**Operator:** Hello and welcome to Barwa Real Estate Conference Call. Please note that this call is being recorded. You will have the opportunity to ask questions for our speakers later on during the Q&A session. If you'd like to ask a question by that time, please press star one on your telephone keypad. Thank you. Now, I would like to hand the call over to Bobby. You may begin.

**Bobby Sarkar:**  Thank you, operator. Hi, hello, everyone. This is Bobby Sarkar, Head of Research at QNB Financial Services. I wanted to welcome everyone to Barwa Real Estate Company’s Fourth Quarter and Year-End Results Conference Call. On this call from Barwa, we have Tamer Elsayed, who is the Group CFO, Tariq Al Jaber, who is the Business Development Director, Abdulla AlKaabi, who is the Director Development, Mohamad Daakour, who is a Budget and Planning Controller, and Abdulla Khalfan, who is the Financial Controller. So as usual, we will conduct this conference with management first, reviewing the company’s results followed by a Q&A session. I would now like to turn the call over to Tamer. Tamer, please go ahead.

**Tamer Elsayed:** Thank you, Bobby. Bismillah Rahman Rahim. Salaam alaikum. Welcome, everybody. On behalf of myself and all other speakers today, we wish you all a very warm welcome to Barwa Real Estate year-end 2024 post-results conference call. I'm Tamer Elsayed, the Group Chief Financial Officer of Barwa Real Estate. At the beginning, I would like to thank QNB Financial Services to host this call on behalf of Barwa Real Estate.

Please note that except for the historical facts, statements made by the management may contain a projection or other forward-looking statements regarding future events or future financial performance of Barwa Real Estate. These forward-looking statements are not guarantees or promises of future performance. Barwa undertakes no obligation to update or revise any forward-looking statements contained herein whether as a result of new information, future events, or otherwise.

Barwa Real Estate declares the 2024 financial statements on the 10th of February 2025 and the investor’s presentation is available on Barwa Real Estate’s website in the Investor Relations section. Please let me start by giving you a brief introduction on Barwa Real Estate.

We are one of the leading real estate developers in Qatar with expertise in developing, leading, and managing real estate assets. In total, we have about 5.5 million square meters of built-up area in operation, which consists of residential projects, labour rooms, warehouses, retail showrooms, and offices. As of 31st of December 2024, we have operating units of 14,220 residential units and around 55,000 labour rooms in addition to commercial offices, hospitality, and other operating portfolio components, which are detailed in our investor relation presentation. Approximately 79% of our total operating revenue and about 92% of our operating profits are generated through these assets. Furthermore, Barwa has a land bank of approximately 2 million square meters, which is 1.9 million square meters within Qatar. Of this, we own approximately 900 thousand square meters, while the rest is leased. Looking forward, Barwa plans to selectively monetize these land banks by selling or developing properties based on the prevailing market demand.

Now I would like to highlight some key points on the performance of the company for the financial year 2024. To begin with, our total operating revenue stood at QR 1,826 million against QR 1,795 million for the financial year 2023. Our total operating profit came in at QR 1,251 million against QR 1,246 million in the financial year 2023. Our profit attributable to the equity holders of the parent for the year 2024 stood at QR 1,236 million as against QR 1,229 million in the financial year 2023.

On the balance sheet side, our financial position has been improved compared to 2023 with a net debt balance of QR 10.3 billion and net debt to equity at .46. We have adequate liquidity and balance sheet strength to pursue our growth agenda.

With this, we can start the question-and-answer session. Again, thank you for joining the call and we will be happy to answer any questions that you may have. I will now hand over to the moderator of QNB Financial Services to field any questions. Thank you.

**Bobby Sarkar:**  Okay, this is Bobby. We can start Q&A, please. Thank you.

**Operator:**  Alright, thank you. We will now begin the question-and-answer session. If you have dialed in and would like to ask a question, please press star one on your telephone keypad to raise your hand and join the queue.

And your first question comes from the line of Wei Chow with Al Rayan Investment. Your line is now open.

**Zohaib Pervez:**  Thank you, gentlemen, for the presentation. I've got three questions. Firstly, you have these impairment losses of QR 17 million in the financial statements. Now, until the

first nine months, this was actually a positive number. So, what changed in the fourth quarter that the impairment losses went from a QR 131 positive to a negative of QR 17 million? That's my first question.

My second question is on the fair value gains. Which properties were responsible for the gains reported? If you could give us some insight as to why, probably…sorry, could you give us some insight into why, what was the rationale for these gains, and what gains are invested in properties, and which properties?

The third question is, have you received all the cash from the sale of Lusail land bank? Thank you.

**Unknown Speaker 1:** Hello. Regarding the impairment losses in the fourth quarter, we have a project which has some contracts with the government and it's under rent review. According to that, we have taken provisions against it.

And regarding the second question, for the fair value gain, we have two factors that increase the value gain. The first one is the discount rate got decreased and the second factor is we have high occupancy rates in projects in Al Wakrah project, [indiscernible], and Argentine Neighborhood. And regarding the third question regarding the Lusail Golf cash, yes, we have received the whole amount. Thank you.

