBJECT PROPERTY AND THE COMPARABLE.



BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

10 RIGHT-OF-USE ASSETS

THE GROUP LEASES SEVERAL ASSETS INCLUDING BUILDINGS AND LAND. THE LEASE TERMS RANGE FROM 1 TO 98 YEARS.

THE MOVEMENT OF RIGHT OF USE ASSETS DURING THE PERIOD IS ILLUSTRATED AS FOLLOWS:

	<i>30 JUNE</i> <i>2021</i> <i>(REVIEWED)</i> QR'000	<i>31 DECEMBER</i> <i>2020</i> <i>(AUDITED)</i> QR'000
1 JANUARY	18,680	49,562
MODIFICATIONS	16,347	-
ADDITIONS	3,675	-
AMORTISATION EXPENSE	(17,479)	(30,887)
TRANSLATION ADJUSTMENT	(10)	5
	<u>21,213</u>	<u>18,680</u>

AMOUNTS RECOGNISED IN PROFIT OR LOSS DURING THE PERIOD IS SUMMARIZED AS FOLLOWS:

	<i>30 JUNE</i> <i>2021</i> <i>(REVIEWED)</i> QR'000	<i>30 JUNE</i> <i>2020</i> <i>(REVIEWED)</i> QR'000
AMORTISATION OF RIGHT-OF-USE ASSETS	17,479	17,437
INCOME FROM SUBLEASING RIGHT-OF-USE ASSETS	7,507	9,382



BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

11 INVESTMENTS IN ASSOCIATES

THE FOLLOWING TABLE ILLUSTRATES THE SUMMARISED FINANCIAL INFORMATION OF THE GROUP'S INVESTMENTS IN ASSOCIATES:

	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>31 DECEMBER 2020 (AUDITED) QR'000</i>
AT 1 JANUARY	455,493	529,947
DIVIDENDS FROM ASSOCIATES	(4,000)	(4,000)
SHARE OF RESULTS OF ASSOCIATES DURING THE PERIOD / YEAR	(7,362)	(70,887)
NET REVERSAL OF IMPAIRMENT (NOTE 19)	1,187	13,260
SHARE OF CHANGE IN FAIR VALUE RESERVE	(25,751)	(8,114)
FOREIGN EXCHANGE ADJUSTMENT	(98)	(4,713)
	<u>419,469</u>	<u>455,493</u>
	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>31 DECEMBER 2020 (AUDITED) QR'000</i>
TOTAL GROUP'S SHARE OF THE ASSOCIATES' STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE / 31 DECEMBER		
TOTAL ASSETS	1,208,712	1,437,712
TOTAL LIABILITIES	<u>(789,243)</u>	<u>(982,219)</u>
GROUP SHARE OF NET ASSETS OF ASSOCIATES	<u>419,469</u>	<u>455,493</u>
CARRYING AMOUNT OF THE INVESTMENTS	<u>419,469</u>	<u>455,493</u>
	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>30 JUNE 2020 (REVIEWED) QR'000</i>
GROUP'S SHARE OF ASSOCIATES' REVENUES AND RESULTS FOR THE SIX MONTHS ENDED 30 JUNE :		
REVENUES	<u>257,109</u>	<u>135,755</u>
RESULTS	<u>(7,362)</u>	<u>(3,976)</u>



BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

12 PAYABLES AND OTHER LIABILITIES

	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>31 DECEMBER 2020 (AUDITED) QR'000</i>
CONTRACTORS AND SUPPLIERS	845,821	618,952
CLIENTS ADVANCES AND UNEARNED INCOME	92,305	62,929
RETENTION PAYABLE	295,421	125,178
CONTRIBUTION TO SOCIAL AND SPORTS FUND	15,178	30,355
ACCRUED EXPENSES	324,772	290,307
ACCRUED FINANCE COST	40,034	36,082
OTHER PAYABLES	659,646	670,446
	<u>2,273,177</u>	<u>1,834,249</u>

THE MATURITY OF PAYABLES AND OTHER LIABILITIES ARE AS FOLLOWS:

NON-CURRENT	325,527	390,353
CURRENT	1,947,650	1,443,896
	<u>2,273,177</u>	<u>1,834,249</u>

13 PROVISIONS

	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>31 DECEMBER 2020 (AUDITED) QR'000</i>
AT 1 JANUARY	42,800	61,014
PROVIDED DURING THE PERIOD/YEAR	-	44,668
UTILISED DURING THE PERIOD	(17,195)	(16,139)
REVERSAL DURING THE PERIOD	-	(46,743)
	<u>25,605</u>	<u>42,800</u>

PROVISIONS ARE ANALYSED BY NATURE AS FOLLOWS:

