

Annual Report & Accounts 2023

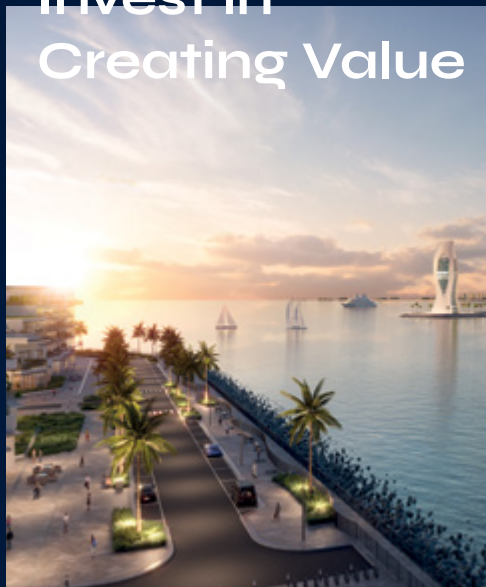
Invest in Luxury

DARGLOBAL

A sound investment in an unsettled world.

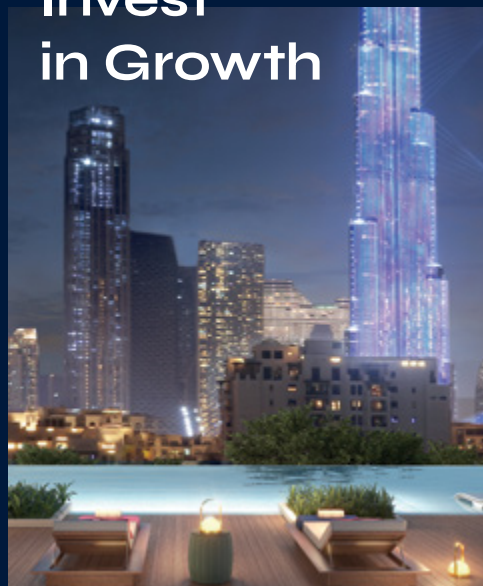
At Dar Global, **we believe there is no better investment than an investment in luxury.** We take pride in choosing the best-in-class locations and properties to provide lucrative investment opportunities for our clients.

Invest in Creating Value



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Invest in Growth



[READ MORE P12 →](#)

Invest in our People



[READ MORE P13 →](#)

01

Strategic Report

- 1 About us
- 2 At a glance
- 6 Chairman's Statement
- 7 Chief Executive Officer's Statement
- 9 Financial Review
- 14 Market Overview
- 17 Our Strategy
- 19 Our Business Model
- 20 Portfolio Overview
- 32 Risk Management
- 36 Viability Statement and Going Concern
- 37 Section 172 Statement
- 40 Sustainability
- 44 Task Force on Climate-related Financial Disclosures

02

Governance Report

- 50 Chairman's Corporate Governance Introduction
- 51 Corporate Governance Framework
- 54 Board of Directors
- 56 Senior Leadership Team
- 57 Audit and Risk Committee Report
- 61 Nomination Committee Report
- 63 Directors' Remuneration Report
- 74 Directors' Report
- 75 Statement of Directors' Responsibilities in respect of the Annual Report and the Financial Statements

03

Financial Statements

- 78 Independent Auditor's Report
- 84 Consolidated Statement of Financial Position
- 85 Consolidated Statement of Profit or Loss and Other Comprehensive Income
- 86 Consolidated Statement of Changes in Equity
- 87 Consolidated Statement of Cash Flows
- 88 Notes to the Consolidated Financial Statements
- 111 Company Statement of Financial Position
- 112 Notes to the Company Financial Position

At a glance

Dar Global is a highly differentiated international real estate business.

We focus predominantly on developing second homes for affluent global citizens, collaborating with iconic brands to deliver breathtaking living experiences in some of the most desirable locations across the Gulf Cooperation Council (GCC), UK and Europe.

Financial Highlights for FY 2023

USD 361 mn

(FY '23 Revenue: 351% year-on-year growth)

23% EBITDA Margin

(FY '23 EBITDA: USD 83.0 mn)

23% ROE

USD 5.9 bn GDV*

Across our global portfolio of 12 projects

* Gross Development Value

Our brand partners

DOLCE & GABBANA

ELIE SAAB

automobili
Lamborghini

MISSONI

PAGANI

TRUMP
THE TRUMP ORGANIZATION

W
HOTELS
WORLDWIDE

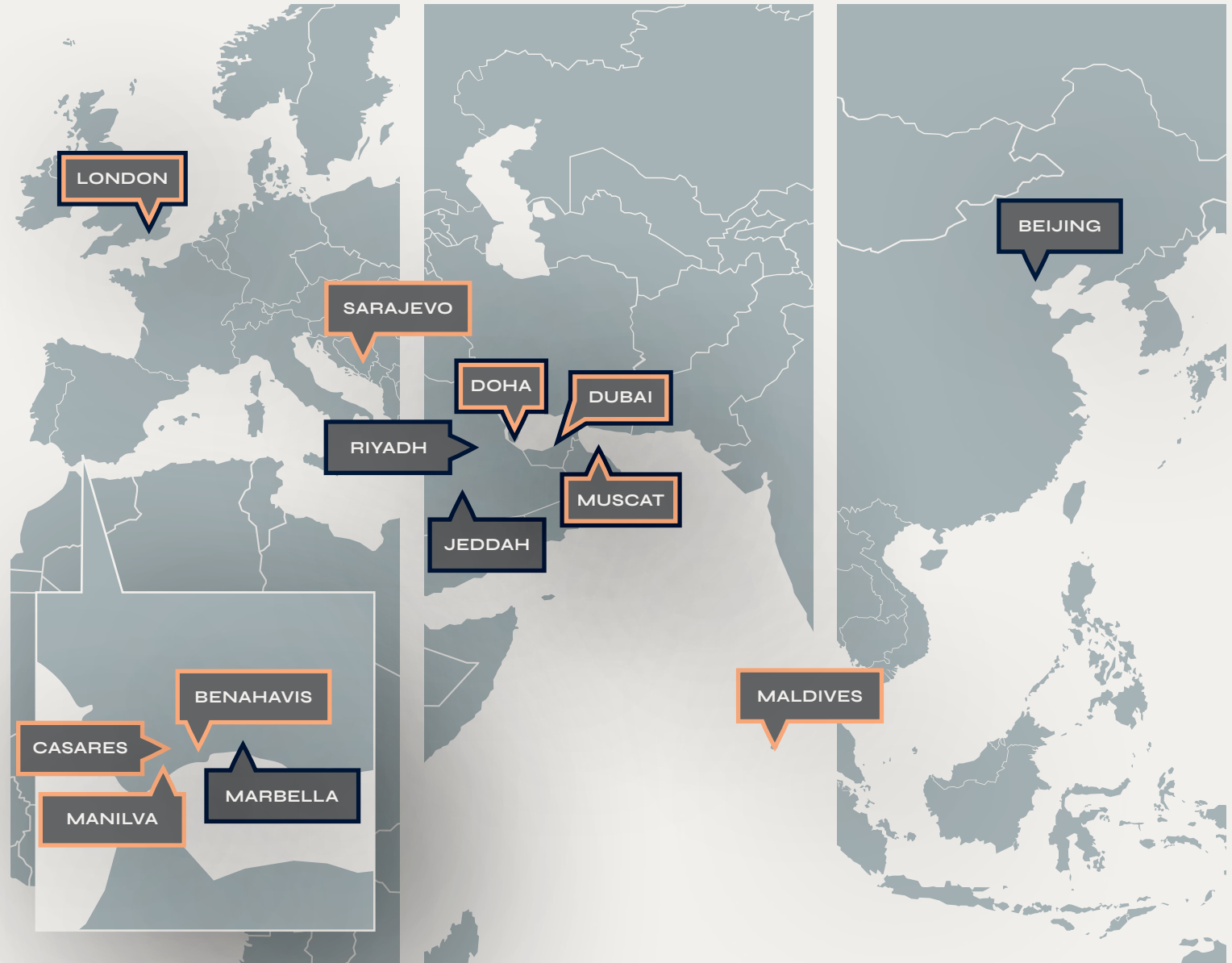
At a glance continued

Our global presence

The Dar Global team are experts specialised in the luxury second home market across the world.

By utilising its exceptional talent base, innovative development methods and centralised infrastructure, Dar Global seeks to deliver on its purpose: to provide the finest portfolio of global luxury living experiences in the world's most desirable locations.

Read more about our properties p20-31 →



- OUR OFFICES
- OUR PROJECTS

At a glance continued

Our flagship projects

We are developing a unique portfolio of luxury homes, many in partnership with iconic global brands.

Dubai



DA VINCI TOWER



W RESIDENCES



DGI



URBAN OASIS TOWER

Spain



TIERRA VIVA



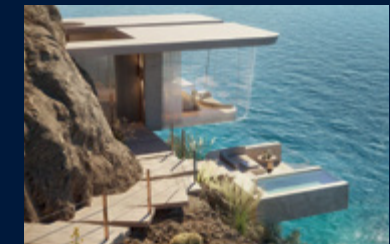
MAREA

Qatar



LES VAGUES

Oman

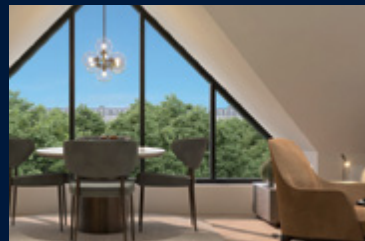


AIDA

London



OLD PARK LANE

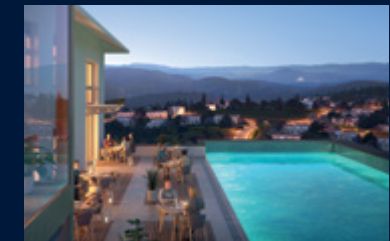


OH SO CLOSE



8MIN-TO-CENTRAL

Bosnia



SIDRA

At a glance continued

Our legacy

We are building on the legacy of Dar Al Arkan, the leading listed real estate company in Saudi Arabia.

Dar Global is the international residential development business of Dar Al Arkan, its major shareholder, and has grown to a portfolio of 12 projects with an estimated GDV of USD 5.9bn.

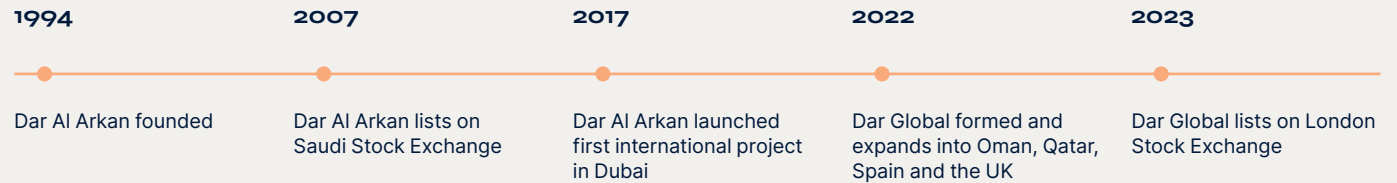
30
Years of experience

500,000m²
of commercial space

15,000+
Residential units delivered

c.9bn
USD in assets

Dar Al Arkan: 30 years of growth and successful real estate development



Significant progress made since listing in February 2023



Chairman's Statement



We delivered a successful listing and completed an important milestone in our journey.

David Hunter
Chairman

In February 2023 we completed an important milestone in the evolution of Dar Global: a successful listing on the Main Market of the London Stock Exchange. In my maiden Chairman's statement, I am pleased to report that the Group has made significant progress against the strategic objectives we outlined in the listing prospectus. We are on track to complete our first project in Dubai in Q1 2024, launched six exciting new projects, including three in partnership with leading global luxury brands, signed our first partnership in the hospitality sector and added four new sales offices to our international distribution network.

We are already seeing the benefits we anticipated from choosing to list in London. As well as access to one of the world's leading capital markets, our enhanced visibility has allowed us to continue to build our global reputation with potential partners and landowners, whilst creating a presence with international investors and broadening our shareholder base.

Despite the ongoing challenging headwinds and current inflationary environment, Dar Global is a trusted high-end luxury property developer, with a focus on High Net Worth Individuals (HNWIs) and Ultra High Net Worth Individuals (UHNWIs) who are less exposed to economic cycles and challenges, resulting in sustainable demand for properties throughout the economic cycle.

As set out in the Prospectus, the Company is focused on investing to deliver future growth. As such, the Company's current dividend policy is not to declare any dividends in the near future. The Company will continue to review its dividend policy as the Board believes dividends to be an important component of long-term total shareholder return.

An ambitious strategy for growth

We have a clear strategy focused exclusively on developing real estate projects for internationally mobile customers looking to diversify their wealth across asset classes and geographies. Our co-branding approach with world-leading luxury brands provides a significant sales boost and enables us to

deliver increased volumes at a premium over non-branded properties. We have a unique capital light business model with some of our projects based on joint venture agreements with landowners enabling the Group to focus its resources on development while deferring purchase of the land, allowing us to develop a larger number of projects simultaneously.

Whilst we are well-funded with a strong balance sheet, in May 2023 the Group secured a c. USD 204 million term loan over four years to allow us to take advantage of further significant opportunities as they arise.

Building strong governance

Our new status as a listed company has commenced with a well-constructed board combining a good balance of executive and non-executive experience. My previous experience in both corporate governance and real estate, alongside the international banking and real estate development backgrounds of my two independent non-executive board colleagues has proved enormously beneficial.

Whilst Dar Global currently has a Standard Listing, we are working hard to ensure the Group progresses towards the highest level of corporate governance standards. Our intention would be to appoint a fourth independent Non-Executive Director in due course.

Our listing has also created an entity which is independent from our major shareholder, leading Saudi real estate developer Dar Al Arkan, whilst retaining the significant benefits that come from our continued relationship.

We have made rapid progress in a short space of time to set up all the necessary Board Committees, with Audit, Remuneration and Nomination Committees in place and functioning well. Important policies including whistleblowing and ethics have been developed and communicated to all employees throughout the Group. I am grateful for the flexibility and commitment of my Board colleagues who have ensured these committees

were up and running from a standing start. During the year the management team also strengthened its governance with important appointments made in compliance and internal audit.

The Board is very cognisant of its responsibility to ensure the Group's property sales are fully compliant with international money laundering regulations, with an internal 'Know Your Customer' process supported by the introduction of an internationally recognised screening service that the Group uses to review each purchaser, in addition to only accepting payments through recognised financial institutions.

Our stakeholders

Whilst we have a close relationship with our major shareholder, the Board is mindful of its obligations to minority shareholders and ensures our communications are regular and transparent. Our customers expect the highest level of service from us and we strive to deliver a product we can be proud of. This includes building to the latest standards to conserve energy and water, reducing the environmental impact of our properties. We are already on our sustainability journey – our plans are outlined in the Sustainability Review on pages 40-43.

Other stakeholders include development partners, brand partners, contractors and of course our people; all of whom are important to the delivery of our strategic objectives and we ensure mutual understanding and respect are key characteristics of these relationships.

Outlook

Whilst the global uncertainties ahead are likely to impact inflation and capital movement in certain jurisdictions, we have a geographically diverse project portfolio and a capital light business model which will help us navigate these challenges and continue to deliver the targeted returns, creating value for all our stakeholders.

David Hunter
Chairman

CEO's Statement



We have created a unique offering focused on the development of luxury second homes for internationally mobile, affluent global citizens.

Ziad El Chaar
Chief Executive Officer

Overview

It's been an outstanding year for Dar Global with our successful listing on the Main Market of the London Stock Exchange in February 2023, exceptional revenue growth, a significant increase in profits and strong progress in delivering our ambitious strategy.

We have created a unique offering focused on the development of luxury second homes for internationally mobile, affluent global citizens. Our clientele are taking advantage of developments in technology that enable them to run their businesses from anywhere, while also diversifying their property portfolio to hedge against inflation or currency movements.

Our project pipeline will provide exceptional properties in some of the most desirable locations in the GCC countries and Europe, with most of our projects developed and marketed exclusively in partnership with luxury brands such as Automobili Lamborghini, W Residences, Missoni and Pagani.

Key achievements

During the year we launched six new projects across several jurisdictions, these included:

- Our largest active project, the AIDA masterplan in Oman.
- Our stunning DG1 project in downtown Dubai.
- Tierra Viva, our first European project in the ultra-luxury market of Marbella in Spain.

We now have 12 active projects with a Gross Development Value (GDV) of USD 5.9 billion (31 December 2023 compared with 10 projects with GDV of USD 4.7 billion in 2022). Customer demand has remained strong with contracted sales as at year-end rising to c. 1,498 units, representing 46% of the total launched GDV of USD 2.2 billion.

Financial highlights

Our rapid progress since listing delivered growth in revenues to USD 360.6 million (2022: USD 80.0 million) driven by robust sales for newly launched and existing projects, generating a significant increase in gross profit to USD 146.4 million (2022: USD 28.7 million) and a healthy gross profit margin of 41%. Profit before tax also rose substantially to USD 81.2 million, as we get closer to the imminent completion of our first project – Urban Oasis Tower. We have made good progress in customer collections and construction, particularly in the United Arab Emirates.

We ended the year with a strong balance sheet including cash of USD 238.5 million comprising of free cash of c. USD 80.2 million, and restricted cash balances (escrow and escrow retention) of USD 158.3 million. With total liquidity of USD 216.3 million (including undrawn debt facilities), we are well-positioned to take advantage of growth opportunities and expand our portfolio in the year ahead.

Business performance and project update

Our commitment to excellence has yielded positive results in a challenging economic landscape. Despite prevailing macroeconomic headwinds, we have continued our growth trajectory and sales momentum across all active projects, while maintaining a prudent and discerning approach to ongoing investment decisions.

We are pleased to provide an update on our project portfolio and contracted sales for FY 2023 (in the table below).

Project portfolio update

	UAE	ROW*
No. of Projects	4	8
Total GDV (USD mn)	1,033	4,877
Months since launch (avg.)	17	7
Launched GDV (USD mn)	1,033	1,181
Launched GDV sold (%)	73%	23%
Total no. of units launched	1,158	920
No. of units sold	1,019	479

* Rest of the world

Progress in delivering our strategy

Since our inception two and half years ago, our strategy has focused exclusively on developing real estate projects for affluent global citizens, launching developments in six countries. The launch of the Tierra Viva project in Spain takes us another step forward in our strategic objective to build a geographically diversified portfolio with close to 50% of our projects in the GCC and the remaining in the rest of the world.

Key to delivery of this strategy is the development and marketing of some of our projects in partnership with luxury brands, underpinning our product differentiation. We added two new brands to this stable – Automobili Lamborghini and Dolce & Gabbana (D&G) – bringing our total luxury brand partnerships to eight. Our partnership with D&G marks our debut into the hospitality market, specifically the luxury hotel sector. This will enhance our premium offer for our target customers and contribute to building a pipeline of future potential clients.

CEO's Statement continued

To support our strategy, we have built a highly effective distribution system which includes both our own sales force and access to a global broker network. We opened four new sales offices during the year and now have over 80 sales professionals across eight locations, complemented by a network of brokers in over 60 cities globally.

Our capital light business model is a critical component in de-risking our business and accelerating growth. It gives us the ability to scale rapidly by selling units off plan, creating joint development agreements with landowners which allow lower initial costs, and outsourcing construction under fixed price contracts.

Our people

Our team has grown to match our expansion, and we have a fully-fledged organisation with all key disciplines in place from front to back office, staffed by talented, committed professionals. I would like to thank them all for their drive and enthusiasm during this eventful year and recognise their contribution to our success to date.

Whilst we are a young, dynamic company, our entrepreneurial spirit is underpinned by a strong, experienced executive team with over 65 years of experience between us.

Our environment

We take our responsibility to minimise our environmental impact seriously and build water and energy conservation best practices into the designs of our buildings. Plans to develop our environmental strategy are well underway and set to develop further in 2024. More information on our approach can be found on p46 to 48.

Looking forward

Following our successful listing on the London Stock Exchange (LSE) in February 2023, this past year has been marked by significant progress for Dar Global. We are poised to leverage the opportunities that have arisen from this milestone, aiming to expand our reach through new joint venture and joint development agreements. Additionally, we are exploring growth avenues in markets such as Saudi Arabia, Greece, Morocco as well as key international cities in the United States of America like New York and Miami.

Our robust foundation, meticulously crafted over the past two and a half years, positions us strongly to navigate the potential economic challenges and sentiment around global security concerns in the current environment. With a well-diversified portfolio, a capital light business model, steady demand for upcoming projects and ample financial resources, we are confident in our ability to seize future opportunities.

The year 2023 stands out as a pivotal period for Dar Global, characterised by strong business performance, consistent sales, and steady construction progress. This momentum will culminate in the successful completion and delivery of our inaugural project, the Urban Oasis Tower in Dubai, in Q1 this year.

Looking ahead to the remainder of 2024, we are committed to consolidating our presence in the GCC region while actively pursuing expansion opportunities beyond. Across all areas of our business, we are making notable strides. Based on anticipated progress across our existing portfolio of projects and current market conditions, we are targeting to deliver at least USD 700 million of revenue in aggregate across the next two financial years (FY24 and FY25). In addition, we would target a similar sales rate and EBITDA margin to what we delivered in FY23.

Ziad El Chaar
Chief Executive Officer



Financial Review

Dar Global is pleased to present its first Annual Report since listing on the London Stock Exchange in February 2023. The Group is happy to share the positive developments and achievements over the past year, as it continues to build on the momentum gained.

It has been a year of remarkable growth, challenges, and invaluable learning experiences. Despite a challenging year marked by global economic uncertainty and macroeconomic headwinds, the Group achieved robust operational and financial performance driven by revenue recognition attributed to the progress of Urban Oasis Tower, Da Vinci Tower by Pagani and W Residences, as well as strong sales and customer collections across projects.

FY 2023 financial performance

Dar Global delivered strong growth in 2023. Revenue for the period was USD 360.6 million (FY 2022: USD 80.0 million), a growth of c. 351% over the previous year. Gross Profit for the period was USD 146.4 million, representing a margin of 41% compared with USD 28.7 million and 36% for 2022.

EBITDA for the period was USD 83.0 million (FY 2022: USD 6.3 million), Net Profit USD 83.2 million (2022: loss USD 5.2 million) and total comprehensive income for the period was USD 84.7 million (FY 2022: USD 5.5 million loss), a significant improvement from the previous year.

The 23% Return on Equity (ROE) demonstrates our successful implementation of a capital light model. This approach has enabled the Group to deliver robust financial performance and sustainable value for our shareholders.

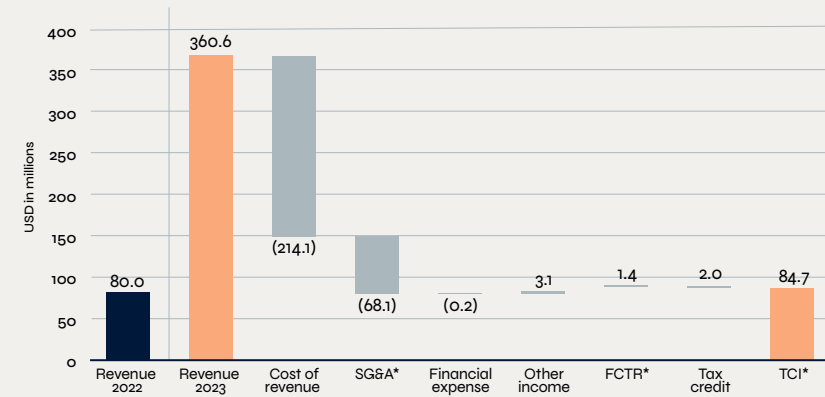
Throughout the year, the Group took initiatives to expand its presence across different regions and strengthen its brand. Dar Global launched six new projects in four countries with a GDV of over USD 1.1 billion in 2023.

The Group continues to utilise its balance sheet strength and its debt facilities in a prudent and effective manner. Dar Global further strengthened its balance sheet and demonstrated robust access to various pools of capital across banks and the capital markets by signing a c. USD 204 million secured term loan facility with Emirates NBD in May 2023. The Facility has a tenure of four years and is priced at a competitive fixed margin over the Emirates Interbank Offered Rate ("EIBOR"). The Group envisages using the proceeds of the facility for future asset acquisitions and general corporate purposes (including working capital requirements), as the Group continues to build its international portfolio of luxury second home and leisure developments across Europe and the GCC.

The Group's balance sheet reflects this strength with cash and cash equivalents of USD 238.5 million, comprising free cash of USD 80.2 million and restricted cash balances (escrow and escrow retention) of USD 158.3 million. The net asset value surged to USD 465.4 million, marking a growth of c. 65% compared to the previous year at USD 281.4 million.

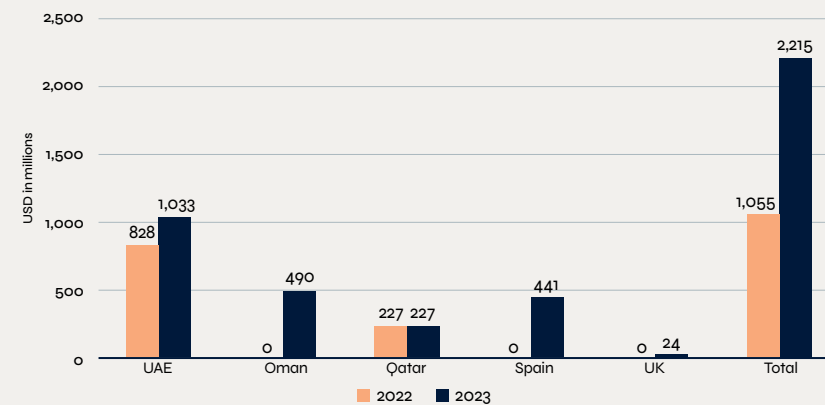
As of 31 December 2023, the total liquidity pool stands at USD 216.3 million, including undrawn debt facilities of USD 136.1 million. This provides the Company flexibility to capitalise on project opportunities, ensuring a strong asset portfolio that fuels our future expansion.

Financial summary 2023



* SG&A – Selling, general and administrative expenses (including share of loss in JV);
 FCTR – Foreign Currency Translation Reserve
 TCI – Total Comprehensive Income

Cumulative launched GDV



Financial Review continued

Summarised consolidated statement of profit or loss and other comprehensive income

Amounts in USD million	2023	2022
Revenue	360.6	80.0
Cost of revenue	(214.1)	(51.4)
Gross profit	146.4	28.7
Gross profit %	40.6%	35.8%
Other income	3.1	1.9
SG&A expenses	(68.0)	(38.3)
Finance income (cost)	(0.2)	2.9
Share of loss from joint venture	(0.1)	(0.3)
Profit before tax	81.2	(5.2)
Income tax credit	2.0	–
Profit for the period	83.2	(5.2)
Increase in foreign currency translation reserve	1.4	(0.3)
Total comprehensive income/(loss) for the year	84.7	(5.5)

Summarised consolidated statement of financial position

Amounts in USD million	As of FY 2023	As of FY 2022	Change
Cash and Cash Equivalents	228.5	112.6	115.9
Escrow retentions	10.0	5.9	4.1
Trade and unbilled receivables	221.9	40.6	181.3
Advances, deposits and other receivables	60.9	81.1	-20.3
Development properties	216.9	302.3	-85.3
Other assets	29.2	15.5	13.7
Total assets	767.3	557.9	209.5
Trade and other payables	25.7	30.7	-5.0
Advance from customers	57.5	94.5	-36.9
Loans and borrowings	125.4	69.7	55.7
Development property liability	78.6	72.5	6.2
Other liabilities	14.7	9.2	5.4
Total liabilities	301.9	276.5	25.4
Net asset value / Total equity	465.4	281.4	184.0

FY 2023 financial highlights

- Trade and unbilled receivables – increase in receivables primarily due to revenue recognition from Urban Oasis Tower, Da Vinci Tower and W Residences.
- Development properties – there was a gross addition of USD 130.0 million, reclassification of USD 1.2 million to property, plant and equipment and USD 214.1 million transferred to cost of goods sold.
- Net assets – Net assets increased over the period to USD 465.4 million, primarily due to profit after tax of USD 83.2 million, shareholder funding of USD 20.5 million (pre-listing) and fresh issue of equity shares of USD 72.0 million.

Reflecting on what has been a landmark year for Dar Global, the Group is pleased to end 2023 with exceptional financial performance evidenced by USD 83.2 million of profit after tax, USD 80.2 million of free cash balance and USD 216.3 million of total liquidity. This collective financial strength has solidified the Group's position within the industry. By streamlining the land holdings, relationships with the Joint Development Agreement (JDA) partners, and maintaining a healthy balance sheet, the Group is building a foundation for sustained growth and agility in the real estate market.

Outlook for 2024

Out of the launched portfolio GDV of USD 2.2 billion, the Group has over 50% of unsold inventory and expects sales to pick up in 2024, supported by increased liquidity in the residential real estate market. The Group anticipates 2024 to be a pivotal year for Dar Global as it aims to complete and deliver five projects while simultaneously advancing construction across all other projects. Along with the construction progress, the Group is dedicated to enhance the sales, CRM, and marketing teams in order to provide exceptional customer experiences. The Group's upgraded ERP systems have significantly boosted its digital capabilities, empowering it with enhanced analytics for informed decision-making.

Given the current strength in the Group's balance sheet and the flexible funding options available, Dar Global stands well-positioned to further expand its portfolio of assets globally.

USD 216.3 mn

Total liquidity



Invest in Creating Value.

Our capital light business model enables us to scale rapidly and achieve higher returns by executing our projects through joint development agreements with landowners, pre-selling units off-plan and raising opportunistic financing.



Invest in Growth.

Our target market includes the growing number of HNWIs and UHNWIs, who are seeking to diversify their property portfolios and hedge against inflation or currency movements. We engage with our clients through our 80+ dedicated sales professionals in eight global sales offices, as well as through broker relationships in over 60 global cities.



Invest in our People.

We employ over 250 people from over 40 countries and we are committed to supporting their career progression through training, one-to-one coaching and prioritising internal promotion. Our internship programme in Dubai is building a pipeline of potential graduate recruits for the future.

Market Overview

Dar Global’s key target market is the growing number of HNWIs and UHNWIs who seek to preserve and grow their wealth. Some of the strategies they use to achieve these objectives include investing in luxury residences, to hedge against inflation and currency movements as well as to diversify their investment portfolios.

These factors influence demand for second homes, which is further boosted by increasing global mobility as advances in technology enable owners to run their businesses from anywhere and the introduction of golden visas that confer residency based on investments of a certain size.

An expanding target market

According to research from Knight Frank, the global population of UHNWIs declined by 3.8% in 2022 due to sharply rising interest rates and more challenging geopolitical conditions, numbers in the GCC, Africa and Latin America proved resilient, continuing to grow.

Positive long-term trends show that the number of UHNWIs is forecast to rise by 28.5% from 2022 to 2027. In parallel, the number of HNWIs saw a growth of 2.9% last year, which is expected to grow further by a remarkable 57% over the next five years – taking it from just shy of 70 million to more than 109 million people globally*.

Primary and secondary residences account for 32% of global HNWIs total wealth**. Global HNWIs consider residential property to be amongst the safest asset class, with the Wealth Report Attitudes Survey 2023 by Knight Frank also indicating that property holdings are likely to increase going forward.

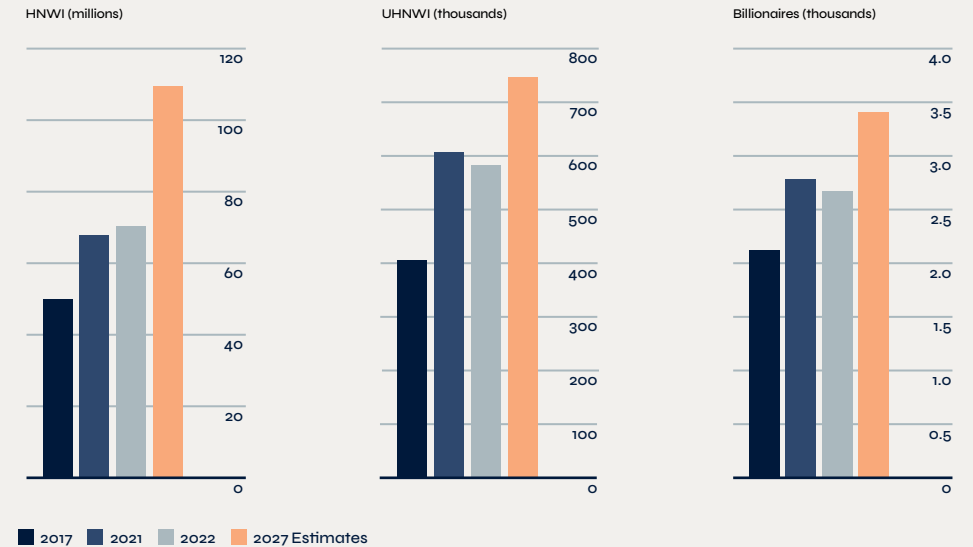
109m

Estimated HNWIs by 2027

28.5%

Rise in UHNWIs segment forecasted from 2022 to 2027

Global wealth creation
Historic and forecast population



Source: Knight Frank (The Wealth Report 2023).



Definitions

HNWIs

High-net-worth individual – someone with assets worth USD 1 million or more.

UHNWIs

Ultra-high-net-worth individual – someone with assets of USD 30 million or more.

* Source: Knight Frank Global Branded Residences Report 2023.

** Source: Knight Frank The Wealth Report Attitudes Survey 2023.

Market Overview continued



Prices for higher-value properties in desirable locations have increased, bucking the trend seen in the broader global residential real estate segment.

Rising demand for luxury property

Demand for luxury second homes has been robust despite the subdued global economy and rising global interest rates, reflecting the relatively inelastic nature of demand in this segment.

Dubai in particular has performed strongly in the first half of 2023 recording over 57,000 total residential sales, up 43.2% on the same period last year, the highest total on record to date*.