**Zohaib Pervez:** Thank you. I've just got two follow ups. Firstly, now that the cash has been received, do you plan on paying out, paying down your debt or do you want to invest this cash in deposits, etc., to make financial income? That's the first question.

Second is, the impairment you talked about is because of some project. Could you give us some more insight? Is this the school project, or what project is it? And is this the entire impairment amount or we can expect more impairments? Thank you.

**Tamer Elsayed:** For the first question about using the cash. From day one, when we announced the sale of the land, it was disclosed that all the cash will or all the sale price will be used to settle debt. And now we have only the last installment which we will be used to settle debt. But now, we are in negotiation with the banks to see the early repayment or to pay on the maturity date for the installments. This is now under discussion with the bank. Till then, for sure, the cash in our bank and we will use it in our benefit here to get any deposits or whatever. But this, ultimately, will be used to settle debt for sure.

The second question it's we are talking about one of our projects, not a school. But it's one of our projects that leads to corporate. Now there is a rent review and for sure, we are assessing the decrease or the reduction will happen in the rent. But for now, let's not disclose this which may affect our negotiation with the leasie. Thank you.

**Zohaib Pervez:**  Thank you.

**Operator:**  Your next question comes from the line of Seki Mutukwa with Ashmore. Your line is now open.

**Seki Mutukwa:**  Hi, thank you. Hopefully, you can hear me. I've got to ask in terms of the rental income. What is your base case for rental income growth in 2025 versus 2024 and any sort of drivers? Understandably you may not give an exact number, but just whether we're talking single-digit growth and what is driving that with it? Is it an increase in rates or it's more about occupancy and new completions?

And then the second question please is just what kind of visibility do you have in terms of the consultancy revenue? To try and understand that whether you sort of have some equivalent of a long-standing contract rolling off, so you have very good visibility or it's more ad hoc? Thank you.

**Unknown Speaker 2:**  Hi, regarding the future rentals. So, you know, the way I respond is that the early 2025 we see the Qatar market, the indicators look quite optimistic, and there is a sense of anticipation for growth. Regarding rental growth, our main focus has always that Barwa followed is to maintain good occupancy which you could see in our portfolio across all sectors. So, we continue to see the market condition. It is still early times for that. But based on the indication, if you really see in the last few quarters, the market growth has stabilized and there is a sense of some positive kind of indicators coming out from the market, and we expect that this will continue. And we'll be able to achieve the occupancy which is going to be the major kind of indicator for us in order to enhance the revenue.

Regarding your second question about the consultancy, it is mostly regarded with the companies that we have like Waseef, like QPM. So, these are the companies that I consider. And the cooling plant, here we have a cooling plant. These are the companies, but the income is going to be the same like I don't see any big change in the numbers going forward on it. Thank you.

**Seki Mutukwa:**  Thank you.

**Operator:**  Your next question comes from the line of Wei Chow with Al Rayan Investments. Your line is now open.

**Zohaib Pervez:**  Thank you. Just another question on the occupancy, Could you tell us what is the occupancy for Salwa project and the Al Wakrah project, Argentine, and Madinatna? Thank you.

**Unknown Speaker 2:**  So, the Madinatna, the current occupancy is around between 62 to 63%, Argentine Labour Camp is around 61 to 60%, and the one the Mukaynis I believe you are referring to, it was around 30 to 31%. Thank you.

**Operator:**  Your next question comes from the line of Seki Mutukwa with Ashmore. Your line is now open.

**Seki Mutukwa:**  Yeah. Sorry. Back again. Just on slide 21, I believe of your deck, there is a drop in EBITDA between 2024 and 2023. Could you just remind me of what drove perhaps an abnormally high EBITDA in 2023 to result in that? Thank you.

**Tamer Elsayed:**  The decrease we are talking, it's only the finance cost impact which is before the finance cost impact here. And we have also, last year we had a gain on sale, which is Lusail Golf. So, this number was removed from our EBITDA this year. This is the main. But if we are talking about after-interest, the enhancement happens because of the finance cost, saving in finance cost.

**Seki Mutukwa:**  Okay. And how big was that gain last year from the Lusail Golf?

**Tamer Elsayed:**  It’s QR 490 million.

**Seki Mutukwa:**  Okay. Perfect. Thank you.

**Tamer Elsayed:**  Thank you.

**Operator:**  Again, if you would like to ask a question, please press star one on your telephone keypad. Thank you. There are no further questions. I would now like to turn the call back over to Bobby for any remarks.

**Bobby Sarkar:**  Thank you, operator. If there are no further questions, we can end the call for today. I want to thank Tamer and the rest of the team for taking the time to answer our questions and we will pick this up again next quarter. Thanks, everyone.

**Tamer Elsayed:** Thank you.

**Operator:**  That concludes today's conference call. Thank you all for joining. You may now disconnect.