

Deals declared invalid

Aswaq Al Heli Company has won the bid to build the first major supermarket in Madinat Salman.

The project, backed by Eskan Bank, is valued at around BD1.004 million and will occupy a plot measuring approximately 1,540 square metres. The development comes amid a noticeable lack of commercial shops across the city.

The supermarket is intended to meet rising demand for basic retail services among both residents and citizens.

Construction follows a sharp rise in activity across Madinat Salman since the start of the year.

Twenty-eight new shops are to be built in Complexes 583 and 580, according to plans already in motion.

Space has also been set aside for five tourism ventures on the city's waterfront, along with areas marked for car repair garages.

Separate to these commercial schemes, the Ministry of Housing and Urban Planning has rolled out a large-scale housing project in the city.

Two Bahraini property transactions have been annulled by the courts. One involved a developer who failed for three years to transfer a flat.

The other concerned a villa found to be built on seized land.

In the first ruling, the High Civil Court cancelled the sale of a flat in Juffair.

The buyer had paid BD58,900 in full in May 2022, yet no title was transferred and the property remained unregistered in his name.

The developer argued that the arrangement was an investment rather than a sale.

The court rejected that claim and upheld the agreement as a binding contract of sale.

The claimant, represented by lawyer Zainab Madan, submitted the signed contract, proof of payment, and a formal notice requesting reimbursement.

The court found that the developer had not disputed the documents or fulfilled the legal requirement to complete the

Image used for illustrative purposes only

The company was ordered to repay the BD58,900, with interest at a rate of 3 per cent per annum from 4 May 2025 until the full amount is settled.

It must also pay BD800 in legal fees, BD1.100 for notification costs, BD1276.500 in court charges, and BD10 in enforcement costs.

The court stated that a limited liability company may not handle or invest money on behalf of others without approval from the Central Bank.

Any suggestion that the deal was an investment did not alter its legal character.

In a separate case, the civil court nullified a BD140,000 agreement for a villa in Buri.

The buyer signed a preliminary contract in September 2021 and paid BD10,000 as part of the purchase.

The developer did not complete construction, failed to issue the title deed, and did not remove a registered seizure on the land.

The buyer had secured ini-

tial approval under the Mazaya housing scheme, but delays from the developer caused the certificate to lapse and the financing to be rejected.

During this period, the villa was advertised on social media. The court dismissed the developer's claim that the buyer had forfeited the payment by not securing the loan within 45 days. It ruled that the delay lay with the seller.

The BD10,000 was deemed to be part of the purchase price, not a separate deposit.



The developer was ordered to repay BD11,000, including BD1,000 in compensation, with 1 per cent interest from the date of the lawsuit.

The buyer was also awarded BD300 in legal costs and reimbursement of BD2,590 in court charges.

A separate claim for BD129 in property valuation fees was dismissed.

The court in both cases concluded that the developers had failed to carry out their core contractual obligations.

(All figures in Bahraini Dinars)

NATIONAL HOTELS COMPANY (B.S.C.)



INTERIM STATEMENT OF FINANCIAL POSITION AT 30 June 2025 (Reviewed)		
	30 June 2025 (reviewed)	31 December 2024 (audited)
ASSETS		
Non-current assets		
Property, plant and equipment	36,153,064	34,217,705
Investment property	27,068,159	29,466,999
Investment in an associate	6,589,635	6,378,813
Investment securities	4,161,909	4,315,618
	<u>73,972,767</u>	<u>74,380,135</u>
Current assets		
Inventories	82,714	68,669
Investment securities	1,342,739	1,934,773
Trade receivables and other assets	747,442	957,378
Bank balances and cash	7,862,597	7,224,797
	<u>10,035,492</u>	<u>10,185,617</u>
TOTAL ASSETS	<u>84,008,259</u>	<u>84,565,752</u>
LIABILITIES AND EQUITY		
Non-current liability		
Employees' end of service benefits	254,811	257,819
Current liabilities		
Trade and other payables	1,686,707	1,993,737
Total liabilities	<u>1,941,518</u>	<u>2,251,556</u>
Equity		
Share capital	12,127,500	12,127,500
Statutory reserve	6,063,750	6,063,750
General reserve	1,087,579	1,087,579
Property revaluation reserve	14,418,702	14,418,702
Investments fair value reserve	1,253,832	1,392,960
Share of reserves of an associate	118,742	93,946
Retained earnings	46,996,636	47,129,759
Total equity	<u>82,066,741</u>	<u>82,314,196</u>
TOTAL LIABILITIES AND EQUITY	<u>84,008,259</u>	<u>84,565,752</u>

INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME				
For the six months period ended 30 June 2025 (Reviewed)				
	Three-month period ended		Six-month period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
Revenue from contracts with customers	2,220,426	2,176,815	4,329,069	4,228,650
Operating costs	(1,295,346)	(1,275,442)	(2,498,988)	(2,473,581)
GROSS PROFIT	925,080	901,373	1,830,081	1,755,069
Share of profit of an associate	538,710	568,823	886,026	905,646
Dividend income	-	24,000	149,957	156,116
Interest income	111,288	111,205	233,485	234,406
Change in fair value of investment at fair value through profit or loss	44,115	(39,133)	107,966	(20,442)
Other income	2,206	2,471	20,088	6,266
Depreciation	(602,504)	(523,368)	(1,201,067)	(1,047,247)
General and administration expenses	(198,345)	(212,086)	(340,774)	(341,658)
PROFIT FOR THE PERIOD	820,550	832,685	1,685,762	1,648,156
BASIC AND DILUTED EARNINGS PER SHARE (FILS)	7	7	14	14
OTHER COMPREHENSIVE INCOME (LOSS)				
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>				
- Net changes in fair value of investments at fair value through other comprehensive income	(149,532)	(78,231)	(139,128)	(107,137)
- Share of other comprehensive income of an associate	12,075	(18,197)	24,796	(6,087)
Other comprehensive loss for the period	(137,457)	(96,428)	(114,332)	(113,224)

INTERIM STATEMENT OF CASH FLOWS		
For the six months period ended 30 June 2025 (Reviewed)		
	Six-month period ended	
	30 June 2025	30 June 2024
OPERATING ACTIVITIES		
Profit for the period	1,685,762	1,648,156
Adjustments to reconcile profit to net cash flows:		
Depreciation	1,201,067	1,047,247
Share of profit of an associate	(886,026)	(905,646)
Dividend income	(148,957)	(156,116)
Interest income	(233,485)	(234,406)
Change in fair value of investment at fair value through profit or loss	(107,966)	20,442
Allowance for expected credit losses	13,583	10,616
Provision for employees' end of service benefits	34,076	22,503
Operating profit before working capital changes	1,557,054	1,452,796
Working capital changes:		
Inventories	(14,045)	(5,770)
Trade receivables and other assets	198,559	(235,100)
Trade and other payables	(7,969)	292,810
Cash generated from operations	1,733,599	1,504,736
Directors' remuneration paid	(262,125)	(210,000)
Charitable contribution paid	(31,790)	(14,600)
Employees' end of service benefits paid	(37,084)	(17,645)
Net cash flows from operating activities	1,402,600	1,262,491
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(724,474)	(848,134)
Purchase of investment properties	(18,258)	(290,713)
Purchase of investments at fair value through other comprehensive income	-	(398,823)
Maturity of debt investment at amortised cost	700,000	217,162
Interest received	246,860	217,162
Bank deposits with maturity of more than three months	(600,000)	150,000
Dividend received from an associate	700,000	1,400,000
Dividends received on investments	148,957	132,116
Net cash flows from investing activities	454,085	361,608
FINANCING ACTIVITY		
Dividend paid	(1,818,885)	(1,455,108)
Cash flows used in financing activity	(1,818,885)	(1,455,108)
NET INCREASE IN CASH AND CASH EQUIVALENTS	37,800	168,991
Cash and cash equivalents at 1 January	1,824,797	3,862,115
CASH AND CASH EQUIVALENTS AT 30 JUNE	1,862,597	4,031,106

INTERIM STATEMENT OF CHANGES IN EQUITY For the six months period ended 30 June 2025 (Reviewed)									
2025 (reviewed)	Reserves					Total reserves	Retained earnings	Total equity	
	Share capital	Statutory reserve	General reserve	Property Revaluation reserve	Investments fair value reserve				
Balance at 1 January 2025	12,127,500	6,063,750	1,087,579	14,418,702	1,392,960	93,946	23,056,937	47,129,759	82,314,196
Profit for the period	-	-	-	-	-	-	1,685,762	1,685,762	
Other comprehensive (loss) income for the period	-	-	-	-	(139,128)	24,796	(114,332)	-	(114,332)
Total comprehensive (loss) income for the period	-	-	-	-	(139,128)	24,796	(114,332)	1,685,762	1,571,430
Dividend	-	-	-	-	-	-	(1,818,885)	(1,818,885)	
Balance at 30 June 2025	12,127,500	6,063,750	1,087,579	14,418,702	1,253,832	118,742	22,942,605	46,996,636	82,066,741

2024 (reviewed)	Reserves					Total reserves	Retained earnings	Total equity	
	Share capital	Statutory reserve	General reserve	Property Revaluation reserve	Investments fair value reserve				
Balance at 1 January 2024	12,127,500	6,063,750	1,087,579	14,418,702	1,583,771	166,152	23,319,954	45,585,440	81,032,894
Profit for the period	-	-	-	-	-	-	-	1,648,156	1,648,156
Other comprehensive loss for the period	-	-	-	-	(107,137)	(6,087)	(113,224)	-	(113,224)
Total comprehensive (loss) income for the period	-	-	-	-	(107,137)	(6,087)	(113,224)	1,648,156	1,534,932
Adjustment to associate's reserve	-	-	-	-	-	(8,261)	(8,261)	-	(8,261)
Dividend	-	-	-	-	-	-	(1,455,108)	(1,455,108)	
Balance at 30 June 2024	12,127,500	6,063,750	1,087,579	14,418,702	1,476,634	151,804	23,198,469	45,778,488	81,104,457

Faisal Ahmed Al Zayani (Chairman)