The Knight Frank Prime International Residential Index (PIRI 100) indicates that average luxury house price growth slowed to 5.2% last year, although with 17% of global UHNWIs buying a home in 2022 this was still the second strongest year on record. Prices for higher-value properties in desirable locations have increased, bucking

the trend seen in the broader global residential real estate segment. Some 85 of the 100 markets tracked saw positive price growth, led by Dubai (44%), cementing its status as a second home hub for global UHNWIs.

The branded residence market

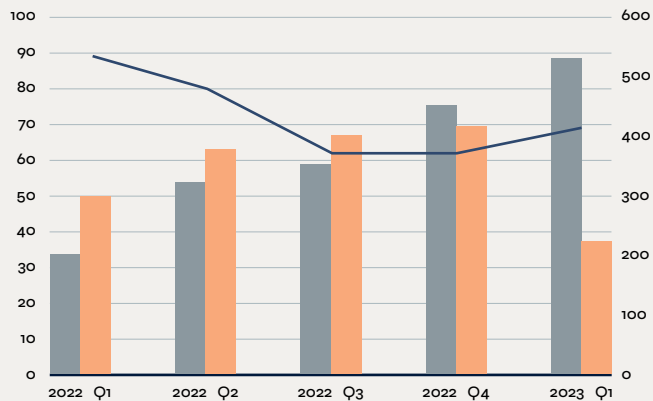
Within the luxury homes segment, the luxury branded residence market covered 324 schemes in 2022 comprising over 26,000 residential units across 52 countries. Among the tracked schemes, 186 are live and operational, with 138 in the pipeline. Schemes with known opening dates, point to a sector growing by an average of 12% each year up to 2026. Saudi Arabia and Vietnam are the fastest-growing markets in terms of development numbers, while the UAE, Mexico and the UK have significant projects in the pipeline**.

According to a report by Savills, branded residences have commanded significant premiums (average c. 30%) when compared with unbranded residences, driven by the focus on quality, best-in-class facilities and design. Originating in North America, the popularity of branded residences has spread across geographies including emerging markets. Asia Pacific and Central and South America particularly have shown strong growth, which alongside the GCC represent over 50% of global schemes. Higher premiums for branded residences are often found in emerging markets.

57,000

Total residential sales in Dubai in the first half of 2023

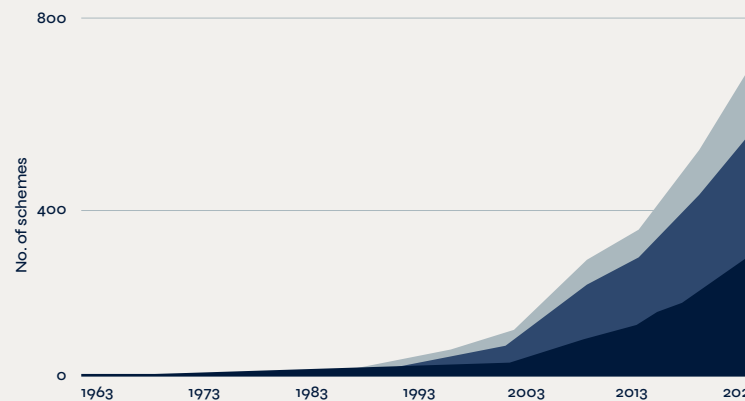
Number of \$10m+ residential sales



Legend: Dubai (Grey), London (Orange), Global (RHS) (Blue line)

Source: Knight Frank.

Evolution of branded residential schemes



Legend: Resort (Dark Blue), Urban (Medium Blue), Urban Resort (Light Blue)

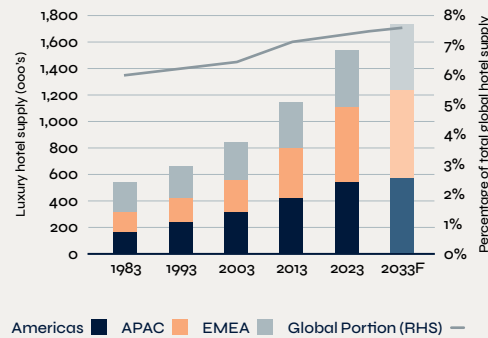
Source: Savills.

* Source: CBRE Research, UAE Real Estate Market Review Q2 2023.

** Source: Knight Frank Global Branded Residences Report 2023.

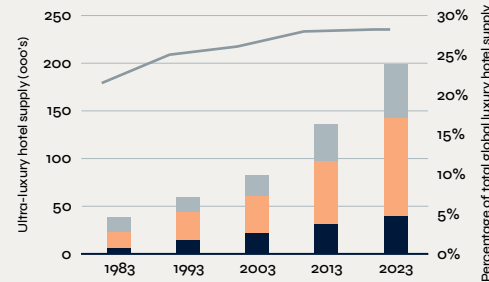
Market Overview continued

Global luxury hotel supply¹



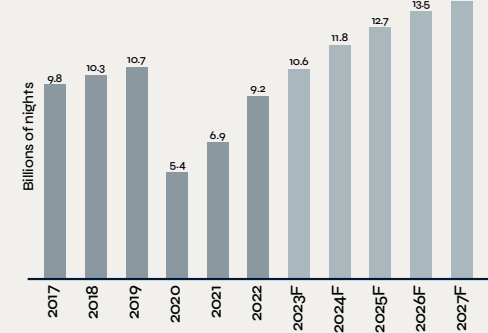
Source: JLL: The evolution of luxury hotel hospitality May 2023.
 1 Supply represents number of total global rooms (in thousands).

Global ultra-luxury hotel supply¹



28%
 Share of “ultra-luxury” hotels within the luxury hotel segment

Global hotel demand
 Overnight stays in hotel



Source: Knight Frank, Oxford Economics.

The luxury hotel market

The key target markets for luxury properties and luxury hotels are the same – global HNWIs – and the luxury hotel supply (number of rooms) is often used as a proxy for travel and secondary luxury residence demand within a particular country or region. Luxury hotels as a share of total hotel supply has increased from 6% in 1983 to 7% in 2023 and is expected to reach around 8% by 2033. Within the luxury hotel category, “ultra-luxury” hotels targeted at UHNWIs, have increased by 8% to 28% of supply in 2023, reflecting expectations of growing demand and a continued rise in the number of UHNWIs.

Hotel stays have been recovering slowly but steadily since the COVID-19 pandemic with 2022 volumes still 14% below 2019’s total, with the pre-pandemic peak not expected to be exceeded until 2024.

Attractive geographic markets

Dar Global is focused on key geographic markets in the GCC and Europe where management’s assessment of conditions for luxury homes markets are favourable. Details on each of these markets is included in the Portfolio Review section of this Annual Report on pages 20-31 outlining the key drivers and characteristics of these attractive regions.

The countries in the GCC in particular have no or low personal income taxes, and in light of upper income tax bracket rates across Europe, offer highly favourable fiscal conditions, particularly for HNWIs. These countries have all seen positive net migration over the last 50+ years*.

The Dar Global Board has recently authorised a strategic expansion into the fast growing real estate market in Saudi Arabia. This is being driven by a buoyant economy combined with the government’s Vision 2030, an ambitious plan to diversify the

Kingdom’s economy away from its dependence on oil, which will include investing USD 1.25 trillion in infrastructure and real estate projects. The non-oil economy is expected to have grown by 5% in 2023 according to the IMF, reflecting government policies and accelerating domestic demand. The Saudi government also aims to increase the kingdom’s population from 37 million (2022) to 50 million (2030) with 50% of the increase coming from non-Saudis, and will be changing freehold laws making it easier for expatriates to buy property, significantly boosting demand.

The Knight Frank survey of 1,014 Saudi national households suggests that 40% of respondents plan to buy homes in the next year, and 16% of these will be second homes**. A large proportion of those surveyed are expected to buy a branded residence in 2023, making Saudi Arabia one of the fastest growing markets for this segment. As branded residences are currently very limited, this represents an opportunity for Dar Global.

Riyadh and Jeddah are together expected to see real estate and infrastructure development projects worth over USD 200 billion by the end of 2030**. The Knight Frank report also identifies that construction of 550,000 residences and 330,000 hotel rooms are forecast for 2030, supported by plans to develop the world’s largest airport by passenger capacity, King Salman International Airport in Riyadh.

Opportunities for Dar Global

Dar Global’s team has an exceptional track record of developing luxury homes and an expanding distribution network of sales offices and brokers globally. It is well-positioned to take advantage of the growing, attractive segments of luxury second homes and luxury hotel markets, with its key global brand partnerships, and growing reputation for high-quality offerings.

* Source: Knight Frank Wealth Report 2023.

** Source: Knight Frank The Saudi Report 2023.

Our Strategy

Our vision

Our ambition is to become a top 50 global real estate developer.

Our strategy

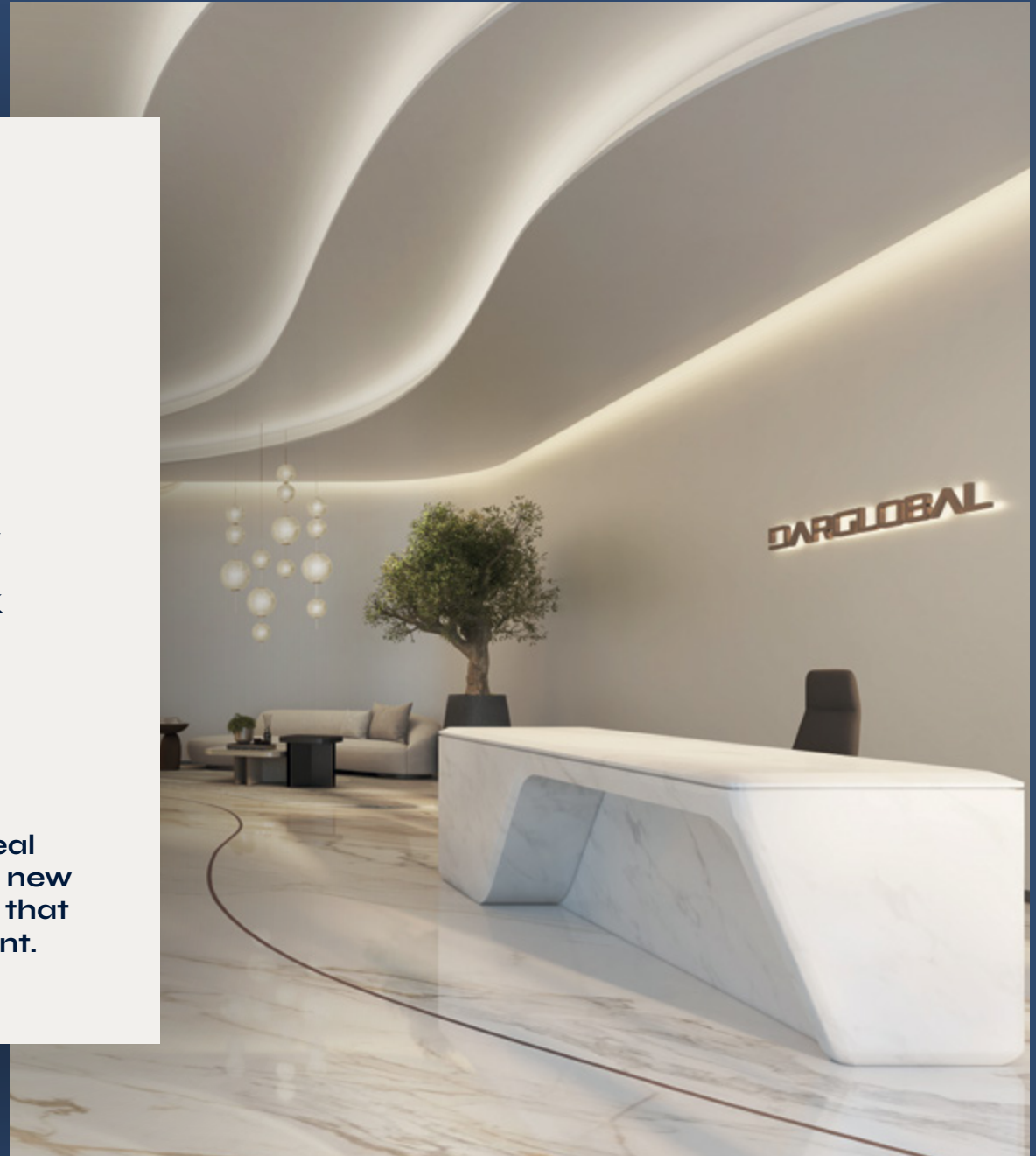
We are focused exclusively on developing luxury residential properties for HNWIs and UHNWIs in the most desirable locations across the GCC, UK and Europe.

Our goal



Our goal for Dar Global is clear: to be the first real estate company that addresses the needs of a new society of global citizens, with a luxury offering that is both great to live in and great as an investment.

Ziad El Chaar, Chief Executive Officer



Our Strategy continued



Strategic objectives

01

Focus on developing luxury second and vacation homes in prime locations

02

Grow our best-in-class sales and distribution network to target an expanding international group of HNWIs and UHNWIs

03

Collaborate with luxury brands to develop and market residential and hospitality real estate projects, and to deliver increased sales volumes at a premium over non-branded properties

04

Use our capital light business model to accelerate growth and drive higher returns – implemented through executing JDAs/JVs* and off-plan sales

Progress during 2023

- Asset acquisition at attractive valuations – Tierra Viva and Marea in Spain.
- Joint development agreements – AIDA in Oman, Les Vagues in Qatar, W Residences in Dubai.
- Refurbishments and repositioning existing assets – Old Park Lane in London and Da Vinci Tower in Dubai.
- Launch of own brand project – DG1.

- Opened new sales offices in four countries bringing the total to eight, with more than 80 sales professionals.
- Built direct relationships with brokers in over 60 cities globally.

- Long-term strategic partnership signed with Dolce & Gabbana with initial focus on the hospitality sector in the Maldives.
- Launched three new co-branded projects with Automobili Lamborghini, The Trump Organization and Missoni.

- Launched Phase 1 of AIDA – our largest project – developed under a JDA with the OMRAN GROUP (Oman Tourism Development Company), a local government entity.
- Delivered ROE of 23% for full year 2023.

Priorities for 2024

- Explore the potential of new markets such as Greece and Morocco.
- Achieve construction milestones on active projects: W Residences, DG1, Da Vinci Tower and AIDA.
- Acquire land plots in the UAE for development and sale of residential units.

- Expand global footprint with new offices in prime locations.
- Continue to grow our broker network.
- Ramp up our global sales effort and initiatives to accelerate customer collections.

- Handover of Urban Oasis Tower (Dar Global's first co-branded project with Missoni).
- Expand our range of luxury brand partnerships.
- Commence work on the hospitality phase of the AIDA project.

- Continue to seek joint development opportunities with strategic partners.
- Build a pipeline of projects to generate stable returns in the medium term.
- Launch our first project in Saudi Arabia.

* JDA: Joint Development Agreement
JV: Joint Venture

Our Business Model

We use our key strengths

Sourcing capabilities

Our agile approach includes JDAs and JVs with landowners to deliver lower land costs and higher returns on capital.

Diversified geographic exposure

Our real estate projects span multiple countries in the GCC, UK and Europe.

Cost discipline

In-depth project management skills combined with focused control of budgets.

Highly experienced management team

Over 65 years of experience within the executive team combined with the delivery of over 75 residential towers.

To create value through our well-defined strategy

Our focus on developing second and vacation homes in prime locations

Our capital light business model

Our collaboration with luxury brands to develop and market residential and hospitality projects

Our best-in-class sales and distribution network targeting the internationally mobile HNWIs and UHNWIs

Details on our strategy for growth can be found on p18 →

For our stakeholders



Customers



Investors



Our people



Brand partners



Communities

Details on our stakeholders can be found on p37 →

Our core activities

Land sourcing

Project planning

Sales and marketing

Project and construction management

Completion and handover

Portfolio Overview

A global hub

DUBAI, UAE

Dubai is known to be one of the best places in the world to live, work, vacation, and invest in. Its social, economic and service-friendly environment coupled with its title as the safest city in the world, offers residents and investors numerous advantages over other countries. Dubai is now one of the most attractive real estate markets to invest in, and has become a modern global hub.

Why Dubai

Dubai is an exciting location for prospective homeowners. In addition to an attractive golden visa scheme, Dubai has no income or property taxes and allows 100% ownership of freehold properties. In January 2023, Dubai announced D33, its plan to double the size of its economy over the next 10 years. As well as outlining a new roadmap for the Emirate to double its foreign trade and emerge as the world's fourth most prominent financial centre behind New York, London, and Singapore by 2033, this will drive population growth. The population is expected to approach 6 million, up from 3.5 million today, bringing with it the need for a significant increase in residential housing*.



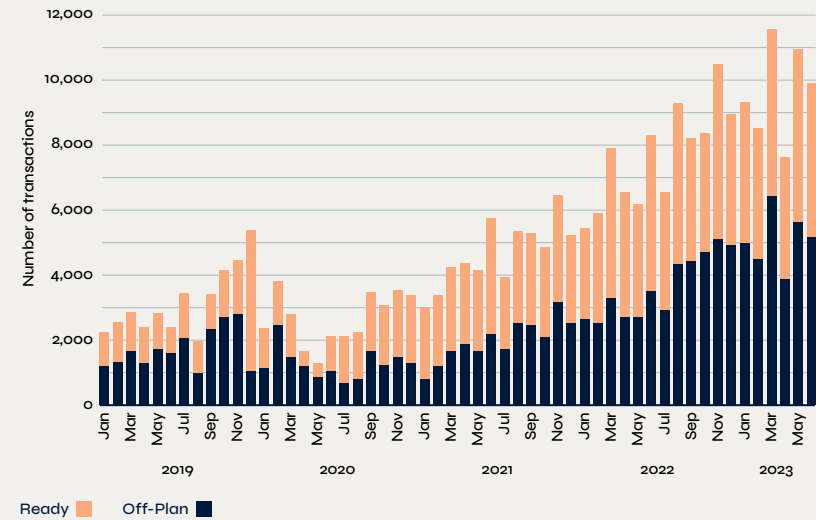
The Dubai luxury property market has seen exceptional growth in the number and value of transactions.

Market overview

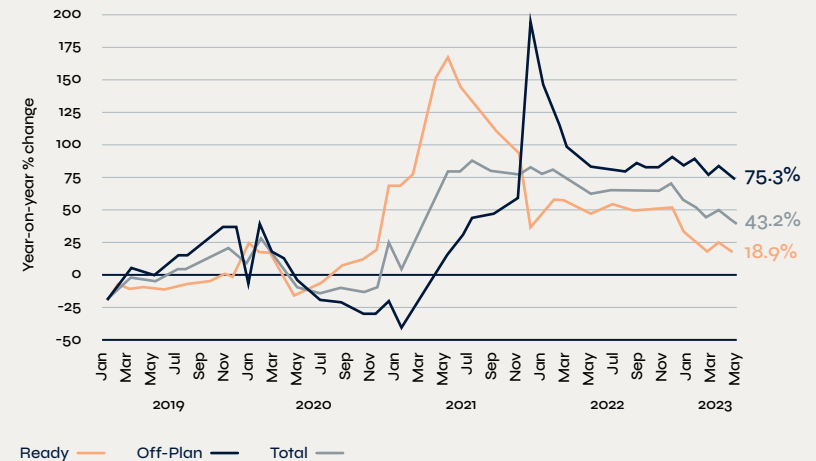
The Dubai residential market saw robust activity in 2022 and 2023, coming back from a dip during the COVID-19 pandemic. By September 2023, total transactions reached 87,163 (FY 2022: 90,881), reflecting very strong demand for property in the city.

* Source: Knight Frank Dubai Residential Market Review Summer 2023.

Dubai residential transactions



Dubai (all residential transactions) - cash vs. mortgage buyers



Source: CBRE Research/REDIN.

Portfolio Overview continued

This is the highest total on record over this period and the 2023 total is expected to have exceeded 2022 transactions. This growth has been underpinned by a 55% growth in off-plan transactions and 19% growth in secondary market transactions*. As well as strong volumes of transactions, the UAE, in particular the Dubai residential market, has seen strong price growth with prices climbing 44% in 2022**.

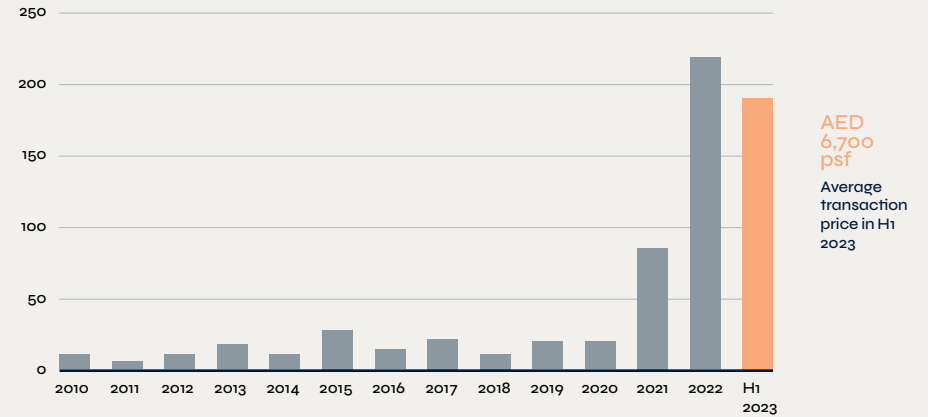
This is particularly evident in the high-end segment of the market where inventory is limited, resulting in the number of transactions over USD 10 million reaching 188 in H1 2023, and the full year figure is likely to have substantially exceeded the 2022 total of 224. Cash purchasers continue to dominate, accounting for c. 80% of the total value of all transactions in Q2 2023. The relatively high and persistent level of cash purchases is indicative of the depth of demand for homes in Dubai, a strong reflection of the HWNI nature of the buyers***.



URBAN OASIS TOWER

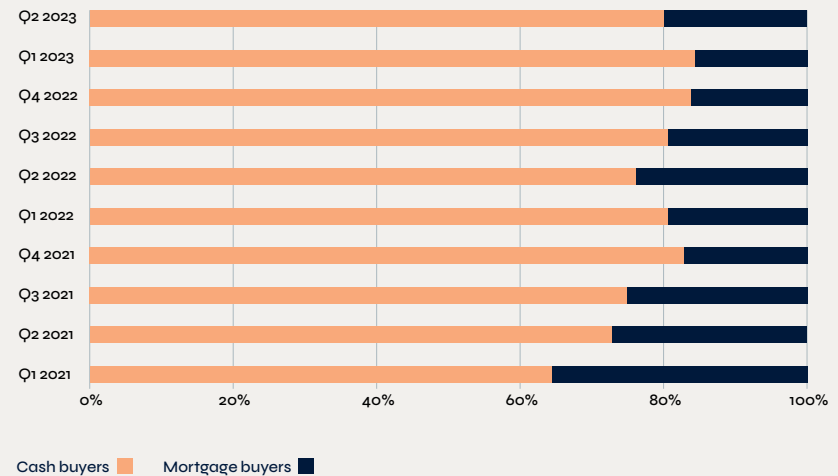
* Source: CBRE UAE Real Estate Market Review and Outlook Q3 2023.
 ** Source: JLL The UAE Real Estate Market Overview Q3 2023.
 *** Source: Knight Frank Dubai Residential Market Review Summer 2023.

Number of USD 10 million + transactions in Dubai



Source: Knight Frank, REIDIN.

Dubai (all residential transactions) - cash vs. mortgage buyers



Source: Knight Frank, Property Monitor.

Portfolio Overview continued

Our projects in Dubai

Urban Oasis Tower



The Urban Oasis Tower is a 34-storey residential development located on the Dubai Canal and will contain bespoke apartments with interiors designed in collaboration with Missoni, the Italian luxury fashion designer.

Status
Pre-completion

Scheduled completion
March 2024

Launched
Q4 2021

467
No. of units

MISSONI

Da Vinci Tower



Da Vinci Tower is a residential building in Downtown Dubai featuring interiors designed by Pagani, the Italian luxury car manufacturer. The original asset was acquired in Q4 2021 and a full interior refurbishment to a luxury standard is underway.

Status
Undergoing interior refurbishment

Scheduled completion
December 2024

Launched
Q4 2022

85
No. of units

PAGANI

Portfolio Overview continued

Our projects in Dubai

W Residences



Situated in Downtown Dubai with views of the iconic Burj Khalifa, W Residences is a 49-floor high residential building close to many of Dubai's major landmarks.

Status
Under construction

Scheduled completion
June 2026

Launched
Q1 2022

383
No. of units



DG1



Located directly by the canal in Downtown Dubai, DG1 is a 20 storey tower set to create a new benchmark in Dubai's luxury living space, with its distinctive architecture.

Status
Pre-sales

Scheduled completion
December 2026

Launched
Q1 2023

223
No. of units

Portfolio Overview continued

A new investment destination for global investors

OMAN

Oman is quickly becoming one of the most prominent cultural hubs in the region and is rapidly becoming a prime investment destination due to its attractive benefits. From its favourable tax environment and its strategic location as a gateway to the Middle East and Africa, Oman offers countless opportunities for businesses to grow and thrive.

Why Oman

Oman has a stable, growing economy and is one of the safest countries in the world. Ideally located with easy access to Africa and the Indian sub-continent, it is home to a vibrant expatriate and investor community with over 100 nationalities represented. The Government is aiming to build a tourism hub to capitalise on the massive potential for growth over the next 15 years. Similar to Dubai, Oman offers a golden visa giving lifetime residence with 100% freehold ownership for all property investors (no minimum threshold). Personal, inheritance and capital gains taxes are zero, alongside a series of tax incentives for foreign investment including a 25-year exemption from corporate income tax (only applicable to the special economic zone) and a lifetime residency visa for project investors.

Market review

The residential real estate market in Muscat, Oman has seen steady growth over recent years, with a focus on developing new residential projects. More recently, land prices in the Sultanate reportedly rose by an average of c. 15% in Q2 2023 compared with Q2 2022, driven by a 6% rise in the price of residential units*. The expatriate population, one of the major drivers of residential demand witnessed an increase of 5.6% from the start of the year until August 2023. The number of expatriates within the Muscat governorate meanwhile is reported to be at 890,368. This increase of expats has led to a positive impact on the demand for residential buildings. Further demand is supported by Omanis who are predominantly located outside of Muscat, travelling to the capital for work and higher education purposes.

* Source: Hamptons International, Muscat Real Estate Market Overview, Q3 2023.

“”

Residential market growing steadily

AIDA



The AIDA project in Oman is a 3.5 million sqm mixed-use development on the clifftops in Muscat. It represents c.50% of Dar Global's total GDV and is expected to be developed over the next 8-10 years, with one phase launching each year. The master plan includes a Trump International golf course and club house and 450 luxury hotel rooms. Phase 1 saw the launch of 616 residential units.

Phase 1 Status

Pre-sales

Scheduled completion

March 2027

Launched

Q1 2023

616

No. of units in Phase 1

TRUMP
THE TRUMP ORGANIZATION

Portfolio Overview continued

“”
Buyer appetite remains strong

A leading destination in Europe

SPAIN

Spain is considered one of the most attractive countries for real estate investments on the European continent, especially along its southern coast. Its privileged geographic location is ideal for living and international business, as it connects Europe, South America and the African continent.

Why Spain

According to the IMF, the Spanish economy is expected to have grown at a more moderate 2.5% in 2023, compared to 4.8% in 2022 which marked its recovery from COVID-19*. In line with the rest of Europe, the main economic risks include the impact of higher interest rates. Despite this, the Costa del Sol region of Spain remains an active market for overseas buyers with 70% of homes purchased by international buyers**.

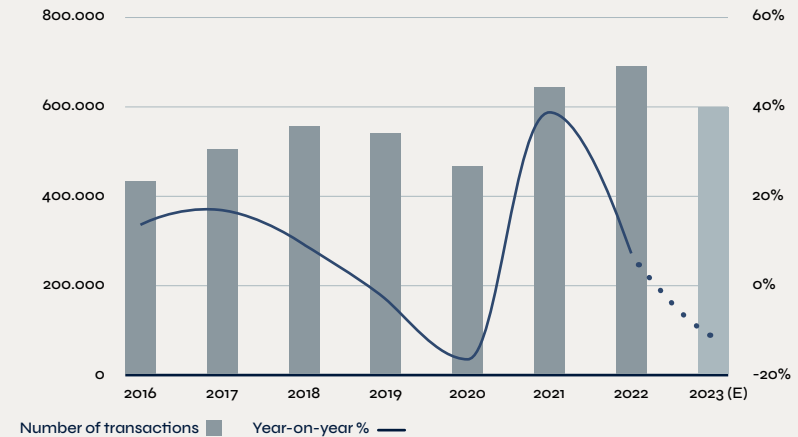
Market review

Spain has seen strong demand for property, with the number of transactions in 2022 hitting a record high for residential units. Although transactions are expected to have decreased by 10-15% in 2023 due to higher interest rates and their impact on

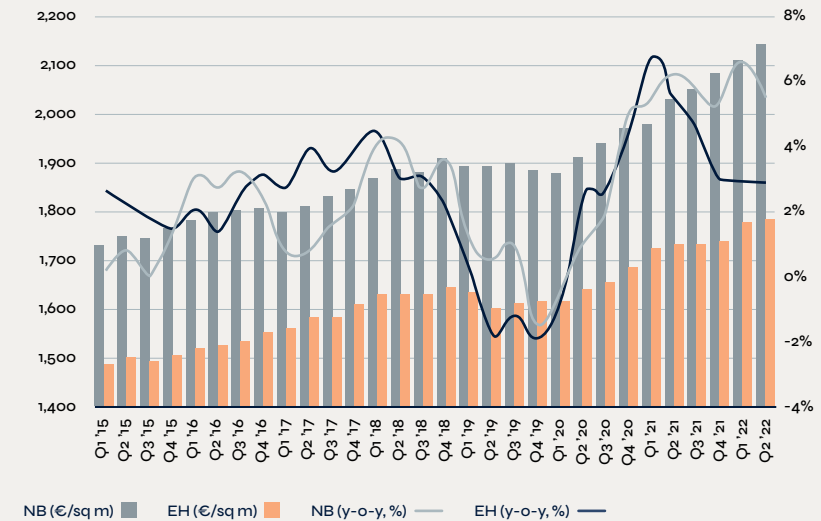
mortgage costs, in our target region – Andalucia – 45% of purchasers are cash-buyers according to the Malaga Property Observatory, OMAU, and is hence less influenced by changes in interest rates.

Despite this, prices continue to rise, albeit at a slower rate than in the past. The new build market remains robust with average new build prices increasing to €2,110/sqm (up 6.6%) with Andalucia experiencing one of the highest average growth rates at 4.8%. This region includes the Costa del Sol where three of Dar Global’s projects are situated. We continue to see a healthy underlying demand from our target market, with 15% UHNWIs considering a property purchase in key hubs with Spain amongst the favourite destinations***.

Total number of transactions in Spanish real estate market 2016–2023 (E)



New build (NB) and existing houses (EH) prices in Spain



Source: Research Knight Frank | Ministry of Public Works.

* Source: IMF, Data mapper October 2023, Real GDP Growth.
 ** Source: Spain’s Notaries’ Association.
 *** Source: Knight Frank Global branded residences report 2023.

Portfolio Overview continued

Our projects in Spain

Tierra Viva



Tierra Viva is our first project in continental Europe. Launched in June 2023, in conjunction with the legendary Automobili Lamborghini, it includes 53 grand villas overlooking the Mediterranean sea, close to Marbella, an up-market resort on the Costa del Sol.

Status
Pre-sales

Scheduled completion
December 2026

Launched
Q2 2023

53
No. of villas

automobili
Lamborghini

Marea



Marea, our second project in Spain was unveiled in August 2023, with interiors designed by Missoni. This project is located in one of the most sought-after enclaves of the Andalusian coast, not far from the Finca Cortesin resort which has an 18-hole championship golf course rated among Spain's best golf courses.

Status
Pre-sales

Scheduled completion
June 2027

Launched
Q3 2023

64
No. of units

MISSONI

Portfolio Overview continued

Our projects in Spain

Manilva (Tabano)



In September 2022, Dar Global acquired six plots of land in the municipality of Manilva in the province of Malaga on the border with the province of Cadiz in southern Spain. The plots are located approximately 45 minutes from Marbella by car and are close to one of the top polo destinations and one of the best beach areas of Costa del Sol.

The Tabano project is currently in the early permitting stage and is expected to be completed in December 2029. Consultants have been appointed for the development of the concept master plan and associated infrastructure plan.

4,650,092 m²

The total land area of the Tabano project

Portfolio Overview continued

The beacon of the region

QATAR

Within a short period of time, the State of Qatar has made great strides. It has championed culture, education, healthcare, infrastructure and technology, resulting in a nation that is diverse and rich in experiences, such as the successful hosting of the FIFA World Cup in 2022.

Why Qatar

As a resource-rich country, Qatar has the third largest proven gas reserves in the world, after Russia and Iran*. By contrast, it is a small country with a population of only 2.7 million in 2023**. Government incentives towards investments and second homes are increasing international interest following a successful FIFA World Cup 2022 and the introduction of a new law loosening foreign property ownership rules in 2020. These included an increase in the number of locations in which non-Qataris can purchase real estate and the introduction of two real estate-related residency programmes. Residency permit is granted on a property investment worth at least QAR 730,000 (c.USD 200,000) and free education and healthcare benefits are added for property investments worth at least QAR 3,650,000 (c. USD 1 million). In 2023, the government introduced a new Real Estate



A stable economy with one of the highest per capita GDPs in the world

Regulatory Authority to streamline the sector, providing information to help investors make informed decisions and linking in other government agencies to ensure the sector operates smoothly. In line with other GCC countries, Qatar has low taxation rates and zero tax on property income. With its stable economy and strong international travel connections through Qatar Airways, Qatar is well positioned to attract investment from HNWIs into residential property.

No. of residential real estate sales transactions in Qatar
Jan 2018 – Feb 2023



Source: Cushman & Wakefield.

