



INVESTOR PRESENTATION

April 2020

DISCLAIMER



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Except for statements of historical facts, information herein may contain projections or other forward-looking statements regarding future events or future financial performance of Barwa. These forward-looking statements are not guarantees or promises of future performance. The inclusion of such forward-looking statements shall not be regarded as a representation by Barwa, its management or any other person that the objectives or plans of Barwa will be achieved. Actual results and future events could differ materially from those anticipated in such forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made. Risks and uncertainties arise from time to time, and it is impossible to predict these events or how they may affect Barwa or cause its actual results, performance or achievements to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. Barwa undertakes no obligation to update or revise any forward-looking statement contained herein, whether as a result of new information, future events or otherwise.

Figures are being rounded, and that rounding differences may appear throughout the presentation.

DISCUSSION SUMMARY

Barwa At A Glance
Investment Rationale
Qatar Economy
Financial Track Record
Annexure

BARWA AT A GLANCE



We are one of the leading real estate developers headquartered in Doha, Qatar. We develop and manage properties that reflect the changing needs of the people living, working and visiting the country.

Our Vision: To be a reliable Real Estate company, recognized for its strong values, excellence and sustainable returns to its stakeholders.

Our Mission: To create better places in an efficient manner for people to live, work and enjoy.

Our Values:

- Entrepreneurship
- Commitment
- Reliability
- Teamwork
- Integrity



MAJOR CONTRIBUTOR TO QATAR'S DEVELOPMENT



3.6 mn sq m built-up area under operations

Leadership in affordable housing

Completed 8,148 residential units and 37,340 labour rooms

~ 79% Op. Revenue² is recurring rentals

Balanced product mix resulting in stable rental yield

Positive Cash Profits¹ since 2014

Land Bank of 5.4 mn sq m in Qatar, 80% owned

Debt:Equity mix of 1:2

QAR 4.6 bn dividend distributed in last 5 years

¹Cash profits = PAT + Depreciation + Impairments - Share of associates - FV on Invst Properties - FV of an asset - Misc Income - Property Sales - Finance Lease Income

² Op. Revenue and operating Profit is excluding profit from Property sales 2014: QAR 2930mn, 2015: QAR 2703mn, 2018: QAR 373mn, 2019: QAR 3.3mn



INVESTMENT RATIONALE



Investing In Barwa



1 PRESENCE ACROSS REAL ESTATE ECOSYSTEM



- Affordable housing solution for families & blue-collared workers
- Commercial Properties including offices, shops & warehouses to support industrial development of Qatar

2 BALANCED PORTFOLIO MIX OF OPERATIONAL ASSETS



- 8,148 residential units; 37,340 labour rooms
- 336,551 sq m of retail & offices
- 445,779 sq m of workshops & warehouses

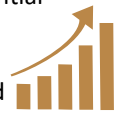
3 INHERENT STRENGTH BUILT OVER TIME



- 3.6 mn sq m Built Up Area under operations
- Land Bank 7.7 mn sq m (Qatar 5.2 mn sq m; 80% owned)
- Strong brand recognition

6 MOVING UP THE VALUE CHAIN

- Moving towards mid to high-mid residential segment in newly developed Lusail city
- Barwa selects its product offering in alignment with tangible market demand
- Developing according to the needs of the real estate market and in partnership with the government, through the projects offered by the Public Works Authority.



5 STRONG BALANCE SHEET

- Net Debt:Equity Mix at 1:2
- Recurring Cash flows
- Distributed QAR 4.6 bn as dividend (2015-19)



4 RECURRING REVENUES AND PROFITS

- Recurring Rental Revenue comprises ~79% of total operating revenue
- 92% of operating profits from net recurring rental



BARWA REAL ESTATE– PORTFOLIO OVERVIEW



RESIDENTIAL

- 8,148 residential units & Villas

COMMERCIAL

- 264,312 Sq m Retail(Shopping & Restorent)
- 68,973 Sq m Office
- 701 Hotel Keys
- 3,267 Sq m property in UK

INDUSTRIAL

- 445,779 Sq m Warehouse & Workshops

LABOUR ACCOM.

- 37,340 labour rooms

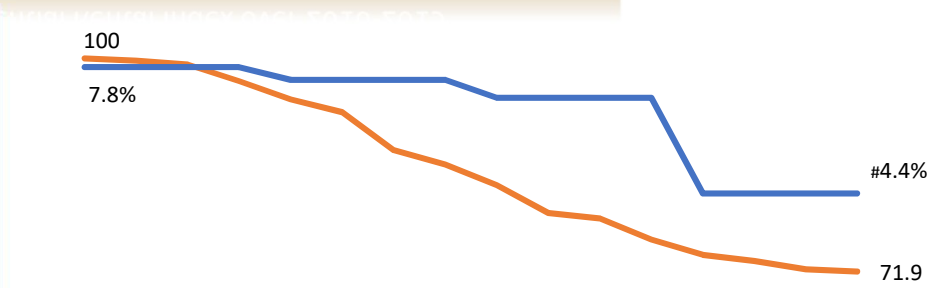
LAND BANK

- 5.4 Million Sq m Domestic Land
- 2.4 Million Sq m International Land

BALANCED PORTFOLIO OF ASSETS



Barwa Outperformed Qatar Residential Rental Index over 2016-2019



*Yield on operating assets is 8.7% as of Q4 FY19

Q2 2016	Q4 2016	Q2 2017	Q4 2017	Q2 2018	Q4 2018	Q2 2019	Q4 2019
KPMG Residential Rental Index				Rental Yield			

Current Mix

- Residential assets with labour rooms offers predictable recurring revenue
- Mixed use property leverages both commercial and residential units effectively.
- Warehouse segment complements government thrust on industrialization

Forward Mix

- Foray into Education and Healthcare assets development, delinking from economic cycle
- Building premium residential units
- Increasing development in freehold areas like Lusail

Way Forward is to continue to modulate products based on market & stakeholder demand

*Yield= Revenue/ Investment Properties (Operating Assets + Properties under development + Land bank) = at FV
 #Reduction in yield for FY19 is on account of significant increase in value of investment properties, majorly attributable to increase in value of land banks. However, the yield on operating assets is 8.7% as of Q4FY19.

Inherent Strength built over time resulted in strong Brand Preference...



