



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

**THE UNREVIEWED CONDENSED CONSOLIDATED INTERIM FINANCIAL
STATEMENTS**

30 SEPTEMBER 2022

نبني المستقبل

BUILDING THE FUTURE



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BUILDING THE FUTURE

BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
As at 30 SEPTEMBER 2022

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	30 SEPTEMBER 2022 (UNREVIEWED) QR'000	31 DECEMBER 2021 (AUDITED) QR'000
ASSETS		
CASH AND BANK BALANCES	698,661	1,367,498
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	33,818	45,252
RECEIVABLES AND PREPAYMENTS	1,562,517	1,201,349
TRADING PROPERTIES	646,479	717,241
FINANCE LEASE RECEIVABLES	-	1,622
DUE FROM RELATED PARTIES	263,038	155,324
NON-CURRENT ASSETS HELD FOR SALE	-	316,346
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	138,307	132,344
ADVANCES FOR PROJECTS AND INVESTMENTS	287,681	320,756
INVESTMENT PROPERTIES	34,995,459	32,425,715
PROPERTY, PLANT AND EQUIPMENT	537,449	551,226
RIGHT-OF-USE ASSETS	12,814	15,834
INVESTMENTS IN ASSOCIATES	107,351	120,732
INTANGIBLE ASSETS	132,411	132,411
DEFERRED TAX ASSETS	7,744	9,254
TOTAL ASSETS	39,423,729	37,512,904
LIABILITIES AND EQUITY		
LIABILITIES		
PAYABLES AND OTHER LIABILITIES	1,391,369	1,730,965
PROVISIONS	12,390	25,605
END OF SERVICE BENEFITS	132,672	126,073
DUE TO RELATED PARTIES	191,165	173,927
LEASE LIABILITIES	305,162	330,808
OBLIGATIONS UNDER ISLAMIC FINANCE CONTRACTS	16,293,069	14,063,213
DEFERRED TAX LIABILITIES	18,068	19,205
TOTAL LIABILITIES	18,343,895	16,469,796
EQUITY		
SHARE CAPITAL	3,891,246	3,891,246
LEGAL RESERVE	2,033,140	2,033,140
GENERAL RESERVE	4,639,231	4,639,231
OTHER RESERVES	(389,994)	(401,074)
RETAINED EARNINGS	10,731,784	10,708,713
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	20,905,407	20,871,256
NON-CONTROLLING INTERESTS	174,427	171,852
TOTAL EQUITY	21,079,834	21,043,108
TOTAL LIABILITIES AND EQUITY	39,423,729	37,512,904

THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS WERE AUTHORISED FOR ISSUANCE BY THE BOARD OF DIRECTORS ON 25 OCTOBER 2022 AND SIGNED ON THEIR BEHALF BY:


H.E. SALAH BIN GHANIM AL ALI
CHAIRMAN


ABDULLA BIN JOBARA AL-ROMAIHI
GROUP CHIEF EXECUTIVE OFFICER

BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS

	<i>30 SEPTEMBER</i> 2022 (UNREVIEWED) QR'000	<i>30 SEPTEMBER</i> 2021 (UNREVIEWED) QR'000
RENTAL INCOME	1,198,598	1,386,395
RENTAL OPERATION EXPENSES	(336,193)	(388,249)
NET RENTAL INCOME	862,405	998,146
FINANCE LEASE INCOME	82	1,497
NET RENTAL AND FINANCE LEASE INCOME	862,487	999,643
INCOME FROM CONSULTANCY AND OTHER SERVICES	221,592	225,252
CONSULTING AND OTHER SERVICES OPERATION EXPENSES	(166,858)	(203,180)
NET CONSULTING AND OTHER SERVICES INCOME	54,734	22,072
PROFIT ON SALE OF PROPERTY AND CONSTRUCTION SERVICES	32,615	101,257
NET FAIR VALUE GAIN ON INVESTMENT PROPERTIES	421,391	98,607
SHARE OF RESULTS OF ASSOCIATES	(3,070)	4,135
GAIN FROM SALE OF NON-CURRENT ASSET HELD FOR SALE	57,973	-
GENERAL AND ADMINISTRATIVE EXPENSES	(163,118)	(147,047)
NET IMPAIRMENT LOSSES	(256,290)	(117,964)
OTHER INCOME	33,122	28,479
OPERATING PROFIT BEFORE FINANCE COST, DEPRECIATION, AMORTISATION AND INCOME TAX	1,039,844	989,182
FINANCE INCOME	11,734	5,071
FINANCE COST	(279,571)	(212,498)
NET FINANCE COST	(267,837)	(207,427)
PROFIT BEFORE DEPRECIATION, AMORTISATION AND INCOME TAX	772,007	781,755
DEPRECIATION	(10,463)	(11,070)
AMORTISATION OF RIGHT-OF-USE ASSETS	(3,058)	(21,751)
PROFIT BEFORE INCOME TAX	758,486	748,934
INCOME TAX EXPENSE	(5,255)	(6,651)
NET PROFIT FOR THE PERIOD	753,231	742,283
ATTRIBUTABLE TO:		
<i>EQUITY HOLDERS OF THE PARENT</i>	742,203	735,787
<i>NON-CONTROLLING INTERESTS</i>	11,028	6,496
	753,231	742,283
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT (EXPRESSED IN QR PER SHARE)	0.191	0.189



BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	<i>30 SEPTEMBER 2022 (UNREVIEWED) QR'000</i>	<i>30 SEPTEMBER 2021 (UNREVIEWED) QR'000</i>
NET PROFIT FOR THE PERIOD	<u>753,231</u>	<u>742,283</u>
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	(28,657)	(17,782)
<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 INCOME	(3,385)	(32,927)
OTHER RESERVES	<u>561</u>	<u>(436)</u>
OTHER COMPREHENSIVE LOSS FOR THE PERIOD	<u>(31,481)</u>	<u>(51,145)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>721,750</u>	<u>691,138</u>
ATTRIBUTABLE TO:		
EQUITY HOLDERS OF THE PARENT	710,513	684,671
NON-CONTROLLING INTERESTS	<u>11,237</u>	<u>6,467</u>
	<u>721,750</u>	<u>691,138</u>



BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	<i>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</i>					<i>NON-CONTROLLING INTERESTS</i>	<i>TOTAL EQUITY</i>
	<i>SHARE CAPITAL</i>	<i>LEGAL RESERVE</i>	<i>GENERAL RESERVE</i>	<i>OTHER RESERVES</i>	<i>RETAINED EARNINGS</i>		
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
BALANCE AT 31 DECEMBER 2021 (AUDITED)	3,891,246	2,033,140	4,639,231	(401,074)	10,708,713	171,852	21,043,108
NET PROFIT FOR THE PERIOD	-	-	-	-	742,203	11,028	753,231
OTHER COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	-	-	-	(31,690)	-	209	(31,481)
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	-	-	-	(31,690)	742,203	11,237	721,750
DISPOSAL OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	-	-	-	-	4,606	-	4,606
<i>SHAREHOLDERS' CONTRIBUTION:</i>							
DIVIDENDS FOR 2021	-	-	-	-	(680,968)	-	(680,968)
REALIZATION OF FAIR VALUE RESERVE	-	-	-	42,770	(42,770)	-	-
DIVIDEND PAID TO NON-CONTROLLING INTEREST	-	-	-	-	-	(8,662)	(8,662)
TOTAL TRANSACTIONS WITH OWNERS	-	-	-	42,770	(719,132)	(8,662)	(685,024)
BALANCE AT 30 SEPTEMBER 2022 (UNREVIEWED)	3,891,246	2,033,140	4,639,231	(389,994)	10,731,784	174,427	21,079,894

	<i>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</i>					<i>NON-CONTROLLING INTERESTS</i>	<i>TOTAL EQUITY</i>
	<i>SHARE CAPITAL</i>	<i>LEGAL RESERVE</i>	<i>GENERAL RESERVE</i>	<i>OTHER RESERVES</i>	<i>RETAINED EARNINGS</i>		
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
BALANCE AT 31 DECEMBER 2020 (AUDITED)	3,891,246	1,952,704	4,639,231	(340,191)	10,186,699	182,862	20,513,551
NET PROFIT FOR THE PERIOD	-	-	-	-	735,787	6,496	742,283
OTHER COMPREHENSIVE LOSS FOR THE PERIOD	-	-	-	(51,116)	-	(29)	(51,145)
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	-	-	-	(51,116)	735,787	6,467	691,138
DISPOSAL OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	-	-	-	-	778	-	(2,122)
<i>SHAREHOLDERS' CONTRIBUTION:</i>							
DIVIDENDS FOR 2020	-	-	-	-	(486,406)	-	(486,406)
DIVIDEND PAID TO NON-CONTROLLING INTEREST	-	-	-	-	-	(16,159)	(16,159)
TOTAL TRANSACTIONS WITH OWNERS	-	-	-	(2,900)	(485,628)	(16,159)	(504,687)
BALANCE AT 30 SEPTEMBER 2021 (UNREVIEWED)	3,891,246	1,952,704	4,639,231	(394,207)	10,436,858	173,170	20,699,002



BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

	<i>30 SEPTEMBER 2022 (UNREVIEWED) QR'000</i>	<i>30 SEPTEMBER 2021 (UNREVIEWED) QR'000</i>
OPERATING ACTIVITIES		
NET PROFIT FOR THE PERIOD	753,231	742,283
<i>ADJUSTMENTS FOR:</i>		
FINANCE COST	256,580	184,844
UNWINDING OF DEFERRED FINANCE COST	22,991	27,654
FINANCE INCOME	(11,734)	(5,071)
NET FAIR VALUE GAIN ON INVESTMENT PROPERTIES	(421,391)	(98,607)
DEPRECIATION	24,560	41,277
AMORTISATION OF RIGHT-OF-USE ASSETS	3,058	21,751
SHARE OF RESULTS OF ASSOCIATES	3,070	(4,135)
NET IMPAIRMENT LOSSES	256,290	117,964
FINANCE LEASE INCOME	(82)	(1,497)
GAIN FROM SALE OF NON-CURRENT ASSET HELD FOR SALE	(57,973)	-
OTHER INCOME	(33,122)	(28,479)
OPERATING GAIN BEFORE WORKING CAPITAL CHANGES	795,478	997,984
<i>CHANGES IN WORKING CAPITAL:</i>		
CHANGE IN RECEIVABLES AND PREPAYMENTS	(601,983)	(387,241)
CHANGE IN TRADING PROPERTIES	107,372	728,789
CHANGE IN FINANCE LEASE RECEIVABLES	767	31,692
CHANGE IN AMOUNTS DUE FROM / DUE TO RELATED PARTIES	(95,931)	(10,210)
CHANGE IN PROVISIONS	(13,215)	(17,195)
CHANGE IN PAYABLES AND ACCRUALS	(462,937)	(397,115)
NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES	(270,449)	946,704
INVESTING ACTIVITIES		
FINANCE INCOME RECEIVED	14,067	4,278
DIVIDENDS RECEIVED FROM ASSOCIATES	4,000	4,000
PAYMENTS FOR ADDITIONS TO INVESTMENT PROPERTIES	(1,536,465)	(1,651,374)
PAYMENT FOR NON-CURRENT ASSET HELD FOR SALE	(846)	-
PROCEEDS FROM DISPOSAL OF NON-CURRENT ASSET HELD FOR SALE	375,165	-
ADVANCES PAID FOR PROJECTS AND INVESTMENTS	(355,463)	(194,150)
PAYMENTS FOR PURCHASE OF PROPERTY, PLANT AND EQUIPMENT	(10,783)	(5,247)
PROCEEDS FROM SALE OF PROPERTY, PLANT AND EQUIPMENT	22	50
DIVIDEND INCOME RECEIVED	2,487	1,030
PROCEEDS FROM SALE OF FINANCIAL ASSETS THROUGH OTHER COMPREHENSIVE INCOME	-	2,825
PROCEEDS FROM DISPOSAL OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	59,281	16,047
PAYMENTS FOR PURCHASE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	(49,966)	(15,795)
PAYMENT FOR FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	(5,366)	-
NET MOVEMENT IN SHORT TERM DEPOSITS MATURING AFTER THREE MONTHS	658,307	(535,541)
NET CASH USED IN INVESTING ACTIVITIES	(845,560)	(2,373,877)



BARWA REAL ESTATE COMPANY Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (CONTINUED)

	<i>30 SEPTEMBER</i> <i>2022</i> <i>(UNREVIEWED)</i> <i>QR'000</i>	<i>30 SEPTEMBER</i> <i>2021</i> <i>(UNREVIEWED)</i> <i>QR'000</i>
FINANCING ACTIVITIES		
FINANCE COST PAID	(430,836)	(280,616)
PROCEEDS FROM OBLIGATIONS UNDER ISLAMIC FINANCE CONTRACTS	3,298,377	3,352,776
PAYMENTS FOR OBLIGATIONS UNDER ISLAMIC FINANCE CONTRACTS	(1,069,122)	(930,132)
DIVIDEND PAID TO NON-CONTROLLING INTEREST	(8,662)	(16,160)
DIVIDENDS PAID	(671,827)	(501,660)
PAYMENT OF LEASE LIABILITIES	(20,407)	(13,803)
CHANGE IN RESTRICTED BANK BALANCES	3,611	14,315
NET CASH GENERATED FROM FINANCING ACTIVITIES	<u>1,101,134</u>	<u>1,624,720</u>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(14,875)	197,547
NET FOREIGN EXCHANGE DIFFERENCE	6,132	(14,262)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	<u>534,873</u>	<u>416,054</u>
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	<u>526,130</u>	<u>599,339</u>