Market review

The housing market in Qatar currently faces some headwinds as demand moderates against a limited oversupply in the market post the construction boom in the run up to the 2022 FIFA World Cup. This supply-demand imbalance, coupled with rising interest rates, have contributed to a shrinking mortgage market and declining number of home sales. The total number of residential sales transactions fell by 36% over the 12-months to Q2 2023, while the value of residential transactions declined by 24% over the same period.

After adjusting for the one-off effect of the FIFA World Cup, housing transactions were stable and the Doha and Al Rayyan municipalities recorded the highest volume of residential transactions during the second quarter of 2023. Findings from the Knight Frank 2023 Destination Qatar report, which analyses results of a survey of Qatari HNWIs shows that Lusail is the most preferred residential investment target, with an average budget of USD 1.8 million***.

* Source: British Petroleum, Statistical Review of World Energy 2021.

** Source: Worldometer Nov 2023.

*** Source: Knight Frank Qatar Real Estate Market Review Summer 2023.

Portfolio Overview continued

Our project in Qatar

Les Vagues



Les Vagues is the first ever residential project in Qatar with interiors designed by world renowned fashion icon, Elie Saab. The project is located on the Qetaifan island within Lusail and features 303 opulent sea-front residences of one, two and three-bedroom apartments.

Status

Under construction

Scheduled completion

Q1 2027

Launched

Q4 2022

160/303

Launched units/
Total no. of units

ELIE SAAB

Portfolio Overview continued

A major global city

London, United Kingdom

London is one of the world's major global cities; diverse in culture, steeped in history and one of the biggest financial centres in the world. London is also the most visited city in Europe.

Why London

Prime central London, where Dar Global operates, has a number of factors which differentiate it from the wider housing sector. More than half of all owner-occupier homes in this area have no mortgage and cash purchases make up a large proportion of sales, so it is likely that the recent mortgage rate volatility will have less of an impact than in other parts of the United Kingdom.

Market review

As well as being less reliant on debt to fund purchases, the prime central London market benefits from its appeal to both a domestic and international audience. Data from Heathrow Airport indicates that the number of people arriving at the airport increased in Q2 2023 when compared with the same period the previous year. Specifically, the number of travellers from the GCC and from North America have risen in double digit percentage terms. The sterling continues to strengthen and recover from the lows of 2022, but it still offers

“““

A major financial centre

good value for overseas buyers using non-sterling currencies for their purchases. Dollar-based investors are now paying 35% less than they were in 2014, due largely to favourable exchange rates, while Chinese investors are paying 24% less. Whilst uncertainty surrounding the short-term economic outlook and recent tightening in monetary policy are impacting London house prices, which witnessed a 2.4%* annual decline in 2023, the fundamentals of prime central London continue to look favourable over the coming years.

Old Park Lane



Situated on the corner of Old Park Lane and Piccadilly and overlooking Green Park, 149 Old Park Lane is a sophisticated landmark building with an important role in London's architectural heritage.

Status

Pre-completion

Scheduled completion

Q1 2024

Launched

Q4 2022

1

No. of units

* As per Nationwide's House Price Index (HPI).

Portfolio Overview continued

Our projects in the United Kingdom

8mins-to-Central



Situated only minutes from central London on the new Elizabeth underground line, this is a low-rise building housing meticulously designed apartments.

Status
Under construction

Scheduled completion
June 2024

Launched
Q2 2023

9
No. of units

Oh So Close



Located within the leafy community of West Ealing, this project comprises of two 3-storey houses divided into luxury flats.

Status
Under construction

Scheduled completion
June 2024

Launched
Q2 2023

17
No. of units

Risk Management

As with any business, we expose ourselves to risk in pursuing our strategic priorities to create value for stakeholders.

The risks facing the Group could have a material adverse effect on the implementation of the Group's strategy, business, financial performance, shareholder value, returns, and reputation. During 2023, we reviewed and modified our Group Risk Management Framework and Risk Policy providing a more robust approach. We integrated climate-related risks, and further strengthened our ability to identify, assess and mitigate potential adverse impacts for our stakeholders.

Under the new framework, the Company's risks are categorised under two broad headings:

- Strategic and financial risk: impacting the Company's profitability, solvency and liquidity. It is affected by exposure to economic cycles, interest rates, geopolitical risk, market risk and credit risk. Management of these risks is driven by high-level decision-making on strategic direction, composition of our capital, target asset allocations, and treasury management.
- Operational risk: covers risks including construction risks, operational risk in the back-office, third party risk, climate risk, reputational risk, and regulatory compliance related risks. These risks are generally managed by front line employees.



During 2023, we reviewed and modified our Group Risk Management Framework and Risk Policy providing a more robust approach.

Dar Global's risks

Strategic and financial risk

Strategic risk, economic cycle risk, market risk, credit risk, political risk, investment risk, solvency risk and liquidity risk

Operational risk

Construction, resilience, cyber, third party, legal, people, environmental, financial crime, reputational, regulatory compliance

Our approach to risk management combines a top-down strategic review of risk appetite limits by the Board, and a bottom-up review and reporting of risk by senior management. The roles and responsibilities of the Board and management in the identification and management of risk are summarised below.

Governance

The Board has the overall responsibility for risk oversight, for ensuring there is a robust risk management and internal control system, and for determining the Group's appetite for exposure to the principal risks that could impact the Group's ability to achieve its strategy. The Audit and Risk Committee supports the Board in the oversight and management of risk and is responsible for reviewing the effectiveness of the risk management and internal control processes during the year. The CEO is primarily responsible for the day-to-day management of these risks, with the support of the leadership team and other senior managers located throughout the business. The Risk Management department provides guidance on the standards for assessing and reporting risks and provides review and challenge to the business. Updated policies underpin a formal annual risk assessment with particular focus on the principal risks to ensure they remain appropriate for the control of the business. This assessment also includes a review of key and emerging risks identified by the management team and consideration of relevant mitigating factors.

Risk appetite

The risk appetite statement is agreed annually by the Board detailing risk appetite and tolerance levels for the Group. In setting these, the Board considers the expectations of its shareholders and other stakeholders whilst recognising the cyclical nature of the business.

Identification of risks

Our risk management framework defines the procedures to identify, manage and mitigate the risks inherent to the business, and provides reasonable assurance against material misstatement or loss. In determining the risks faced by our business, consideration is given to both internal and external factors and emerging risks, in addition to the timeframe in which such risks might occur. The register documents both the inherent risks before consideration of any mitigations and residual risks after consideration of effective mitigations.

Evaluation of risks

A risk scoring matrix is used to ensure risks are evaluated on a consistent basis. Our matrix considers likelihood based on probability of occurrence and impact on the business, based on financial, reputational, customer, health and safety, employee, environmental, operational, legal and regulatory perspectives. Each risk is evaluated over an appropriate timeframe at the inherent and residual levels and considered for inclusion in our principal risks, with residual risks assessed against our risk appetite. Our bottom-up risk assessments consider emerging risks that could potentially impact the Company's risk profile, but cannot be fully defined as a specific risk at present.



Our risk management framework defines the procedures to identify, manage and mitigate the risks inherent to the business, and provides reasonable assurance against material misstatement or loss.

Risk Management continued

Management of risks

Ownership and management of individual risks is assigned to senior management as appropriate. They are responsible for reviewing the design and operating effectiveness of the internal control systems, for considering and implementing risk mitigation plans and for the semi-annual review of identified risks, which is reported to the Board Audit and Risk Committee.

Executives and the Board

Business

Strategy & capital planning

Risk

Level and type of risk

Risk appetite

Management

Top-down

↓ Policies, risk appetite limits with Board oversight

Bottom-up

↑ Monitoring and reporting

Front Line

Business processes and decision-making

Operational limits, risk assessments

Overall assessment

The Board has carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity.

The Group is willing to accept a moderate level of operational risk, consistent with the norms of our industry and in line with the practices of our peers, to deliver acceptable financial returns for the business.

To ensure the Group's business model remains financially resilient over time, management has chosen a two year horizon to model risk scenarios alongside achievable mitigating actions. The results are presented in the Viability Statement on page 36.

“““

To ensure the Group's business model remains financially resilient over time, management has chosen a two year horizon to model risk scenarios alongside achievable mitigating actions.

Risk Management continued

Principal risks and uncertainties

Strategic and financial risk

Risk description	Remediation / Mitigation
1. Property market cycles and interest rates	
Changes in macroeconomic environment or tightening of financial conditions may lead to falling demand through a reduction in the wealth of our target affluent customer demographic. This could result in reduced sales volumes and affect our ability to provide profitable growth.	<ul style="list-style-type: none"> – Critical assessment of target location and underlying demand. – Conservative deployment of capital. – Joint venture agreements for suitable land and partners. – Frequent review of pricing. – Strong relationships with key brokers. – Geographical diversification.
Availability of suitable land at appropriate cost is also strongly impacted by property market conditions, and the incorrect timing of purchases could impact future profitability.	
2. Capital availability and solvency	
Lack of sufficient financing may restrict our ability to respond to changes in the economic environment, and take advantage of appropriate land buying and operational opportunities to deliver strategic priorities.	<ul style="list-style-type: none"> – Disciplined capital management. – Secured funding lines for future opportunities. – Strong and supportive majority shareholder.



Our disciplined capital management, secured funding lines for future opportunities and strong and supportive majority shareholder can help us mitigate any capital risks.

Strategic and financial risk continued

Risk description	Remediation / Mitigation
3. Political risk	
Significant political events locally and globally may impact Dar Global's business as customers may be reluctant to make purchases due to uncertainty, sanctions may cause supply chain disruption, and changes in local laws may increase costs or cause delays to projects.	<ul style="list-style-type: none"> – Diversification across several jurisdictions, with the majority considered safe havens by wealthy investors. – Conservative capital policy enables management to tolerate lower sales volumes and avoid steep price cuts.
Operational risk	
4. Contractor ability to deliver on time with high quality/low defect	
Failure to achieve excellence in construction, such as late completion of works, design and construction defects and deviation from environmental standards, could expose the Company to future remediation liabilities, and impact future sales through reputational damage.	<ul style="list-style-type: none"> – Rigorous contractor due diligence. – Legally binding contractual terms. – Stringent quality assurance through build programme oversight by both Dar Global engineers and independent consultants.

Risk Management continued

Principal risks and uncertainties continued

Operational risk continued

Risk description	Remediation / Mitigation	Risk description	Remediation / Mitigation
<p>5. Legal risks: joint venture and branding</p> <p>Differences in interpretation of goals, roles, and responsibilities of each partner. Underperformance by one or more parties, or a change in control/ financial stability of one of our partners may lead to protracted delays in executing and legal recourse, which could result in large losses and reputational damage to Dar Global.</p>	<ul style="list-style-type: none"> – Extensive due diligence on all partners. – Contractual agreements detailing roles, responsibilities and performance requirements, defined through pre-agreement discussions to effectively address and allocate ownership of risks and potential liabilities between parties. – Effective, frequent communication and updates to all relevant parties throughout the life of each project. 	<p>7. Cyber and data risk</p> <p>The Group places significant reliance upon the availability, accuracy, and confidentiality of all of its information systems and data. It could suffer significant financial and reputational damage from corruption, loss or theft of data.</p>	<p>To address the residual risk, the Group:</p> <ul style="list-style-type: none"> – Initiated a comprehensive Information Security Programme to complement existing controls, addressing any vulnerabilities and implementing best practices with the support of specialist external third parties. – Deployed multi-factor authentication on key platforms. – Uses cloud-based services reducing centralised risk exposure.
<p>6. Labour standards and health & safety</p> <p>Health and safety, or environmental breaches can impact Dar Global's employees, subcontractors and site visitors, and result in reputational damage, criminal prosecution, civil litigation, increased cost and delays in construction.</p>	<ul style="list-style-type: none"> – Robust health and safety procedures for all construction sites. – Regular health and safety monitoring, external audits of all sites, and regular management reviews. – Contractual requirements for all subcontractors to abide by high standards of safety. 	<p>8. Employee relations</p> <p>Increasing competition for skills may mean we are unable to recruit and/or retain the best people. Together with a failure to consider the retention and succession of key management could result in a failure to deliver our strategic objectives, a loss of corporate knowledge and competitive advantage.</p>	<p>An initiative is underway to enhance:</p> <ul style="list-style-type: none"> – Succession and leadership training. – Personal development plans. – Monitoring attrition rates, attendance and feedback from exit interviews.



We have robust health and safety procedures for all construction sites along with regular health and safety monitoring and external audits of all sites.

Viability Statement and Going Concern

Going Concern

On 28 February 2023, the Company raised USD 72 million of new equity by way of a private placing before expenses in order to invest in new projects, fund working capital and to support continuing development work. On 28 February 2023 Dar Global was admitted to the standard listing segment of the Official List of the FCA and to trading on the London Stock Exchange's Main Market for listed securities.

The Board, having regard to the Group's forecasts and projections which are based on the current trends in sales and development, and after taking account of the funds currently held, the available facility including the undrawn portion of USD 136 million at year end (refer to note 18) have concluded that the Company and the Group will be able to operate within the level of available resources. The directors have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue to be in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

Viability Statement

In accordance with the 2018 UK Corporate Governance Code, the Directors and senior management have assessed the prospects and financial viability of the Group over a period longer than 12 months, considering both its current position and circumstances, and the potential impact of its highest severity principal risks.

For the viability statement, the Directors consider that a two-year review period is appropriate given the level of maturity of the Company. The Group considers a wide range of information relating to present and future business conditions, including those impacting on expected profitability, cash flows, and funding requirements.

The Group continues to be subject to its principal risks, which are detailed alongside mitigations on pages 34 to 35. This Viability Statement considers the effect plausible risks that could have the highest impact on its longer-term prospects and ability to meet its targets in current market conditions over the review period.

This assessment included a reasonable worst-case scenario in which the Group's principal risks manifest to a severe but plausible level. The current economic environment presents significant macroeconomic uncertainties, most notably around rising inflation and interest rates and their consequent impacts on global economic growth, as well as investor confidence and spending. Therefore, the downside scenario used in the assessment is Property market cycles and interest rates risk, which was considered the category whose combination of underlying risks carry the greatest threat to the Group's resilience. The Group considered a range of sensitivity analyses for the following downside scenario:

- Economic and property market downturn from the continued higher interest rate environment, resulting in the following deviations from forecasts:
 - a material decrease in sales and
 - a significant slowdown in collections.
- Sustained higher than expected inflation rates and supply chain tightness despite the downturn resulting in higher than expected construction costs.

Through its geographic diversification, asset light model, conservative deployment of capital and strong parent support, the Group is able to operate under the described scenario within its current facilities and meet its liabilities as they fall due in the assessed period, and the Group will maintain adequate working capital throughout the viability review period.

The Group has a range of additional options to maintain its financial strength, including a reduction in overheads and flexibility to slow down in work in progress in line with the fall in expected sales; these changes would not prevent the Group's ability to seek attractive new investment opportunities and grow over the long term.

Based on results of the analysis, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the two-year period of their assessment.

Section 172 Statement

Engaging with our stakeholders

Engagement with stakeholders

We believe that taking into account the views of our key stakeholders is critical to the long-term success of the business. We engage with all of our stakeholders to understand what is important to them.

Understanding the views and interests of our stakeholders helps the Board make responsible and balanced decisions, as well as develop and undertake risk assessments throughout the year. In doing so, we aim to generate long-term value for our shareholders on contributing to the wider society by building strong and lasting relationships with our other key stakeholders.

We consider our key stakeholders to be our people, our brand partners, our communities and their environment, our suppliers and our shareholders. Working closely with our stakeholders is an integral part of our business model and strategy. The primary ways in which the Board engages directly or delegates responsibility for engagement to management are set out below.

Our people

Our people are the heart of our organisation, driving our success and shaping our future. During the year under review the Remuneration Committee has worked on implementing a Remuneration Policy for executive management. Further details of the Company's approach to remuneration can be found in our Directors' Remuneration Report on page 63, which is intended to ensure equitable remuneration across the Company and improves value for employees.

Our brand partners

We partner with iconic luxury brands with universal appeal, who collaborate with us to deliver exceptional and highly desirable living experiences. An integral part of this is fostering good relationships with our partners to ensure we can deliver exclusive, breathtaking living experiences.

Our communities and environment

Our projects flourish with their surrounding communities. By contributing to positive social impacts, we create value for our stakeholders' local communities, whether providing space to local businesses, improving local areas or minimising the environmental impact of buildings themselves.

Our customers

We aim to address the needs of a new society of global citizens who are looking to live in properties we develop or own them as a great investment.

Customer engagement is crucial to foster loyalty and drive business growth. By actively involving our customers in meaningful interactions we can build trust, increase brand reputation and gain valuable insights. Engaged customers are more likely to make repeat purchases and become advocates for our brand.

Our shareholders

We rely on the support of our shareholders, and their views on how we deliver long-term success for the business are important to us. The Chairman and Chief Executive Officer have made themselves available for engagement with shareholders and any appropriate feedback is reported back to the Board. Such feedback may cover various aspects including operational matters, financing strategy and dividend policy. Other Non-Executive Directors may engage with shareholders on specific matters as appropriate. The Directors will attend the Annual General Meeting to meet with shareholders and to answer any questions they may have.

The following pages set out our key stakeholders and how we effectively engage with them.

We aim to generate long-term value for the shareholders whilst working on contributing to the wider society by building strong and lasting relationships with our other key stakeholders.

Section 172 Statement continued

Our key stakeholders

We foster an open and collaborative management style, actively engaging our employees through a variety of formal and informal avenues.



Our people

Our people's dedication, expertise, and passion are essential to executing our strategy, fostering our vibrant culture, and creating enduring value for our stakeholders.

What matters to them

- Safe and healthy working environment.
- Diverse and inclusive culture with strong leadership.
- Competitive and fair pay and benefits.
- Opportunities for professional development and career progression.

How we engage

We foster an open and collaborative management style, actively engaging our employees through a variety of formal and informal avenues, including:

- An internal communications platform that includes newsletters for announcing new additions to the team and business updates.
- Regular team meetings to provide feedback, set goals, and track progress.
- Our senior management team regularly evaluates employee turnover data and considers actions to mitigate this.
- Offering opportunities for career growth where employees are evaluated and supported for improvement.
- Conducting feasibility studies in preparation to launch a 'pay for innovation' scheme.



Our brand partners

Our brand partners, along with our employees, are instrumental in fulfilling our commitment to our customers. Their contribution and expertise are critical to delivering our business objectives. Building robust and enduring relationships with our brand partners ensures the consistent delivery of exceptional quality and truly unique living spaces, ultimately benefiting all stakeholders.

What matters to them

- Long term, collaborative, trusted relationships.
- Exclusive agreements to work on specific projects and locations.
- Aligned business objectives and shared values.
- Fair and mutually beneficial business agreements.
- Increasing brand awareness and strengthening their client relationships.

How we engage

- Management lead open and collaborative relationships with our brand partners.
- We reliably deliver on our commitments in line with the brand's high standards, coordinating through frequent communication and updates to all relevant parties throughout the life of each project.
- We engage closely with our brand partners, ensuring alignment of our project marketing with their brand image and values.



Our communities

Our projects flourish with their surrounding communities by contributing to positive social impacts, we create value for our stakeholders.

What matters to them

- Enhanced overall well-being of all who dwell in the communities where our projects are located.
- Contribution to the local economy and provision of employment opportunities.
- Investment in local infrastructure and services available to all residents of the communities.
- A commitment to protect the environment, reduce emissions and waste and help support sustainable lifestyles.
- Planning for open spaces considering unique site characteristics, climate and cultural aspects of the local environment.
- Integrating native plants, local materials and colours as well as regional design elements to harmonise with the surroundings.

How we engage

- We actively seek the views of local communities in developing a tailored planning and community engagement strategy for each of our projects across the various regions.
- We are committed to making a long lasting positive social impact in our communities by collaboratively addressing local priorities.
- We oversee the safety and security of all of our project sites, including the handling of emergencies.
- Post completion and handover of our projects, we plan to organise events which will engage residents around national holidays and key occasions celebrated locally.

Section 172 Statement continued



Our customers

Our customers are at the core of our business, and our success is inextricably linked to our ability to deliver homes that exceed their expectations.

What matters to them

- Exclusive and unique living spaces that satisfy their bespoke needs and requirements.
- Smooth sales process with dedicated attention to each customer.
- Excellent customer service and post sales care.
- Highest quality product, delivered on time and meeting the exact specifications as agreed.

How we engage

- We communicate regularly with our customers to ensure we deliver a best-in-class service.
- We only engage with the highest quality development contractors, brand partners and interior designers to ensure the quality of the homes built fully satisfies our customers' requirements.
- We closely monitor build schedules to regularly update customers on progress made on the delivery of their new homes.
- We personalise our interactions with all our customers, tailoring our communications to their specific needs and preferences.
- As we proceed to complete our first project in Dubai, we are focusing on creating a bespoke experience for each of our customers who has purchased a home.
- Throughout the process, from purchase to customers moving into their new homes, and post-sales, we actively seek customer feedback and use it to drive continuous improvement.



Our shareholders

Our shareholders help facilitate access to capital as well as playing a key role in shaping our strategy.

What matters to them

- Focused strategy and business model adapted to the prevailing macroeconomic environment and global megatrends.
- Financial returns and optimal use of capital.
- Strong leadership and corporate culture.
- Appropriate and evolving risk management and governance structures.

How we engage

- We have an extensive investor relations agenda to ensure both existing and prospective shareholders are regularly engaged through:
- Meetings, roadshows and telephone and video calls.
 - Regulatory reporting including full and half year results, the Annual Report and ad hoc business updates.
 - Site visits and management meetings.
 - Upcoming inaugural Annual General Meeting.



Sustainability

We aim to integrate responsible practices throughout all aspects of our business, allowing us to contribute positively to society and generate long-term value for our stakeholders.

We are committed to operating our business in a responsible manner, creating a supportive and inclusive workplace for our people, and engaging with our supply chain to deliver positive outcomes for our stakeholders.



Customer and build quality

We aim to continuously improve the high standards we set ourselves in satisfying our customers by ensuring our quality assurance processes are embedded at every stage of the build. We invest in training and process improvements to ensure consistently high standards and we prevent quality issues through inspections throughout the build process.

Quality

- We have a dedicated team of quality assurance professionals to train site teams that verify the consistent delivery of high-quality dwellings. In addition, there are regular site visits and inspections conducted by the technical team to ensure the quality of our product is maintained and in compliance with design documents.
- Our approach to construction underpins the basis of our designs, procurement strategy, and operational requirements, and aims to deliver high-end differentiated products across geographies.
- Project teams, supported by local product quality managers who are acting as our resident engineers, monitor the quality of our product from the early stages until handover. They actively coordinate updates with Customer Relationship Managers to ensure customer feedback is addressed.
- Building safety protocols fully comply with local authorities' requirements and international standards. We carefully appoint qualified architects of record, and third-party fire, life, and safety engineers to ensure full compliance throughout the project lifecycle.
- Our supply chain engagement ensures third-party materials are properly fitted.

Customer care

- Accurate forecasting of handover dates, which are planned from project initiation, is closely monitored by our planning team to mitigate delays and report accordingly.
- Our customer relationship management approach effectively manages all customers' accounts and ensures robust customer engagement, encompassing strategies, technologies, and practices to analyse and manage customer interactions throughout the customer lifecycle.

Product sustainability alignment with customer expectations

- Reduction in running and maintenance costs through selection of high specification materials, equipment and finishing that enhances durability and minimises operational cost required post-handover to our customers.
- Communities are planned to provide for sufficient social infrastructure including programmed open spaces within walkable catchment from residential uses.

Sustainability continued



Supply chain

Our supply chain partners play a pivotal role in supporting our business to effectively implement our strategy and sustainability performance. Supply chain collaboration is critical in tackling major environmental and social issues. We continue to seek to improve our understanding of supplier actions taken to mitigate risk and how our supply chain can support us in delivering a sustainable future through:

Best practice

- Procurement excellence through standard operating procedures, in line with international standards and industry best practices.

Collaboration

- Integrated project planning, and ongoing communication at the project and delivery team level, to best coordinate delivery and tackle challenges in a timely manner, mitigating risk of delays.

Value creation

- Tender process, key topics, technical scoring and evaluation.
- Enhanced due diligence, site and vendor checks for manufacturing and construction.

Materials

- Criteria including technical compliance, quality, sustainability, health & safety and competence.
- Product safety standards and enhancement of our practices.
- Use of locally available and resourced materials.

Human rights

- The Group takes a zero-tolerance approach to any form of breach in human rights laws, including forced labour and child labour. We are committed to ensuring our activities and management of supply chain are in full compliance with the Modern Slavery Act by 30 June 2024. We are in the process of strengthening our internal compliance processes through the development of a human rights policy which will be a cornerstone to our corporate social responsibility efforts.

For more information on our approach to human rights, please refer to our Code of Conduct available on our website.



Climate action

We are committed to minimising our impact on climate change and helping our customers to reduce their carbon footprints. We also understand the effects climate change may have on our business and supply chain. Our disclosure against the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) sets out our roadmap towards managing climate-related risks and our approach to reporting our greenhouse gas (GHG) emissions (see pages 44 to 48 for further information).

Our progress to date includes:

- Ensured full compliance with the latest local building regulations in taking into account environmental considerations.
- Electric charging stations have been planned for the majority of upcoming developments.



Health and safety

We embed a safety culture through training, awareness and visible health and safety leadership and we work closely with our subcontractors to manage site risks.

As part of our oversight, we have the following in place:

- Health and safety management system, identification and ownership of risks, taking responsibility for mitigation through proactive decision-making, training and a culture of strict compliance with safety measures.
- Close collaboration with supervision consultants, contractors, and subcontractors to ensure that the highest health and safety measures are implemented in our under-construction projects.
- Oversight through the Project Management Office which provides leadership including monitoring incidents against Group thresholds, setting associated policies and procedures, and overseeing risks.
- Regular leadership site visits to monitor the compliance with the health and safety measures.
- Annual Injury incidence rates (where applicable) are reported with clear lessons learnt to avoid similar incidents in future.

Sustainability continued



Nature

The natural environment in and around our developments contributes to the well-being of our customers and is an integral part of our master planning process. We achieve positive results through taking the following factors into consideration:

Biodiversity

- We take into consideration the existing landscapes and ecology of our sites to protect diversity and maximise asset value.
- Environmental impact assessments are conducted for all projects, engaging with ecologists to consider protection of habitat and existing species, and enhancement measures to be taken.
- Climate and socio-economic sensitive planning and design strategies are undertaken to enhance liveability and vitality of outdoor spaces and to improve physical, environmental and social conditions.
- We promote environmental awareness amongst employees.
- We develop local natural landscapes and golf courses in large scale masterplans.
- We are committed to achieving a biodiversity net gain (BNG) of at least 10% on developments submitted for planning in the UK from November 2023, in line with the timeline and threshold set in the Environment Act 2021.

Water

- Enhancement of home water efficiency through the installation of aerated taps and showers, dual flush systems, and water efficient appliances.
- Wastewater treatment facilities have been planned to generate water for irrigation purposes.
- Our projects use Xeriscape Design landscaping to reduce irrigation requirements.

Pollution

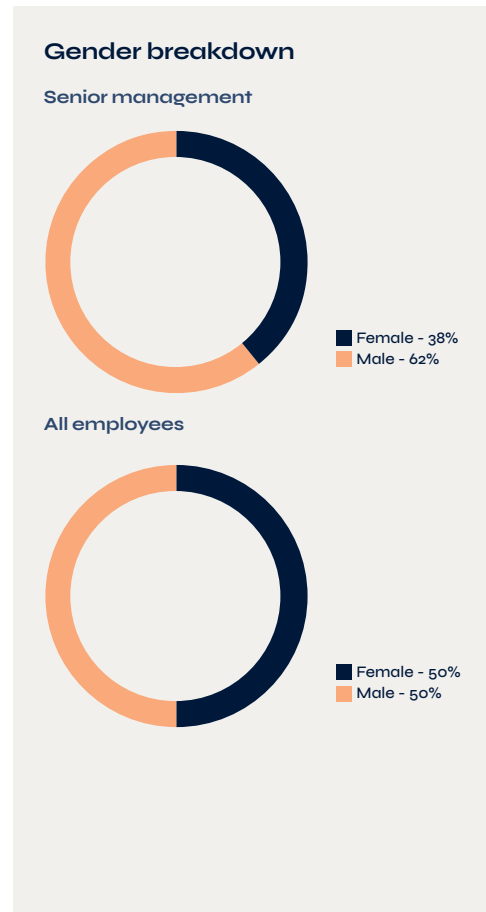
- We promote healthy lifestyles and reduce traffic pollution by planning walkable communities and micro mobility modes.



Sustainability continued

Our people

As a fast growing, international organisation, attracting, retaining and developing a diverse, entrepreneurial workforce is key to our strategy.



Our dedication to employee diversity and inclusion is reflected in various initiatives implemented throughout the year, with targeted recruitment strategies to include employees with diverse backgrounds and experience, resulting in a workforce representing over 40 nationalities. Moreover, our commitment to gender equality is evident in our workforce composition, with a balanced representation of both male and female employees. These efforts aim to create a work environment that celebrates differences, promotes equal opportunities, and cultivates a sense of belonging for all employees.

Developing a talented workforce

We are committed to building a diverse team that encompasses individuals from different genders, ethnic backgrounds and life experiences, aligning with our Company ethos.

We place strong emphasis on cultural alignment, as it is pivotal to maintaining a harmonious and productive work environment.

We are continually seeking graduates from various academic backgrounds who are multi-lingual and capable of working in multiple jurisdictions around the globe. To support this, we have introduced an internship programme in different departments including Marketing, Finance, Audit and Tax, which runs from three to six months and is providing a strong pipeline of future employees.



Additionally, we are launching a new e-learning portal which will offer a diverse range of training opportunities. This portal will empower our employees to expand their skill sets, stay updated with industry trends, and enhance their professional knowledge. Combined with one-to-one training conducted by line managers, this forms the cornerstone of our career development strategy. Looking forward, we are planning a 'Pay for Innovation' scheme to encourage employees to contribute ideas and plans to help us continually improve the way we do business.

Building a strong culture

Our primary goal is to cultivate an entrepreneurial culture, underpinned by an unwavering commitment to being customer-centric, placing our clients at the heart of everything we do.

We firmly believe in fostering a culture that not only encourages, but actively supports, the continuous development and growth of our employees. Our aim is to empower our workforce, ensuring they evolve into a highly skilled, motivated team. As a fast-growing Company many of our employees have experienced rapid career advancement within just a few months, particularly within our sales teams.

Within our young and dynamic Company, adaptability and resilience are key attributes that shape our culture, especially for our new hires. We recognise that these qualities are instrumental in our pursuit of excellence and innovation.

Engaging our employees

We recognise the importance of keeping our employees informed about the Company's progress and important updates. One of our primary channels is the corporate Human Resources (HR) email account, through which we regularly circulate significant announcements, including important messages from the CEO, new policies, and other vital information, ensuring that our entire workforce remains well-informed and engaged in our Company development. This approach aims to promote transparency and foster a sense of unity among our team, enhancing overall communication and collaboration within the organisation. New project briefings are organised by our marketing department who collaborate with senior management to prepare these important announcements, inviting all employees to attend via Teams.

Setting high standards of behaviour

We have a Code of Conduct and Business Ethics in place covering topics such as creating a positive workplace, financial integrity, avoiding conflicts of interest, conducting business ethically and managing risks. This is complemented by a comprehensive Whistleblowing Policy and an Anti-Bribery and Corruption Policy. Our Employee Handbook was released in 2023. The Handbook covers policies such as non-discrimination, non-retaliation, complaints and grievances, anti-harassment and standards of professional behaviour. These important policies are communicated to all staff through the HR channel and to new starters through their induction pack.

Task Force on Climate-related Financial Disclosures

Task Force on climate-related Financial Disclosures (“TCFD”) Statement

Climate-related risk

In response to recommendations of the TCFD, we are committed to assessing and managing climate-related risks and opportunities across our operations. Our roadmap for compliance within timelines is outlined below.



Progress against the TCFD recommendations

The Group has plans to assess both physical risks and transitional risks as we move towards a low carbon economy. We are committed to complying with the recommendations of the TCFD in our Annual Integrated Report for the year ending 2025. Our progress towards meeting the TCFD recommendations is summarised below.

	TCFD recommendation	Progress to date	Next steps
1. Governance Disclose the organisation's governance around climate-related risks and opportunities.	a) Describe the Board's oversight of climate-related risks and opportunities.	We have established responsibility for climate risks at Board level. Risks, including those related to climate change, will be reviewed and agreed annually by the Audit Committee and Board and, where material, will inform strategic planning and business decision making.	To further embed climate risks into business planning and decision-making processes.
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	Consideration for climate risks and opportunities has been fully integrated into the Company's risk management framework, and the Investment Committee charter includes consideration for material climate-related risks.	Establish responsibility for climate risks at management and operational levels.

Task Force on Climate-related Financial Disclosures continued

Progress against the TCFD recommendations continued

	TCFD recommendation	Progress to date	Next steps
2. Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	The Risk Management Policy includes definitions of impacts over the short term (up to 1 year), medium term (up to 5 years) and long term (up to 20 years).	Formal assessments of climate-related risks and opportunities with the support of external consultants.
	b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Audit and Risk Committee terms of reference include consideration for climate-related risks and opportunities in strategy and business planning process.	Embedding climate-related risks and opportunities in strategy and business planning process. Determining local requirements for transitioning to low-emission practices. Assessing whether the identification of designs and products to reduce carbon footprint can be integrated within project lifecycles.
	c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Plans in place for 2024 to assess publicly available models in consultation with external advisors for use in 2025.	Assessing the appropriateness of publicly available plans with the support of external consultants.
3. Risk management Disclose how the organisation identifies, assesses, and manages climate-related risks.	a) Describe the organisation's processes for identifying and assessing climate-related risks.	The process is fully integrated in the Risk Management Policy and measured against the standard heatmap as outlined in the risk management section. The top-down review of key, principal and emerging risks by management considers their relative significance to the business, including climate-related risks.	Embedding climate-related risks and opportunities through the annual risk and opportunities assessment exercise, assessing its impact on the Group's strategic objectives and ensuring appropriate mitigations are in place.
	b) Describe the organisation's processes for managing climate-related risks.	The process is fully integrated into our Risk Management Policy and monitored through our Risk Register.	Continue to further strengthen our risk processes in relation to climate change and review whether the approach is fit for purpose.
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Climate change and its impacts are integrated into our top-down and bottom-up risk management approach. Material climate-related risks may be considered principal risks, and these are monitored by the Audit and Risk Committee.	Climate risks will be formally assessed in 2024, and we will further enhance our approach as appropriate.
4. Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Plans are in place for formal assessments, with the support of external expertise, to determine metrics to be used. These will be conducted in early 2024, with a view to publishing metrics in the 2025 annual report.	Engagement with external experts to establish metrics and benchmarking.
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.	Scope 1 and 2 metrics are included in 2023 disclosures. Further details on this are set out on pages 46 to 48.	Engagement with external experts and management to look at ways to enhance GHG emissions measurements.
	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Targets to be set as the programme matures in 2025.	Engagement with external consultants to determine methods for obtaining sufficient data to support appropriate targets.