Timeliness

- Proven developer and operator of a range of assets with timely delivery
- Barwa was able to conclude construction of Madinat Al Mawater phase 1 & phase 2 projects & Barwa Village Extension projects two months ahead of schedule

Quality

- Quality control is paramount despite tight cost measures
- Routine quality checks at various stages of project life cycle
- High quality was ensured despite cost control at Madinat Al Mawater & Barwa Village Extension

Cost efficiency

- Private sector mindset- cost optimization, efficiency are the key focus areas
- Barwa attained EPC contracts under QAR 2,000 per sqm without compromising on quality for Barwa Village Extension project

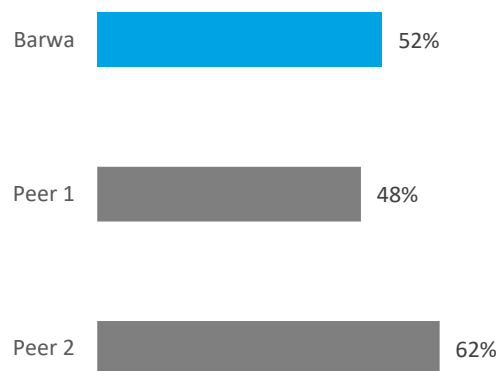
Local Expertise

- Understanding of local preferences and effectively built/enhanced private sector capabilities
- Customised delivery model to support government vision, a preferred partner for government initiatives

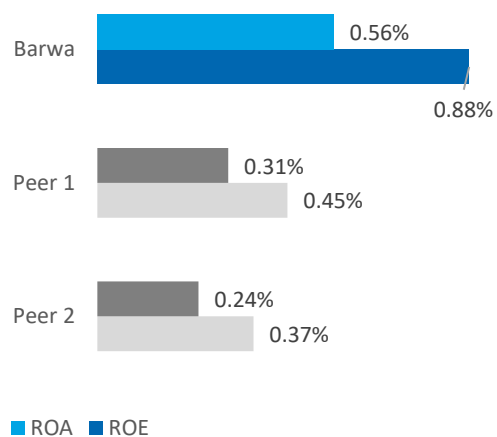
... AND ALSO IN SUPERIOR RETURNS



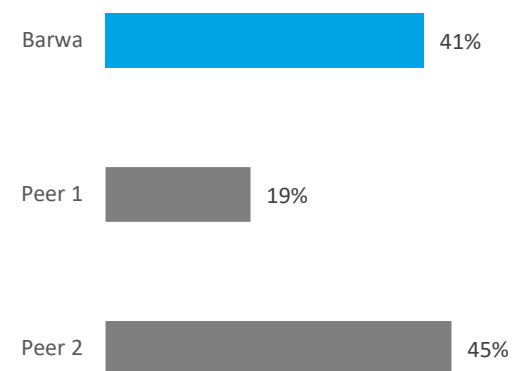
Adj. Operating Margins*



Return Ratios*



Leverage *



* As on March 2020

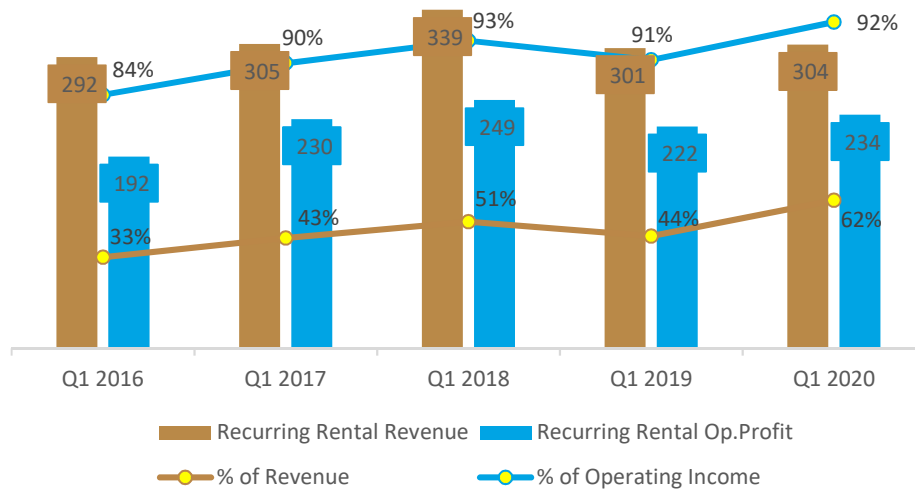
*Adjusted operating margins= Rental Revenue + Consultancy Revenue + Property sales- Operating expenses

SIGNIFICANT RECURRING REVENUES & OPERATING PROFIT



RECURRING INCOME PROVIDES BETTER CASH FLOW VISIBILITY

QAR mn



~79%
of Op. Revenue is from recurring rentals*

~92%
Operating Profit from net recurring rentals

Stable Recurring Rental Income

- ❑ 3.6 mn sq.m BUA# under operation
- ❑ Rental assets spread across residential, commercial and retail verticals
- ❑ Operating margin on recurring revenue remains stable at 66% despite challenging macro scenario
- ❑ Consistent high occupancy in residential

* Revenue and operating Profit is excluding profit from Property sales 2014: QAR 2930mn, 2015: QAR 2703mn, 2018: QAR 373mn, 2019: QAR 3.3mn
Built-Up Area

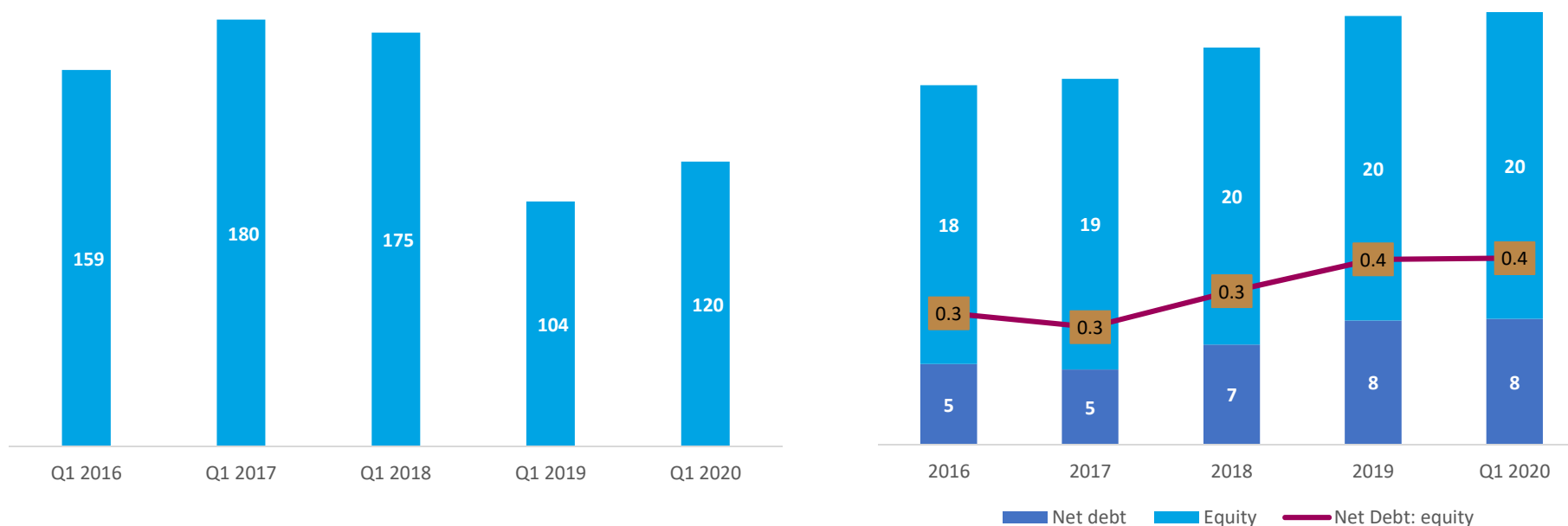
PRUDENT GEARING, SUFFICIENT ROOM FOR LEVERAGED GROWTH



Balance Sheet Strength provides an Opportunity for Leveraged Growth

*Recurring Cash Profits have been generated consistently, providing sufficient liquidity