	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>31 DECEMBER 2020 (AUDITED) QR'000</i>
PROVISION FOR LITIGATIONS	14,605	31,800
PROVISION FOR CLAIMS	11,000	11,000
	<u>25,605</u>	<u>42,800</u>



BARWA REAL ESTATE COMPANY Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

14 LEASE LIABILITIES

	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>31 DECEMBER 2020 (AUDITED) QR'000</i>
AT 1 JANUARY	354,553	330,080
ADDITIONS	3,675	68,106
MODIFICATION	(1,618)	5,551
UNWINDING OF DEFERRED FINANCE COST (NOTE 21)	7,114	14,415
PAYMENTS	(12,151)	(31,241)
PREPAID	-	(10,743)
TRANSFER TO ACCRUED LEASE PAYABLE	(8,227)	(22,877)
FOREIGN EXCHANGE ADJUSTMENT	856	1,262
	<u>344,202</u>	<u>354,553</u>

LEASE LIABILITIES ARE FURTHER ANALYSED AS FOLLOWS:

CURRENT	54,262	53,242
NON-CURRENT	289,940	301,311
	<u>344,202</u>	<u>354,553</u>

	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>31 DECEMBER 2020 (AUDITED) QR'000</i>
<i>MATURITY ANALYSIS:</i>		
YEAR 1	67,282	66,806
YEAR 2	36,263	35,634
YEAR 3	37,467	36,406
YEAR 4	24,636	31,553
YEAR 5	14,937	17,254
LATER THAN 5 YEARS	467,365	472,694
	<u>647,950</u>	<u>660,347</u>
DEFERRED FINANCE COST	(303,748)	(305,794)
	<u>344,202</u>	<u>354,553</u>

THE GROUP DOES NOT FACE A SIGNIFICANT LIQUIDITY RISK WITH REGARD TO ITS LEASE LIABILITIES. LEASE LIABILITIES ARE MONITORED BY THE GROUP'S TREASURY FUNCTION.



BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

15 OBLIGATIONS UNDER ISLAMIC FINANCE CONTRACTS

THE MOVEMENTS IN THE OBLIGATIONS UNDER ISLAMIC FINANCE CONTRACTS WERE AS FOLLOWS:

	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>31 DECEMBER 2020 (AUDITED) QR'000</i>
AT 1 JANUARY	10,082,855	9,406,049
ADDITIONAL FACILITIES OBTAINED	2,457,460	1,962,170
ACCRUED FINANCE COST	8,868	55,160
REPAYMENTS	(761,448)	(1,346,330)
DEFERRED FINANCE CHARGES	(6,609)	5,937
FOREIGN EXCHANGE ADJUSTMENT	(217)	(131)
	<u>11,780,909</u>	<u>10,082,855</u>
	<i>30 JUNE 2021 QR'000</i>	<i>31 DECEMBER 2020 QR'000</i>
UN-SECURED FACILITIES	11,810,141	10,105,478
DEFERRED FINANCE CHARGES	(29,232)	(22,623)
	<u>11,780,909</u>	<u>10,082,855</u>

THE MATURITY PROFILE OF OBLIGATIONS UNDER ISLAMIC FINANCE CONTRACTS WERE AS FOLLOWS:

	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>31 DECEMBER 2020 (AUDITED) QR'000</i>
NON-CURRENT PORTION	10,513,015	7,929,405
CURRENT PORTION	1,267,894	2,153,450
	<u>11,780,909</u>	<u>10,082,855</u>

FOLLOWING IS A SUMMARY OF THE TERMS OF THE BORROWINGS AT PERIOD / YEAR END:

CURRENCY	ORIGINAL CURRENCY	MATURITY	PROFIT	PROFIT RATE	<i>30 JUNE 2021 QR'000</i>	<i>31 DECEMBER 2020 QR'000</i>
USD	US 1,677 MILLION	2022-2026	FLOATING	LIBOR + AVERAGE MARGIN	6,107,374	6,466,875
QAR	QR 5,703 MILLION	2026-2034	FLOATING WITH FLOOR RATE	QCB RATE +/- AVERAGE MARGIN	<u>5,702,767</u>	<u>3,638,603</u>
					<u>11,810,141</u>	<u>10,105,478</u>

THE GROUP HAS NOT BREACHED ANY LOAN COVENANT DURING 2021 AND 2020.

THE ABOVE FACILITIES HAVE BEEN OBTAINED FOR THE PURPOSE OF FINANCING LONG TERM PROJECTS AND WORKING CAPITAL REQUIREMENTS OF THE GROUP. THE FACILITIES CARRY PROFITS AT RATES COMPARABLE TO COMMERCIAL RATES PREVAILING IN THE MARKET FOR FACILITIES WITH THE SAME TERMS AND CONDITIONS LIKE THE GROUP'S FACILITIES.



BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

16 RENTAL OPERATION EXPENSES

	<i>30 JUNE</i> <i>2021</i> <i>(REVIEWED)</i> <i>QR'000</i>	<i>30 JUNE</i> <i>2020</i> <i>(REVIEWED)</i> <i>QR'000</i>
STAFF COSTS	50,981	39,822
MAINTENANCE AND UTILITIES EXPENSE	169,643	87,688
PROFESSIONAL FEES & OTHER EXPENSES	962	3,310
DEPRECIATION	-	102
	<u>221,586</u>	<u>130,922</u>

17 CONSULTING OPERATION AND OTHER SERVICES EXPENSES

	<i>30 JUNE</i> <i>2021</i> <i>(REVIEWED)</i> <i>QR'000</i>	<i>30 JUNE</i> <i>2020</i> <i>(REVIEWED)</i> <i>QR'000</i>
STAFF COSTS	27,985	40,089
HOTEL OPERATION COSTS	25,856	34,588
MAINTENANCE AND UTILITIES EXPENSE	48,465	28,886
DEPRECIATION	20,937	18,639
OTHER EXPENSES	10,896	4,673
	<u>134,139</u>	<u>126,875</u>

18 PROFIT ON SALE OF PROPERTY AND CONSTRUCTION SERVICES

	<i>30 JUNE</i> <i>2021</i> <i>(REVIEWED)</i> <i>QR'000</i>	<i>30 JUNE</i> <i>2020</i> <i>(REVIEWED)</i> <i>QR'000</i>
REVENUE FROM CONSTRUCTION SERVICES (1)	162,543	-
SALE OF PROPERTIES	47,894	-
	<u>210,437</u>	<u>-</u>
COST OF CONSTRUCTION SERVICES (1)	(136,758)	-
COST OF SALE OF PROPERTIES	(42,255)	-
	<u>(179,013)</u>	<u>-</u>
	<u>31,424</u>	<u>-</u>

NOTE:

(1) DURING 2020, ONE OF THE GROUP'S SUBSIDIARIES AND THE PUBLIC WORKS AUTHORITY "ASHGHAL", SIGNED A PUBLIC-PRIVATE PARTNERSHIP AGREEMENT. AS PER THE AGREEMENT, BARWA REAL ESTATE WILL DEVELOP 8 PUBLIC SCHOOLS BY THE YEAR 2022 AND PROVIDE MAINTENANCE SUPPORT OVER A PERIOD OF 25 YEARS UNDER THE (QATAR SCHOOLS PPP DEVELOPMENT PROGRAM - PACKAGE 1). SCHOOLS WILL BE DIRECTLY LEASED TO THE MINISTRY OF EDUCATION AND HIGHER EDUCATION UPON COMPLETION OF ALL CONSTRUCTION WORKS. DURING 2021, DEVELOPMENT WORKS STARTED AND THE GROUP RECOGNIZED THE ABOVE REVENUE AND RELATED COSTS. AS A RESULT, RECEIVABLES AND PREPAYMENTS (NOTE 6) INCLUDE A CONTRACT ASSET AMOUNTING TO QR 160,658 THOUSAND AS OF 30 JUNE 2021 (2020 - QR 13,031 THOUSAND).



BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

19 NET IMPAIRMENT LOSSES

	<i>30 JUNE</i> <i>2021</i> <i>(REVIEWED)</i> <i>QR'000</i>	<i>30 JUNE</i> <i>2020</i> <i>(REVIEWED)</i> <i>QR'000</i>
IMPAIRMENT LOSSES :		
CASH AND BANK BALANCES (NOTE 5)	(274)	(20)
RECEIVABLES (NOTE 6)	(55,926)	(35,487)
TRADING PROPERTIES (NOTE 7.II)	(253)	(12,691)
INVESTMENT IN ASSOCIATES (NOTE 11)	(76)	(83,287)
DUE FROM RELATED PARTIES	(2,645)	(1,736)
REVERSAL OF IMPAIRMENT:		
CASH AND BANK BALANCES (NOTE 5)	225	722
RECEIVABLES (NOTE 6)	2,950	1,663
TRADING PROPERTIES (NOTE 7.II)	9,307	-
INVESTMENT IN ASSOCIATES (NOTE 11)	1,263	-
DUE FROM RELATED PARTIES	-	107
FINANCE LEASE RECEIVABLES	1,553	1,818
NET IMPAIRMENT LOSSES	<u>(43,876)</u>	<u>(128,911)</u>