Task Force on Climate-related Financial Disclosures continued

Environmental impact report

As a business, we collect data to provide the Board of Directors with key metrics to enable the management and the Board to ensure compliance with regulations.



Environmental action taken

Our 2023 Group-wide green initiatives include:

- Employee awareness to reduce energy consumption through:
 - Only using electric lighting when natural lighting is insufficient, and
 - Switching lights off upon exit.
- The reduction in single use plastic bottles through provision of reusable flasks and cups with potable water fountains.

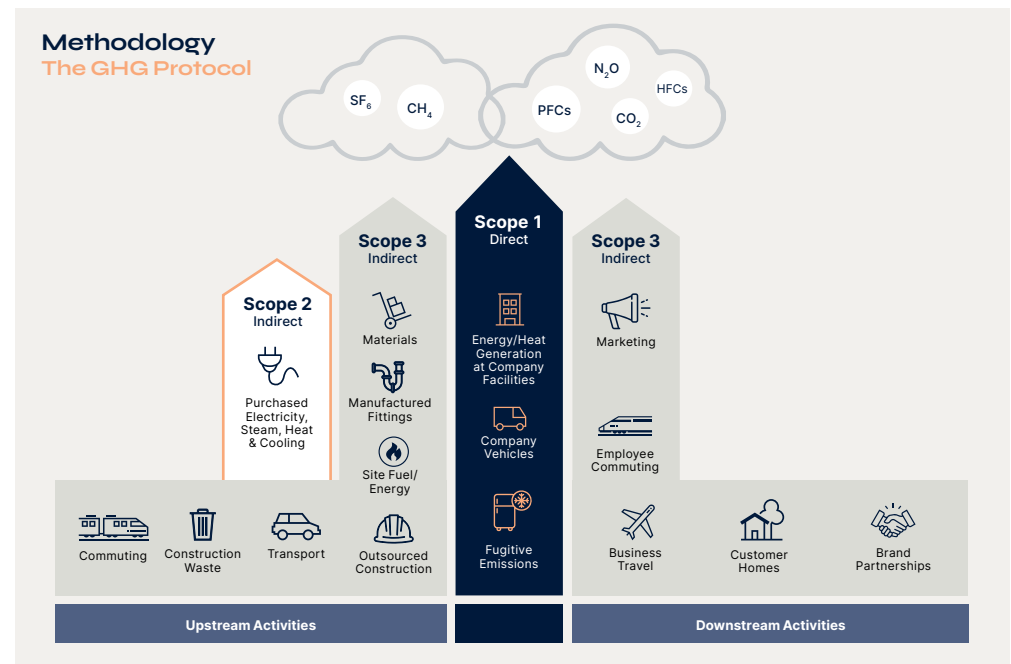


Organisational boundaries

Dar Global creates homes and neighbourhoods across several jurisdictions, outsourcing 100% of construction and refurbishment activities to main contractors. It is headquartered in the UAE and defines its organisational boundaries on the basis of operational control. Emissions, energy and water consumption result only from electricity, water and district cooling usage in the UK and seven offices located internationally. As a consequence, the majority of Dar Global's direct emissions, energy and water consumption is non-UK based, and results from the operations of our global offices.

Explaining scope 1, 2 and 3 Greenhouse gas (GHG) emissions

To measure and manage our carbon emissions, we follow the Greenhouse Gas Protocol global framework, which identifies three scopes of emissions. Scope 1 represents the direct emissions we create. Scope 2 represents the indirect emissions resulting from the use of electricity and energy to run a business. Scope 3 represents indirect emissions attributed to upstream and downstream activities taking place to provide completed units and services to customers. Our upstream activities include emissions from our supply chain including materials, manufactured fittings, transport, construction and waste. Our downstream activities include business travel and customer homes.



Task Force on Climate-related Financial Disclosures continued

Performance tables

As our inaugural full reporting year, 2023 will be our benchmark for all metrics we are currently reading. We will review our benchmark year and metrics periodically to ensure relevance as more data comes available to us.

GHG emissions and energy use data for period
1 January 2023 to 31 December 2023

	2023	
	UK and offshore	Global (excluding UK and offshore)
Scope 1 emissions from activities for which the Company controls including combustion of fuel & operation of facilities / tCO ₂ e	0	0
Scope 2, location-based emissions from purchase of electricity, heat, steam and cooling purchased for own use / tCO ₂ e	5	132
Total gross Scope 1 & Scope 2 emissions / tCO ₂ e	5	132
Energy consumption used to calculate Scope 2 emissions above: /kWh	24,580	630,112
Intensity ratios: (gross Scope 1 + 2)		
tCO ₂ e per Full Time Employee	0.49	0.69
tCO ₂ e per USD 1 million in revenue	N/A*	0.36

All of Dar Global's electricity utilisation is currently location-based.

* Pending recognition of revenues from sales.

Reporting Criteria

Reported GHG emissions and energy consumption within the Dar Global Group 2023 Annual Report are based on its operational boundary. The emissions and energy consumption disclosed are aligned to Dar Global's financial reporting year (1 January 2023 to 31 December 2023) and are considered material to its business.

Scopes 1 and 2 reporting boundaries

The following reporting parameters are used to report emissions and energy consumption related to Scopes 1 and 2:

- Scope 1: We are responsible for fugitive gas emissions from air conditioning units in offices we occupy, however, the majority of our office space benefits from district cooling in the form of chilled water which results in substantially lower direct usage of refrigerant gas across properties we occupy; after careful consideration, management have determined such emissions to be of insufficient materiality to warrant reporting.
- Scope 2: Electricity and cooling consumed for office and sales sites result in indirect emissions from production of electricity and chilled water.

Scope 3

Scope 3 emissions and energy consumption are excluded from Dar Global's reporting. Scope 3 includes, but is not limited to, the following activities:

- We outsource 100% of our construction and refurbishment activities to main contractors, and do not purchase fuels directly for development sites. As such, these activities are outside of Dar Global's defined operational boundary.
- Customer-occupied post-development sites where Dar Global has retained legal ownership: emissions are excluded and not quantified as the purchasers or tenants are the consumers of the energy in this instance.
- Contractor and employee vehicles. We do not own or lease company vehicles.

Water usage and waste

The Group utilises water exclusively delivered by local utility companies to its offices.

Water utilisation and waste generated by contractors on construction sites are excluded from scope. As such, management have determined water consumption and production of waste form offices not to be sufficiently material to warrant reporting.

Reporting methodology

Electricity (Scope 2)

UK Government Environmental Reporting Guidelines 2019 have been used as the basis for disclosures, with the exceptions listed above. UK Government GHG Conversion Factors for Company Reporting 2023 have been applied to 2023 data (covering 1 January 2023 to 31 December 2023). The 2023 Statistical Review of World Energy published by the Energy Institute was used to derive factors applied to overseas electricity figures for 2023.

All emissions are calculated as carbon dioxide equivalent (CO₂e). Gases used by third parties for the production of electricity and chilled water are not reported as they are not considered relevant to the direct business activities of Dar Global.

Task Force on Climate-related Financial Disclosures continued

Energy consumption has been reported in kilowatt-hours (kWh). Emissions and energy consumption have been calculated using raw data values and estimations multiplied by their corresponding conversion factors as follows:

- For UK sourced electricity, the UK Government's GHG Conversion Factors for UK and offshore Company Reporting, and
- For international offices, factors derived from the Energy Institute Statistical Review of World Energy for international electricity consumption.

For buildings where electricity meters are not installed, an average consumption per square foot of the nearest comparable Group office was used to estimate consumption.

Cooling (Scope 2)

Cooling in the form of chilled water is used in several offices we lease. We are not currently reporting the information on consumed chilled water that would have otherwise featured under Scope 2 this year, and we are working with our landlords to obtain information for inclusion in future reports.

Location-based and market-based reporting

Dar Global has reported location-based emissions for Scope 1 and Scope 2.

Data sources

Raw data for each administrative and sales office has been collected on a monthly basis as follows:

Electricity (Scope 2):

- Purchased electricity measured in kilowatt-hours based on monthly invoice records or meter readings, or where unavailable, estimates based on data from periods with actual reported consumption.



Data coverage

Data coverage by activity area for 2023 is as follows:

Electricity

- Energy consumption from six out of eight (75%) of our permanent offices reported. Two buildings have neither meters installed nor individual invoicing, consumption for these offices were estimated.

GHG emissions Scope 3

We recognise the high carbon-intensity nature of the real estate development industry, in particular the production of materials, and we are committed to using our position to have important conversations with our suppliers and contractors. Dar Global does not currently report on indirect emissions that occur in its value chain for Scope 3.

Intensity ratios

Our intensity ratio denominators are calculated as follows:

- Revenues (per USD 1 million): last 12 months' revenues as per our Group financial statements.
- Full Time Employees (per FTE): using average FTE for the year.

Both intensity ratios were deemed relevant to our electricity utilisation.

Legally completed floor area (per 100 sqm) was also considered for inclusion, however, it was deemed not to be appropriate at this time given the Group's operations are experiencing high growth and have yet to stabilise, in addition to a long lag for legal completion of floor area.

Target setting

As a recently established and growing business, we are currently observing our metrics to ensure consistency and relevance before management set formal long-term targets.

Approval of the Strategic report

This Strategic report on pages 2 to 48 was approved by the Board of Directors and signed on its behalf by:

David Hunter
Chairman

02 Governance Report



50	Chairman's Corporate Governance Introduction
51	Corporate Governance Framework
54	Board of Directors
56	Senior Leadership Team
57	Audit and Risk Committee Report
61	Nomination Committee Report
63	Directors' Remuneration Report
74	Directors' Report
76	Statement of Directors' Responsibilities in respect of the Annual Report and the Financial Statements

Chairman's Corporate Governance introduction



The Group demonstrated its commitment towards compliance with the Code by setting out in the Prospectus that the Company would comply with or explain against the relevant provisions of the Code from Admission.

David Hunter
Chairman

On behalf of the Board, I am pleased to present the Group's first Corporate Governance Report since Admission of the Ordinary Shares to the standard listing segment of the Official List and to trading on the Main Market for listed securities of the London Stock Exchange on 28 February 2023. This Report explains the key features of the Group's governance framework and how it complies with the Principles of the UK Corporate Governance Code 2018, which was published by the Financial Reporting Council ("FRC") in July 2018 ("the Code").

As a company with a standard segment listing, it is not obligated to comply with the requirements of the Code, however the Board places great emphasis on the importance of strong corporate governance and determined that from Admission, the Company would voluntarily comply or explain against the Code.

Code compliance

The Board is committed to maintaining high standards of corporate governance. We have a clear governance structure, which ensures that the Board and the business act responsibly in decision-making, risk management and delivery of objectives.

The Board expects that over the medium term the Group will be fully compliant with the Code in all respects. Further details on this are set out in the Directors' Report on page 74.

Board leadership and Company purpose

The Board sets the tone and culture for the Group and the expectations placed on its people. The Group has a clear purpose, which is to provide the finest portfolio of global luxury living experiences in the world's most desirable locations. It combines this with a dynamic growth culture that emphasises high performance, employee engagement and inclusion.

This clarity of purpose and culture have underpinned the Group's growth during a landmark year. The Board is proud of the way the Group's employees have worked together to ensure business growth along with embedding new processes and internal controls to enhance the governance framework.

Diversity and Board composition

The Board places emphasis on inclusivity at all levels, and the Group's plans for creating an engaged and representative workforce are set out in the Sustainability section on page 43.

The Board recognises the importance of having directors with a range of skills, knowledge and experience. It acknowledges the benefits that diversity can bring to the effectiveness of Board discussions.

The search for Board candidates, Board appointments, nominations and succession plans are based on principles of fairness, respect and inclusion and will be made on merit on the basis of individual competence, skills and expertise measured against identified objective and defined criteria, with due regard given to the importance of diversity. Whilst the Board currently does not meet the diversity targets set by the Listing Rules, the Board in conjunction with the Nomination Committee will continue to monitor diversity and inclusion when recruiting new directors.

Board changes

On 8 August 2023, Shivaraman Iyer notified the Board of his intention to step down from the Board as an Executive Director with immediate effect. However, Shivaraman continued his role as Chief Financial Officer of the Company. The Board accepted his resignation as Executive Director and acknowledged his contribution to the Board and were delighted that Mr Iyer would continue in his role as Chief Financial Officer of the Company.

Stakeholder engagement

Management spent considerable time engaging with stakeholders and the Group's new shareholders in the lead up to admission on the London Stock Exchange. This engagement afforded us the opportunity to understand and appreciate their objectives and also to ensure that they understand the business. In addition, management has also spent time engaging with existing and potential future shareholders since admission, with the aim of broadening out its shareholder base over the medium term. A full review of stakeholder engagement can be found in the Strategic Report at pages 37 to 39.

Annual General Meeting

The Notice convening the 2024 AGM will be circulated to shareholders separately with details of the meeting. We will ensure that shareholders are kept informed using the Notice of Meeting, our website, and relevant regulatory announcements in due course.

David Hunter
Chairman of the Board
29 February 2024

Corporate Governance Framework

The Board	<ul style="list-style-type: none"> – Sets the Group's purpose, values and strategy and satisfies itself that these are aligned with culture. – Provides entrepreneurial leadership, promoting long-term sustainable success and shareholder value creation. – Oversees the Group's risk management processes and internal control environment. <p>Read more on p54-55 →</p>
Board Committees	<ul style="list-style-type: none"> – The Board delegates certain matters to its four permanent Committees, the terms of reference of which are available at: darglobal.co.uk. <p>Read more on p57-73 →</p>
Audit and Risk Committee	<ul style="list-style-type: none"> – Reviews and reports to the Board on the Group's financial reporting, internal control, whistleblowing, internal audit and the independence and effectiveness of the External Auditors. <p>Read more on p57 →</p>
Nomination Committee	<ul style="list-style-type: none"> – Reviews the structure, size and composition of the Board and its Committees, and makes recommendations to the Board. Reviews diversity, talent development and succession planning. <p>Read more on p61 →</p>
Remuneration Committee	<ul style="list-style-type: none"> – Responsible for all elements of the remuneration of the Executive Directors, the Chairman and the leadership team. – Reviews workforce remuneration policies and practices. <p>Read more on p63 →</p>
Disclosure Committee	<ul style="list-style-type: none"> – Assists the Board in discharging its obligations relating to monitoring the existence of inside information and its disclosure.
Group Leadership Team	<ul style="list-style-type: none"> – Supports the Chief Executive Officer in the development and delivery of strategy. – Responsible for day-to-day management of the Group's operations. <p>Read more on p56 →</p>

Corporate Governance Compliance Statement

The UK Corporate Governance Code ("the Code") sets out the principles and provisions relating to good governance of UK listed companies and can be found on the Financial Reporting Council's website at www.frc.org.uk. It is the Board's objective to at all times follow the prevailing principles of good governance and the code of best practice honestly, simply, transparently, and with clarity and integrity. Details of where the Company has departed from the provisions of the Code are set out below:

- Provisions 21 and 22: In view of the fact the Company was only incorporated on 30 September 2022 and that the majority of Board appointments were made shortly prior to admission on 6 February 2023, it was agreed that it would be more appropriate and effective to undertake an evaluation during the 2024 financial year. The Nomination Committee has reviewed the skills and knowledge of the Board and based on this review recommended the re-appointment of all current directors at the Annual General Meeting.
- Provision 24: The Chairman of the Board is a member of the Audit and Risk Committee, however given his experience of chairing complex and multinational companies, the Committee considered it appropriate for him to remain as a member in order to benefit from his very considerable knowledge and experience of governance matters.
- Provision 32: Before his appointment as Chairman of the Remuneration Committee, Richard had not served on a remuneration committee for 12 months. Richard was responsible for all remuneration related matters for Middle East hired staff in his capacity as head of Lloyds Bank for the Middle East. The Board considers Richard to have sufficient knowledge and experience of matters relating to remuneration to chair the Company's Remuneration Committee effectively. Further details can be found on page 63.

- Provisions 36 and 37: The Company currently does not have formalised and documented remuneration schemes in place. All current remuneration arrangements are deemed to be consistent with the Group's current level of development.

Board Responsibility

The Board is the main decision-making and review body of the Company. The Board's remit is set out in its schedule of matters reserved for the Board which details specific responsibilities including:

- Strategy and management;
- Structure and capital;
- Financial reporting and controls;
- Internal controls and risk management;
- Approval of major capital projects;
- Communications to the market;
- Board membership and appointments;
- Remuneration, Group policies; and
- Corporate governance matters.

The Board determines which matters are delegated to committees of the Board and the division of responsibility between the Chairman and Chief Executive.

Culture

The Board is responsible for setting the Group's purpose, values and strategy, which are set out in the Strategic Report at pages 17 to 18.

The Group, given the international nature of its business, has an entrepreneurial, high-performance, growth-oriented culture with high degrees of inclusivity. The Board recognises the contribution of this culture to the success of the business and is satisfied that it is aligned with the Company's purpose, values and strategy.

The Board monitors the culture of the Group through periodic updates provided by the Human Resources Director on people, culture, inclusivity and Skills.

Corporate Governance Framework continued

Workforce engagement

The Company has adopted an alternative workforce engagement arrangement which is appropriate for a company of our current size and composition. Our CEO and the Group Leadership Team ensure that the views of the wider workforce are regularly represented by attending Board meetings to provide information on workforce matters including equality, diversity and inclusion and team development initiatives. The Nomination Committee intends to review the effectiveness of this alternative arrangement in 2024, in-line with the growth and requirement of the business.

Shareholder engagement

Management conducted a comprehensive programme of investor and analyst meetings prior to Admission. Looking forward, the Board has defined an investor relations programme that aims to ensure both existing and potential investors understand the Group's strategy and business, and that executive management are able to devote proper time to shareholder engagement.

Management provided a presentation to investors following the publication of the half-year results and intends to do the same following the release of the full year results. The updates are posted on the Group's investor relations website and available to all shareholders. The results presentations will be followed by formal investor roadshows.

The Chairman (or the Senior Independent Non-Executive Director) will be available to engage directly with our major shareholders to discuss governance matters, performance against strategy and any material changes. The Remuneration Policy will be put in front of shareholders at the AGM.

The Board receives regular updates from the Chief Executive Officer and the Chief Financial Officer, as well as market reports from the Company's corporate brokers, Liberum.

Operation of the Board and advice for Directors

All Directors have the right to raise any concerns they might have about the operation of the Board and to have same recorded in the minutes. All Directors may seek independent professional advice in connection with their roles as Directors. All Directors have access to the advice and services of the Company Secretary at the expense of the Company.

Conflicts of interest

In accordance with the Company's Articles of Association, the Board has a formal system in place for Directors to declare conflicts of interest and for such conflicts to be considered for authorisation. The Board has adopted a policy to identify and manage Directors' conflicts or potential conflicts of interest. Directors' interests are reviewed by the Board at each meeting. Any external appointments or other significant commitments of the Directors require the prior approval of the Board.

The Board is comfortable that external appointments of the Chairman and the independent Non-Executive Directors do not create any conflict of interest that would compromise their independence.

The Board remains confident that individual members will continue to devote sufficient time to undertake their responsibilities effectively.

Division of responsibilities

The Board recognises the importance of a clear division of responsibilities between Executive and Non-Executive roles and, in particular, a clear delineation of the Chairman's responsibility to run the Board and the Chief Executive Officer's responsibility for running the Group's business. The roles of the Chair, Chief Executive Officer and Senior Independent Director are clearly defined and have been approved by the Board and are accessible at www.darglobal.co.uk.

Composition, succession and evaluation

Board composition

As at the date of this Annual Report, the Board comprised five Directors: The Chairman (who was independent on appointment), one Executive Director, one Non-Executive Director and two Independent Non-Executive Directors. The Company regards each of the Independent Non-Executive Directors as "independent" within the meaning of the Code and free from any business or other relationship that could materially interfere with the exercise of their independent judgement. The independence of all Non-Executive Directors and the Chairman was reviewed at Admission and the outcome of this review was disclosed in the Prospectus. No matters have since come to light which the Board considers would adversely impact this assessment. The independence of the Non-Executive Directors will be reassessed as part of the annual Board evaluation process in 2024.

Board and Committee meeting attendance

The attendance at Board and Committee meetings for FY 2023 are set out in the table below:

	Board meetings	Audit and Risk Committee meetings	Nomination Committee meetings	Remuneration Committee meetings
David Hunter	4/4	5/5	2/2	2/2
Maurice Horan	4/4	5/5	2/2	2/2
Richard Stockdale	4/4	4/5	2/2	2/2
Yousef Al-Shelash	3/4	n/a	n/a	n/a
Ziad El Chaar	4/4	n/a	n/a	n/a
Shivaraman Iyer*	1/1	n/a	n/a	n/a

The Disclosure Committee, composed of senior management and Board Members, did not convene for any meetings in the financial year.

* Resigned from the Board on 8 August 2023.

Corporate Governance Framework continued

Board activities in Full Year 2023

The Board makes decisions to ensure the long-term success of the Group whilst taking into consideration the interests of wider stakeholders as required under section 172(1) of the Companies Act 2006. Board meetings are one of the mechanisms through which the Board discharges this duty. Further information about stakeholder engagement is included on pages 37 to 39.

The following table sets out some of the Board's key activities since the incorporation of the Company on 30 September 2022:

Strategy and operations	<ul style="list-style-type: none"> – Approved the transaction whereby the Group's shares were admitted to the standard listing segment of the Official List and to trading on the Main Market for listed securities of the London Stock Exchange
Finance and reporting	<ul style="list-style-type: none"> – Approved the FY24 annual budget – Approved interim statements for the period ended 30 June 2023 – Monitored performance and capital position – Reviewed and approved debt raising and project funding proposals – Reviewed and approved new projects and investments as per COA
Governance	<ul style="list-style-type: none"> – Approved the numerous procedures, policies and controls needed to comply with the regulation and governance of a UK listed company – Received Board Committee updates – Approved the Matters Reserved for the Board and Chart of Authority

Election and re-election

The Company's Articles specify that a Director appointed by the Board must stand for election at the first Annual General Meeting (AGM) subsequent to such appointment, and at each AGM thereafter every Director shall retire from office and seek re-election by shareholders. This is in line with the Code, which recommends that Directors should be subject to annual re-election. All Directors, having been appointed during the period under review, will stand for election at the Company's 2024 Annual General Meeting.

Appointment, removal and tenure

The rules relating to the appointment and removal of Directors are set out in the Company's Articles of Association, as adopted on 9 February 2023 ("the Articles").

Non-Executive Directors are appointed for a term of three years, subject to earlier termination, including provision for early termination by either the Company or by the individual on three months' notice. All Non-Executive Directors serve on the basis of letters of appointment, which are available for inspection at the Company's registered office and at the AGM.

All Non-Executive Directors are required to devote sufficient time to meet their Board responsibilities and demonstrate commitment to their role. The time commitment of each Non-Executive Director was considered prior to their appointment to determine that it was appropriate. The letters of appointment for each Non-Executive Director specify the time commitment expected of them and contain an undertaking that they will have sufficient time to meet the expectations of their role.

The Board considers new external appointments in advance to determine that there is no conflict of interest, and that the Director would continue to have sufficient time to devote to their role with the Company. The Board is comfortable that the Directors' external directorships do not adversely affect the time that any Director devotes to the Company and believes that this experience enhances the capability of the Board.

Audit, risk and internal control

The Board accepts responsibility for determining the nature and extent of the significant risks it is willing to take in achieving its strategic objectives, and monitors and reviews the effectiveness of the Company's risk management and internal control systems. Further details can be found in the Audit Committee Report and in the Risk Management section of the Strategic Report.

Remuneration

The Directors' Remuneration Report describes the policies and practices in place to ensure that the Group's leadership is motivated to deliver long-term sustainable growth. The work of the Remuneration Committee is set out later in this Governance section on page 73.

Meet the Board of Directors



David Hunter

Chairman of the Board of Directors



Date of appointment

6 February 2023

Career and experience

David has extensive experience in the real estate sector in the UK, having started his career as a chartered surveyor there before becoming a leading Fund Manager, ultimately as Managing Director of Aberdeen Asset Management's £6.5bn international property fund management business.

In 2004, he served as President of the British Property Federation (BPF), the main industry representative body for the real estate sector in the UK, where he played a significant role in the introduction of Real Estate Investment Trusts to the United Kingdom.

Since 2005 David has held a number of Chairmanships and Board roles in international real estate businesses covering the Nordics and Russia, South Africa, India and Europe.

Board Committees

Member of the Audit and Risk Committee, Remuneration Committee, Disclosure Committee and Chairman of the Nomination Committee.

External appointments

Chairman of Capital & Regional PLC.



Ziad El Chaar

Chief Executive Officer



Date of appointment

30 September 2022

Career and experience

With over 20 years' experience in real estate development and investment, with full management responsibility for revenue growth and profitability, and 10 years' experience and responsibility in corporate governance, board affairs and regulatory compliance, Ziad has a proven track record of achievement. Prior to joining the Group, Ziad was the CEO – Ventures and Business Development at Emaar Properties PJSC, CEO at Dar Al Arkan Global Investments LLC, and Managing Director and Executive Director on the board of directors of the publicly listed DAMAC Properties, during which he focused on operational achievement and the companies' development and strategic plans.

Ziad holds a Master's degree in Business Administration from the American University in Beirut.

Board Committees

Member of the Disclosure Committee.

Board Committees

A Audit **N** Nomination **R** Remuneration **D** Disclosure **O** Committee Chair



Yousef Al-Shelash

Vice-Chairman and Non-Executive Director

Date of appointment

6 February 2023

Career and experience

Yousef is the Chairman of, and one of the founders of, the Major Shareholder since its establishment in 1994. He is a visionary leader with impressive credentials and invaluable knowledge in strategic planning and real estate development as well as expertise in the financial and investment banking sectors.

Yousef holds several leadership positions in organisations across the Middle East region. He gained this prominent status by being a founder, partner, and manager of many entities inside and outside Saudi Arabia that operate in various real estate and financial activities.

Yousef obtained an MSc in Law & Legal Proceedings from the Institute of Public Administration Al-Riyadh and a BSc in Shari'ah from Mohamed Bin Saud Islamic University, Saudi Arabia. He also earned diplomas in both Banking and Combating Financial Crimes and received formal training in financial management and investment project evaluation.

External appointments

- Chairman of Dar Al Arkan Global Investments LLC, Saudi Home Loans and AlKhair Capital Company in Saudi Arabia.
- Board member of Al Anma Towers Co., Al Dar Al Arabiya Co., and Dar Al Khaleej Al Arabiya Co.

Meet the Board of Directors continued



Maurice Horan

Independent Non-Executive Director



Date of appointment

6 February 2023

Career and experience

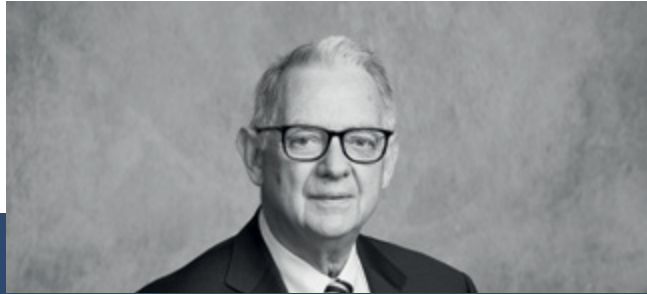
Maurice was Chairman of BFC Group Holding WLL, a Director of BFC Bank Ltd, where he also served as a member of the Audit Committee (including a period as Chairman of the Committee). He also served as General Manager – Strategic Investments at Arab National Bank, Riyadh and also as General Manager – Corporate Banking Group at Arab National Bank.

He has extensive experience at senior executive level and at board level across a range of companies and sectors in the Gulf, USA and British Isles. Over the course of his career Maurice has held senior management positions in stockbroking, commercial banking and in Islamic investment banking. He has extensive experience in corporate finance, corporate restructuring and property finance.

Maurice read economics and finance at Trinity College Dublin where he was awarded a B. A. (Mod), and holds an MBA from The Smurfit School of Business at University College Dublin.

Board Committees

Chairman of the Audit and Risk Committee. Member of Remuneration Committee, Nomination Committee, and Disclosure Committee.



Richard Stockdale

Senior Independent Non-Executive Director



Date of appointment

6 February 2023

Career and experience

Richard had a successful career as a banker in Lloyds TSB Bank during which he held roles including Head of Lloyds TSB Bank Middle East, CEO of Lloyds TSB Global Services Pvt Limited and Lloyds TSB Bank India Country Head.

Richard was one of the Founding Members of the Indian Anti-Corruption Academy and in the past has held roles within the City of London's based charitable institution, the Chartered Institute for Securities and Investment (CISI) as a Trustee and Independent Non-Executive Director, whilst also as the Non-Executive Regional President for the CISI in India and also in the UAE and later as an Ambassador for the CISI. Richard was in the past a member of the Dubai/UK Trade and Economic Committee and its Capital Markets Sub-committee.

He is a Fellow of the Chartered Institute of Bankers, a Chartered Fellow (Hon) of the CISI and a Fellow of the Indian Institute of Directors.

Board Committees

Chairman of the Remuneration Committee and Member of Audit and Risk Committee, Nomination Committee and Disclosure Committee.

Board Committees

A Audit **N** Nomination **R** Remuneration **D** Disclosure **○** Committee Chair

Senior Leadership Team



Ziad El Chaar
Chief Executive Officer

D

Ziad El Chaar has over 20 years' experience in real estate development and investment, with full management responsibility for revenue growth and profitability, and 10 years' experience and responsibility in corporate governance, board affairs and regulatory compliance. Ziad has a proven track record of achievement. Prior to joining the Group, Ziad was the CEO – Ventures and Business Development at Emaar Properties PJSC, CEO at Dar Al Arkan Global Investments LLC, and Managing Director and Executive Director on the board of directors of the publicly listed DAMAC Properties, during which he focused on operational achievement and the companies' development and strategic plans.



Shivaraman Iyer
Chief Financial Officer

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Shivaraman Iyer is Chief Financial Officer of the Company, having joined the Group in June 2022. Shivaraman brings over 38 years' rich international working experience to the Group, overseeing financial operational performance, investment strategy, portfolio management and group restructuring. In a wide-ranging international finance career prior to joining the Group, Shivaraman has held leadership and senior management roles with several prominent organisations, including SVP Finance at the DAMAC Group, CFO at Aldar Laing O'Rourke LLC and at Al Raha International LLC. He possesses sector-wide financial and operational expertise in real estate development, property and asset management, and contracting in UAE, India, Qatar, Russia and Hungary.



Bilal Al Matarneh
CEO – Development, Construction and Procurement

Bilal Matarneh is the Chief Executive Officer – Development, Construction and Procurement at the Company, having first joined the Group in November 2019. Bilal leads the technical and project teams in UAE, Qatar, Oman, United Kingdom, Spain, and Bosnia. Bilal brings strong managerial and people skills to project delivery with an exemplary record of delivery of multiple projects contemporaneously, with the emphasis on completion on-time and within budget. Prior to joining the Group, Bilal was CPO at Emaar Properties PJSC, Executive VP for Projects at DAMAC Properties delivering major master development projects and was also CEO at ASTRA Group.



Redwan Zaouk
Chief Operating Officer – UK

Redwan Zaouk is the COO of UK Operations at the Company, having joined the Group in 2020. Redwan has more than 15 years' experience in real estate development and more than 10 years' managerial experience within real estate companies. Redwan's management roles include previous roles as a member of the Board, Audit Committee, Corporate Governance Committee and Remuneration Committee at Al-Tajamouat for Touristic Projects Plc, Senior Vice President at DAMAC Properties, COO at EMAAR Middle East, Development Director at Kinan International Real Estate Development Company, and Head of Business Development at The Savola Group – KEC Project. Redwan holds a Bachelor's degree from the University of Balamand in Lebanon. He is also a graduate of McGill University's Graduate School of Management.

Board Committees

A Audit **N** Nomination **R** Remuneration **D** Disclosure **C** Committee Chair

Audit and Risk Committee Report



The Audit and Risk Committee has monitored the integrity of financial reporting and the effectiveness of internal controls in a year of significant achievements for the Group.

Maurice Horan

Chairman of the Audit Committee

Dear Shareholders

I am pleased to present our first Audit and Risk Committee ("the Committee") report.

This report provides a summary of the Committee's role and activities for the period from 28 February 2023, following the Company's admission to the standard listing segment of the Official List and to trading on the Main Market for listed securities of the London Stock Exchange ("Admission"), to the end of our initial financial period ending on 31 December 2023.

The Committee has provided oversight and advice to assist the Company in fulfilling its responsibilities in respect of financial reporting, financial and operational controls and risk management. It has, on behalf of the Board, overseen the integrity of the financial reporting process and reviewed the work of both External and Internal Auditors.

The Board has approved the Terms of Reference of the Committee, and has tasked it with assisting the Board in discharging its responsibilities. This includes monitoring: the integrity of the Group's financial reporting; effectiveness of the internal control and risk management framework; internal audit; and the independence and effectiveness of external audit. For more information on the Committee's Terms of Reference visit www.darglobal.co.uk.