Timely Sale of Properties have adequately supported Liquidity

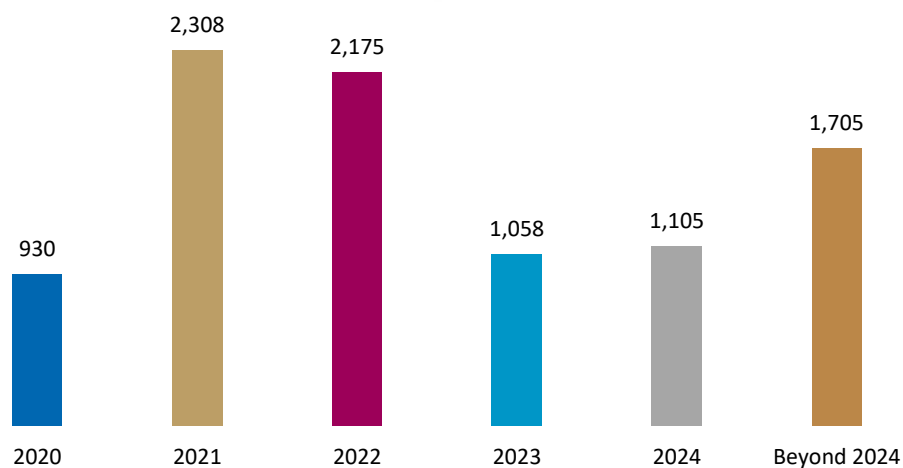


Note: * Recurring Cash profits = PAT+ Depreciation+ Amortization-Share of associates- FV on Invst Properties-FV of an asset- Misc Income- Property Sales

COMFORTABLE LIQUIDITY POSITION, FOR PRUDENT CAPITAL ALLOCATION



Comfortable Debt Maturity Profile (QAR Mn)



Liquidity – QAR 3,132 mn (March 2020)

QAR 1,019 mn



Cash Equivalents

QAR 1,512 mn



Trading Properties

QAR 601 mn



Investments

QAR Million

March-20

Debt 9,281

Cash 1,018

Net Debt 8,263

Total Equity 20,204

Total Assets 31,776

Key Ratio

March-20

Net Debt/ Equity 0.4

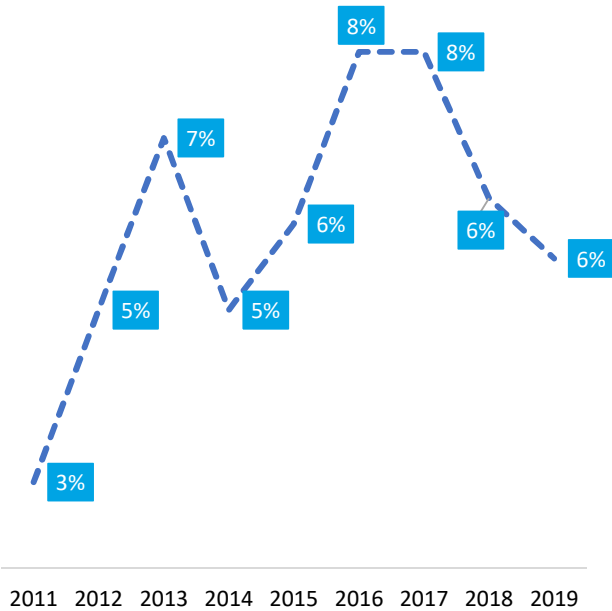
Net Debt/ Assets 0.3

Liquidity 3,132

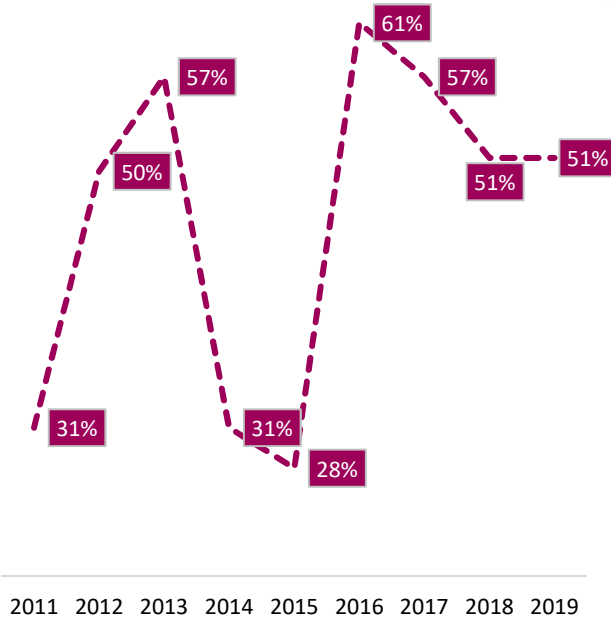
OPTIMISING SHAREHOLDER VALUE



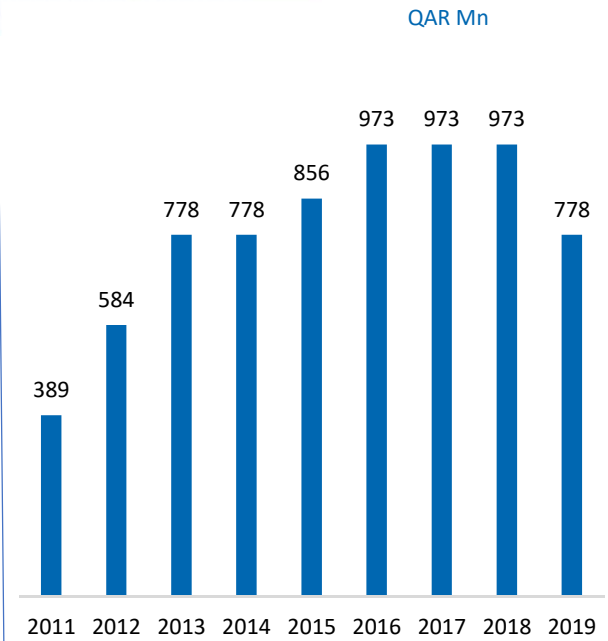
Consistency in Cash Profits, Low Leverage has given Consistent Shareholder Returns