20 OTHER INCOME

	<i>30 JUNE</i> <i>2021</i> <i>(REVIEWED)</i> <i>QR'000</i>	<i>30 JUNE</i> <i>2020</i> <i>(REVIEWED)</i> <i>QR'000</i>
DIVIDEND INCOME	3,249	2,802
GAIN / (LOSS) FROM REVALUATION OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	2,454	(2,479)
GAIN FROM REVERSAL OF A PROVISION	-	1,644
OTHERS	17,959	78,997
	<u>23,662</u>	<u>80,964</u>



BARWA REAL ESTATE COMPANY Q.P.S.C.**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****FOR THE SIX MONTHS ENDED 30 JUNE 2021****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****21 NET FINANCE COST**

	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>30 JUNE 2020 (REVIEWED) QR'000</i>
<i>FINANCE COSTS</i>		
FINANCE COSTS ON ISLAMIC FINANCE CONTRACTS	(177,292)	(186,559)
LESS: CAPITALIZED FINANCE COSTS (NOTE 7.II & 9)	51,134	50,597
	(126,158)	(135,962)
UNWINDING OF DEFERRED FINANCE COST	(11,659)	(13,820)
FINANCE COST - LEASE LIABILITY (NOTE 14)	(7,114)	(6,530)
NET FOREIGN EXCHANGE LOSS	-	(1,708)
FINANCE COSTS FOR THE PERIOD	<u>(144,931)</u>	<u>(158,020)</u>
<i>FINANCE INCOME</i>		
INCOME FROM MURABAHA AND ISLAMIC DEPOSITS	3,386	5,762
NET FOREIGN EXCHANGE LOSS	705	-
OTHERS	198	405
FINANCE INCOME FOR THE PERIOD	<u>4,289</u>	<u>6,167</u>
NET FINANCE COST FOR THE PERIOD	<u>(140,642)</u>	<u>(151,853)</u>

22 BASIC AND DILUTED EARNINGS PER SHARE

BASIC EARNINGS PER SHARE IS CALCULATED BY DIVIDING THE PROFIT FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT BY THE WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES OUTSTANDING DURING THE PERIOD AS FOLLOWS:

	<i>FOR THE THREE MONTHS ENDED 30 JUNE</i>		<i>FOR THE SIX MONTHS ENDED 30 JUNE</i>	
	<i>2021 (UNREVIEWED)</i>	<i>2020 (UNREVIEWED)</i>	<i>2021 (REVIEWED)</i>	<i>2020 (REVIEWED)</i>
PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT (QR'000)	<u>343,400</u>	<u>408,920</u>	<u>532,961</u>	<u>586,080</u>
ORDINARY SHARES AUTHORIZED, ISSUED AND FULLY PAID (THOUSANDS)	3,891,246	3,891,246	3,891,246	3,891,246
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING DURING THE PERIOD (THOUSANDS)	3,891,246	3,891,246	3,891,246	3,891,246
BASIC AND DILUTED EARNINGS PER SHARE (QR)	<u>0.088</u>	<u>0.105</u>	<u>0.137</u>	<u>0.151</u>

THERE WERE NO POTENTIALLY DILUTIVE SHARES OUTSTANDING AT ANY TIME DURING THE PERIOD AND THEREFORE THE DILUTED EARNINGS PER SHARE ARE EQUAL TO THE BASIC EARNINGS PER SHARE.



BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

23 OTHER RESERVES

	<i>2021</i> <i>(REVIEWED)</i> <i>QR'000</i>	<i>2020</i> <i>(AUDITED)</i> <i>QR'000</i>
FAIR VALUE RESERVE (I)	(179,926)	(149,790)
TRANSLATION RESERVE (II)	(190,494)	(189,451)
OTHER RESERVE	(1,386)	(950)
AT 30 JUNE / 31 DECEMBER	<u>(371,806)</u>	<u>(340,191)</u>

(i) FAIR VALUE RESERVE:

THE FAIR VALUE RESERVE COMPRISES THE CUMULATIVE NET CHANGE IN THE FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME.

(ii) TRANSLATION RESERVE:

THE TRANSLATION RESERVE COMPRISES ALL FOREIGN CURRENCY DIFFERENCES ARISING FROM THE TRANSLATION OF THE FINANCIAL STATEMENTS OF FOREIGN OPERATIONS, AS WELL AS FROM THE TRANSLATION OF ASSETS AND LIABILITIES THAT FORM PART OF COMPANY'S NET INVESTMENT IN FOREIGN OPERATIONS. THIS RESERVE IS NOT AVAILABLE FOR DISTRIBUTION.