The Group's External Auditor, KPMG Audit LLC (KPMG) attended three of the five Committee meetings held during the financial period since Admission.

The Committee's report contains some of the matters addressed during the year and it should be read in conjunction with KPMG's report starting on page 78 and the Dar Global plc financial statements in general.

The Committee is satisfied with the performance and independence of KPMG and therefore recommends their reappointment at the 2024 AGM.

Maurice Horan

Chairman of the Audit and Risk Committee
29 February 2024

Audit and Risk Committee Report continued

Composition

The Chairman of the Committee is an Independent Non-Executive Director and is considered by the Board to have recent and relevant experience. The other members of the Committee are Richard Stockdale, Senior Independent Non-Executive Director, and David Hunter, Non-Executive Chairman of the Board. The biographies of each member of the Committee are set out on pages 54 to 55.

In accordance with the Code, the Chairman of the Board should not be a member of the Committee, however given David's experience of chairing complex and multinational companies, the Committee considered it to be appropriate for him to remain as a member in order to benefit from his considerable experience. More information on succession planning can be found in the Nomination Committee Report on page 61.

The Chief Financial Officer, Chief Internal Audit Executive, and Compliance and Risk Director are regular attendees at Committee meetings by invitation.

Our progress since admission to 31 December 2023

- Approving KPMG's appointment as External Auditor.
- Reviewing the Q1 Trading Statement
- Approving the audit plan and fee for the year ending 31 December 2023 proposed by KPMG.
- Reviewed the proposed Group's Internal Audit Charter.
- Approving the internal audit plans for 2023 and 2024.
- Met with External Auditors regarding their observations for half-year financial statements.
- Reviewing the internal audits reports, findings and agreed action undertaken during the year and monitoring management action points.
- Considered and recommended to approve the letter of representations to KPMG in respect to the half-year and full year results.
- Reviewing and recommending to the Board for approval the Anti-Bribery and Corruption Policy, the Anti-Money Laundering Policy, Whistleblowing Policy, Employee Code of Conduct Policy and Risk Management Policy.
- Reviewed and recommending to the Board for approval the ARC Terms of Reference incorporating climate-related risk governance oversight.
- Overseeing the preparation of the interim financial statements.
- Reviewed the Budgets for Y2024 and recommended to the Board for approval.

Focus areas for 2024

- Review the accounting policies adopted for 2023 to consider whether they are appropriate for 2024, taking into account any relevant changes in regulatory guidelines and market conditions.
- Discuss key areas of financial judgement.
- Review the performance and independence of KPMG.
- As delegated by the Board, review the effectiveness of the Group's systems of internal control and risk management methodology.
- Undertake a review of the Committee's performance since listing, its composition and terms of reference.

Number of meetings attended in FY 23/24

Committee member	Meetings attended
Maurice Horan (Chairman of the Committee and Independent Non-Executive Director)	5/5
Richard Stockdale (Senior Independent Non-Executive Director)	4/5
David Hunter (Independent Non-Executive Director)	5/5

Audit and Risk Committee Report continued

Financial reporting

The primary role of the Committee in relation to financial reporting is to review and monitor the integrity of the financial statements, including annual and half-year reports, result announcements, and any other formal announcement relating to the Group's financial performance.

In the preparation of the Group's 2023 financial statements, the Committee has assessed the accounting principles and policies adopted, and whether management had made appropriate estimates and judgements.

In doing so, the Committee discussed management reports and enquired into judgements made. The Committee reviewed the reports prepared by the External Auditor on the 2023 Annual Report.

Going Concern and Viability Statement

The Committee reviewed management's schedules supporting the going concern assessment and viability statement including the review undertaken by KPMG. Further detail on going concern and viability can be found in the Strategic Report on pages 36.

Fair, balanced and understandable

At the request of the Board, the Committee has reviewed the content of the 2023 Annual Report and considered whether, taken as a whole, in its opinion it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy. The Committee was provided with an early draft of the Annual Report and provided feedback on

areas where further clarity or information was required in order to provide a complete picture of the Group's performance. The final draft was then presented to the Committee for review before being recommended for approval by the Board. When forming its opinion, the Committee reflected on discussions held during the year and reports received from the internal and External Auditors.

Following the Committee's review, the Directors confirm that, in their opinion, the 2023 Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Risk management and internal control

The Committee's responsibilities include a review of the risk management systems and internal controls to ensure that they remain effective and that any identified weaknesses are properly dealt with. The Committee:

- Reviews annually the effectiveness of the Group's internal control framework;
- Reviews reports from the External Auditors on any issues identified in the course of their work, including any internal control reports received on control weaknesses, and ensures that there are appropriate responses from management; and
- Reviews reports from the Group's internal audit function and ensures recommendations are implemented where appropriate.

The Group has internal controls and risk management systems in place in relation to its financial reporting processes and preparation of consolidated accounts. These systems include policies and procedures to ensure that adequate accounting records are maintained and that transactions are recorded accurately and fairly to permit the preparation of financial statements in accordance with IFRS. The internal control systems include the elements described below:

Element	Approach and Basis for Assurance
Risk management	Whilst risk management is a matter for the Board as a whole, the day-to-day management of the Group's key risks resides with the Group Leadership Team and is documented in a risk register. A review and update of risks will be undertaken annually, and an interim verification is conducted to ascertain whether any changes in the operating environment or activity warrant a re-assessment. The Risk Register will be reviewed by the Board twice a year. The management of identified risks is delegated to the Group Leadership Team, and regular updates are given to executive management.
Financial reporting	Group consolidation is performed on a monthly basis with a month-end pack produced that includes an income statement, balance sheet, cash flow and detailed analysis. Results are compared against the Budget and narrative provided by management to explain significant variances.
Budgeting and re-forecasting	An annual Budget is produced and a re-forecast is also produced as and when required in order to identify how the Group is likely to perform over the balance of the year versus the original Budget. The Budget is approved by the Board.
Charter of authority and approval limits	A documented structure of delegated authorities and approval for transactions is maintained beyond the Board's Terms of Reference. This is reviewed regularly by management to ensure it remains appropriate for the business.

Audit and Risk Committee Report continued

FY23 Financial Statements

Significant issues considered during the financial year

The issues considered by the Committee to be the most significant (due to their potential impact on the performance of the Group's activities) in relation to the Financial Statements during the financial year are set out below:

Revenue recognition

During the period the Group has recognised revenue over time in respect of its Dubai based projects reflecting its assessment of the contractual agreements in place with customers and the satisfaction of its performance obligations under those arrangements. The Audit Committee considered and understood the nature of the arrangements and management's assessment of them in accordance with IFRS 15. The Committee also obtained details of management's assessment of the satisfaction of its performance obligations on each relevant development based on, in particular, sales, site performance such as build cost and progress. The Committee also engaged with the external auditor in relation to its work in this area, as well as considering the Group's internal audit reviews across the business. Based on this, the Committee was comfortable with the process and controls adopted by management around revenue recognition in the period.

Valuation of inventory

The Group recognises its development property inventory at the lower of cost or net realisable value in the year-end financial statements, and as such the Group performs a net realisable value assessment in order to identify whether there are any instances where the Group needs to consider impairment against inventory costs held. The Audit Committee obtained details of the methodology, and key assumptions adopted by management in respect of its inventory carrying cost assessment at year end in respect of each

project and considered those with regard to their industry knowledge and other information obtained with regard to for example sales performance. In considering this information the Committee was also cognisant as to whether there were other economic indicators that should be considered in respect of the assessment, for example, a slow down in sales or expected reduction in future sales prices based on their understanding of current or future expected business performance. The Committee also engaged with the external auditor in relation to its work in this area. Based on this, the Committee was comfortable with the process and controls adopted by management around assessing the carrying value of development property inventory at year end.

Internal audit

The Internal audit function is accountable to the Committee with the Head of Internal Audit reporting into the Chairman of the Committee to ensure independence is maintained. The internal audit work plan for 2024 was approved by the Committee during Q4 of 2023 and covers a broad range of core financial and operational processes and controls, focusing on specific identified risk areas. The Committee will review the performance and effectiveness of the internal audit function on an annual basis.

There were a number of internal audit engagements completed during 2023 in line with the agreed internal audit plan. The results of these internal audits were reported and discussed and follow up actions were reviewed or requested where necessary.

External Auditors

One of the Committee's roles is to oversee the relationship with the External Auditor, KPMG, and to evaluate the effectiveness of the service provided and their ongoing independence. Due to the short nature of the period between Admission

to listing and the publication of this report, a formal evaluation of the performance and effectiveness of the External Auditor has not been carried out. A statement will be included in the next annual report detailing the review of KPMG which will occur later in the financial year ending 31 December 2024. The Committee reviewed KPMG's findings in respect of the audit of the financial statements for the year ended 31 December 2023. The Chairman of the Committee met with representatives from KPMG without management present, to ensure that there were no issues in the relationship between management and the External Auditor which it should address. There were none. The Committee intends to have regular closed sessions with KPMG in 2024.

The year ended 31 December 2023 is the first year for which Edward Houghton will sign the auditor's report as senior statutory auditor. The Committee has reviewed, and is satisfied with, the independence of KPMG as the External Auditor. There are no contractual obligations that restrict the Committee's choice of auditor and the recommendation is free from third-party influence.

Non-audit services provided by the External Auditor

The External Auditor is primarily engaged to carry out statutory audit work. There may be other services where the External Auditor is considered to be the most suitable supplier by reference to their skills and experience. It is the Group's practice that it will seek quotes from several firms, which may include KPMG, before engagements for non-audit projects are awarded. Contracts are awarded based on individual merits. Since the engagement of KPMG as the Group's External Auditor in February 2023, no advisory or tax services have been undertaken by KPMG to the Company, with the only non-audit service being the interim review assurance report for the purposes of the 30 June 2023 half year financial statements of the Group

for which they were paid £105,000. KPMG were paid USD 1,630,747 in connection with the listing of the Group on the London Stock Exchange as a result of their role as Reporting Accountant.

Maurice Horan

Chairman of the Audit Committee
29 February 2024

Nomination Committee Report



The role of the Nomination Committee is to review the Board composition and to plan for its refreshment as applicable.

David Hunter

Chairman of the Board of Directors

Dear Shareholders

I am pleased to present the Company's first Nomination Committee ("the Committee") report as a listed Company, covering the period since the listing on 28 February 2023 until 31 December 2023.

Committee composition

The Nomination Committee is comprised of David Hunter, Non-Executive Chairman of the Board and Chairman of the Nomination Committee, Richard Stockdale, Senior Independent Non-Executive Director, and Maurice Horan, Independent Non-Executive Director. The biographies of each member of the Committee are set out on pages 54 to 55.

The UK Corporate Governance Code recommends that a majority of the Nomination Committee should comprise independent non-executive directors. The Board considers that the Company complies with the recommendations of the Code in this respect.

Our progress since admission to 31 December 2023

- Reviewed the structure, size and composition of the Board and its Committees.
- Developed a skills matrix.
- Recommended the re-appointment of Directors at the 2024 Annual General Meeting to the Board.
- Reviewed the time requirements for Directors.
- Reviewed the Board Diversity and Inclusion Policy.

Focus areas for 31 December 2024

- The recruitment of an additional Independent Non-Executive Director to address any skills gaps on the Board together with recognition of industry targets in relation to diversity expected of UK listed companies in the Listing Rules along with the recommendations of the FTSE Women Leaders and Parker Reviews.
- Succession Planning.
- Arrange the facilitation of an internal evaluation of the Board and its Committees and individual directors.
- Establish formal succession plans for the Board and senior management.

Role of the Nomination Committee

- Regular review of the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and its Committees, and making recommendations to the Board when appropriate.
- Leading the process for new appointments to the Board.
- Ensuring orderly succession planning to both the Board and the senior management team.
- Supporting the development of a diverse pipeline for succession.
- Considering succession planning for both the Board and senior management at least annually.
- Ensuring that there is a rigorous annual evaluation of the performance of the Board, its Committees, the Chairman and individual Directors.
- As Chairman of the Committee, I will report to the Board on the business carried out at the previous Committee meeting and inform of any recommendations made by the Committee.

Succession planning

Careful consideration has been given to the independence, composition and balance of the Board. The Board is satisfied that it has the appropriate range of skills, experience, independence and knowledge of the Group to enable it to discharge its duties and responsibilities effectively.

Continuous evaluation by the Committee will be carried out as the Company matures to ensure that the composition of the Board continues to be appropriate for the needs of the Group and its long-term success. As part of board succession planning the Committee will review the tenure of the non-executive directors at least annually.

One of the Nomination Committee's key priorities for the year ahead is to establish formal succession plans for the Board and senior management team.

Independence note

The Board has reviewed the independence of the Chairman and each Non-Executive Director and considers the Chairman and all of the Non-Executive Directors apart from Yousef Al-Shelash to be independent of management and free from business or other relationships that could interfere with the exercise of independent judgement. Yousef Al-Shelash is not considered to be independent as a consequence of his connection with the major shareholder. Yousef's letter of appointment contains additional clauses covering confidentiality, insider dealings and conflicts of interest. The Board considers Yousef to be independent in character and judgement when joining Board debates or discussion in which he is not conflicted.

Nomination Committee Report continued

Diversity

The Group recognises the importance of having a diverse Board, including in terms of gender and ethnicity. We believe that having Board members who collectively possess a broad range of social, educational and professional backgrounds, together with different skills, experiences, and cognitive strengths will contribute towards a high performing business.

We acknowledge the recommendations of the Parker review, but have not at this stage set a target, noting that the review is applicable only to FTSE 100 businesses.

When considering Board appointments and internal promotions at senior level, the Company will continue to take account of relevant voluntary guidelines in fulfilling their role regarding diversity, while seeking to ensure that each post is offered strictly on merit against objective criteria to the best available candidate.

The Nomination Committee will continue to consider the structure, size and composition of the Board and its committees when contemplating new appointments and succession planning for the year ahead. A range of diversity factors will be taken into account in determining optimal composition, together with the need to balance their composition and refresh this progressively over time. Further detail on the process of Board appointments can be found on page 53 of the Chairman's Corporate Governance report.

The Company has in place a Board Diversity and Inclusion Policy which sets out the approach to diversity and inclusion on its Board of directors and the Board's Committees.

The Nomination Committee notes the FCA targets on diversity and inclusion on company boards, namely, that from accounting periods starting on or after 1 April 2022:

- At least 40% of individuals on the Board to be women;
- At least one senior Board position to be held by a woman; and

- At least one individual on the Board to be from a minority ethnic background.

The Nomination Committee continues to develop its succession planning in line with these recommendations. In accordance with Listing Rule 14.3.33, the below tables, in prescribed format, show the gender and ethnic background of the Directors at the date of this Report.

Induction and training

Prior to Admission, the Company's external lawyers provided all directors with training in respect of their legal, regulatory and governance duties, responsibilities and obligations.

The training needs of the directors are periodically discussed at Board meetings and briefings are arranged on key issues if requested.

Board evaluation

In view of the fact the Company was only incorporated on 30 September 2022 and the majority of Board appointments were made shortly prior to admission on 6 February 2023, it was agreed that it would be more appropriate and effective to undertake an evaluation during the 2024 financial year, with the process and outcomes of the evaluation reported on in the next Annual Report. The Board intends to comply with the UK Corporate Governance Code guidance that an externally facilitated evaluation should take place at least every three years.

David Hunter

Chairman of the Nomination Committee
29 February 2024

Gender identity or sex	Number of Board members	Percentage on the Board	Number of senior positions on the Board*	Number in executive management^	Percentage of executive management
Men	5	100%	3	13	62%
Women	0	–	–	8	38%
Not specified/prefer not to say	–	–	–	–	–

Ethnic background	Number of Board members	Percentage on the Board	Number of senior positions on the Board*	Number in executive management^	Percentage of executive management
White British or other White (including minority white groups)	3	60%	2	4	19%
Mixed/multiple ethnic groups	0	–	–	–	–
Asian/Asian British	0	–	–	5	24%
Black/African/Caribbean/Black British	0	–	–	–	–
Other ethnic group, including Arab	2	40%	1	12	57%
Not specified/prefer not to say	–	–	–	–	–

^ CEO and managers reporting to the CEO, excluding administrative and support staff.

* Chief Executive Director; Senior Independent Director; Chairman.

The data in the above tables was collected through self-reporting by the Directors with a reference date of 31 December 2023.

Number of meetings attended in FY 23/24

Committee member	Meetings attended
David Hunter (Chairman of the Committee and Independent Non-Executive Director)	2/2
Richard Stockdale (Senior Independent Non-Executive Director)	2/2
Maurice Horan (Independent Non-Executive Director)	2/2

For more information on the Committee's Terms of Reference visit

www.darglobal.com/investors.

Directors' Remuneration Report



The Remuneration Committee has engaged a leading Consultant to shape a Remuneration Policy aligned with the best of its peers, to attract, motivate and retain high quality, high performing staff.

Richard Stockdale
Chairman of the Remuneration Committee

Annual Statement

As Chair of the Remuneration Committee ('the Committee') and on behalf of the Board of Directors, I am pleased to present our first Directors' Remuneration Report since our admission to the London Stock Exchange on 28 February 2023 (Admission).

This report is divided into the following sections:

- This Annual Statement, which provides an overview of the key decisions made on Directors' remuneration during the year (pages 71-72).
- The Directors' Remuneration Policy, which sets out our proposed Policy on the remuneration for Directors. The Policy will be subject to a binding shareholder vote at the 2024 AGM and will take effect following the close of the AGM.
- The Annual Report on Remuneration, which sets out the remuneration outcomes for 2023 and the proposed remuneration arrangements for 2024. The Annual Report on Remuneration, together with the Annual Statement, will be subject to an advisory shareholder vote at the 2024 AGM.

Remuneration Policy review

Following Admission, the Committee undertook a comprehensive review of the Remuneration Policy and incentive framework for Executive Directors, with support from its independent advisors (Deloitte LLP). The Committee considered a range of incentive frameworks and, after confirming support from the Company's major shareholder, Dar Al Arkan, concluded that an annual bonus structure is currently the right approach for the Company. The Company is rapidly evolving and the Board will need to evolve its financial and non-financial priorities over the coming years as the business continues to grow and mature as a public listed entity. An annual bonus structure provides the Committee with an agile means of incentivising against key financial and non-financial priorities, which ultimately support the Company's long term aspirations.

Notwithstanding this, the Committee is cognisant that the Remuneration Policy ordinarily has a three year life and considers that flexibility should be included within the Policy to grant long-term incentive awards in the future as the Company matures. The Policy includes flexibility to grant restricted share awards and market value options; a simple, transparent and balanced long-term incentive which supports retention, fosters loyalty and rewards management for the delivery of long-term shareholder value creation. As noted above, the Committee does not currently consider it appropriate to grant long-term incentive awards, opting for a simple remuneration structure of fixed remuneration and a cash-based annual bonus. The Committee will keep the position on the granting of restricted share awards and/or market value options under review over the course of the Policy, and will update shareholders as necessary if it deems it appropriate to grant such awards.

As part of the review, the Committee did discuss a conventional performance based LTIP framework. However, given that the Company will be in a phase of growth and maturity over the next three years, and consequently it would be extremely difficult to set robust long term performance targets, the Committee did not consider a conventional performance based LTIP framework to be appropriate at this time.

To support the alignment of the Executive Directors' long term interests with those of shareholders, shareholding guidelines have been introduced. Executive Directors are expected to build up and retain a shareholding in the Company equivalent to 200% of salary.

An overview of our intended application of the Remuneration Policy is set out on page 73.

Annual bonus for 2023

Dar Global operated a discretionary bonus arrangement in 2023. Employees were awarded

a one-off cash payment in March 2023 equal to one month's salary to recognise their hard work and dedication in preparing for and delivering a successful Admission. The Chief Financial Officer received AED 100,000. The Chief Executive Officer did not participate in this one-off cash payment.

Conclusion

I look forward to receiving your support at our 2024 AGM, where I will be pleased to answer any questions you may have on this report or any of the Committee's activities.

Richard Stockdale

Chairman of the Remuneration Committee
29 February 2024

Number of meetings attended in FY 23/24

Committee member	Meetings attended
Richard Stockdale (Chairman of the Committee and Senior Independent Non-Executive Director)	2/2
David Hunter (Independent Non-Executive Director)	2/2
Maurice Horan (Independent Non-Executive Director)	2/2

For more information on the Committee's Terms of Reference visit www.darglobal.com/investors.

Directors' Remuneration Report continued

Directors' Remuneration Policy

Summary of decision-making process

The following section sets out the proposed Directors' Remuneration Policy which will be subject to shareholder approval at the 2024 AGM. In designing the Policy, the Committee followed a robust process which included several discussions on the content of the Policy. The Committee considered input from the Chief Executive Officer and its independent advisors (Deloitte LLP) and consulted with its major shareholder, Dar Al Arkan.

How the Committee addressed the factors in Provision 40 of the UK Corporate Governance Code

When developing the Remuneration Policy, the Committee was mindful of, and considers it has appropriately addressed, the principles prescribed in Provision 40 of the UK Corporate Governance Code.

Principle	How the Committee has addressed the principle
Clarity and simplicity	A core reward principle is to operate a simple and transparent incentive structure. Remuneration is made of three key elements: fixed pay, annual bonus and a long-term incentive structure (comprising restricted share awards and market value options). The structure is simple to understand for Executive Directors, other participants and shareholders.
Risk	<p>The Committee will ensure that the incentive structure does not encourage Executive Directors or key senior employees to take inappropriate risks.</p> <p>Executive Directors are subject to current-employment and post-employment shareholding guidelines to support sustainable decision making.</p> <p>The Committee has recourse to recover incentive payments in certain circumstances.</p>
Predictability	The "illustration of application of remuneration policy" chart on page 68 indicates the potential values that may be earned through the remuneration arrangements.
Proportionality	The Committee has discretion to adjust incentive outcomes if they are not deemed to reflect the underlying financial or non-financial performance of the business, the performance of the individual or the experience of shareholders or other stakeholders over the performance period.
Alignment to strategy and culture	The incentive arrangements are designed to reward Executive Directors and key senior employees for delivering the Company's strategic priorities and reflect that the Company is in a phase of growth and maturity.

Directors' Remuneration Report continued

Directors' Remuneration Policy continued

Executive Remuneration Policy

The table below sets out the key elements of the remuneration package for the Executive Directors.

Remuneration Policy Table

Element and how it supports our strategy	Operation	Maximum opportunity	Performance measures
<p>Basic salary Provide a competitive base level of remuneration to support the recruitment and retention of Executive Directors with the experience and expertise necessary to deliver the Company's strategy.</p>	<p>Salaries are normally reviewed annually. Salaries are set taking into account a number of factors including (but not limited to):</p> <ul style="list-style-type: none"> – The role, experience and performance of the individual and the Company; – pay and conditions throughout the business; and – practice in companies with similar business characteristics. 	<p>While there is no maximum salary or salary increase, salary increases will normally be determined taking into account the average increases awarded to the Group's employees in the country in which the Executive Director lives and/or works.</p> <p>Increases above this level may be awarded in certain circumstances including (but not limited to):</p> <ul style="list-style-type: none"> – where there is a change in role or responsibility; – an Executive Director's development or performance in role (e.g. to align a new hire's salary with the market over time); – where there is a significant change in the size and/or complexity of the Company. 	None.
<p>Benefits Provides market competitive benefits at an appropriate cost.</p>	<p>Benefits include (but are not limited to) a housing and transportation allowance, a travel allowance and family level private health insurance.</p> <p>In certain circumstances, the Committee may also approve additional one-off or ongoing allowances or benefits relating to the relocation of an Executive Director as may be required to perform the role.</p> <p>The Committee has the ability to reimburse reasonable business-related expenses and any tax thereon.</p> <p>The Committee may introduce other benefits if it is considered appropriate to do so.</p>	<p>The Committee has not set a maximum level of benefit, given that the cost of certain benefits will depend on the individual's particular circumstances.</p> <p>However benefits will be set at an appropriate level taking into account market practice and the needs for specific roles and individual circumstances</p>	None.
<p>Pension Provides an appropriate level of provision for post-retirement income.</p>	<p>Executive Directors may be provided with a pension contribution or receive a cash allowance of equivalent value.</p> <p>The Chief Executive Officer does not currently receive a pension contribution or a cash allowance.</p>	<p>The maximum Company contribution or cash allowance (or a mix of both) will normally be aligned with the contributions available to the Group's employees in the country in which the Executive Director lives and/or works.</p>	None.

Directors' Remuneration Report continued

Directors' Remuneration Policy continued

Executive Remuneration Policy continued

Remuneration Policy Table continued

Element and how it supports our strategy	Operation	Maximum opportunity	Performance measures
<p>Annual bonus To incentivise delivery of strategy on an annual basis and reward superior performance.</p>	<p>Bonus awards are based on performance measures set by the Committee (typically measured over a financial year) against key financial measures and strategic objectives, and continued employment.</p> <p>The Committee has discretion to adjust the payment outcome if it is not deemed to reflect the underlying financial or non-financial performance of the business, the performance of the individual or the experience of shareholders or other stakeholders over the performance period.</p> <p>Malus and clawback provisions apply (see table on page 67).</p>	<p>Maximum opportunity of up to 150% of salary may be awarded in respect of a financial year.</p> <p>Up to 25% of maximum may be earned for threshold performance. Awards are earned progressively between threshold and maximum performance.</p>	<p>Performance measures, their weightings and targets are reviewed on an annual basis to ensure alignment to strategy. Details of the measures, weightings and targets will be fully disclosed on a retrospective basis in the relevant year's Annual Report on Remuneration.</p>
<p>Restricted share awards To support retention, foster loyalty and provide alignment with shareholder interests over the longer-term.</p>	<p>Annual awards will be granted in the form of nil- or nominal-cost share options or conditional share awards.</p> <p>Awards are subject to continued employment and the achievement of performance underpins normally measured over a five year period. The awards will vest following the assessment of the performance underpins.</p> <p>The Committee has discretion to reduce the vesting outcome if it is not deemed to reflect the underlying financial or non-financial performance of the business, the performance of the individual or the experience of shareholders or other stakeholders over the vesting period.</p> <p>Dividend equivalents may accrue on awards. Any dividend equivalents would normally be delivered in shares.</p> <p>Malus and clawback provisions apply (see table on page 67).</p>	<p>Maximum opportunity of up to 75% of salary may be awarded in respect of a financial year.</p> <p>There is no intention to grant restricted share awards during 2024. The Committee will review its position for 2025 during Q1 2025.</p>	<p>Performance underpins are determined by the Committee on an annual basis.</p> <p>If one or more of the performance underpins are not achieved, the Committee will assess an appropriate reduction to the vesting outcome.</p>
<p>Market value options To incentivise value creation and provide alignment with shareholder interests over the longer-term</p>	<p>Annual awards will be granted in the form of share options with an exercise price equal to the market value of the underlying shares at the grant date. The awards will normally vest on the third anniversary of the grant date. Vested awards will be subject to a two year post-vesting holding period. The Committee has discretion to reduce the vesting outcome if it is not deemed to reflect the underlying financial or non-financial performance of the business, the performance of the individual or the experience of shareholders or other stakeholders over the vesting period.</p> <p>Malus and clawback provisions apply (see table on page 67).</p>	<p>Maximum opportunity of up to 150% of salary may be awarded in respect of a financial year.</p> <p>There is no intention to grant market value options during 2024. The Committee will review its position for 2025 during Q1 2025.</p>	<p>The market value exercise price serves as an inherent share price performance measure. No further performance measures apply.</p>

Directors' Remuneration Report continued

Directors' Remuneration Policy continued

Executive Remuneration Policy continued

Remuneration Policy Table continued

Element and how it supports our strategy	Operation	Maximum opportunity	Performance measures
Shareholding guidelines To provide alignment of interest between Executive Directors and shareholders.	Executive Directors are expected to build up and retain a holding in shares with a value equal to 200% of salary. Executive Directors who step down from the Board are required to retain a holding in 'guideline shares' equal to 200% of salary (or their actual shareholding at the point of stepping down if lower) for two years following them stepping down. 'Guideline shares' do not include shares which the Executive Director has purchased. Unless the Committee determines otherwise, an Executive Director or former Executive Director shall be deemed to have disposed of shares which are not 'guidelines shares' before 'guideline shares'. The Committee retains discretion to waive the post-employment shareholding guideline if it is not considered to be appropriate in the specific circumstance.	None.	None.

Choice of performance measures

Annual bonus performance measures are selected to appropriately support the Group's strategic objectives. Performance targets are set in accordance with the Company's budget and operating plan and are reviewed annually to ensure they are sufficiently stretching.

Discretions retained by the Committee in operating the annual bonus, restricted share awards and market value options.

The Committee will operate the annual bonus, restricted share awards and market value options according to their respective rules. The Committee retains certain discretions, consistent with market practice, relating to the operation and administration of these plans, including:

- The ability to adjust or set different performance measures, weightings and/or targets for annual bonus awards if there is a material event (such

as a change in strategy, a material acquisition and/or divestment of a Group business or a change in prevailing market conditions) which causes the Committee to determine that the original performance measures, weightings and/or targets are no longer appropriate and the amendment is required so that they achieve their original purpose. Should there be an adjustment to targets, the Committee will ensure that they are not materially less challenging to satisfy than originally intended.

- The ability to adjust share awards in the event of a variation of share capital or a demerger, delisting, special dividend or other event that may affect the Company's share price.
- The ability to settle share awards in cash in exceptional circumstances.

Any use of the above discretions would, where relevant, be explained in the Directors' Remuneration Report.

Application of malus and clawback

Malus and clawback apply to annual bonus awards, restricted share awards and market value options as follows:

	Malus	Clawback
Annual bonus	To such time as payment is made.	Up to two years following payment.
Restricted share awards	To such time as the award vests.	No clawback provisions will normally apply (as malus provisions will apply over the vesting period, which is normally five years)
Market value options	To such time as the award vests.	Up to two years following vesting.

Directors' Remuneration Report continued

Directors' Remuneration Policy continued

Application of malus and clawback continued

Malus and/or clawback may be applied in the following scenarios:

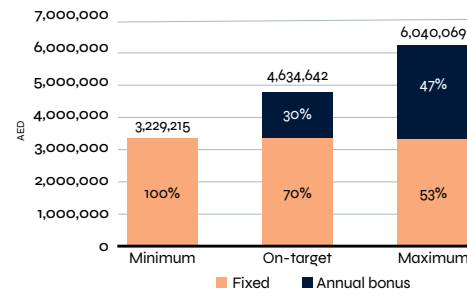
- Discovery of a material misstatement resulting in an adjustment in the audited accounts;
- The assessment of any performance measure was based on error, or inaccurate or misleading information;
- Action or conduct of a participant which amounts to fraud or serious misconduct;
- Action or conduct of a participant which results in reputational damage to the Company; or
- The Committee determining that there has been a material corporate failure.

Legacy arrangements

The Committee reserves the right to make any remuneration payments and payments for loss of office notwithstanding that they are not in line with the Remuneration Policy set out on pages 65 to 67 where the terms of the payment were agreed: (i) before the Policy came into effect; or (ii) at a time when the relevant individual was not a Director of the Company and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the Company. For these purposes "payments" include the Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment being "agreed" at the time the award is granted.

Illustration of application of remuneration policy for 2024

The chart below illustrates the value of the Chief Executive Officer's remuneration package, should he achieve minimum, on-target or maximum performance.



For the purposes of this analysis, the following assumptions have been made:

Minimum performance	– Fixed remuneration only (comprising basic salary as at 1 January 2024 and benefits received in 2023)
On-target performance	– Fixed remuneration – 50% of maximum annual bonus is earned – No restricted shares or market value share options are granted
Maximum performance	– Fixed remuneration – 100% of maximum annual bonus is earned – No restricted shares or market value share options are granted
Maximum performance + 50% share price growth	– Not applicable as no restricted shares or market value share options are granted

Directors' Remuneration Report continued

Directors' Remuneration Policy continued

Non-Executive Chairman and NED Fee Policy

The Policy on Non-Executive Chair and NED fees is set out below:

Element and how it supports our strategy	Operation
Fees To attract NEDs who have a broad range of experience and skills to support establishing and monitoring the Company's strategy and contributing to the development of the business.	The fees for the NEDs are set by the Non-Executive Chair and the Chief Executive Officer. The fee for the Non-Executive Chair is set by the Remuneration Committee. Fees may include a base fee and additional fees for further responsibilities (including but not limited to, chairing Board Committees or acting as Senior Independent Director) and/or additional time commitments. Fees may be paid in cash and/or shares as considered appropriate. Fees are normally reviewed annually. Fees are set taking into account a number of factors including (but not limited to): The time commitment and responsibilities expected for the roles; pay and conditions throughout the business; and practice in companies with similar business characteristics. The Company will pay reasonable expenses incurred by the Non-Executive Chair and NEDs and may settle any tax incurred in relation to these. The Non-Executive Chair and NEDs are not entitled to any pension or other employment benefits and do not participate in any incentive plan. Overall fees paid to the Non-Executive Chair and NEDs will remain within the limits set by the Company's Articles of Association.