Attractive Dividend Yield

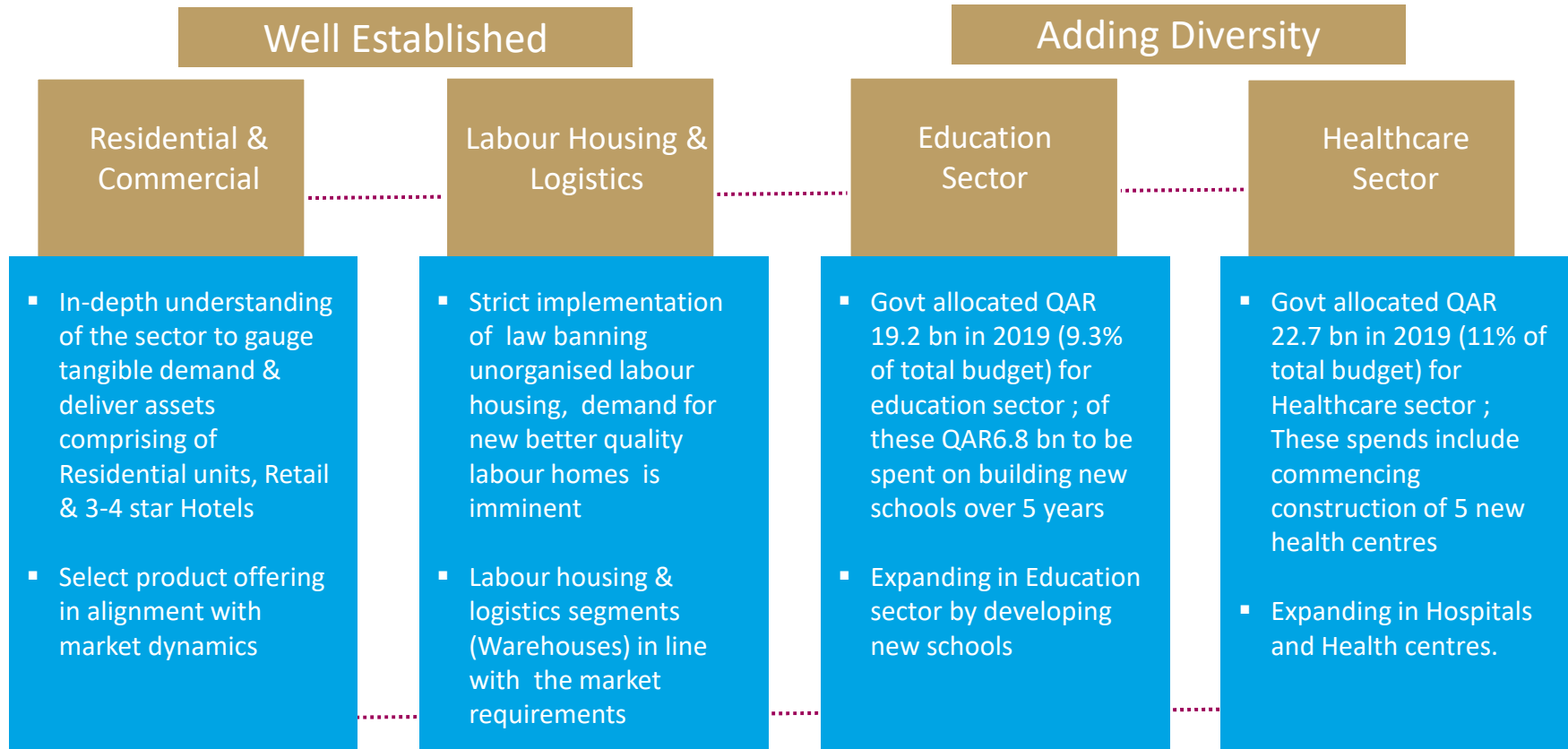


Healthy Dividend Payout Ratio



QAR 6.3 Bn Cumulative dividends declared over 2011-19

ENHANCING ASSET PORTFOLIO



PREMIUMISATION TO DRIVE SUSTAINED GROWTH & BETTER PROFITABILITY



FREE HOLD ZONES EXPANSION

2004 (3 Zones)



2019 (10 Zones)



District
West Bay (Legtaifiya)
The Pearl- Qatar
Al Khor Resort
Rawdat Al Jahaniyah
Al Qassar
Al Dafna
Onaiza
LUSAIL
Al Khraij
Jabal Theyleeb

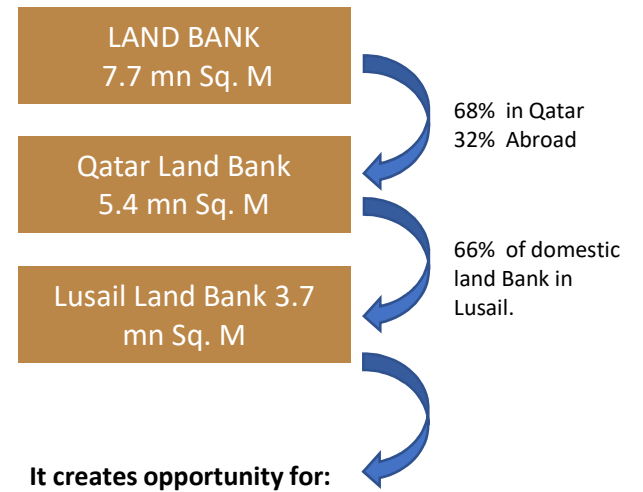
- In 2004, Qatar ratified Law 17 allowing expats to purchase property in Freehold areas, which gives buyer the title to land as well as structure

- By March 2019, the number of free hold zones increased from 3 to 10

Till date there has been limited impact due to market conditions , however in the long term it may :

- ✓ Create more opportunities for investors and owner occupiers to purchase real estate in Qatar
- ✓ Facilitate a more mature investment market, which will evolve over time
- ✓ Increase in the choice of product and price range available

HOW IT BENEFITS BARWA?



It creates opportunity for:

- ❑ Building more residential units like Lusail Dara A which have mid to high mid residential units Built to Sale (BTS) Model for the developed units
- ❑ Outright sale of the Land Bank to other developers



**QATAR
ECONOMY**

QATAR ECONOMY – AN OVERVIEW



QATAR ECONOMY IS EXPECTED TO CONTINUE THE GROWTH MOMENTUM

AT A GLANCE

- Population – 2.78 million as of Jan 2020 (Source: Planning & Statistics Authority)
- GDP - USD 192 Billion in 2018, a growth of 15% YoY (Source: World Bank)
- GDP/Capita – USD 72,677 (ranked 7th in the world)
- Happiness Rank 29, improvement by 7 ranks since 2016 (Source: UN)
- Ease of Doing Business – 77

POISED FOR SECULAR GROWTH

- Qatar’s natural gas resources are the country’s main economic engine and contains approx. 14% of all known natural-gas reserves
- In recent years, Qatar has witnessed higher contribution of non Oil & Gas sectors like real estate, infrastructure, manufacturing & financial services as a part of GDP
- IMF projects 2.7% CAGR growth in Qatar’s GDP from 2018-2023
- Population is expected to reach 2.83 million by 2022 as per IMF

DEMAND DRIVERS

- Permanent Residency for expats by purchasing USD 200,000 worth real estate
- FIFA 2022 is expected to provide boost to the economy in short to medium term
- National Vision 2030 lays the foundation to create an impetus for long-term all-round development

QATAR REAL ESTATE – AN OVERVIEW



Residential Sector

- Recent law amendment of expanding freehold ownership in residential sector to provide further incentive to foreign owners to have outright owner
- Currently facing lower demand on account of rising supply in the market

Retail Sector

- Currently witnessing a constant influx of both small and large malls in the country
- Amid competition from newly opened super regional malls, oversupply has led to reduced rentals in the sector

Commercial Sector

- Witnessing a significant expansion of Grade A commercial office space
- Addition of new office space is expected for Qatar in the next decade, most notably in Lusail’s Marina District and Energy City, West Bay, and Msheireb