24 CONTINGENT LIABILITIES

THE GROUP HAD THE FOLLOWING CONTINGENT LIABILITIES FROM WHICH IT IS ANTICIPATED THAT NO MATERIAL LIABILITIES WILL ARISE:

	<i>30 JUNE</i> <i>2021</i> <i>(REVIEWED)</i> <i>QR'000</i>	<i>31 DECEMBER</i> <i>2020</i> <i>(AUDITED)</i> <i>QR'000</i>
BANK GUARANTEES	<u>179,971</u>	<u>114,746</u>

25 COMMITMENTS

	<i>30 JUNE</i> <i>2021</i> <i>(REVIEWED)</i> <i>QR'000</i>	<i>31 DECEMBER</i> <i>2020</i> <i>(AUDITED)</i> <i>QR'000</i>
CONTRACTUAL COMMITMENTS TO CONTRACTORS AND SUPPLIERS FOR PROPERTIES UNDER DEVELOPMENT	<u>4,525,465</u>	<u>3,473,747</u>
COMMITMENTS FOR PURCHASE OF INVESTMENTS	<u>6,430</u>	<u>8,587</u>



BARWA REAL ESTATE COMPANY Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

26 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

26.1 FINANCIAL RISK FACTORS

THE GROUP'S ACTIVITIES ARE EXPOSED TO A VARIETY OF FINANCIAL RISKS: MARKET RISK (INCLUDING CURRENCY RISK, FAIR VALUE PROFIT RATE RISK, CASH FLOW PROFIT RATE RISK AND PRICE RISK), CREDIT RISK AND LIQUIDITY RISK.

THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS DO NOT INCLUDE ALL FINANCIAL RISK MANAGEMENT INFORMATION AND DISCLOSURES REQUIRED IN THE ANNUAL FINANCIAL STATEMENTS; THEY SHOULD BE READ IN CONJUNCTION WITH THE GROUP'S ANNUAL FINANCIAL STATEMENTS AS AT 31 DECEMBER 2020 AND NOTE 3 TO THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS.

THERE HAVE BEEN NO CHANGES IN THE RISK MANAGEMENT POLICIES SINCE THE YEAR END.

26.2 LIQUIDITY RISK

DURING THE PERIOD THE GROUP OBTAINED NEW OBLIGATIONS UNDER ISLAMIC FINANCE CONTRACTS AMOUNTING TO QR 2,457,460 THOUSAND.

26.3 FAIR VALUE ESTIMATION

THE CARRYING AMOUNTS OF THE GROUP'S FINANCIAL INSTRUMENTS AS AT 30 JUNE 2021 AND 31 DECEMBER 2020 APPROXIMATE THEIR FAIR VALUE.

FAIR VALUE HIERARCHY

THE GROUP USES THE FOLLOWING HIERARCHY FOR DETERMINING AND DISCLOSING THE FAIR VALUE OF FINANCIAL INSTRUMENTS BY 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 VALUES ARE NOT BASED ON OBSERVABLE MARKET DATA.

FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME AMOUNTING TO QR 62,105 THOUSAND (31 DECEMBER 2020 - QR 57,222 THOUSAND) ARE UNQUOTED EQUITY SECURITIES CARRIED AT FAIR VALUE. INFORMATION FOR SUCH INVESTMENTS IS USUALLY LIMITED TO PERIODIC INVESTMENT PERFORMANCE REPORTS FROM THE INVESTMENT MANAGERS. MANAGEMENT HAS PERFORMED A REVIEW OF ITS UNQUOTED EQUITY INVESTMENTS TO ASSESS THE VALUE OF THESE INVESTMENTS. BASED ON THE LATEST FINANCIAL INFORMATION AVAILABLE IN RESPECT OF THESE INVESTMENTS AND THEIR OPERATIONS, MANAGEMENT IS OF THE VIEW THAT THE FAIR VALUE OF THESE INVESTMENTS



BARWA REAL ESTATE COMPANY Q.P.S.C.**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****FOR THE SIX MONTHS ENDED 30 JUNE 2021****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****26 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)****26.3 FAIR VALUE ESTIMATION (CONTINUED)**

AS AT 30 JUNE 2021 AND 31 DECEMBER 2020, THE GROUP HELD THE FOLLOWING CLASSES OF FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE:

FINANCIAL ASSETS

	<i>30 JUNE 2021 (REVIEWED) QR'000</i>	<i>LEVEL 1 QR'000</i>	<i>LEVEL 2 QR'000</i>	<i>LEVEL 3 QR'000</i>
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	41,214	41,214	-	-
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	<u>165,649</u>	<u>103,544</u>	-	<u>62,105</u>
	<u>206,863</u>	<u>144,758</u>	-	<u>62,105</u>
	<i>31 DECEMBER 2020 (AUDITED) QR'000</i>	<i>LEVEL 1 QR'000</i>	<i>LEVEL 2 QR'000</i>	<i>LEVEL 3 QR'000</i>
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	35,792	35,792	-	-
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	<u>170,032</u>	<u>112,810</u>	-	<u>57,222</u>
	<u>205,824</u>	<u>148,602</u>	-	<u>57,222</u>