Approach to Recruitment Remuneration

The remuneration of a new Executive Director will normally include salary, benefits, pension and participation in the incentive arrangements in accordance with the Remuneration Policy. The Committee may include other elements of remuneration which it considers appropriate, subject to the principles and limits referred to below:

Component	Policy
Basic salary	Salary will be set taking into account the individual's experience and calibre, prevailing market rates in companies of comparable size and complexity and internal relativities. If it is considered appropriate to appoint a new Executive Director on a below market salary (for example, to allow them to gain experience in the role) their salary may be increased to a market level by way of above wider workforce salary increases over a number of years. These increases will be subject to continued development in role.
Benefits	Benefits will be considered in line with the Remuneration Policy. If the new Executive Director is required to relocate, reasonable relocation, travel and subsistence payments may be provided (either via a one-off or ongoing payments and benefits).
Pension	Pension contribution levels will be considered in line with the Remuneration Policy.
Maximum level of variable pay	The Committee will not offer non-performance-related variable remuneration and the maximum level of variable remuneration which may be granted (excluding buy-out awards) is 400% of salary.
"Buyout" awards	In the case of an external hire it may be necessary to buy-out incentive awards, benefits or other contractual arrangements (including in relation to the forfeiture of such amounts on leaving the previous employer). Any such buy-out would be provided for taking into account the form (e.g. cash or shares), timing and performance measures of the remuneration being forfeited. Replacement share awards, if used, will be granted using the Company's existing incentive plans. Awards may also be granted outside of these plans if necessary and as permitted under the Listing Rules.
Other elements of remuneration	Other elements may be included in the following circumstances: <ul style="list-style-type: none"> – An interim appointment being made to fill an Executive Director role on a short-term basis. – If exceptional circumstances require that the Non-Executive Chair or a NED takes an executive function on a short-term basis. – If an Executive Director is recruited at a time in the year when it would be inappropriate to provide an annual bonus, restricted share award or market value option for that year. Subject to the limit on variable pay set out above, the quantum in respect of the period employed during the year may be transferred to the subsequent year.

Directors' Remuneration Report continued

Directors' Remuneration Policy continued

Approach to Recruitment Remuneration continued

In the case of an internal appointment, any ongoing remuneration obligations or variable pay element awarded in respect of the prior role shall be allowed to continue according to its original terms, adjusted as relevant to take into account the appointment.

Fees payable to a newly appointed Non-Executive Chair or NED will be in line with the fee policy in place at the time of appointment.

Service Contracts and compensation for loss of office

On 9 February 2023, Ziad El Chaar entered into a new service agreement for the position of Chief Executive Officer. The Chief Executive Officer's service agreement is for an initial three year term, subject to earlier termination by either party on 90 days' notice, in accordance with the maximum permitted notice period under UAE law. The three year term can be extended by agreement.

The principles on which the determination of compensation for loss of office will be approached are set out below:

Component	Policy
Payments in lieu of notice	The Company has discretion to make a payment in lieu of notice. Such payment may include basic salary and compensation for allowances and benefits for the unexpired period of notice and a gratuity payment. In accordance with UAE law, the gratuity payment would comprise 21 days' basic salary for each of the first five years of service and 30 days' basic salary for each additional year of service. Payments in lieu of notice may be subject to relief.
Annual bonus	The payment of a bonus will be at the discretion of the Committee on an individual basis and will be dependent on a number of factors, including the circumstances of the individual's departure and contribution to the business during the financial year. Unless the Committee determines otherwise, any bonus payment will be paid at the usual time following the determination of performance measures and be subject to a pro rata reduction for time served during the performance period.

Component	Policy
Restricted share awards	The extent to which any unvested award will vest will be determined in accordance with the Dar Global Long Term Incentive Plan rules. If an Executive Director is not deemed a qualifying leaver, their unvested award will lapse on cessation of employment. If an Executive Director is deemed a qualifying leaver (death, ill-health, injury or disability, sale of employing entity, or any other reason at the discretion of the Committee) the default position is for their unvested award to be pro-rated for time served during the vesting period and vest and be released at the normal time (i.e. following the end of the vesting period) and subject to the achievement of performance underpins. The Committee will have discretion to waive time pro-rating and/or accelerate vesting and release (i.e. to the point of cessation of employment) in exceptional circumstances (typically death or serious ill-health).
Market value options	The extent to which any unvested award will vest will be determined in accordance with the Dar Global Long Term Incentive Plan rules. Leaver during the vesting period If an Executive Director is not deemed a qualifying leaver, their unvested award will lapse on cessation of employment. If an Executive Director is deemed a qualifying leaver (death, ill-health, injury or disability, sale of employing entity, or any other reason at the discretion of the Committee) the default position is for their unvested award to be pro-rated for time served during the vesting period and vest and be released at the normal time (i.e. following the end of the post-vesting holding period). The Committee will have discretion to waive time pro-rating and/or accelerate vesting and release (i.e. to the point of cessation of employment) in exceptional circumstances (typically death or serious ill-health). Leaver during the post-vesting holding period Unless summarily dismissed for gross misconduct (in which case the award would lapse on cessation of employment), the Executive Director's vested award will be released following the end of the post-vesting holding period. The Committee will have discretion to accelerate release (i.e. to the point of cessation of employment) in exceptional circumstances (typically death or serious ill-health).
Other payments	In appropriate circumstances, payments may also be made in respect of accrued holiday, outplacement and legal fees. The Committee reserves the right to make payments by way of settlement of any claim arising in connection with the cessation of employment.

Directors' Remuneration Report continued

Directors' Remuneration Policy continued

Service Contracts and compensation for loss of office continued

The Non-Executive Chair and NEDs are engaged for an initial period of three years which thereafter may be extended, subject to re-election at each AGM. The appointment of the Non-Executive Chair and NEDs may be terminated by either party on three months' notice. The dates of each Non-Executive Director's initial appointment are set out below:

Director	Date of initial appointment	Expiry of current term
David Hunter	6 February 2023	6 February 2026
Yousef Al-Shelash	6 February 2023	6 February 2026
Maurice Horan	6 February 2023	6 February 2026
Richard Stockdale	6 February 2023	6 February 2026

Statement of consideration of employment conditions elsewhere in the Group

The Company adopts a policy of positioning fixed pay for all its employees at a level which is competitive to the market but which does not require the Company to pay any more than is necessary. Employees may participate in incentive arrangements based on role and seniority.

Information provided by the Human Resources function on pay and conditions across the Company is considered by the Committee as part of its discussions and decision making on executive remuneration.

We hold employee forums, facilitated by the Human Resources function, where employees have the opportunity to discuss a topics of interest to them, including executive remuneration.

Statement of consideration of shareholders' views

In developing the proposed Remuneration Policy the Committee engaged with the Company's major shareholder, Dar Al Arkan. The Committee will consult as appropriate with major shareholders and their representative bodies on any material changes relating to executive remuneration going forwards.

Annual Report on Remuneration

Total single figure table (audited)

The table sets out the remuneration received by each Director for the year ended 31 December 2023 (all figures are in AED):

	Fixed pay				Variable pay		Total
	Salary ³	Benefits ⁶	Board fees ⁴	Subtotal	Annual bonus	Subtotal	
Executive Directors							
Ziad El Chaar ¹	1,487,381	1,329,628	257,429	3,074,439	-	-	3,074,439
Shivaraman Iyer ^{1,2}	709,794	634,513	142,230	1,486,536	100,000	100,000	1,586,536
Non-Executive Directors							
David Hunter ⁵	-	-	921,911	921,911	-	-	921,911
Yousef Al-Shelash	-	-	259,811	259,811	-	-	259,811
Maurice Horan ⁵	-	-	361,113	361,113	-	-	361,113
Richard Stockdale ⁵	-	-	400,066	400,066	-	-	400,066

- For the period from 30 September 2022 (the date of the Company's incorporation) to 31 December 2022, the Chief Executive Officer received a basic salary of AED 720,000 and other benefits of AED 89,550 and the Chief Financial Officer received a basic salary of AED 628,067 and other benefits of AED 78,115.
- Shivaraman Iyer stepped down from the Board as an Executive Director of the Company with effect from 8 August 2023. The figures in the table above reflect the remuneration earned by Shivaraman Iyer during 2023 as an Executive Director. Shivaraman Iyer continues in his role as Chief Financial Officer as an employee of the Company.
- On Admission, the Chief Executive Officer's basic salary was set at AED 1,857,800 per annum and the Chief Financial Officer's basic salary was set at AED 910,400 per annum.
- The Non-Executive Chair and NEDs were appointed on 6 February 2023. On Admission, the Non-Executive Chair's fee was set at £220,000 per annum and the NED base fee was set at £62,000 per annum. An additional fee per annum is also payable for the Chair of the Audit Committee (£10,000), a member of the Audit Committee (£8,000), the Chair of the Remuneration Committee (£10,000), a member of the Remuneration Committee (£8,000) and the Senior Independent Director (£10,000).
- David Hunter, Maurice Horan and Richard Stockdale were paid an advisory fee of £40,384, £6,115 and £11,381 for work carried out prior to their appointment becoming effective. These fees represented their annual base fee pro-rated for the relevant period before their appointment took effect. These fees are not included in the single figure table above.
- Benefits received by the Executive Directors during 2023 included: a housing and transportation allowance (AED 1,321,600 for the Chief Executive Officer and AED 346,351 for the Chief Financial Officer); a travel allowance (AED 17,010 for the Chief Executive Officer and AED 20,760 for the Chief Financial Officer); family level private health insurance (AED 16,702 for the Chief Executive Officer and AED 41,465 for the Chief Financial Officer)

Annual bonus (audited)

Dar Global operated a discretionary bonus arrangement in 2023.

Employees were awarded a one-off cash payment in March 2023 equal to one month salary to recognise their hard work and dedication in preparing for and delivering a successful Admission. The Chief Financial Officer received AED 100,000. The Chief Executive Officer did not participate in this one-off cash payment.

Directors' Remuneration Report continued

Annual Report on Remuneration continued

Payments for loss of office and payments to past Directors (audited)

No payments for loss of office or payments to past Directors were made during the year ended 31 December 2023.

Directors' share interests (audited)

As at 31 December 2023 (or date of stepping down from the Board if earlier), no Director or any of their connected persons held interests in ordinary shares of the Company. As at 29 February 2024, the Company has not been advised of any changes to the interests of Directors and their connected persons.

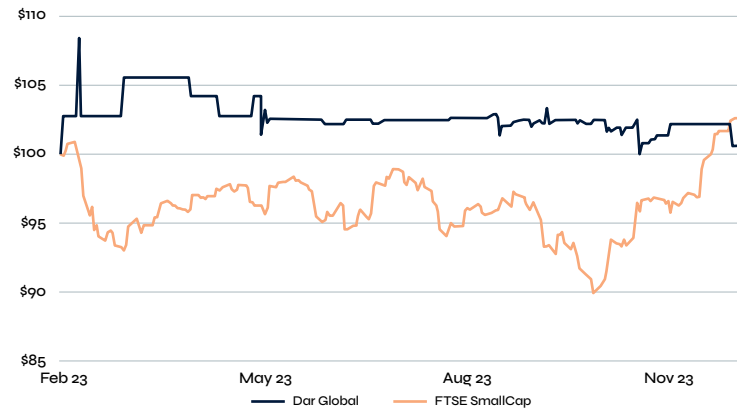
The Committee has introduced shareholding guidelines for Executive Directors under the proposed Remuneration Policy. See page 67 for details.

Comparison of overall performance and pay

The chart below shows the Total Shareholder Return of the Company and the FTSE SmallCap Index over the period from 28 February 2023 (the Company's Admission) to 31 December 2023. The FTSE SmallCap Index represents the most appropriate broad index comparison for a company of Dar Global's size.

Historical Total Shareholder Return performance

Growth in the value of a hypothetical \$100 holding over the period from 23 February 2023 to 31 December 2023.



The table below sets out the Chief Executive Officer's single figure remuneration for 2023. Since the Company was incorporated on 30 September 2022 and listed on the London Stock Exchange on 28 February 2023, there is no comparable remuneration to disclose for previous years.

	2023
Single figure of remuneration	3,074,439
Annual bonus (% of maximum)	n/a ¹
Long-term incentive (% of maximum)	n/a ²

1. No annual bonus was paid to the Chief Executive Officer in respect of the year ended 31 December 2023.
2. No long-term incentive awards were capable of vesting in respect of the year ended 31 December 2023.

Percentage change in remuneration

Since the Company was incorporated on 30 September 2022 and listed on the London Stock Exchange on 28 February 2023, there is no comparable remuneration to disclose for the prior year. Full disclosure on the percentage change for Director and employee remuneration will be provided in future Directors' Remuneration Reports.

Group Chief Executive Officer pay ratio

The Committee takes into account pay and conditions for the wider workforce when determining the remuneration package for the Chief Executive Officer. A Chief Executive Officer pay ratio for 2023 has not been disclosed noting that the Company has less than 250 UK employees. The Company will keep this disclosure under review for future years.

Relative importance of pay spend

The table below sets out the total expenditure in relation to total employee pay and distributions to shareholders for the year ended 31 December 2023. Since the Company was incorporated on 30 September 2022 and listed on the London Stock Exchange on 28 February 2023, there is no comparable information to disclose for the prior year.

	2023
Total employee pay	USD 19,040,312
Distribution to shareholders	nil

Directors' Remuneration Report continued

Implementation of Remuneration Policy for 2024

Chief Executive Officer salary

No basic salary increase has been awarded to the CEO in respect of 2024.

Chief Executive Officer annual bonus

The terms of a 2024 annual bonus award for the Chief Executive Officer are still being considered by the Committee. Details will be provided in the 2024 Directors' Remuneration Report.

There is no intention to grant restricted share awards or market value options to the Chief Executive Officer or other employees during 2024.

Non-Executive Chair and NED fees

No fee increase has been awarded to the Non-Executive Chair or NEDs in respect of 2024.

Committee membership

Since Admission, the Committee comprised three Independent Non-Executive Directors.

Role of the Remuneration Committee

The role of the Remuneration Committee is to determine and recommend to the Board the Remuneration Policy for Executive Directors, and set remuneration for the Executive Directors, Non-Executive Chair and senior management (including the Company Secretary). In doing so the Committee has regard for the pay and conditions for the wider workforce. The Committee's role and responsibilities are detailed within its

Terms of Reference.

The Committee's key activities

The key activities and decisions of the Committee during 2023 were as follows:

- The appointment of independent advisors to the Committee.
- Approval of the proposed Remuneration Policy that will be subject to shareholder approval at the 2024 AGM.
- Approval of the proposed incentive framework for Executive Directors and senior management.

Advisors to the Committee

The Committee appointed Deloitte LLP on 27 November 2023 as its independent advisor following a competitive tender process. No fees had been charged in respect of this advice as at 31 December 2023. Deloitte LLP is a founder member of the Remuneration Consultants Group and as such voluntarily operates under its Code of Conduct in relation to executive remuneration in the UK. The Committee is satisfied that Deloitte provides objective and independent advice.

The Committee also received assistance from the Chief Executive Officer, Senior HR Director and Company Secretary, although they do not participate in discussions relating to the setting of their own remuneration.

This Remuneration report was approved by the Board and signed on its behalf by:

Richard Stockdale

Chairman of the Remuneration Committee
29 February 2024

Directors' Report

The Directors present their report, together with the audited Financial Statements for the period ended 31 December 2023.

In accordance with the Companies Act 2006 (as amended), the Listing Rules and the Disclosure Guidance and Transparency Rules, the Corporate Governance Statement, Directors' remuneration report, report from the Audit and Risk Committee and the statement of Directors' responsibilities should be read in conjunction with one another and the strategic report. As permitted by legislation, some of the matters normally included in the Directors' report have instead been included in the strategic report, as the Board considers them to be of strategic importance. The Strategic Report and the Directors' Report together constitute the management report as required under Rule 4.1.8R of the Disclosure Guidance and Transparency Rules.

Board of Directors

During the year under review the following directors held office. More information on the current Directors and their biographical details are detailed on pages 54 to 56:

- David Hunter
- Ziad El Chaar
- Richard Stockdale
- Yousef Al-Shelash
- Maurice Horan
- Shivaraman Iyer (Resigned 8 August 2023)

Following the resignation of Shivaraman Iyer, the Board includes an appropriate combination of Executive Directors and Non-Executive Directors, with majority of the Board considered independent. No one individual or small group of individuals dominates the Board's decision-making. Further information on the Company's application of the principles and provisions of the UK Corporate Governance Code can be found in the Corporate Governance Report on pages 50 to 53.

Disclosure of information to auditors

The Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware. Each Director has taken all reasonable steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Directors' and Officers' insurance and indemnities

The Group has maintained Directors' and Officers' Liability Insurance cover throughout the period. The Directors, if they deem it necessary, have the facility to obtain legal or other relevant advice at the expense of the Company in their capacity as Directors. The Company has also provided Deeds of Indemnity to each director as permitted by Section 234 of the Companies Act 2006 and by the Articles, which remain in force at the date of this report.

Political donations

The Group did not make any political donations or incur political expenditure in 2023.

Subsidiaries, principal activities and branches

The Group acts as a holding company for the Group of subsidiaries. The Group's subsidiaries are set out on pages 88 to 89 of the financial statements.

Share capital

Details of the Company's share capital, together with details of the movements in the share capital during the year, are shown on page 104 of the accounts. The Company has one class of ordinary shares which carry no right to fixed income. Each share carries the right to one vote at a general meeting of the Company.

Dividend

As set out in the Prospectus, the Company is focused on investing to deliver future growth. As such, the Company's current dividend policy is not to declare any dividends in the near future. The Company will continue to review its dividend policy as the Board believes dividends to be an important component of long-term total shareholder return.

Major interests in shares

As at 31 December 2023, the Company had been notified of the following interests in 3% or more of the Company's issued share capital, in accordance with Rule 5 of the FCA's Disclosure Guidance and Transparency Rules. The information provided below is correct at the date of notification.

Holder	As at 31 December 2023		As at 28 February 2024	
	Number of Shares	Voting rights (%)	Number of Shares	Voting rights (%)
Dar Al Arkan Global Investment LLC*	158,400,000	88%	158,400,000	88%

*Formerly known as Dar Al Arkan Global Real Estate Development LLC

Since 31 December 2023 until 28 February 2024, the Company has not been notified of any interests representing over 3% of the issued share capital.

Articles of association and powers of the Directors

The Directors' powers are conferred on them by UK legislation and by the Company's Articles. The Company's Articles of Association ("the Articles") contain the rules relating to the powers of the Company's directors and their appointment and replacement mechanisms. The Articles may only be amended by special resolution at a general meeting of the shareholders. Subject to the Group's Articles and relevant regulatory measures, including the Companies Act 2006, the day-to-day business of the Group is managed by the Board who may exercise all the powers of the Company.

In accordance with the Articles, the Directors are subject to annual re-election by shareholders and all the Directors will stand for election at the forthcoming Annual General Meeting, this being the first Annual General Meeting since their appointment, to be held on 28 March 2024. More information on the Directors can be found in the Directors' biographies on pages 53 to 55.

Directors' Report continued

Relationship agreement

The Company entered into a Relationship Agreement ("Relationship Agreement") with Dar Al Arkan Real Estate Development Company PJSC¹ ("the Major Shareholder") on 12 February 2023, the terms of which came into force on admission of the shares of the Company to trade on the Standard Listing segment of the London Stock Exchange.

The principal purpose of the Relationship Agreement is to ensure that the Company is capable at all times of carrying on its business independent of the Major Shareholder and their associates, that transactions and relationships with the Major Shareholder and their associates are at arm's length and on normal commercial terms (subject to the rules on related party transactions in the Listing Rules) and to ensure the Major Shareholder does not take any action that would prevent the Company from complying with, or would encourage the Company to seek to circumvent, the Listing Rules. The Relationship Agreement will remain in full force and effect for so long as such the Major Shareholder, together with its associates, holds Ordinary Shares representing at least 10% of the Ordinary Shares in issue by the Company from time to time (save that the Major Shareholder may terminate the Relationship Agreement if the Company is delisted from the Main Market of the London Stock Exchange or experiences certain insolvency related scenarios).

Significant agreements

The Group has two significant agreements that would be terminable upon a change of control: the Emirates National Bank of Dubai loan facility and the Abu Dhabi Commercial Bank loan facility.

Future developments in the business

The likely future developments in respect of the business can be found in the Strategic report on pages 8 and 18 and forms part of this report by reference.

Compensation for loss of office

There are no agreements between the Company and its Directors or employees providing for compensation for loss of office or employment that occurs because of a takeover bid.

1. Interest is held indirectly through various subsidiaries. Dar Al Arkan Global Investment LLC (previously known as Dar Al Arkan Real Estate Development LLC) is the immediate controlling shareholder of the Company.

Statement of Directors' responsibilities in respect of the annual report and the financial statements

The directors are responsible for preparing the Annual Report and the consolidated financial statements and company financial statements of Dar Global PLC ("the Group and parent Company financial statements") in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards and applicable law and have elected to prepare the parent Company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of the Group's profit or loss for that period. In preparing each of the Group and parent Company financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable, relevant, and reliable;
- State whether they have been prepared in accordance with UK-adopted international accounting standards;
- Assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- Use the going concern basis of accounting unless they intend either to liquidate the Group or the parent Company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for ensuring that the Group and parent Company maintain adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and to enable them to ensure that its financial statements comply with the Companies Acts 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In accordance with Disclosure Guidance and Transparency Rule ("DTR") 4.1.16R, the financial statements will form part of the annual financial report prepared under DTR 4.1.17R and 4.1.18R. The auditor's report on these financial statements provides no assurance over whether the annual financial report has been prepared in accordance with those requirements.

Responsibility statement of the directors in respect of the annual financial report

We confirm that to the best of our knowledge:

- The financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- The strategic report/directors' report includes a fair review of the development and performance of the business and the position of the issuer, and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

The Directors' Report, which has been prepared in accordance with the requirements of the Companies Act 2006, has been approved by the Board and signed on its behalf by:

David Hunter

Chairman

29 February 2024



03 Financial Statements

78	Independent Auditor's Report
84	Consolidated Statement of Financial Position
85	Consolidated Statement of Profit or Loss and Other Comprehensive Income
86	Consolidated Statement of Changes in Equity
87	Consolidated Statement of Cash Flows
88	Notes to the Consolidated Financial Statements
111	Company Statement of Financial Position
112	Notes to the Company Financial Position

Independent Auditor's Report

Our opinion is unmodified

We have audited the consolidated financial statements and Company financial statements of Dar Global PLC (the "Company") and its subsidiaries (together, the "Group"), which comprise the consolidated and Company statements of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, the Company statement of changes in equity from 30 September 2022 to 31 December 2023 and notes, comprising significant accounting policies and other explanatory information.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2023 and of the Group's profit for the year then ended;
- the Group financial statements are properly prepared in accordance with UK-adopted international accounting standards;
- the parent Company financial statements have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were first appointed as auditor by the directors on 23 May 2023. The period of total uninterrupted engagement is for the financial year ended 31 December 2023. We have fulfilled our ethical responsibilities under, and we remain independent of the Company and Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to public interest entities. No non-audit services prohibited by that standard were provided.

Other matter – prior period financial statements

We note that the prior period financial statements were not audited. Consequently ISAs (UK) require the auditor to state that the corresponding figures contained within these financial statements are unaudited. Our opinion is not modified in respect of this matter.

Key audit matters: our assessment of the risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the consolidated financial statements and Company financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the consolidated financial statements and Company financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

Independent Auditor's Report continued

	The risk	Our response
<p>Revenue recognition 2023: USD 360,575,755 (2022 Unaudited: USD 80,001,625)</p> <p>Refer to the Audit and Risk Committee Report on page 57, note 2.16 accounting policy and note 23 disclosures.</p>	<p>Basis: The Group recognises revenue on sale of development properties in accordance with IFRS 15 "Revenue from Contracts with Customers" either at the point in time at which the performance obligation is satisfied or over time depending on the terms of contracts with customers.</p> <p>The Group has elected to apply the input method to measure the progress of performance obligations where revenue is recognised over time. In applying the input method, the Group estimates the cost to complete the projects in order to determine the amount of revenue to be recognised.</p> <p>Risk: Revenue recognition involves judgement in determining whether a contract exists as there is a risk that contracts with customers are accounted for prior to the parties being committed to their obligations and before the collection of consideration from customers is probable.</p> <p>The recognition of revenue requires a high level of estimation by management in determining costs to meet performance obligations satisfied over time for the recognition of proportionate revenue. There is a risk that revenue is recognised prior to performance obligations being satisfied, resulting in revenue not being accounted for in the correct period.</p> <p>The effect of these matters is that, as part of our risk assessment, we determined that the revenue recognition model has a high degree of judgement and estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount.</p>	<p>Our audit procedures included:</p> <p>Internal Controls: Documenting and assessing the design and implementation of controls regarding revenue recognition;</p> <p>Challenging managements' assumptions and inputs: We critically assessed the appropriateness of key assumptions regarding costs to complete by agreeing expected costs to complete to construction contractors' agreements or other supporting documents on a sample basis and recalculated development completion percentage underpinning revenue recognition;</p> <p>Assessing the revenue recognition model: Identifying a contract: We assessed the appropriateness of managements judgement in determining the existence of a contract by examining agreements with customers and the assessment by management that collection is probable;</p> <p>Satisfaction of timing of performance obligations: We assessed whether performance obligations are satisfied at a point in time or over time and are accounted for in accordance with the appropriate accounting standards;</p> <p>On a sample basis, we assessed the appropriateness of percentage of completion of the construction of properties by reference to costs incurred to date compared to total expected costs where the performance obligation is satisfied over time;</p> <p>We considered the cash collection profile in comparison to the satisfaction of performance obligations to assess whether a significant financing component existed within the contract;</p> <p>We performed cut off testing over costs recorded close to the year-end and including customer defaults / forfeiture of units post year-end.</p> <p>Assessing disclosures: We considered the adequacy of the Group's disclosures regarding the recognition of revenue.</p> <p>Our results We found the results of our testing in respect of revenue recognition to be satisfactory and the recording of revenue and related disclosures to be acceptable.</p>

Independent Auditor's Report continued

	The risk	Our response
<p>Carrying value of development properties inventory 2023: USD 216,931,211 (2022 Unaudited: USD 302,274,899)</p> <p>Refer to the Audit and Risk Committee Report on page 57, note 2.8 accounting policy and note 8 disclosures.</p>	<p>Estimation uncertainty: The Group holds development properties in different jurisdictions. The carrying value of these properties are stated at the lower of cost and net realisable value.</p> <p>Determining the net realisable value of these properties is a significant judgement area and is underpinned by several assumptions such as sales values and costs to complete that are inherent in site forecasts and the level of provisioning, if any, required for impairment. These assumptions are inherently subjective and therefore may be open to management bias.</p> <p>The carrying value of inventory is assessed by management by reference to current market information and assumptions. In performing the assessment, management undertake annual valuations to determine the expected outcome of each development and hence identify if any reduction to carrying value is required.</p> <p>The effect of these matters is that, as part of our risk assessment, we determined that the assumptions used in the net realisable value assessment have a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount.</p> <p>Risk: There is a risk that the carrying value of inventory is overstated.</p>	<p>Our audit procedures included:</p> <p>Internal Controls: Documenting and assessing the design and implementation of the controls regarding net realisable value of inventory;</p> <p>Use of KPMG Specialists: Our own real estate valuation specialists assisted us in assessing the valuation/Gross Development Value ("GDV") estimate, through evaluating the methods adopted (such as residual value or discounted cashflow approaches) and challenging the key assumptions (including sales prices and discount rates) through comparison against historic data, current sales and consideration of current market conditions;</p> <p>Challenging managements' assumptions and inputs: For incomplete development sites we compared the actual costs incurred to date to the budgeted costs to complete, where relevant, and agreed the approved budgeted costs to construction contracts where they had been signed or completion of works statements from managements specialists;</p> <p>We performed an independent headroom and sensitivity analysis to evaluate the extent of the impact of changes in significant assumptions to the conclusions reached by management;</p> <p>Test of details We agreed a sample of additions to development properties inventory to supporting documentation such as agreements or other purchases documentation; We assessed whether costs capitalised to development properties inventory were eligible in accordance with the relevant accounting standards;</p> <p>Assessing disclosures: We considered the adequacy of the Group's disclosures about the economic and operational circumstances impacting the carrying value of inventory property.</p> <p>Our results We found the results of our testing to be satisfactory and the carrying value of development properties inventory recognised and related disclosures to be acceptable.</p>

Independent Auditor's Report continued

	The risk	Our response
<p>Recoverability of parent Company's investment in subsidiaries</p> <p>Investment in subsidiaries USD 370,547,062.</p> <p>Refer to note 2.8 accounting policy and note 6 disclosures in the Company financial statements.</p>	<p>Low risk, high value:</p> <p>The carrying value of the parent Company's investment in subsidiaries represents 99% of the parent Company's total assets. The assessment of carrying value is not at a high risk of significant misstatement or subject to significant judgement as the carrying value is supported by the net asset value of the subsidiaries and the profits forecast to be made on sale of the development properties owned by the subsidiaries (which are stated at cost in the financial statements). However, due to its materiality in the context of the parent Company financial statements, this is considered to be the area that had the greatest effect on our overall parent Company audit.</p>	<p>Our audit procedures included:</p> <p>Test of details:</p> <p>We compared the carrying amount of 100% of the parent Company's investments in subsidiaries with the relevant subsidiaries' balance sheet and budgets for the underlying development properties to identify whether their financial position supported the carrying amount of the parent Company's investments in those subsidiaries. We evaluated budgeted forecasts in line with our knowledge of the entity.</p> <p>Assessing disclosures:</p> <p>We have also considered the adequacy of the Company's disclosure in respect of the carrying value of the investments in the subsidiaries.</p> <p>Our results:</p> <p>The results of our testing were satisfactory and we found the carrying value and associated disclosure of the investment in subsidiaries to be acceptable.</p>

Our application of materiality and an overview of the scope of our audit

Materiality for the consolidated financial statements as a whole was set at USD 3,700,000, determined with reference to a benchmark of Group total assets of USD 767,346,062, of which it represents approximately 0.5%.

Materiality for the Company financial statements was set at USD 1,900,000, determined with reference to a benchmark of Company total assets of USD 386,537,152, of which it represents approximately 0.5%.

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the consolidated financial statements as a whole. Performance materiality for the Group was set at 65% of materiality for the consolidated financial statements as a whole, which equates to USD 2,400,000, which

is lower than the maximum of 75% per our methodology. This was to take into account the Group nature of the audit and resulting increased level of aggregation risk from consolidation of the subsidiaries. For the Company, performance materiality was set at 75%, which equates to USD 1,425,000. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We reported to the Audit Committee any corrected or uncorrected identified misstatements exceeding USD 185,000 for the consolidated financial statements and USD 95,000 for the Company financial statements, in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Group and Company was undertaken to the materiality levels specified above, which has informed our identification of significant risks of material misstatement and the associated audit procedures performed in those areas as detailed above.

The group audit team performed the audit of the Group and Company financial statements. The audit was performed using the materiality level set out above and covered 100% of total Group revenue, total Group profit before tax, and 96% total Group assets and liabilities.

Going concern

The directors have prepared the consolidated financial statements and Company financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the consolidated financial statements and the Company financial statements (the "going concern period"). In our evaluation of the directors' conclusions, we considered the inherent risks to the Group and the Company's business model and analysed how those risks might affect the Group

and the Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to affect the Group and Company's financial resources or ability to continue operations over this period were:

- Availability of capital to meet operating costs and other financial commitments; and
- The forecast level of sales and the recoverability of financial assets subject to credit risk;

We considered whether these risks could plausibly affect the liquidity in the going concern period by comparing severe, but plausible downside scenarios that could arise from these risks individually and collectively against the level of available financial resources indicated by the Group and Company's financial forecasts.

We considered whether the going concern disclosure in note 2.2 to the financial statements gives a full and accurate description of the directors' assessment of going concern.

Independent Auditor's Report continued

Going concern continued

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the consolidated financial statements and Company financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Company's ability to continue as a going concern for the going concern period; and
- we have nothing material to add or draw attention to in relation to the directors' statement in the notes to the consolidated financial statements and Company financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and the Company's use of that basis for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group and the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of management as to the Group's policies and procedures to prevent and detect fraud as well as enquiring whether management have knowledge of any actual, suspected or alleged fraud;

- reading minutes of meetings of those charged with governance; and
- using analytical procedures to identify any unusual or unexpected relationships.

As required by auditing standards, and taking into account possible incentives or pressures to misstate performance and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, and the risk that management may be in a position to make inappropriate accounting entries. We did not identify any additional fraud risks.

We performed procedures including:

- identifying journal entries and other adjustments to test based on risk criteria and comparing any identified entries to supporting documentation; and
- incorporating an element of unpredictability in our audit procedures;

Further detail in respect of revenue is set out in the key audit matter section of this report.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the consolidated financial statements and Company financial statements from our sector experience and through discussion with management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence, if any, and discussed with management the policies and procedures regarding compliance with laws and regulations. As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

The Group is subject to laws and regulations that directly affect the consolidated financial statements and Company financial statements including financial reporting legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

The Group is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the consolidated financial statements and Company financial statements, for instance through the imposition of fines or litigation or impacts on the Group and the Company's ability to operate. We identified financial services regulation as being the area most likely to have such an effect, recognising the regulated nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the consolidated financial statements and Company financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the consolidated statements and Company financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as this may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The directors are responsible for the other information, which comprises the strategic report, the directors' report and the other information included in the annual report, but does not include the consolidated financial statements and Company financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements and Company financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our consolidated financial statements and Company financial statements audit work, the information therein is materially misstated or inconsistent with the consolidated financial statements and Company financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the strategic report and the directors' report for the financial year is consistent with the consolidated financial statements and Company financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Independent Auditor's Report continued

Other information continued

Directors' remuneration report

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Disclosures of emerging and principal risks and longer term viability

We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of emerging and principal risks and the viability statement, and the consolidated financial statements and Company financial statements and our audit knowledge. We have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the Viability Statement (page 36) that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity;
- the emerging and principal risks disclosures describing these risks and explaining how they are being managed or mitigated;
- the directors' explanation in the Viability Statement (page 36) as to how they have assessed the prospects of the Group, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the directors' corporate governance disclosures and the consolidated financial statements and company financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the consolidated financial statements and Company financial statements and our audit knowledge:

- the directors' statement that they consider that the annual report, consolidated financial statements and Company financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy;
- the section of the annual report describing the work of the Audit Committee, including the significant issues that the audit committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the annual report that describes the review of the effectiveness of the Company's risk management and internal control systems.

Corporate governance disclosures

Based solely on our work on the other information described above:

- with respect to the Corporate Governance Statement disclosures about internal control and risk management systems in relation to financial reporting processes and about share capital structures:
- we have not identified material misstatements therein; and
- the information therein is consistent with the financial statements; and
- in our opinion, the Corporate Governance Statement has been prepared in accordance with relevant rules of the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority.