Healthcare Sector

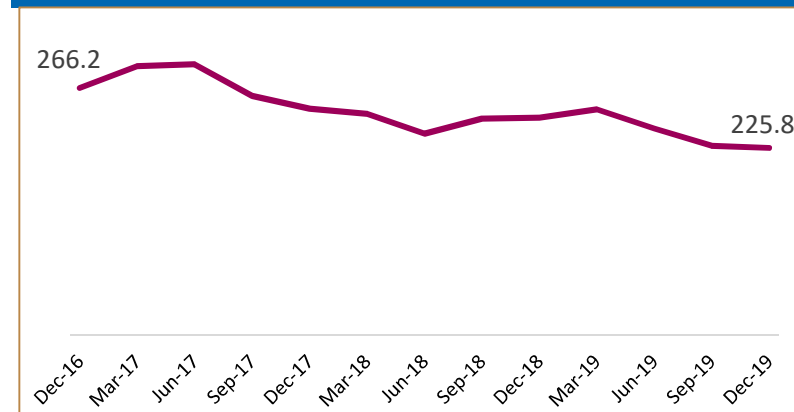
- Major projects to improve Qatar healthcare services are underway
- Major expansion projects - Hamad Medical Corporation (HMC) facilities, primary healthcare centres, emergency hospital and the establishment of new health centres over a period of five years

Education Sector

- Spending on education sector is on the Government’s strategic agenda with a total outlay of QAR 19.2 billion in the budget 2019, 9.3% of the total expenditure
- Major educational projects underway in the field of engineering, medicine, law, and pharmacology of Qatar University. The fund also includes QAR 6.8 billion for launch of new schools over the next five years
- Government is considering PPP model to build schools & is floating tenders for the same

(Source: Ministry of Finance, Qatar)

QATAR REAL ESTATE INDEX



Particulars	Apartment (3 BHK) : Rent/Month (USD)	Buy Apartment Price/ Square Meter (USD)	Price to Rent Ratio	Gross Rental Yield	Mortgage Interest Rate
Doha	2,997	4,537	13.1	7.7%	4.8%
Dubai	3,112	3,520	10.8	9.3%	4.4%
Kuwait City	1,879	6,266	30.5	3.3%	5.6%
Riyadh	790	1,322	13.7	7.3%	4.2%
Muscat	1,220	2,739	18.9	5.3%	4.9%
Manama	1,708	2,913	14.4	7.0%	6.5%

(Source: Numbeo)

DEMAND DRIVERS

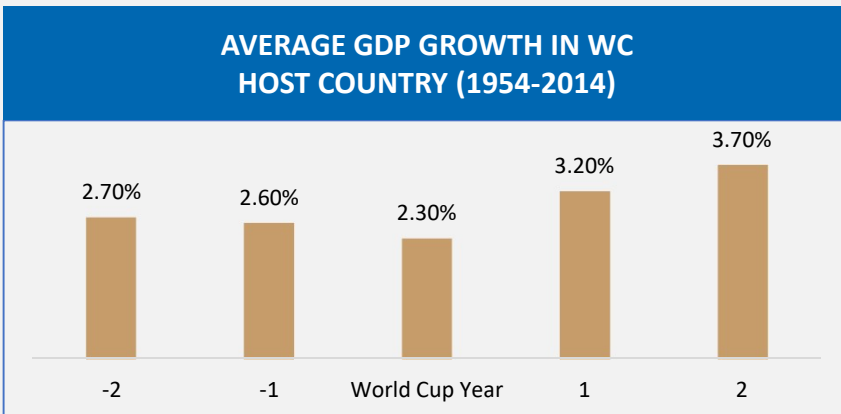


FIFA 2022

Qatar’s successful bid for the World Cup has had a multi-fold positive impact on Qatar’s Economy by acting as a catalyst to accelerate various projects envisaged by the government in area of :

- Infrastructure and utilities segments
- Real Estate
- Tourism
- Hospitality Sector

The “Host” Effect of World Cup



Source: IMF, Credit Suisse estimates



Qatar National Vision 2030

4 PILLARS OF DEVELOPMENT



Human Development: Development of all its people to enable them to sustain a prosperous society



Social Development: Development of a just and caring society based on high moral standards, and capable of playing a significant role in global partnerships for development



Economic Development: Development of a competitive and diversified economy capable of meeting the needs of, and securing a high standard of living for, all its people both for the present and for the future



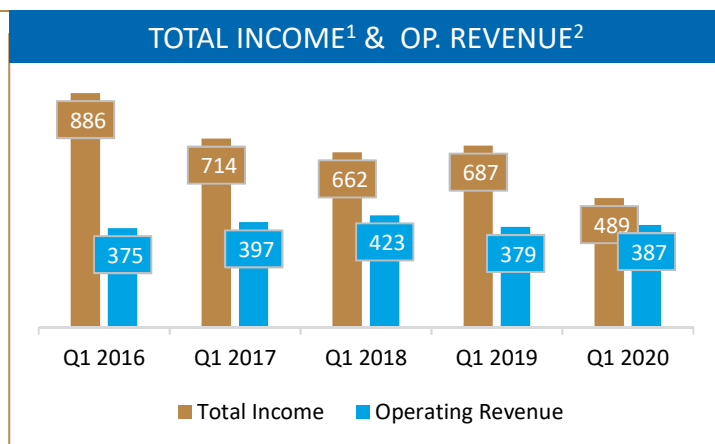
Environmental Development: Management of the environment such that there is harmony between economic growth, social development and environmental protection



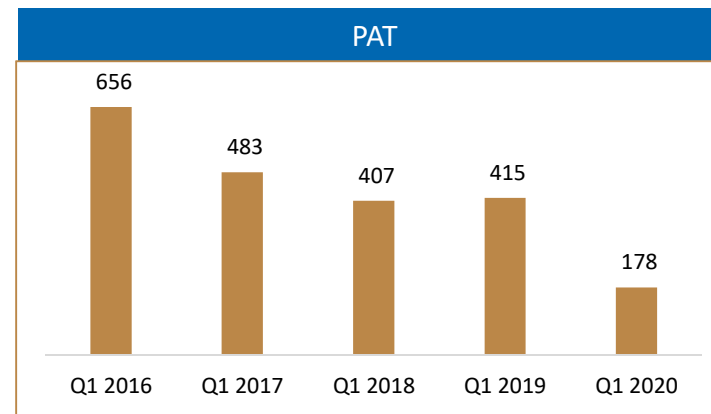
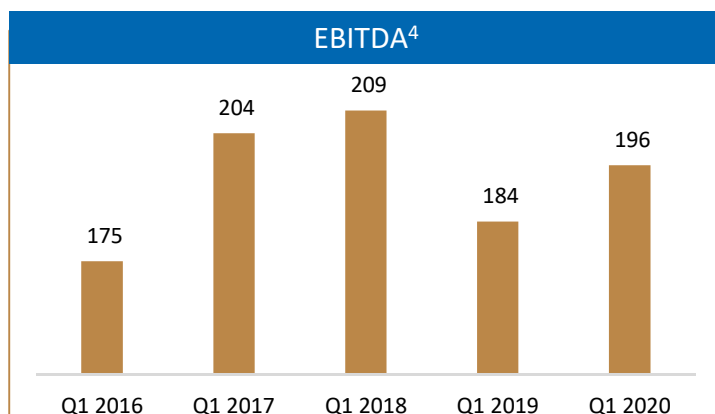
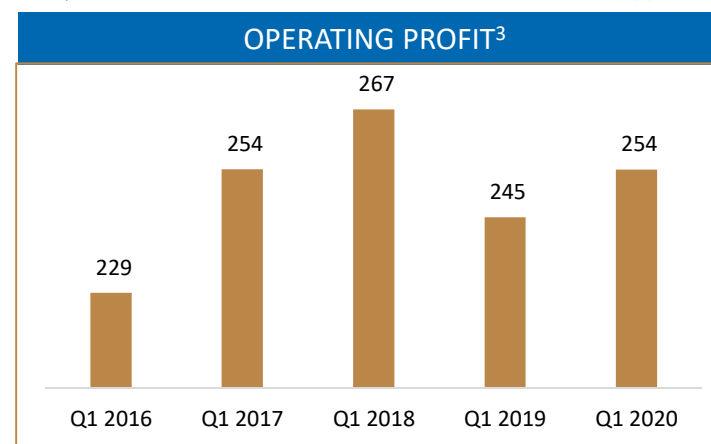
FINANCIAL TRACK RECORD