DURING THE PERIOD, THERE WERE NO TRANSFERS BETWEEN LEVEL 1 AND LEVEL 2 FAIR VALUE MEASUREMENTS, AND NO TRANSFERS INTO AND OUT OF LEVEL 3 FAIR VALUE MEASUREMENT.



BARWA REAL ESTATE COMPANY Q.P.S.C.**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****FOR THE SIX MONTHS ENDED 30 JUNE 2021****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****27 INTANGIBLE ASSETS**

	<i>30 JUNE</i> <i>2021</i> <i>QR'000</i>	<i>31 DECEMBER</i> <i>2020</i> <i>QR'000</i>
GOODWILL	<u>132,411</u>	<u>132,411</u>
	<u>132,411</u>	<u>132,411</u>

95% OF THE GOODWILL IS ALLOCATED TO ONE OF THE GROUP'S SUBSIDIARIES AS A CASH GENERATING UNIT. THE GROUP PERFORMS ITS ANNUAL IMPAIRMENT TEST ANNUALLY AS AT 31 DECEMBER. TO ASSESS WHETHER GOODWILL IS IMPAIRED, THE CARRYING AMOUNT OF THE REAL ESTATE CGU IS COMPARED TO ITS RECOVERABLE AMOUNT DETERMINED ON A VALUE IN USE BASIS.

KEY ASSUMPTIONS USED IN VALUE IN USE CALCULATIONS IN DECEMBER 2020

THE RECOVERABLE AMOUNT OF THE REAL ESTATE CGU HAS BEEN DETERMINED BASED ON A VALUE IN USE CALCULATION USING FREE CASH FLOW TO EQUITY PROJECTIONS FROM FINANCIAL BUDGETS APPROVED BY SENIOR MANAGEMENT COVERING A FIVE-YEAR PERIOD. THE CASH FLOWS HAVE BEEN DISCOUNTED BY A WACC OF 7.3%. ALL CASH FLOWS BEYOND THE FIVE YEAR PERIOD HAVE AN ASSUMED GROWTH RATE OF 2% FOR THE CGU FOR THE PURPOSE OF GOODWILL IMPAIRMENT TESTING; THE STRATEGIC BUSINESS PLAN ASSUMES CERTAIN ECONOMIC CONDITIONS AND BUSINESS PERFORMANCE, WHICH ARE CONSIDERED APPROPRIATE AS THEY ARE CONSISTENT WITH CURRENT MARKET EXPECTATIONS OF THE FUTURE. AS A RESULT OF THIS ANALYSIS, NO IMPAIRMENT ALLOWANCES HAD BEEN RECOGNISED AGAINST GOODWILL AS AT 31 DECEMBER 2020. NEXT IMPAIRMENT TEST WILL BE CONDUCTED AT 31 DECEMBER 2021.

SENSITIVITY TO CHANGES IN ASSUMPTIONS

MANAGEMENT CONSIDERED ALTERNATIVE METHODS INCLUDING COMPARABLE VALUATIONS USING MARKET MULTIPLES. UNDER THESE SCENARIOS THE RECOVERABLE AMOUNT OF THE CGU EXCEED EXCEEDED ITS CARRYING VALUE AT 31 DECEMBER 2020. THE BENCHMARKS OF THE CGU WERE UPDATED TO REFLECT THE RETURN VARIABILITY PROJECTED BY SENIOR MANAGEMENT IN THE FIVE-YEAR PERIOD.

AT YEAR-END 2020, THE GROUP'S ASSESSMENT OF THE REASONABLY POSSIBLE CHANGE IN KEY ASSUMPTIONS CORRESPONDED TO THE BRACKETS OF VALUES USED IN THE SENSITIVITY TESTS WHICH ARE PRESENTED BELOW:

- 0.5 BASIS POINT INCREASE IN DISCOUNT RATE
- 0.5 BASIS POINT DECREASE IN GROWTH RATE TO INFINITY
- 0.5 BASIS POINT DECREASE IN MARGIN OVER 2020 TO 2024 CASH PERIODS
- 10% DECREASE IN WORKING CAPITAL ASSUMPTIONS