We are also required to report to you if a corporate governance statement has not been prepared by the Company. We have nothing to report in these respects.

We have nothing to report on other matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 75, the directors are responsible for: the preparation of the consolidated financial statements and Company financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of consolidated financial statements and Company financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and Company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements and Company financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of this report and restrictions on its use by persons other than the Company's members as a body

This report is made solely to the Company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Edward Houghton (Senior Statutory Auditor)

For and on behalf of KPMG Audit LLC (Statutory Auditor)
Chartered Accountants
Isle of Man
29 Feb 2024

Consolidated Statement of financial position

As at 31 December 2023 (in United States dollar)

	Note	31 December 2023	31 December 2022 (Unaudited)
Assets			
Cash and cash equivalents	5	228,492,034	112,612,385
Trade and unbilled receivables	6	221,867,464	40,552,740
Advances, deposits and other receivables	7	60,870,788	81,131,849
Development properties	8	216,931,211	302,274,899
Escrow retentions	9	9,987,477	5,853,253
Investment in joint venture	10	5,370,876	4,681,667
Loan to joint venture	11	2,150,987	1,991,953
Due from related parties	19	8,619,797	5,310,572
Property and equipment	12	5,536,049	842,131
Right-of-use assets	13	5,538,638	2,643,470
Deferred tax assets	20	1,980,741	–
Total assets		767,346,062	557,894,919
Liabilities and equity			
Liabilities			
Trade and other payables	14	25,713,890	30,691,284
Advances from customers	15	57,523,290	94,456,096
Retention payable	16	6,849,069	4,038,203
Development property liability	17	78,631,324	72,467,693
Loans and borrowings	18	125,363,803	69,668,662
Due to related party	19	1,248,415	2,101,668
Employees' end of service benefits		660,158	325,910
Lease liabilities	13	5,944,562	2,743,815
Total liabilities		301,934,511	276,493,331

	Note	31 December 2023	31 December 2022 (Unaudited)
Equity			
Share capital	21	1,800,216	22,395,109
Share premium	22	88,781,078	–
Capital contribution		–	259,006,479
Retained earnings		372,985,572	–
Foreign currency translation reserve		1,436,244	–
Statutory reserve	2.22	408,441	–
Total equity		465,411,551	281,401,588
Total liabilities and equity		767,346,062	557,894,919

The accompanying notes from 1 to 37 form an integral part of these consolidated financial statements.

These consolidated financial statements were approved by the Board of Directors on 29 February 2024 and signed on its behalf by:

David Hunter
Chairman

Ziad El Chaar
Chief Executive Officer

Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 December 2023 (in United States dollar)

	Note	31 December 2023	31 December 2022 (Unaudited)		Note	31 December 2023	31 December 2022 (Unaudited)
Revenue	23	360,575,755	80,001,625	Profits attributable to:			
Cost of revenue	23	(214,131,383)	(51,351,257)	Owners of the Company		83,226,171	(5,209,080)
				Non-controlling Interests		–	–
Gross profit		146,444,372	28,650,368			83,226,171	(5,209,080)
Other income	24	3,147,006	1,865,649	Total comprehensive income/(loss) attributable to:			
Selling and marketing expenses	25	(38,764,532)	(9,699,201)	Owners of the Company		84,660,208	(5,465,780)
General and administrative expenses	26	(29,256,276)	(28,560,995)	Non-controlling Interests		–	–
Finance costs	27	(5,020,798)	(554,795)			84,660,208	(5,465,780)
Finance income	27	4,788,820	3,420,628	Earnings per share attributable to owners of the Company:			
Share of loss from joint venture	10	(93,162)	(330,734)	– basic and diluted earnings per share (USD)	28	0.231	(0.002)
Profit/ (loss) before tax		81,245,430	(5,209,080)				
Income tax credit	20	1,980,741	–	Adjusted earnings before interest, tax, depreciation and amortisation (adjusted EBITDA)			
Profit/(loss) for the year		83,226,171	(5,209,080)	Net finance costs/(income)		231,978	(2,865,833)
				Depreciation on property and equipment and right-of-use assets		3,184,400	886,824
Other comprehensive income/(loss)				Listing related (reversal)/ expenses		(1,680,520)	13,465,003
Items that are or may be classified subsequently to profit or loss				Tax (expenses)/credit		(1,937,734)	71,378
Increase/(decrease) in foreign currency translation reserve		1,434,037	(256,700)	Adjusted earnings before interest, tax, depreciation and amortisation (adjusted EBITDA)		83,024,295	6,348,292
Total comprehensive income/(loss) for the year		84,660,208	(5,465,780)				

The accompanying notes from 1 to 37 form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

For the year ended 31 December 2023 (in United States dollar)

	Share capital	Statutory reserve	Foreign currency translation reserve	Retained earnings	Share premium	Capital Contribution	Total equity
Balance as at 1 January 2022 (Unaudited)	-	-	-	-	-	-	-
Profit for the year	-	-	-	(5,209,080)	-	-	(5,209,080)
Other comprehensive income	-	-	(256,700)	-	-	-	(256,700)
Total comprehensive income for the year	-	-	(256,700)	(5,209,080)	-	-	(5,465,780)
<i>Transactions with owners of the Company</i>							
Capital contribution for the year*	-	-	-	-	-	266,717,137	266,717,137
Issue of ordinary shares	22,395,109	-	-	-	-	(2,244,878)	20,150,231
Transferred from capital contribution	-	-	256,700	5,209,080	-	(5,465,780)	-
Total transactions with owners of the Company	22,395,109	-	256,700	5,209,080	-	259,006,479	286,867,368
Balance as at 31 December 2022 (Unaudited)	22,395,109	-	-	-	-	259,006,479	281,401,588
Balance as at 1 January 2023	22,395,109	-	-	-	-	259,006,479	281,401,588
Profit for the year	-	-	-	83,226,171	-	-	83,226,171
Other comprehensive income	-	-	1,436,244	-	-	-	1,436,244
Total comprehensive income for the year	-	-	1,436,244	83,226,171	-	-	84,662,415
<i>Transaction with owners of the Company</i>							
Issue of shares related to acquisition of subsidiary (notes 21 & 22)	3,666,666	-	-	-	279,662,114	(259,006,479)	24,322,301
Issue of ordinary shares (notes 21 & 22)	216,216	-	-	-	71,783,588	-	71,999,804
Reduction of share capital (notes 21 & 22)	(24,477,775)	-	-	287,142,399	(262,664,624)	-	-
Other reserves	-	-	-	3,025,443	-	-	3,025,443
Statutory reserve	-	408,441	-	(408,441)	-	-	-
Total transactions with owners of the Company	(20,594,893)	408,441	-	289,759,401	88,781,078	(259,006,479)	99,347,548
Balance as at 31 December 2023	1,800,216	408,441	1,436,244	372,985,572	88,781,078	-	465,411,551

* This represents the difference between the carrying value of the "Due to related Parties" i.e., the amount of cash received net of losses absorbed, and their fair value on the initial recognition.

The accompanying notes from 1 to 37 form an integral part of these consolidated financial statements.

Consolidated statement of cash flows

For the year ended 31 December 2023 (in United States dollar)

	Note	31 December 2023	31 December 2022 (Unaudited)
Cash flows from operating activities			
Profit/(loss) for the year		83,226,171	(5,209,080)
<i>Adjustments for:</i>			
Depreciation on property and equipment	26	984,458	19,867
Depreciation on right-of-use assets	26	2,200,115	866,957
Provision for employees' end of service benefits		334,248	219,100
Impairment on investments		–	36,320
Loss on early termination of lease	26	–	196,076
(Reversals)/accruals for listing related expenses	26	(1,680,520)	13,465,003
Finance costs	27	5,020,798	554,795
Finance income	27	(4,788,820)	(3,420,628)
Share of loss from joint venture		93,162	330,734
Income tax expenses/(credit)		(1,980,741)	–
Operating profit before working capital changes		83,408,871	7,059,144
<i>Working capital changes</i>			
Trade and unbilled receivables		(181,314,724)	(40,552,740)
Advances, deposits and other receivables		20,261,061	(51,820,672)
Development properties		89,177,623	(53,010,782)
Trade and other payables		(271,431)	13,202,882
Advances from customers		(36,932,806)	60,456,918
Retention payable		2,810,866	2,322,549
Due to related parties		(853,253)	(4,150,487)
Net cash used in operating activities		(23,713,793)	(66,493,188)
Cash flows from investing activities			
Acquisition of property and equipment	12	(4,397,667)	(653,311)
Escrow retentions		(4,134,224)	(4,149,781)
Funds transferred to related party	19	(2,796,105)	(5,310,572)
Proceeds from disposal of property and equipment	12	10,223	–
Investment in joint venture		–	(4,969,246)
Interest income	27	3,754,858	–
Loan to joint venture		(48,742)	(1,991,953)
Net cash used in investing activities		(7,611,657)	(17,074,863)

	Note	31 December 2023	31 December 2022 (Unaudited)
Cash flows from financing activities			
Proceeds from bank borrowings	18	77,234,071	69,668,662
Repayment of bank borrowings	18	(18,882,948)	(72,157,931)
Interest expense on borrowings	27	(3,579,519)	–
Payment of structuring fees for loans and borrowings	18	(2,655,982)	–
Proceeds from initial public offerings		71,999,804	–
Funds received from Major shareholder		24,322,301	–
Funds received from Ultimate parent company of Major shareholder	19	–	181,297,703
Payment of lease liabilities		(1,898,214)	(766,612)
Interest expense on lease liabilities		(376,587)	(161,790)
Net cash generated from financing activities		146,162,926	177,880,032
Net increase in cash and cash equivalents			
Effect of translation of foreign currency		114,837,476	94,311,981
Cash and cash equivalents, beginning of the year		1,042,173	(280,750)
		112,612,385	18,581,154
Cash and cash equivalents at the end of the year		228,492,034	112,612,385
Cash and cash equivalents:			
Cash in hand		24,785	14,709
Cash at banks		228,467,249	112,597,676
		228,492,034	112,612,385

The accompanying notes from 1 to 37 form an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

(In United States dollar)

1 Legal status and business activities

1.1 Dar Global PLC (the "Company") is a public limited company, limited by shares, incorporated, domiciled, and registered in England and Wales. The Company operates under a Company Number 14388348 issued by the registrar of the companies for England and Wales. The majority of shares of the Company are held by Dar Al Arkan Global Investment LLC (formerly known as Dar Al Arkan Global Real Estate Development LLC) ("Major shareholder") in United Arab Emirates ("UAE") and the Ultimate parent company of Major shareholder is Dar Al Arkan Real Estate Development Company, Kingdom of Saudi Arabia.

1.2 The registered address of the Company is located at Link Company Matters Limited, 6th Floor, 65 Gresham Street, London, EC2V 7NQ, United Kingdom.

1.3 These consolidated financial statements ("financial statements") represent the results of Dar Global PLC and its subsidiaries (the "Group"), set out in note 1.4.

1.4 The Company has the following subsidiaries over which it has direct or indirect control:

Name of subsidiary and domicile	Percentage of effective holding	Percentage of voting rights	License/Registration No.	Principal activities
Dar Al Arkan Properties L.L.C – UAE *	100%	100%	Commercial license no. 791860	Development and sale of real estate.
Dar Al Arkan Global UK Holdings LTD – United Kingdom	100%	100%	Company registration no. 13881707	Development and sale of real estate.
Dar Al Arkan Holding UK LTD – United Kingdom	100%	100%	Company registration no. 14385758	General business activities
Dar Global UK No. 1 LTD – United Kingdom **	100%	100%	Company registration no. 14751868	Development and sale of real estate.
Dar Global UK No. 2 LTD – United Kingdom **	100%	100%	Company registration no. 14751750	Development and sale of real estate.
Dar Global UK No. 3 LTD – United Kingdom **	100%	100%	Company registration no. 14751915	Development and sale of real estate.
Dar Al Arkan Spain S.L. – Spain	100%	100%	Company registration no. B09896390	Development and sale of real estate.
Dar Benahavis I, S.L. – Spain	100%	100%	Company registration no. B72530843	Development and sale of real estate.
Daranavis S.L. – Spain	100%	100%	Company registration no. B72530850	Development and sale of real estate.
Dar Tabano, S.L. – Spain	100%	100%	Company registration no. B72530835	Development and sale of real estate.
M/s. Prime Real Estate D.o.o. Sarajevo – Bosnia *	100%	100%	Company registration no. 65-01-0672-17	Development and sale of real estate.
M/s. Luxury Real Estate D.o.o. Sarajevo – Bosnia *	100%	100%	Company registration no. 65-01-0698-17	Development and sale of real estate.
M/s. Dar Al Arkan Property Development D.o.o Sarajevo – Bosnia *	100%	100%	Company registration no. 65-01-0676-17	Development and sale of real estate.
M/s. Beijing Dar Al Arkan Consulting Co. Ltd.*			Company registration no. 91110105MA7EQ79Y9Q	Economic and trade consulting, Engineering consulting, business management consulting, corporate planning, real estate information consulting, undertaking exhibition activities, advertising design, production, agency and release, development of real estate, technical consulting and technical services, computer and graphic design.
	100%	100%		
Aqtab Properties L.L.C – UAE (Formerly Dar Al Arkan Global Property Development L.L.C) *	100%	100%	Commercial license no. 997901	Purchase and sale of real estate

Notes to the consolidated financial statements continued

(In United States dollar)

1 Legal status and business activities continued

1.4 The Company has the following subsidiaries over which it has direct or indirect control: (continued)

Name of subsidiary and domicile	Percentage of effective holding	Percentage of voting rights	License / Registration No.	Principal activities
Dar AI Arkan International Properties L.L.C – UAE *	100%	100%	Commercial license no. 997919	Purchase and sale of real estate
Dar AI Arkan International Property Development L.L.C – UAE *	100%	100%	Commercial license no. 997915	Purchase and sale of real estate
Dar AI Arkan Property Development SPC – Oman	100%	100%	Commercial license no. 1402786	Real estate development, Construction of buildings (general constructions of residential and non-residential buildings)
Dar AI Arkan Holdings Limited (ADGM) – UAE *	100%	100%	Commercial license no. 000008662	Holding ownership of equity and non-equity assets, real property, intellectual property and other tangible and intangible assets.
Dar AI Arkan Properties L.L.C – Branch Of Abu Dhabi 1 – UAE **	100%	100%	Commercial license no. CN-4765091	– Self-Owned property management services – Real estate development construction – Real estate purchase and sale brokerage.
Darglobal Maldives Private Limited – Maldives **	100%	100%	Commercial license no. C09392023	Owning, operating and managing tourist hotels and resorts.
Dar DG Global Investment L.L.C – UAE **	100%	100%	Commercial license no. 1215259	Investment in Commercial Enterprises & Management.
Dar Global Services Limited – UK **	100%	100%	Commercial license no. 15273295	Business support including marketing activities.
DG Luxury Property Management L.L.C – UAE **	100%	100%	Commercial license no. 1274015	Property management services.
Dar AI Arkan Global Holdings Real Estate – KSA **	100%	100%	Commercial license no. 1010924907	Development of projects and buying and selling of real estate.
Dar Global USA LLC – USA **	100%	100%	Commercial license no. M23000008667	Investment in Commercial Enterprises & Management.
Dar AI Arkan Property Development LLC – Real Estate Rep. Office – UAE **	100%	100%	Commercial license no. 1143279	Real estate Representative Office.
Dar Global Centralised Services DMCC – UAE**	100%	100%	Commercial license no. DMCC198720	Project management services.

* These entities have become part of the Group as on 25 January 2023 pursuant to the acquisition of Dar AI Arkan Holdings Limited (ADGM) by the Company through issuance of shares to the Major shareholder (notes 21 and 30).

** These entities have been formed by the Group during the year 2023.

Notes to the consolidated financial statements continued

(In United States dollar)

2 Material accounting policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with UK adopted International Accounting Standards and in conformity with the requirements of the Companies Act 2006.

All values are rounded to the nearest unit in USD except where otherwise indicated. Each entity determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

This is the first annual financial statements of the Group, as the Company was incorporated on 30 September 2022. The Material accounting policies are set out below. These accounting policies elected by the Group is on the presumption that the Group existed in the comparatives for the year in which it was under common control. The comparatives represent the results of Dar Al Arkan Global Investment LLC and those legal entities that Dar Al Arkan Global Investment LLC has transferred to Dar Global PLC. Forming part of the same group, the entities included in the comparatives are considered to be under common management. Management considers the combination is appropriate in view of the intention to show the comparatives. Refer note 2.2.

The financial statements have been prepared on a historical cost basis except financial assets and financial liabilities that have been measured at fair value (note 2.11 and 29). Historical cost is generally based on the fair value of the consideration given in exchange for assets.

2.2 Basis of preparation

Basis of consolidation

The financial statements comprise the financial statements of the Company and the subsidiaries ('the Group'), plus the Group's share of the results and net assets of its joint ventures and associates.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Joint ventures

A joint venture is a contract under which the Group and other parties undertake an activity or invest in an entity, under joint control. The Group uses equity accounting for such entities, carrying its investment at cost plus the movement in the Group's share of net assets after acquisition, less impairment.

Group restructure

A group restructuring exercise was carried out during the year as follows:

On 24 January 2023, the Major shareholder assigned the benefit of certain shareholder loans to Dar Al Arkan Holdings Limited (ADGM) – UAE in exchange for an issuance of new ordinary shares by Dar Al Arkan Holdings Limited (ADGM) – UAE on a dollar for dollar basis.

On 25 January 2023, the entire issued share capital of Dar Al Arkan Holdings Limited (ADGM) and its subsidiaries ("Trading Group") was transferred to the Company by the Major shareholder in consideration for the issuance of new ordinary shares by the Company.

The Trading Group and the Company were under common control by the Major shareholder at the time of the transaction.

The acquisition by the Company of the Trading Group is a common control transaction under IFRS 3. The consolidation of this Group has been prepared using the book value accounting. In the statement of financial position, the acquiree's identifiable assets, liabilities are recognised at their book values at the acquisition date. The results of merged operations following the Group's restructure in the year are included in the consolidated statement of comprehensive income as if the Group has always existed. Comparative figures are provided on the basis that the merged Group always existed.

On 28 January 2023, the Company undertook a reduction of capital by cancelling certain ordinary shares, in order to create distributable reserves and reduce the number of ordinary shares in issue to 158,400,000 in aggregate.

Going concern

On 28 February 2023, the Company raised USD 72 million of new equity by way of a private placing before expenses in order to invest in new projects, fund working capital and to support continuing development work. On 28 February 2023 Dar Global was admitted to the standard listing segment of the Official List of the FCA and to trading on the London Stock Exchange's Main Market for listed securities.

The Board, having regard to the Group's forecasts and projections which are based on the current trends in sales and development, and after taking account of the funds currently held, the available facility including the undrawn portion of USD 136 million at year end (refer to note 18) have concluded that the Company and the Group will be able to operate within the level of available resources. The directors have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue to be in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

Adoption of new and revised standards

The Group has adopted all relevant amendments to existing standards and interpretations issued by the International Accounting Standard Board (IASB) that are effective for the respective financial year ends presented, with no material impact on its consolidated results or financial position.

The Group did not implement the requirements of any other standards or interpretations that were in issue but were not required to be adopted. No other standards or interpretations have been issued that are expected to have a material impact on the financial statements.

The preparation of the financial statements requires estimates and assumptions to be made that may affect the amounts reported in the financial statements and accompanying notes. Actual amounts could differ from the estimates included in the financial statements herein. The preparation of the financial statements on the basis set out, requires the use of certain critical accounting estimates. It also requires judgement to be exercised in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are Material to the financial statements, are disclosed in note 2.23.

Notes to the consolidated financial statements continued

(In United States dollar)

2 Material accounting policies continued

2.3 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

2.4 Foreign currency

The transactions in currencies other than the Group's presentation currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the consolidated statement of profit or loss in the period in which they arise.

In preparing the separate financial information of the individual subsidiaries, the transactions in currencies other than the subsidiaries functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Any gain or loss on translation from functional currency of subsidiaries to presentation currency of the Group is taken to statement of other comprehensive income.

Foreign exchange differences

Exchange differences on monetary items are recognised in consolidated statement of profit or loss in the period in which they arise except for exchange differences that relate to assets under construction for future productive use. These are included in the cost of those assets when they are regarded as an adjustment to interest costs on foreign currency borrowings.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Financial assets measured at amortised cost, exchange differences are recognised in the consolidated statement of profit or loss.

2.5 Property and equipment

Property and equipment is stated at cost less accumulated depreciation and identified impairment loss, if any. The cost comprise of purchase price, together with any incidental expense of acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the statement of profit or loss during the financial period in which they are incurred.

Depreciation is spread over its useful lives so as to write off the cost of property and equipment, using the straight-line method over its useful lives as follows:

Assets	Life years
Leasehold improvements	3
Furniture and fixtures	3-5
Computers and office equipment	3-5

When part of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

The leasehold improvements are being depreciated over the period from when it became available for use up to the end of the lease term.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated statement of profit or loss.

Notes to the consolidated financial statements continued

(In United States dollar)

2 Material accounting policies continued

2.6 Leases

Leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated based on termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

2.7 Joint operations

A significant portion of land plots, on which the Group's projects are located, is sourced through the contribution of land by the Group's joint development partners, which allows the Group to secure land for its projects with minimal upfront cash contributions. The Group adopts capital light model of Joint Development Agreement where the land is contributed by the joint development partners and also certain percentage of profits are shared. All projects are controlled and managed by the Group which includes funding, sales, development, marketing, collections, loss absorption if any etc.

These arrangements under IFRS11 "Joint arrangements" have been classified as joint operations where each party to the joint operation (or each "Joint operator") recognised its share of the assets, liabilities, revenue, and expenses of the joint arrangement. The share is determined based on the rights and obligations of each party as set out in the contractual terms.

2.8 Development properties

Properties constructed or in the course of construction for sale in the ordinary course of business are classified as development properties and are stated at the lower of cost or net realizable value. Cost includes cost of acquisition of land, cost of construction including planning and design cost, commission, borrowing costs, employee costs, cost of acquiring development rights and other direct costs attributable to the development.

Net realizable value is the estimated selling price in the ordinary course of business, based on market prices at the reporting date and discounted for the time value of money, if material, less costs to completion and the estimated costs of sale.

The management reviews the carrying values of the development properties on each reporting date.

2.9 Advances from customers

Advances received from customers include instalments received from customers for properties sold either before the revenue recognition criteria have been met or in excess of the project's stage of completion. These funds are later recognised in the profit or loss statement once the revenue recognition criteria are satisfied. Additionally, advances from customers may be derecognised from the books when either the customer or the Group terminates the contract.

2.10 Impairment of non-financial assets

Non-financial assets of the Group mainly include development properties, advances to suppliers and contractors, right-of-use assets and property and equipment. At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated statement of profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of profit or loss.

Notes to the consolidated financial statements continued

(In United States dollar)

2 Material accounting policies continued

2.11 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

2.12 Financial assets

Classification

The Group classifies its financial assets at amortised cost.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Financial assets comprise of cash and cash equivalents, trade receivables, advances deposits and other receivables, due from related parties and other escrow retentions.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade and other receivables (including due from related parties)

Receivable balances that are held to collect are subsequently measured at the lower of amortised cost or the present value of estimated future cash flows. The present value of estimated future cash flows is determined through the use of value adjustments for uncollectible amounts. The Group assesses on a forward-looking basis the expected credit losses associated with its receivables and adjusts the value to the expected collectible amounts.

Receivables are written off when they are deemed uncollectible because of bankruptcy or other forms of receivership of the debtors. The assessment of expected credit losses on receivables takes into account credit-risk concentration, collective debt risk based on average historical losses, specific circumstances such as serious adverse economic conditions in a specific country or region and other forward-looking information.

For accounts receivable, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another group. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for the amounts, it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset.

2.13 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include accounts payables and provisions, other payables, development property liabilities, advance from customers and due to related parties.

Accounts and other payables

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Accounts and other payables are recognised initially at fair value and subsequently are measured at amortised cost using effective interest method.

Loans and borrowings

Term loans are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the consolidated income statement when the liabilities are derecognised as well as through the amortisation process.

Development property liabilities

Development property liabilities represents the amount payable for the acquisition of development properties on a deferred payment plan basis including variable consideration. Initially, these amounts are stated at the fair value of the consideration payable. Subsequently, at each reporting date the development property liabilities are measured at amortised cost.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

Where the loan payable (or part thereof) is forgiven by a shareholder, the loan is derecognised at its carrying value, and an equity contribution is reflected at that same carrying value, this contribution is reflected as a loss absorbed by a shareholder. No gain or loss is recognised in profit or loss.

2.14 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Notes to the consolidated financial statements continued

(In United States dollar)

2 Material accounting policies continued

2.15 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.16 Revenue recognition

Revenue from contracts with customers

The Group recognises revenue from contracts with customers based on a five step model as set out in IFRS 15 Revenue from contracts with customers.

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met. This is evidenced by issuance of signed Sale and Purchase Agreement ("SPA") to the customer and meeting specified threshold of project completion and collection from the customers.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer. The performance obligation for the Group is to deliver the constructed property to the customers along with the ancillary rights such as the right to use amenities and other related infrastructure facilities available. Accordingly, one performance obligation has been identified for each unit to be sold. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for delivering the property to its customers. The agreed transaction price is a part of signed SPA issued to each customer. Revenue excludes taxes and duty, and includes an adjustment for a significant financing component ("SFC") as the payment plan for the projects extends beyond twelve months from the reporting period. No adjustment has been made for variable consideration as the Group does not have any contracts with variable consideration.

Step 4. Allocate the transaction price to the performance obligations in the contract: The Group allocates the transaction price to each unit sold, consistent with the performance obligation identified in Step 2.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

The Group determines the satisfaction of performance obligation separately for each of its contracts and recognise revenue accordingly.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

2.17 Cost of revenue

Cost of revenue represent cost for purchase of land, construction costs, consultant costs, utilities cost, and other related direct costs recognised to consolidated statement of profit or loss on percentage of completion or point in time as applicable.

2.18 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. All other borrowing costs are recognised in the consolidated statement of profit or loss in the year in which they are incurred.

2.19 Escrow Accounts

Escrow accounts represent bank accounts where money is held in with the bank, acting as an escrow agent, and available for use only if all the pre-determined conditions are fulfilled. The funds paid by customers for their apartments in off-plan sales are required to be deposited into escrow accounts held by banks accredited by the local governing bodies.

For Escrow retention, in line with UAE laws an escrow agent must retain five percent of the total value of each escrow account once the developer obtains the building completion certificate to ensure coverage of defects in the property post-handover. The retained amount will be released to the developer one year from the registration of the residential units in the name of purchasers of such units.

Notes to the consolidated financial statements continued

(In United States dollar)

2 Material accounting policies continued

2.20 Equity and reserves

Share capital represents the nominal value of shares that have been issued. Share premium represents the excess consideration received over the nominal value of share capital upon the sale of shares, less any incidental costs of issue.

The retained earnings represent distributable reserves.

The foreign currency translation reserve is used to record exchange difference arising from translation of the financial statements of foreign subsidiaries, associates and joint ventures.

2.21 Taxation

The tax charge represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that:
 - a) is not a business combination; and
 - b) at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

2.22 Statutory Reserve

According to Article 103 of the UAE Federal Law No. (32) of 2021, 5% of annual net profits after NCI are allocated to the statutory reserve for the entities registered in UAE. The transfers to the statutory reserve may be suspended when the reserve reaches 50% of the paid-up capital.

2.23 Significant accounting judgements, estimates and assumptions

In the application of the Group's accounting policies, which are described in policy notes, the management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The significant judgments and estimates made by management, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below;

Critical judgements in applying accounting policies

In the process of applying the Group's accounting policies, which are described above, and due to the nature of operations, management makes the following judgment that has the most significant effect on the amounts recognised in the consolidated financial statements.

Identifying a contract

The Group assesses for each development and for each customer the point in time at which a contract exists. This requires assessing the point in each development where there is certainty that it will continue to completion, as well as assessing the point in time at which consideration from the customer is probable – this assessment takes into account the legal requirements and history of collections.

Timing of satisfaction of performance obligations

The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time in order to determine the appropriate method of recognising revenue. The Group has assessed that based on the sale and purchase agreements entered into with customers and the provisions of relevant laws and regulations, where contracts are entered into to provide real estate assets to customer, the Group does not create an asset with an alternative use to the Group and usually has an enforceable right to payment for performance completed to date. In these circumstances the Group recognises revenue over time.

Notes to the consolidated financial statements continued

(In United States dollar)

2 Material accounting policies continued

2.23 Significant accounting judgements, estimates and Assumptions continued

Critical judgements in applying accounting policies continued

Measurement of progress when revenue is recognised over time

The Group has elected to apply the input method to measure the progress of performance obligations where revenue is recognised over time. The Group considers that the use of the input method which requires revenue recognition on the basis of the Group's efforts to the satisfaction of the performance obligation provides the best reference of revenue actually earned. In applying the input method, the Group estimates the cost to complete the projects in order to determine the amount of revenue to be recognised.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below;

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the relevant notes to the consolidated financial statements.

Determination of transaction prices

The Group is required to determine the transaction price in respect of each of its contracts with customers. In making such judgment the Group assess the impact of any variable consideration in the contract, due to discounts or penalties, the existence of any significant financing component in the contract and any non-cash consideration in the contract.

Cost to complete the projects

The Group estimates the cost to complete the projects in order to determine the cost attributable to revenue being recognised. These estimates include the cost of providing infrastructure, potential claims by contractors as evaluated by the project consultant and the cost of meeting other contractual obligations to the customers.

Net realisable value of development properties

Development properties are stated at the lower of cost and estimated net realisable value. The cost of work-in-progress comprises construction costs and other related direct costs. Net realisable value is the estimated selling price in the ordinary course of business, less cost of completion and selling expenses.

Contingent consideration payable for development property liabilities

For each joint development agreement, the Group estimates the contingent consideration payable to the joint developer. In order to determine the contingent consideration, the Group estimates the total sales price, the total cost of development properties including potential claims by contractors and the estimated cost of meeting other contractual obligations.

3 New standards and amendments

3.1 New standards and amendments applicable for 2023

The following standards and amendments apply for the first time to the financial reporting periods commencing on or after January 01, 2023.

- IFRS 17 Insurance Contracts
- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2
- Definition of Accounting Estimate – Amendments to IAS 8
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12
- International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12

The management believes that the adoption of the above amendments effective for the current accounting period has not had any material impact on the recognition, measurement, presentation, and disclosure of items in the consolidated financial statements.

3.2 New standards and amendments issued but not effective for the current year

The following standards and interpretations had been issued but not yet mandatory for annual reporting periods beginning after 1 January 2023.

Description	Effective for annual periods beginning on or after
Non-current liabilities with Covenants – Amendments to IAS 1	1 January 2024
Classification of Liabilities as Current or Noncurrent – Amendments to IAS 1	1 January 2024
Lease liability in a Sale and Leaseback – Amendments to IFRS 16	1 January 2024
Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7	1 January 2024
Lack of Exchangeability – Amendments to IAS 21	1 January 2025
Sale or Contribution of Assets between an investor and its Associate or Joint Venture – IFRS 10 and IAS 28	Effective date deferred indefinitely

Management anticipates that these new standards, interpretations and amendments will be adopted in the financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the consolidated financial statements in the period of initial application.

Notes to the consolidated financial statements continued

(In United States dollar)

4 Segment Information

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements. The only segment is real estate development, accordingly, the component parts of the revenue, profits or assets as disclosed in the notes to the consolidated financial statement pertain to this segment.

Business segment

The only business segment is Real estate development which represents 100% of the revenue and total assets.

Geographic segments

The following tables include revenue and other segment information for the years ended 31 December 2023 and 31 December 2022. Certain assets information for geographic segments is presented as at 31 December 2023 and 31 December 2022.

The Group has divided its operations into two categories i.e. Domestic (UK) and International (all other countries where the Group has its operations)

	Domestic USD	International USD
For the year ended 31 December 2023:		
Revenue	–	360,575,755
Profit for the year	1,587,396	81,638,775
For the year ended 31 December 2022 (unaudited):		
Revenue	–	80,001,625
Profit/(loss) for the year	(14,813,354)	9,604,274
As at 31 December 2023		
Total assets	35,170,037	732,176,025
Total liabilities	2,386,588	299,547,923
As at 31 December 2022 (unaudited)		
Total assets	9,637,947	548,256,972
Total liabilities	14,838,569	261,654,762

The Group has generated 100% of its revenue from its operations in United Arab Emirates. The details of the Group's non-current assets categorised by the subsidiary's country of domicile is as follows:

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Non-current assets		
United Arab Emirates	105,659,116	30,209,519
Other countries	6,626,542	45,819,709
	112,285,658	76,029,228

5 Cash and cash equivalents

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Cash in hand	24,785	14,709
Cash at bank		
Current accounts	12,815,812	40,936,094
Escrow retention accounts (refer to (a) below)	9,987,477	5,853,253
Escrow accounts (refer to (b) below)	148,308,559	71,661,582
Demand deposit (refer to (c) below)	67,342,878	–
	238,479,511	118,465,638
Less: Escrow retention accounts (note 9)	(9,987,477)	(5,853,253)
	228,492,034	112,612,385

- The above represents Escrow retention accounts maintained with a commercial bank in accordance with Law No. 8 of 2007 relating to Trust Accounts Regulation and Real Estate Regulatory Authority (RERA) requirements in Dubai – United Arab Emirates. The retention balance shall be released after one year from the completion of the project. These balances carry interest at the rate of 40 percent of 3 months EIBOR.
- The above represents Escrow accounts maintained with a commercial bank in accordance with the local laws issued by the governing body of the respective countries. This escrow account can be used for making payments directly related to the projects subject to the regulations. The significant increase in the balances during the period is mainly due to collections from customers as per the payment plan.
- The above represents deposit held with a bank in Kingdom of Saudi Arabia rated at investment grade through one of its related parties (refer to note 19) for the period of three years at an interest rate of 7.80% per annum. This deposit is repayable on demand without any penalty on early maturity.