FINANCIAL OVERVIEW



In QAR Million



- 1). Total Income= Op. Revenue+Finance Lease Inc+ Property sales+ Share of results of Associates + FV gain/loss on Invst Properties + Gain/loss on FV of an asset + Misc. Income
- 2) Operating Income = Rental income + Income from consultancy and other services
- 3) Operating Profit = Operating Revenue – Operating Expenses
- 4) EBITDA= Operating profit - G&A Costs

Q1 2020 KEY HIGHLIGHTS



79% op. revenue is from recurring rentals

Q1 2020 Operating Revenue QAR 387 mn

Q1 2020 Operating Profit QAR 254 mn

Q1 2020 Operating Margin 52%

92% of Operating Profits from net recurring rental

Net Debt at QAR 8.3 bn

Liquidity – QAR 3.1 bn

Leasing started at Mukaynis Compound & Al Baraha Workshops & Warehouses Project

Distributed a 20% cash dividend, achieving a 6.5% dividend yield

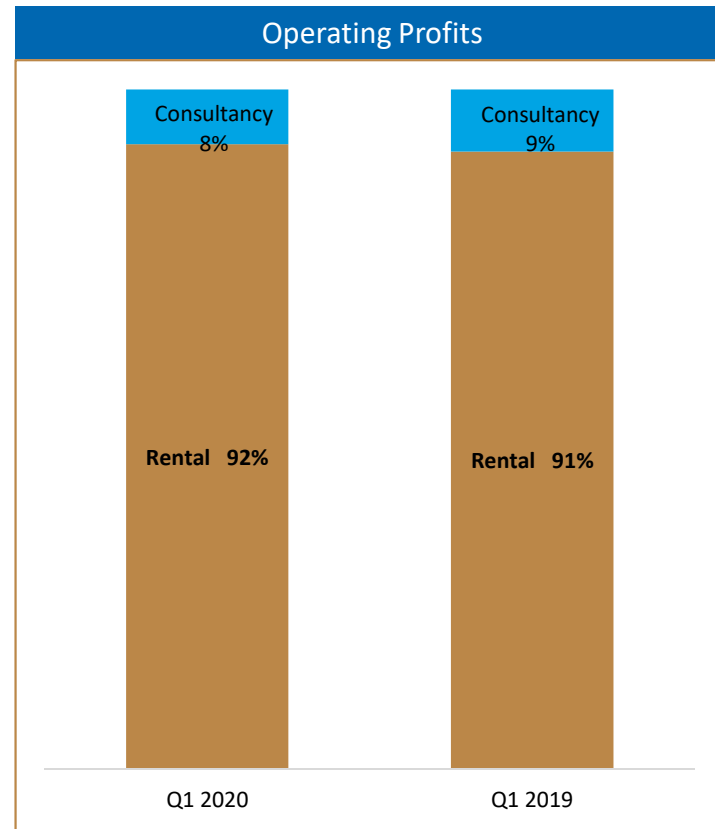
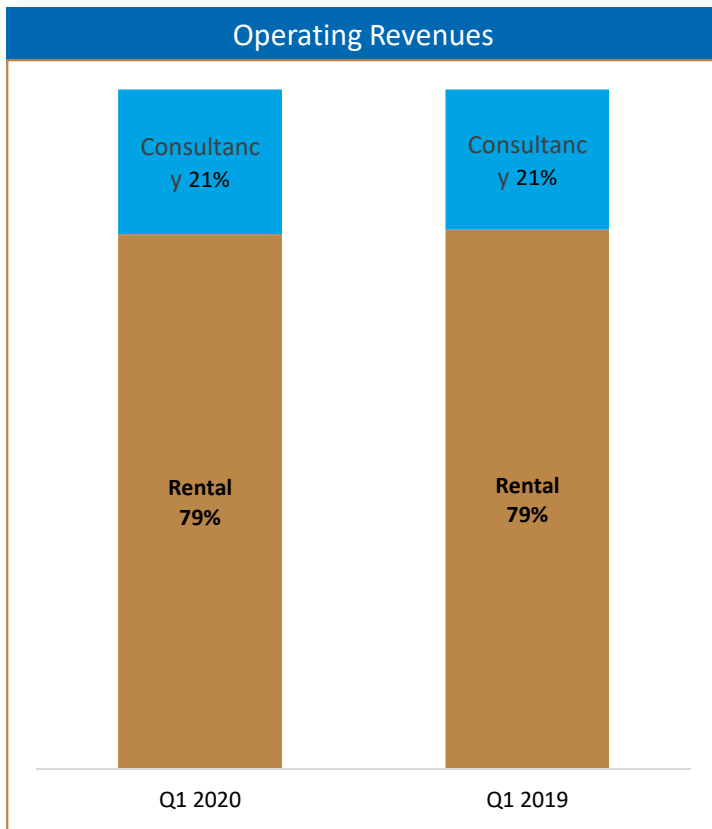
Q1 2020 KEY HIGHLIGHTS