BARWA REAL ESTATE COMPANY Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

28 SEGMENT INFORMATION

THE GROUP HAS THREE REPORTABLE SEGMENTS, AS DESCRIBED BELOW, WHICH ARE THE GROUP'S STRATEGIC DIVISIONS. THE STRATEGIC DIVISIONS OFFER DIFFERENT BUSINESSES AND ARE MANAGED SEPARATELY BECAUSE THEY REQUIRE DIFFERENT EXPERTISE. FOR EACH OF THE STRATEGIC DIVISIONS, THE GROUP'S TOP MANAGEMENT (THE CHIEF OPERATING DECISION MAKER) REVIEWS INTERNAL MANAGEMENT REPORTS ON A REGULAR BASIS. THE REAL ESTATE SEGMENT DEVELOPS, SELLS AND LEASES CONDOMINIUMS, VILLAS, RETAIL SHOPS, WAREHOUSES, WORKSHOPS AND PLOTS OF LAND. BUSINESS SERVICES SEGMENT PROVIDES BUSINESS SUPPORT SERVICES AND OTHER SERVICES COMPRISE COOLING AND OTHER SERVICES.

THE OPERATING SEGMENTS ARE MONITORED AND STRATEGIC DECISIONS ARE MADE ON THE BASIS OF ADJUSTED SEGMENT OPERATING RESULTS, WHICH ARE CONSIDERED AS A MEASURE OF THE INDIVIDUAL SEGMENT'S PROFIT OR LOSS.

OPERATING SEGMENTS

THE OPERATING SEGMENTS ARE PRESENTED AS FOLLOWS:

FOR THE SIX MONTHS ENDED 30 JUNE 2021 (REVIEWED):

	<i>REAL ESTATE</i>	<i>BUSINESS SERVICES</i>	<i>OTHER SERVICES</i>	<i>ELIMINATIONS</i>	<i>TOTAL</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
REVENUES AND GAINS					
EXTERNAL PARTIES	1,037,980	93,423	77,708	-	1,209,111
INTERNAL SEGMENTS	124,586	79,076	-	(203,662) (1)	-
TOTAL REVENUES AND GAINS	1,162,566	172,499	77,708	(203,662)	1,209,111
NET PROFIT BEFORE FOLLOWING ITEMS	740,654	25,073	47,968	(38,841)	774,854
- SHARE OF RESULTS OF ASSOCIATES	-	-	(7,362)	-	(7,362)
-NET FINANCE COST	(139,814)	(828)	-	-	(140,642)
-IMPAIRMENT LOSSES	(32,731)	(5,288)	(5,857)	-	(43,876)
-DEPRECIATION AND AMORTISATION	(6,253)	(3,147)	(36,350)	-	(45,750)
NET PROFIT FOR THE PERIOD	561,856	15,810	(1,601)	(38,841)	537,224

FOR THE SIX MONTHS ENDED 30 JUNE 2020 (REVIEWED):

	<i>REAL ESTATE</i>	<i>BUSINESS SERVICES</i>	<i>OTHER SERVICES</i>	<i>ELIMINATIONS</i>	<i>TOTAL</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
REVENUES AND GAINS					
- EXTERNAL PARTIES	1,079,442	89,169	142,005	-	1,310,616
- INTERNAL SEGMENTS	71,438	57,020	-	(128,458) (1)	-
TOTAL REVENUES AND GAINS	1,150,880	146,189	142,005	(128,458)	1,310,616
NET PROFIT BEFORE FOLLOWING ITEMS	826,536	29,510	109,952	(43,271)	922,727
- SHARE OF RESULTS OF ASSOCIATES	-	-	(3,976)	-	(3,976)
-NET FINANCE COST	(151,238)	(615)	-	-	(151,853)
-IMPAIRMENT LOSSES	(122,309)	(654)	(5,948)	-	(128,911)
-DEPRECIATION AND AMORTISATION	(12,646)	(3,134)	(34,051)	-	(49,831)
NET PROFIT FOR THE PERIOD	540,343	25,107	65,977	(43,271)	588,156

NOTE:

(1) INTER-SEGMENT REVENUES AND GAINS ARE ELIMINATED AT THE CONSOLIDATED LEVEL.



BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2021

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

28 SEGMENT INFORMATION (CONTINUED)

THE FOLLOWING TABLE PRESENTS SEGMENT ASSETS AND LIABILITIES OF THE GROUP'S OPERATING SEGMENTS AS AT 30 JUNE 2021 AND 31 DECEMBER 2020:

<i>At 30 JUNE 2021 (REVIEWED)</i>	<i>REAL ESTATE QR'000</i>	<i>BUSINESS SERVICES QR'000</i>	<i>OTHER SERVICES QR'000</i>	<i>ELIMINATIONS QR'000</i>	<i>TOTAL QR'000</i>
CURRENT ASSETS	2,876,931	428,390	195,130	-	3,500,451
NON-CURRENT ASSETS	31,415,827	661,021	622,392	(952,546)	31,746,694
TOTAL ASSETS	34,292,758	1,089,411	817,522	(952,546)	35,247,145
CURRENT LIABILITIES	(3,175,135)	(247,142)	(44,109)	-	(3,466,386)
NON-CURRENT LIABILITIES	(11,294,102)	(328,570)	(459,707)	818,345	(11,264,034)
TOTAL LIABILITIES	(14,469,237)	(575,712)	(503,816)	818,345	(14,730,420)
<i>At 31 DECEMBER 2020 (AUDITED)</i>	<i>REAL ESTATE QR'000</i>	<i>BUSINESS SERVICES QR'000</i>	<i>OTHER SERVICES QR'000</i>	<i>ELIMINATIONS QR'000</i>	<i>TOTAL QR'000</i>
CURRENT ASSETS	2,667,835	397,605	181,973	-	3,247,413
NON-CURRENT ASSETS	29,440,379	504,891	675,031	(712,670)	29,907,631
TOTAL ASSETS	32,108,214	902,496	857,004	(712,670)	33,155,044
CURRENT LIABILITIES	(3,571,848)	(267,160)	(47,704)	-	(3,886,712)
NON-CURRENT LIABILITIES	(8,612,622)	(249,911)	(455,869)	562,621	(8,755,781)
TOTAL LIABILITIES	(12,184,470)	(517,071)	(503,573)	562,621	(12,642,493)

GEOGRAPHIC SEGMENTS

THE GEOGRAPHIC SEGMENTS IN 2021 ARE PRESENTED AS FOLLOWS:

- 95 % OF THE GROUP'S ASSETS ARE LOCATED IN THE STATE OF QATAR.
- 98 % OF THE GROUP'S REVENUES HAVE BEEN GENERATED IN THE STATE OF QATAR.
- 104 % OF THE GROUP'S NET PROFIT HAS BEEN RECOGNIZED IN THE STATE OF QATAR .

THE GROUP'S REVENUE FROM EXTERNAL PARTIES AND INFORMATION ABOUT ITS SEGMENT OF NON- CURRENT ASSETS BY GEOGRAPHICAL LOCATION ARE DETAILED BELOW:

	<i>REVENUE FROM EXTERNAL PARTIES</i>		<i>NON-CURRENT ASSETS</i>	
	<i>30 JUNE 2021 QR'000</i>	<i>30 JUNE 2020 QR'000</i>	<i>30 JUNE 2021 QR'000</i>	<i>31 DECEMBER 2020 QR'000</i>
STATE OF QATAR	1,186,403	1,280,256	30,705,353	28,847,197
OTHER GCC COUNTRIES	19,084	21,416	621,856	641,232
EUROPE & NORTH AFRICA	3,624	8,944	419,485	419,202
	1,209,111	1,310,616	31,746,694	29,907,631

BARWA REAL ESTATE COMPANY Q.P.S.C.**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****FOR THE SIX MONTHS ENDED 30 JUNE 2021****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****29 DIVIDENDS**

THE SHAREHOLDERS OF THE PARENT COMPANY APPROVED AT THE ANNUAL GENERAL MEETING HELD ON 8 MARCH 2021 A CASH DIVIDEND OF QR 0.125 PER SHARE, AMOUNTING TO QR 486,406 THOUSAND FROM THE PROFIT OF 2020 (2020: CASH DIVIDEND OF QR 0.20 PER SHARE; AMOUNTING TO QR 778,249 THOUSAND FROM THE PROFIT OF 2019).

30 CASH FLOW INFORMATION**NON-CASH ACTIVITIES ARE SUMMARIZED AS FOLLOWS:**

DESCRIPTION	30 JUNE 2021 QR'000	30 JUNE 2020 QR'000
RECEIVABLES AND PREPAYMENTS	5,097	(30,500)
TRADING PROPERTIES	14,130	(10,715)
DUE FROM / DUE TO RELATED PARTIES	(2,645)	24,371
PAYABLES AND ACCRUALS	(550,986)	(298,510)

31 SUBSEQUENT EVENTS

SUBSEQUENT TO 30 JUNE 2021, PARTIES TO THE SIGNED MEMORANDUM OF UNDERSTANDING (MOU) FOR THE SALE OF THE GROUP'S RIYADH LAND (TRADING PROPERTIES) AGREED TO EXTEND THE FINALISATION OF THE AGREEMENT TO ENABLE ALL PARTIES TO FULFILL THE OBLIGATIONS STATED IN THE MOU.