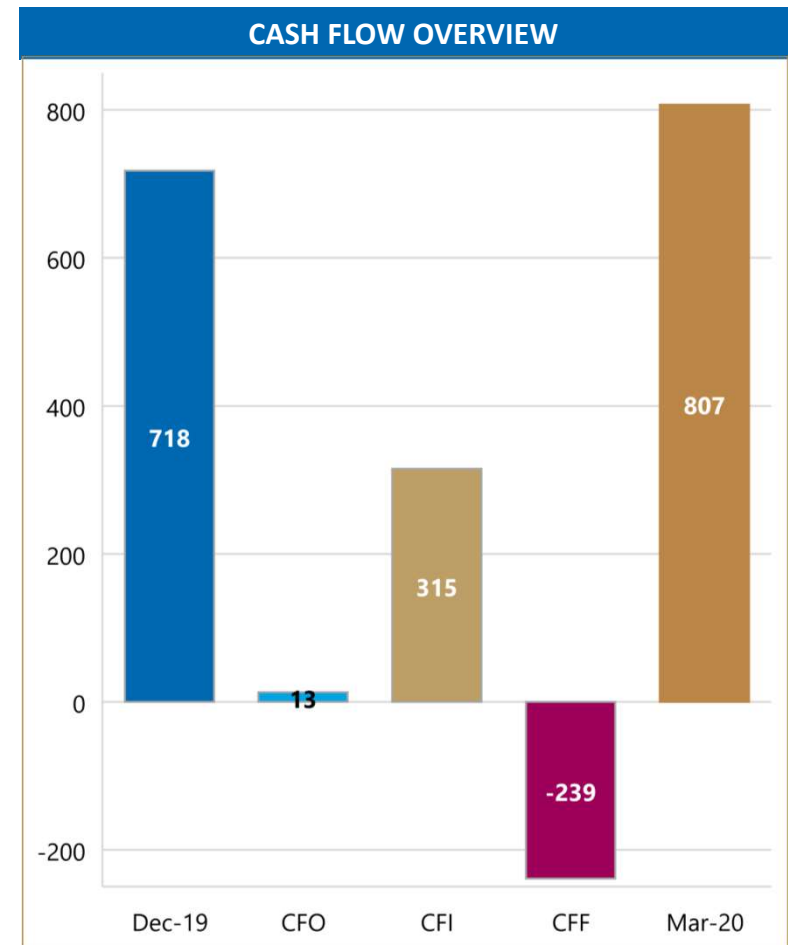
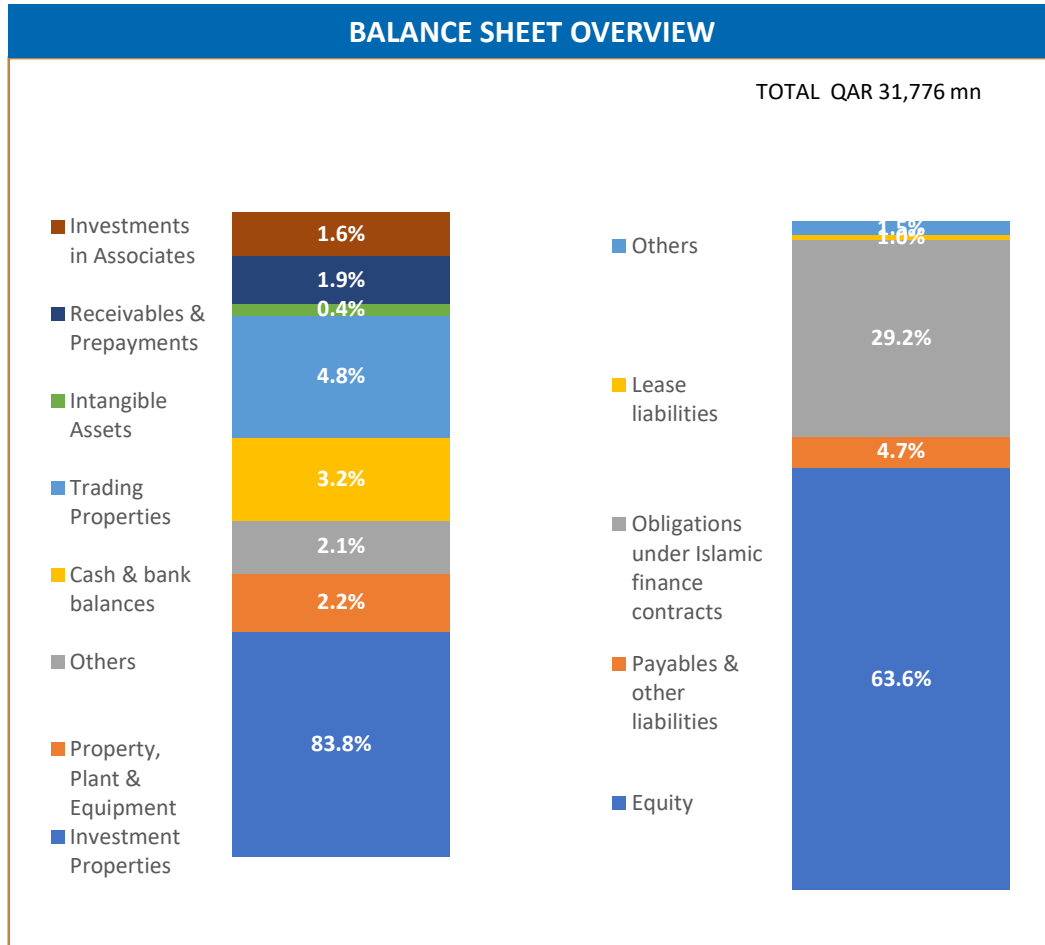
Key financial indicators	Q1 2020	Q1 2019	% Change
Operating Revenue	387	379	2%
Operating Profits	254	245	4%
Operating Profits Margin	66%	65%	-
EBITDA	268	499	-46%
Non Operating Income*	308	102	-202%
Depreciation & Amortization	(14)	(14)	-
EBIT	255	485	-47%
Finance Cost (Net)	(76)	(70)	9%
PBT	178	416	-57%
PAT	178	415	-57%

*Non Operating Income = Property sales+ Profit/loss of Associates + FV gain/loss on Invst Properties + Gain/loss on FV of an asset + Misc. Income

Q1 2020 vs Q1 2019 KEY HIGHLIGHTS



BALANCE SHEET & CASH FLOW OVERVIEW



ONGOING & RECENTLY COMPLETED PROJECTS



PROJECT	TIMELINE		2016				2017				2018				2019				2020				2021			
	Start	Finish	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1. Salwa Affordable Housing	Dec-17	Jun-20																								
1.1 Zone 1	Dec-17	May-19																								
1.2 Zone 2	Dec-17	Aug-19																								
1.3 Zone 3 & Additional Works	Dec-17	Aug-20																								
2. Al Khor Recreation Extension*	Jul-18	Dec-19																								
3. Dara A*	Aug-16	Dec-19																								
4. Baraha Warehouses & Workshops	Aug-17	Aug-19																								
5. Madinat Al Mawater Phase 3	Aug-19	Jul-21																								

* Construction work completed & hand-over in process. Operations to commence from Q1 FY20

UPCOMING PROJECT OPPORTUNITIES



Barwa Real Estate is conducting re-feasibility studies and design enhancements for several land banks in order to ensure their best use and derive attractive returns;

- Barwa Al Baraha Phase 3
- Umm Shahrain Extension
- Barwa City Phase 3
- Lusail Golf

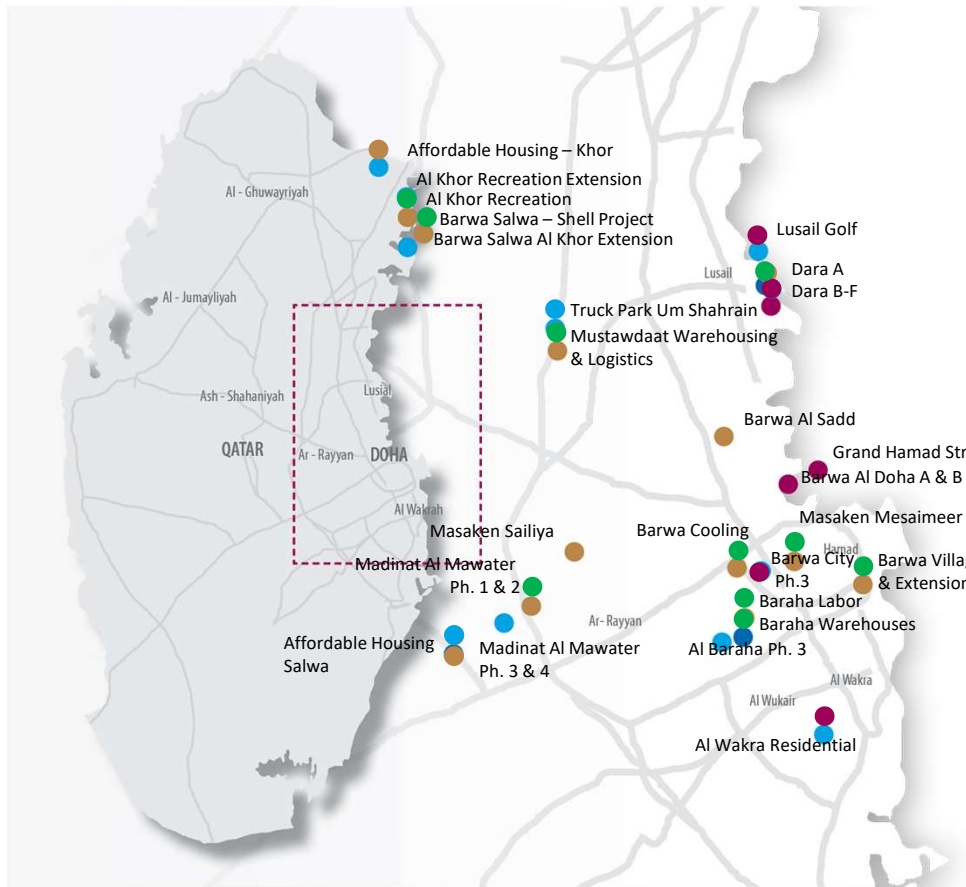
The company is also planning to expand into the healthcare development sector at our land in Barwa Al Doha, and also plan to develop a premium hospitality project at the Lehwaila land.

The company is also evaluating and participating in several tenders offered by Public Works Authority (PWA) for Public Private Partnership (PPP).



ANNEXURE

GEOGRAPHICAL DISTRIBUTION OF PROJECTS



ONGOING

- Salwa Affordable Housing
- Madinat Al Mawater Phase 3

LAND BANK

- Al Wakra Residential
- Barwa Al Doha-A & B
- Dara B-F
- Lusail Golf
- Um Shahrain Extension
- Barwa City 3
- Asas Marina tower
- Al Kharaj Residential Tower
- Alaqaria Delta Center
- Al Khor lands
- Al Huwaila land

OPERATIONAL

RESIDENTIAL PORTFOLIO



Name of Project	Residential (Units)	Nature of Project
Al Khor Community	3,171	Residential
Labor Camp 3*	982	Labor accommodation
Ras Laffan Accomadation-West Side*	688	Labor accommodation
Labor Camp 2*	662	Labor accommodation
Portcabins 451 Phase 2*	493	Labor accommodation
Labor Camp 1*	329	Labor accommodation
ASAS Towers	320	Residential
Dukhan DSSA Labor Camp*	250	Labor accommodation
Alaqaria Garden - Dukhan	48	Residential
Dara A	271	Residential

* Labour Rooms

MIXED USE PORTFOLIO (1/2)



Name of Project	Nature of Project	Residential/Labour (Units)	Retail ('000 Sq M)	Office ('000 Sq M)	Hotel (Keys)	Warehouse ('000 Sq M)
Baraha Warehouses and Workshop	Industrial	-	-	-	-	184.8
Barwa Al Sadd	Mix Use	261	4.2	41.8	232	-
Barwa Village	Mix Use	457	106.2	-	-	-
Masaken Meaismeer	Mix Use	992	2.0	-	-	-
Masaken Al Sailiya	Mix Use	992	2.2	-	-	-
Barwa Al Baraha*	Mix Use	8,576	3.3	-	-	-
Al Khor Shell	Mix Use	350	1.4	-	-	-
Madinat Al Mawater (Phase1)	Mix Use	176	40.4	-	-	-
Madinat Al Mawater (Phase2)	Mix Use	176	40.4	-	-	1.5
Manateq Um Shahrain Warhouses	Mix Use	72	1.7	532	-	259.5

* Labour Rooms

MIXED USE PORTFOLIO (2/2)



Name of Project	Nature of Project	Residential (Units)	Retail ('000 Sq M)	Office ('000 Sq M)
Barwa Village Expansion	Mix Use	177	10.7	-
(Mukaynis Compound) * Salwa Affordable Housing Development	Mix Use	25,360	13.3	5.4
Mesaieed	Mix Use	138	12.3	7.1
Old Slatah Building	Mix Use	-	0.9	11.6
Dukhan Commercial Complex	Mix Use	31	1.7	0.2
Souq Dukhan	Mix Use	-	3.7	1.0
Mesaieed Commercial Center	Mix Use	-	7.7	1.4
Al Khor Recreation	Retail	-	1.4	-
ASAS : Commercial Units	Retail	-	1.1	-
Alaqaria Commercial Complex	Retail	-	1.3	-
Cafeteria	Retail	-	0.6	-
Al Khor Recreation Extension	Mix Use	516	7.6	-

* Labour Rooms

INTERNATIONAL PORTFOLIO



Name of Project	Nature of Project	Office ('000 Sq M)
Cavendish	Office	1.0
North Row	Office	2.2

PROJECT STATUS



AL KHOR RECREATION EXTENSION	
Land Area (sq. m.)	69,757
BUA (sq. m.)	53,639
Construction Start Date	Jul-18
Construction End Date	Dec-19*

BARAHA WAREHOUSES & WORKSHOPS	
Land Area (sq. m.)	684,134
BUA (sq. m.)	187,051
Construction Start Date	Aug-17
Construction End Date	Sep-19

** Construction work & handover is completed . Operations commenced from Q1 FY20

PROJECT STATUS



DARA A	
Land Area (sq. m.)	16,415
BUA (sq. m.)	54,625
Construction Start Date	Aug-16
Construction End Date	Dec-19*

MUKAYNIS COMPOUND AFFORDABLE HOUSING – SALWA	
Land Area (sq. m.)	1,179,114
BUA (sq. m.)	735,091
Construction Start Date	Dec-17
Construction End Date	Aug-20

* The construction work has been completed, the handover and operation of the project is underway

PROJECT STATUS



MADINAT AL MAWATER – PHASE 3

Land Area (sq. m.)	417,407
BUA (sq. m.)	167,072
Construction Start Date	Aug - 19
Construction End Date	Jul-21

DOMESTIC LAND BANK



Owned	Area ('000 Sq M)
Lusail (Golf)	3,476
Baraha 3	523
DARA B-F	130
Al Khor Zone 7	54
Barwa Al Doha Phase A	48
Alaqaria Delta Center	38
Lehwaila Beach Club	28
Asas Marina Tower	28
Alaqaria South Gate	28
Al-kharaej Residential Tower	4
Leased	Area ('000 Sq M)
Barwa City Phase 3	330
Mawater Phase 4	301
Al-Khor Zone	405
Um Shahrain Extension	59

INTERNATIONAL LAND BANK



Land*	Area ('000 Sq M)	Country
Bahrain Bay	12.5	Bahrain
Cyprus Land	38.2	Cyprus
Marrakech*	9.6	Morocco
Fez *	3.1	Morocco
Astrakhan - Russia	150.0	Russia
Riyadh Land Development	2,216.1	Saudi Arabia
Total	2,429.5	

*Includes pre-existing structures



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