Management has concluded that the Expected Credit Loss (ECL) for all bank balances is immaterial as these balances are held with banks/financial institutions whose credit risk rating by international rating agencies has been assessed as low.

Notes to the consolidated financial statements continued

(In United States dollar)

6 Trade and unbilled receivables

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Unbilled receivables (refer to (a) below)	207,553,472	39,152,132
Trade receivables (refer to (b) below)	14,313,992	1,400,608
	221,867,464	40,552,740
Less: Provision for impairment on trade receivables	–	–
Net receivables	221,867,464	40,552,740
Not more than 12 months	139,199,058	21,760,799
More than 12 months	82,668,406	18,791,941
	221,867,464	40,552,740

a) Unbilled receivables are contract assets which relate to the Group's right to receive consideration for work completed but not billed as at the reporting date. These are transferred to trade receivables when invoiced as per milestones agreed in contracts with the customers.

b) At reporting date, the ageing analysis of net trade and unbilled receivables is as follows:

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Current (Not past due)	207,553,472	39,164,419
Not more than 90 days	7,749,411	625,417
Between 91 to 180 days	907,483	538,546
Between 181 to 360 days	4,229,881	201,341
More than 360 days	1,427,217	23,017
Total	221,867,464	40,552,740

Refer note 31(d) on credit risks of trade and unbilled receivables, which explains how the Group manages and measures credit quality of trade and unbilled receivables.

7 Advances, deposits and other receivables

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Prepayments (refer to (a) and (c) below)	33,100,762	44,540,626
Advances to suppliers and contractors	23,324,510	3,640,981
Margin deposit (refer to (b) below)	1,353,302	21,592,920
Other deposits	1,007,198	824,130
Other receivables	687,037	486,009
VAT refundable	1,397,979	10,047,183
	60,870,788	81,131,849
Not more than 12 months	59,517,486	38,543,988
More than 12 months	1,353,302	42,587,861
	60,870,788	81,131,849

a) The above mainly includes incremental cost of obtaining a contract such as sales commission paid to brokers and employees for the sale of properties, amounting to USD 27,685,694 (2022: USD 36,413,568) and will be amortised consistent with the pattern of revenue in the future.

b) The above represents margin deposits held with a bank against project guarantee (note 33).

c) Prepayments includes USD 73,997 (2022: Nil) for commission paid to a related party (note 19).

Notes to the consolidated financial statements continued

(In United States dollar)

8 Development properties

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Balance at the beginning of the year	302,274,899	176,796,423
Additions during the year	130,052,699	176,829,733
Reclass to property and equipment (refer to note 12)	(1,265,004)	–
Cost of revenue	(214,131,383)	(51,351,257)
Balance at the end of the year	216,931,211	302,274,899

Properties acquired, constructed or in the course of construction for sale in the ordinary course of business are classified as development properties and include the costs of:

- Freehold and leasehold rights for land;
- Amounts paid to contractors for construction including the cost of construction of infrastructure; and
- Planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, borrowing costs, employee costs, cost of acquiring development rights construction overheads and other related costs.

Common overhead cost (directly attributable to the projects) is allocated to various projects and forms part of the estimated cost to complete a project in order to determine the cost attributable to revenue being recognised.

The Group assesses the net realisable value of development properties for impairment on each reporting date and the management believes that the net realisable value of above development properties is higher than its carrying value as on the reporting date.

Development properties in the UAE include land provided by Joint Development Agreement (JDA) partner on December 9, 2021, under a JDA. On initial recognition the property has been recognised at fair value of the consideration payable i.e., at USD 67,599,386 which is computed based on a deferred payment plan as defined in the Sale and Purchase Agreement (“SPA”) (note 17). Under this arrangement, profits will be shared equally between the parties.

Development properties include an amount of USD 95,302,927 (December 2022: USD 95,302,927) which is registered as primary mortgage in the favour of commercial bank in Dubai against the borrowings (note 18).

The development properties are located in United Arab Emirates, United Kingdom, Bosnia, Spain and Oman.

9 Escrow retentions

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Escrow retention accounts – more than 12 months (note 5)	9,987,477	5,853,253

10 Investment in joint venture

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Percentage of ownership interest	75.30%	75.30%
149 OPL Ltd	5,370,876	4,681,667

On 3 November 2022, the Group entered into joint venture for the purpose of acquiring, developing and selling the property under the name of 149 OPL Ltd (“joint venture”) domiciled in the United Kingdom.

In accordance with the joint venture agreement, the Group and the other investor have subscribed to deep discount bonds issued by 149 OPL Ltd in the proportion of their respective ownership interest. On 3 November 2022, the Group has subscribed for bonds with nominal value of USD 5,919,512 at a discounted price of USD 4,932,926. Further, the discount rate is 10% per annum and maturity period for the bond is two years.

	31 December 2023	31 December 2022 (Unaudited)
Revenue	–	–
Net loss	(123,740)	(439,221)
Other comprehensive income	–	–
Total comprehensive loss	(123,740)	(439,221)
Group’s share of loss	(93,162)	(330,734)

Notes to the consolidated financial statements continued

(In United States dollar)

10 Investment in joint venture continued

The following table summarises the financial position of Group's joint venture for the year ended:

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Total assets	25,077,273	18,837,517
Total liabilities	(17,942,847)	(12,620,164)
Net assets	7,134,426	6,217,353
Group's share of net asset	5,370,876	4,681,667

11 Loan to joint venture

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
149 OPL Ltd	2,150,987	1,991,953

Loan to joint venture is unsecured, repayable on demand and does not carry any interest.

12 Property and equipment

	Leasehold improvements	Furniture and fixtures	Computers and office equipment	Capital work- in-progress	Total
Cost					
As at 1 January 2022 (unaudited)	–	–	–	–	–
Additions	–	3,164	73,831	576,016	653,011
Transfer from related party	201,073	39,989	164,004	–	405,066
Disposals	(201,073)	–	–	–	(201,073)
As at 31 December 2022 (unaudited)	–	43,153	237,835	576,016	857,004
Additions	227,250	941,356	1,729,079	1,499,982	4,397,667
Transfer from Capital work-in-progress	1,412,172	429,343	–	(1,841,515)	–
Reclass from development properties	–	–	590,872	674,132	1,265,004
Disposal	–	–	(10,223)	–	(10,223)
Translation adjustments	6,524	19,068	300	–	25,892
As at 31 December 2023	1,645,946	1,432,920	2,547,863	908,615	6,535,344
Accumulated depreciation					
As at 1 January 2022 (unaudited)	–	–	–	–	–
Charge for the year	4,994	5,425	9,448	–	19,867
Disposals	(4,994)	–	–	–	(4,994)
As at 31 December 2022 (unaudited)	–	5,425	9,448	–	14,873
Charge for the year	192,693	268,456	523,309	–	984,458
Disposal	–	–	(173)	–	(173)
Translation adjustments	–	–	137	–	137
As at 31 December 2023	192,693	273,881	532,721	–	999,295
Carrying value					
As at 31 December 2023	1,453,253	1,159,039	2,015,142	908,615	5,536,049
As at 31 December 2022 (unaudited)	–	37,728	228,387	576,016	842,131

Notes to the consolidated financial statements continued

(In United States dollar)

13 Right-of-use assets and lease liabilities

The carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the year:

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Right-of-use assets		
Balance at the beginning of the year	2,643,470	–
Additions during the year	5,095,167	3,510,427
Depreciation charge for the year	(2,200,115)	(866,957)
Foreign exchange gain	116	–
Balance at the end of the year	5,538,638	2,643,470
Lease liabilities		
Balance at the beginning of the year	2,743,815	–
Additions during the year	5,095,167	3,510,427
Interest expense for the year	376,587	161,790
Payments for the year	(2,274,801)	(928,402)
Foreign exchange loss	3,794	–
Balance at the end of the year	5,944,562	2,743,815
Not more than 12 months	2,597,561	1,054,322
More than 12 months	3,347,001	1,689,493
	5,944,562	2,743,815

14 Trade and other payables

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Trade payables	3,050,477	1,823,906
Accruals	22,533,630	28,601,037
Other payables	129,783	266,341
	25,713,890	30,691,284
Not more than 12 months	25,713,890	30,691,284
More than 12 months	–	–
	25,713,890	30,691,284

15 Advances from customers

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Balance at the beginning of the year	94,456,096	33,999,178
Revenue recognised during the year	(137,692,637)	(41,269,364)
Advances received from the customers during the year – Net	100,759,831	101,726,282
Balance at the end of the year	57,523,290	94,456,096

The above represent contractual liabilities arising from the property sales agreement with the customers including advance consideration received from them.

The aggregate amount of the sale price allocated to the performance obligations of the Group that are fully or partially unsatisfied as at 31 December 2023 is USD 165,477,358 (31 December 2022: USD 125,492,668). The Group expects to recognise these unsatisfied performance obligations as revenue over a period of 1 to 5 years.

Notes to the consolidated financial statements continued

(In United States dollar)

16 Retention payable

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Retention payable for construction works – not more than 12 months	2,956,238	–
Retention payable for construction works – more than 12 months	3,892,831	4,038,203
	6,849,069	4,038,203

17 Development property liability

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Long term liability – Land	78,631,324	72,467,693
	78,631,324	72,467,693

The above represents amount payable for the land contributed by joint development partner under the JDA. This liability is secured against development property (note 8). The property has been purchased on a deferred payment plan with the final instalment due on the completion of the project i.e. on or before December 31, 2025. The above liability is discounted at the rate of 8.5%.

18 Loans and borrowings

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Balance at the beginning of the year	69,668,662	–
Add: Drawdown during the year	77,234,071	69,668,662
Less: Repayments during the year	(18,882,948)	–
	128,019,785	69,668,662
Total Borrowings	128,019,785	69,668,662
Less: – Unamortised cost	(2,655,982)	–
	125,363,803	69,668,662
Loans and borrowings maturity profile:		
	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Not more than 12 months	17,699,115	4,482,821
More than 12 months	107,664,688	65,185,841
	125,363,803	69,668,662

The Group has following secured interest-bearing borrowings:

- On 26 May 2023, the Group has obtained financing facility of USD 204,220,558 (AED 750,000,000) from a commercial bank in UAE which is guaranteed by majority shareholder and Ultimate parent company of majority shareholder with a contractual maturity by July 2027 repayable in half yearly instalments. Further, during the year, the Group has drawn USD 68,073,520 (AED 250,000,000) at an interest rate of 3 months EIBOR plus 2.30% per annum. The amount of undrawn facility as at 31 December 2023 is USD 136,147,038 (AED 500,000,000).
- Additionally, during the current year, the Group entered into a USD 2,224,557 financing facility with a commercial bank in Spain which has been fully drawn. This facility carried interest at 3 months EURIBOR plus 2.50% per annum. This loan has been repaid in current year.
- During the year 2022, the Group entered into a financing facility with a commercial bank for an amount of USD 87,134,105 (AED 320,000,000) of which the Group had drawn down USD 72,121,834 (AED 264,867,435). This facility is secured against development property (note 8) in United Arab Emirates, carries interest at 3 months EIBOR plus 2.55% per annum and is repayable by November 2027. The facility is presented in the consolidated financial statements at USD 59,946,264.
- During the year 2022, the Group entered into a USD 4,482,821 financing facility with a commercial bank in Spain which has been fully drawn. This facility carried interest at 3 months EURIBOR plus 2.449% per annum. This loan has been repaid in current year.

Notes to the consolidated financial statements continued

(In United States dollar)

19 Related party transactions

The Group enters into transactions with other entities that fall within the definition of a related party as contained in IAS 24, Related party disclosures. Related parties comprise entities under common ownership and/or common management and control; their partners and key management personnel.

The management decides on the terms and conditions of the transactions and services received/rendered from/to related parties as well as other charges, if applicable.

a) Due from related parties

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Entity under common control		
Dar Al Arkan For Real Estate Development W.L.L, Qatar (refer to (i) below)	7,201,786	5,310,572
Quara Holding, Dubai	1,392,125	–
Dar (Beijing) International Holdings Co. Ltd.	25,886	–
	8,619,797	5,310,572

(i) These above balances are interest bearing at the rate of 6% per annum and shall be repayable by 21 November 2026.

b) Due to related party

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Major shareholder		
Dar Al Arkan Global Investment LLC, UAE	1,248,415	2,101,668

These balances are unsecured, interest free and are repayable on demand.

c) Transactions with key management personnel

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Short term benefits	2,052,682	1,198,592
Employees' end-of-service benefits	180,014	118,142
Board of directors' fees	637,865	–
	2,870,561	1,316,734

19 Related party transactions continued

d) Other related party transactions

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Issuance of shares for acquisition of subsidiary		
Major shareholder	283,328,780	–
Issuance and redemption of preference shares		
Major shareholder	61,900	–
Loan (granted)/received		
Entity under common control of Ultimate parent company of Major shareholder	(2,796,105)	(5,310,572)
Ultimate parent company of Major shareholder	–	181,297,803
Joint venture	(48,742)	–
Deposits*		
Entity under common control	67,342,878	–
Share of loss		
Joint venture	93,162	330,734
Interest income		
Entity under common control of Ultimate parent company of Major shareholder	513,120	–
Joint venture	520,843	–
Other income		
Entity under common control of Ultimate parent company of Major shareholder	1,392,125	–
Professional fees		
Ultimate parent company of Major shareholder	(470,959)	–
Prepayments		
Entity under common control of Ultimate parent company of Major shareholder	73,997	–

During the year 2023, the Group entered into revolving credit agreement of USD 200 million with the Ultimate parent company of the Major shareholder to finance the general corporate purposes of the Group. The amount is fully undrawn as at 31 December 2023 and the terms and conditions of any drawdown will be agreed when they occur.

* During the year 2023, the Group held deposits with a bank in the Kingdom of Saudi Arabia rated at investment grade through one of its related parties amounting to USD 67,342,878 (refer to note 5).

Notes to the consolidated financial statements continued

(In United States dollar)

20 Income taxes

Income tax expense represents the sum of current income tax and deferred tax.

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

The Group recognises deferred tax assets only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and carried forward tax losses can be utilised.

Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates and tax laws enacted or substantively enacted at the balance sheet date.

As a result, deferred tax assets with a carrying value of USD 1,980,741 (2022: Nil) were recognised during the year. The deferred tax assets relate to unused accumulated losses that the Group believes are recoverable due to the availability of future tax profit against which the tax losses carried forward can be utilised.

21 Share capital

	As at 31 December 2023		As at 31 December 2022 (Unaudited)	
	Number	Amount	Number	Amount
Ordinary shares				
Called up and fully paid-up share capital				
Opening	2,239,510,913	22,395,109	–	–
Issuance of shares for acquisition of subsidiary*	366,666,594	3,666,666	2,239,510,913	22,395,109
Issuance of ordinary shares*	21,621,612	216,216	–	–
Capital reduction**	(2,447,777,507)	(24,477,775)	–	–
	180,021,612	1,800,216	2,239,510,913	22,395,109

* On 25th January 2023, the Company issued 366,666,594 ordinary shares to Major shareholder for acquisition of Dar Al Arkan Holdings Limited (ADGM) – UAE.

Additionally, on 28th February 2023, the Company issued 21,621,612 ordinary shares at a price of USD 3.33 by way of a private placement on the London Stock Exchange to qualified investors.

** On 30th January 2023, the Company completed a capital reduction, reducing the issued share capital by USD 24,477,775 through the cancellation of 2,447,777,507 shares, this amount and its related share premium has been transferred to retained earnings as it is distributable.

22 Share premium

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Share premium	88,781,078	–
	88,781,078	–

Additional net assets of USD 279,004,068 received on 25th January 2023 for the issuance of 366,666,594 shares of USD 0.01 each to the Major shareholder in exchange of acquisition of shares in Dar Al Arkan Holdings Limited (ADGM) – UAE amounting to USD 282,670,732 (Note 21).

On 30th January 2023, the Company completed a capital reduction, reducing the issued share capital by USD 24,477,775 through the cancellation of 2,447,777,507 shares, the share premium relating to this reduction amounting to USD 262,664,624 has been transferred to retained earnings as it is distributable.

Additionally, share premium includes an amount of USD 71,783,588 premium received on 28th February 2023, on issuance of 21,621,612 ordinary shares of USD 0.01 each at a price of USD 3.33 (Note 21).

23 Revenue

	31 December 2023	31 December 2022 (Unaudited)
<i>Revenue is recognised over time as provided below:</i>		
Sale of residential units	360,575,755	80,001,625
Cost of revenue		
Cost of residential units	(214,131,383)	(51,351,257)

Revenue from sale of residential units is net of discount against transaction prices for certain units sold with a significant financing component amounting to USD 19,367,185 (2022: USD 10,563,687).

Change in estimates:

During 2023, the Group reviewed its revenue recognition criteria for one of its projects due to improved contractor construction performance and buyer behaviour, bringing it in line with the criteria applied to all other projects in the relevant jurisdiction.

Notes to the consolidated financial statements continued

(In United States dollar)

23 Revenue continued

The effect of the above changes on actual and expected revenue, cost of sales and selling and marketing expenses was as follows.

	2023	2024
Increase/(Decrease) in revenue	15,801,721	(15,801,721)
(Increase)/Decrease in cost of sales	(8,109,996)	8,109,996
Increase/(Decrease) in gross profit	7,691,725	(7,691,725)
(Increase)/Decrease in selling and marketing expenses	(1,517,226)	1,517,226
Increase/(Decrease) in net profit	6,174,499	(6,174,499)

24 Other income

	31 December 2023	31 December 2022 (Unaudited)
Income from termination of units (note (a) below)	2,649,498	1,131,537
Foreign exchange gain	497,508	675,231
Others	–	58,881
	3,147,006	1,865,649

(a) This represents instalments collected from customers that have been forfeited due to termination of contracts on account of cancellation of units booked.

25 Selling and marketing expenses

	31 December 2023	31 December 2022 (Unaudited)
Sales commission	33,009,570	6,544,327
Marketing expenses	5,754,962	3,154,874
	38,764,532	9,699,201

26 General and administrative expenses

	31 December 2023	31 December 2022 (Unaudited)
Salaries and related benefits	19,040,312	9,290,554
Legal and professional expenses	3,166,009	1,542,253
Depreciation on right-of-use assets (refer to note 13)	2,200,115	866,957
IT related expenses	1,058,667	145,596
Bank charges	722,808	1,125,496
Utilities	476,155	294,607
Depreciation on property and equipment (refer to note 12)	984,458	19,867
Rent	352,252	297,205
Board of Directors Fees (refer to note 19)	637,865	–
Travelling expenses	705,319	235,369
Listing related (reversal)/ expenses (refer to (a) below)	(1,680,520)	13,465,003
Value added tax expense	43,007	71,378
Service charge	–	226,930
Loss on early termination of lease	–	196,076
Other expenses	1,549,829	783,704
	29,256,276	28,560,995

(a) The current year amount represents reversal of excess provisions made with respect to listing related expenses in the year 2022.

Notes to the consolidated financial statements continued

(In United States dollar)

27 Net finance costs/(income)

	31 December 2023	31 December 2022 (Unaudited)
Finance costs		
Interest expense on bank borrowings	3,579,519	393,005
Interest expense on unwinding of discount on long term liability	1,064,692	–
Interest on lease liability (refer to note 13)	376,587	161,790
	5,020,798	554,795
Finance income		
Interest income	(3,754,858)	–
Income from investment in bonds of joint venture	(520,842)	(79,475)
Income on early settlement of long-term Liability	–	(3,341,153)
Interest income from loan to related party (refer to note 19)	(513,120)	–
	(4,788,820)	(3,420,628)
Net finance cost/ (income)	231,978	(2,865,833)

28 Earning Per Share

Basic earnings per share amounts are calculated by dividing net profit or loss for the year attributable to the owners of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit or loss attributable to the owners of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. The Company has no dilutive instruments in issue.

The information necessary to calculate basic and diluted earnings per share is as follows:

	31 December 2023	31 December 2022 (Unaudited)
Earnings:		
Profit/(loss) attributable to the owners of the Company for basic/diluted earnings	83,226,171	(5,209,080)
Number of shares		
Weighted-average number of ordinary shares for basic/diluted earnings per share	360,667,049	2,239,510,913
Earnings per share:		
– basic and diluted earnings per share (USD)	0.231	(0.002)

Notes to the consolidated financial statements continued

(In United States dollar)

29 Financial instruments

a) Material accounting policies

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 2 to the consolidated financial statements.

b) The Group considers that the carrying amount of financial assets and liabilities are reasonable approximation of fair values.

	Carrying amount		Fair Value	
	As at 31 December 2023	As at 31 December 2022 (Unaudited)	As at 31 December 2023	As at 31 December 2022 (Unaudited)
<i>Financial assets</i>				
Cash and cash equivalents	228,492,034	112,612,385	228,492,034	112,612,385
Trade and unbilled receivables	221,867,464	40,552,740	221,867,464	40,552,740
Advances, deposits and other receivables	3,047,537	22,903,059	3,047,537	22,903,059
Escrow retentions	9,987,477	5,853,253	9,987,477	5,853,253
Due from related parties	8,619,797	5,310,572	8,619,797	5,310,572
Loan to joint venture	2,150,987	1,991,953	2,150,987	1,991,953
	474,165,296	189,223,962	474,165,296	189,223,962
<i>Financial liabilities</i>				
Trade and other payables	25,713,890	30,691,284	25,713,890	30,691,284
Retention payable	6,849,069	4,038,203	6,849,069	4,038,203
Loans and borrowings	125,363,803	69,668,662	125,363,803	69,668,662
Development property liability	78,631,324	72,467,693	78,631,324	72,467,693
Due to related party	1,248,415	2,101,668	1,248,415	2,101,668
Lease liabilities	5,944,562	2,743,815	5,944,562	2,743,815
	243,751,063	181,711,325	243,751,063	181,711,325

Financial instruments comprise of financial assets and financial liabilities.

Financial assets consist of accounts receivable, cash and cash equivalents, due from related parties, loan to joint venture and other receivables excluding prepayments, advances to suppliers and contractors and VAT refundable. Financial liabilities consist of other payables, interest bearing loans and borrowings, development property liabilities, lease liabilities and accounts payables and provisions.

30 Acquisition of subsidiaries

On 25 January 2023, the Company acquired Dar Al Arkan Holdings Limited (ADGM) from the Major shareholder, at a book value as at 31 December 2022, in exchange for issuing 366,666,594 new ordinary shares by the Company amounting to USD 3,666,666 (refer to notes 21 and 22).

The acquisition by the Company is a common control transaction under IFRS 3 and has been accounted as continuing group using the book value accounting. In the statement of financial position, the acquiree's identifiable assets, liabilities are recognised at their book values at legal acquisition date.

For the year ended 31 December 2023, ADGM accounted for entire revenue and profit of the Group. Management estimates that if the acquisition had occurred on 1 January 2023, there would be no change in consolidated revenue or profit.

The following table summarises the recognised amounts of assets acquired, and liabilities assumed at legal acquisition date:

Assets	USD
Cash and cash equivalents	140,377,085
Trade and unbilled receivables	40,552,740
Advances, deposits and other receivables	72,656,769
Development properties	245,914,632
Due from related party	50,976,545
Property and equipment	260,474
Right-of-use assets	1,174,895
Other assets	872,431
Trade and other payables	(16,485,879)
Advances from customers	(94,456,096)
Retention payable	(4,036,399)
Due to related party	(2,101,668)
Development property liability	(72,467,693)
Loans and borrowings	(65,185,841)
Lease liabilities	(1,258,212)
Total identifiable net assets acquired	296,793,783

31 Financial risk management objectives

The Group management set out the Group's overall business strategies and its risk management philosophy. The Group's overall financial risk management program seeks to minimise potential adverse effects on the financial performance of the Group. The Group policies include financial risk management policies covering specific areas, such as market risk (including foreign exchange risk, interest rate risk), liquidity risk and credit risk. Periodic reviews are undertaken to ensure that the Group's policy guidelines are complied with.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk.

Notes to the consolidated financial statements continued

(In United States dollar)

31 Financial risk management objectives continued

The Group is exposed to the following risks related to financial instruments. The Group has not framed formal risk management policies, however, the risks are monitored by management on a continuous basis. The Group does not enter into or trade in financial instruments, investment in securities, including derivative financial instruments, for speculative or risk management purposes.

a) Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. The summarised quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follow:

	EUR	GBP	BAM	CNY
31 December 2023				
Cash and cash equivalents	5,910,324	1,885,534	30,734	-
Other financial assets	892,563	3,991,989	-	-
Financial liabilities	(359,745)	(1,337,715)	(82,953)	-
	6,443,142	4,539,808	(52,219)	-
31 December 2022				
Cash and cash equivalents	2,634,646	1,039,054	49,206	-
Other financial assets	2,318,083	7,001,000	1,068,891	-
Financial liabilities	(17,349,296)	(41,934,259)	(2,236,142)	(11,446,683)
	(12,396,567)	(33,894,205)	(1,118,045)	(11,446,683)

The following table details the Group's sensitivity to a 1000 basis points increase or decrease in USD against the relevant foreign currencies.

	31 December 2023	31 December 2022 (Unaudited)
EUR	644,314	(1,239,656)
GBP	453,980	(3,389,420)
BAM	(5,221)	(111,804)
CNY	-	(1,144,668)
	1,093,073	(5,885,548)

The Group's significant monetary assets and liabilities denominated in foreign currencies are in AED which is pegged to USD. As the AED is currently pegged to the USD, balances are not considered to represent significant currency risk.

b) Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative financial instruments as at 31 December 2023. The analysis is prepared assuming the amount of liabilities outstanding at the reporting date was outstanding for the whole year.

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows:

	31 December 2023	31 December 2022 (Unaudited)
Fixed rate instruments		
Financial assets	74,544,664	-
Financial liabilities	-	-
	74,544,664	-
Variable rate instruments		
Financial assets	172,465,150	21,592,920
Financial liabilities	(125,363,803)	(69,668,662)
	47,101,347	(48,075,742)

A 50-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the change in Group profit for the year ended 31 December 2023 would be USD 235,507 (2022: USD 240,397). This is mainly attributable to the Group's exposure to variable rate financial instruments.

c) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the management which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and equity from shareholders.

Notes to the consolidated financial statements continued

(In United States dollar)

31 Financial risk management objectives continued

c) Liquidity risk management continued

The table below summarises the maturity profile of the Group's financial liabilities. The contractual maturities of the financial liabilities have been determined on the basis of the remaining period at reporting date to the contractual maturity date. The maturity profile of these liabilities at the reporting date based on contractual repayment arrangements are shown in the table below:

	Carrying amount	Total	Contractual Cashflows			
			Less than 1 year	1-2 years	2-5 years	More than 5 years
31 December 2023						
Financial liabilities						
Payables	25,713,890	(25,713,890)	(25,713,890)	-	-	-
Retention payable	6,849,069	(6,849,069)	(2,956,238)	(3,184,957)	(707,874)	-
Loans and borrowings	125,363,803	(154,130,558)	(28,517,099)	(41,101,308)	(84,512,151)	-
Development property liability	78,631,324	(92,579,986)	-	-	(92,579,986)	-
Lease liabilities	5,944,562	(6,390,540)	(2,792,437)	(2,280,731)	(1,317,372)	-
Due to related party	1,248,415	(1,248,415)	(1,248,415)	-	-	-
	243,751,063	(286,912,458)	(61,228,079)	(46,566,996)	(179,117,383)	-
31 December 2022 (Unaudited)						
Financial liabilities						
Payables	30,691,284	(30,691,284)	(30,691,284)	-	-	-
Retention payable	4,038,203	(4,038,203)	-	-	(4,038,203)	-
Loans and borrowings	69,668,662	(86,742,249)	(10,499,907)	(9,530,293)	(66,712,049)	-
Development property liability	72,467,693	(92,579,986)	-	-	(92,579,986)	-
Lease liabilities	2,743,815	(3,000,489)	(1,054,322)	(932,719)	(780,380)	(233,068)
Due to related party	2,101,668	(2,101,668)	(2,101,668)	-	-	-
	181,711,325	(219,153,879)	(44,347,181)	(10,463,012)	(164,110,618)	(233,068)

d) Credit risk management

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties. The Group's exposures are continuously monitored and their credit exposure is reviewed by the management regularly.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The carrying amounts of the financial assets recorded in the consolidated financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risks. The Group considers that the risk of loss related to unbilled receivables and trade receivables is remote due to collateral held against such amounts due, being residential property developed by the Group.

32 Capital risk management

The capital structure of the Group consists of cash and cash equivalents, debt, which includes interest-bearing loans and borrowings as disclosed in note 18 and equity as disclosed in the consolidated financial statements.

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the equity balance. The Group's overall strategy remains unchanged from prior year. The Group is not subject to any externally imposed capital requirements.

The Group monitors capital using 'net debt' to 'equity'. Net debt is calculated as total liabilities (as shown in the consolidated statement of financial position) less cash and cash equivalents. Equity comprises all components of equity as disclosed in note 21.

The Group's policy is to keep the ration below 1. The Group's net debt to equity ratio at 31 December 2023 was as follows.

	31 December 2023	31 December 2022 (Unaudited)
Total liabilities	301,934,511	276,493,331
Less: Cash and cash equivalents	(228,492,034)	(112,612,385)
Net debt	73,442,477	163,880,946
Total equity	465,411,551	281,401,588
Net debt to equity ratio	0.16	0.58

Notes to the consolidated financial statements continued

(In United States dollar)

33 Contingent liabilities

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Letters of guarantee (refer to note (a) below)	3,866,575	21,592,920
Others (refer to note (b) below)	339,547	-
	4,206,122	21,592,920

(a) Under the Real Estate Regulatory Agency (RERA) regulations, the Group is required to provide letters of guarantees to the Dubai Land Department for all of its projects located in Dubai in the amount of 20 percent of the construction costs for such projects. The Group holds margin deposits against the letters of guarantee at the bank providing such letters of guarantee. The guarantee margin deposit is refundable on completion of the project.

(b) During the year 2023, Ashbilia Contracting L.L.C (“contractor”) filed a case before the Court of First Instance against Dar Al Arkan Properties L.L.C (“subsidiary”), demanding an amount of USD 339,547 (AED 1,246,986), as specified in the ruling of The Centre for Amicable Resolution of Disputes in Dubai. In response, the subsidiary has filed a counterclaim, requesting a reassessment of the award and seeking compensation totalling USD 1,037,723 (AED 3,811,036) due to the contractor's failure to deliver the agreed-upon works

Except for the above and ongoing business obligations which are under normal course of business, there has been no other known contingent liability on the Group's consolidated financial statements as of reporting date.

34 Commitments

	As at 31 December 2023	As at 31 December 2022 (Unaudited)
Contracted commitments for development properties (refer to note 8)	102,250,823	21,780,570

Except for the above commitments which are for construction works on ongoing projects and ongoing business obligations which are under normal course of business, there has been no other known commitment on the Group's consolidated financial statements as of reporting date. These commitments will be funded from the Group's existing funds or undrawn loan and borrowing facilities.

35 Staff number and costs

	31 December 2023	31 December 2022 (Unaudited)
The average number of employees employed by the Group	207	92
The payroll cost for these employees is as follows:		
– Wages and salaries	19,040,312	9,290,554

36 Auditors Remuneration

	31 December 2023	31 December 2022 (Unaudited)
Audit of these consolidated financial statements	394,630	81,688
Audit of condensed consolidated interim financial statements	133,665	-
Audit of financial statements of subsidiaries of the Company	153,142	67,301
Filing – Section 92	25,140	-
	706,577	148,989

37 Events after the reporting date

Subsequent to 31 December 2023, there have been no events that require disclosure or adjustment to these consolidated financial statements.

Alternative performance measures

The Group uses a number of alternative performance measures (APM) which are not defined within IFRS. The Directors use the APMs, along with IFRS measures to assess the operational performance of the Group. Definitions and reconciliations of the financial APMs used compared to IFRS measures, are included below:

Adjusted performance metrics

Adjusted performance metrics reconciled to statutory reported measures are shown below. The Directors consider these performance metrics provide additional information regarding the Group's core operations and business performance.

	(In USD)	
Particulars	1 January 2023 to 31 December 2023	1 January 2022 to 31 December 2022
Revenue	360,575,755	80,001,625
Gross Profit	146,444,372	28,650,368
Gross Profit %	41%	36%
Profit/(Loss) for the year before tax	81,245,430	(5,209,080)
Profit/(Loss) for the year % of revenue	23%	(7%)

**Company statement of financial position for
the 458-day period ended 31 December 2023**
(In United States dollar)

	Note	31 December 2023
Assets		
Cash and cash equivalents	3	1,316,794
Advances, deposits and other receivables	4	1,756,628
Due from related party	7	1,170,872
Loan to subsidiaries	5	11,745,796
Investment in subsidiaries	6	370,547,062
Total assets		386,537,152
Liabilities and equity		
Liabilities		
Accounts payables and provisions	8	935,332
Due to related party	7	47,483
Total liabilities		982,815
Equity		
Share capital	9	1,800,216
Share premium	10	88,781,078
Loss for the period		(5,634,359)
Transactions with owners of the Company		300,607,402
Total equity		385,554,337
Total liabilities and equity		386,537,152

The accompanying notes from 1 to 11 form an integral part of these financial statements.

**Company statement of changes in equity for
the 458-day period ended 31 December 2023**
(In United States dollar)

	Share capital	Retained earnings	Share premium	Total equity
At 30 September 2022 (date of incorporation)				
Loss for the period	–	(5,634,359)	–	(5,634,359)
Other comprehensive income	–	–	–	–
Total comprehensive income for the period	–	(5,634,359)	–	(5,634,359)
Transactions with owners of the Company				
Issue of ordinary shares	22,395,109	–	–	22,395,109
Issue of shares related to acquisition of subsidiary	3,666,666	–	279,662,114	283,328,780
Issue of ordinary shares	216,216	–	71,783,588	71,999,804
Reduction of share capital	(24,477,775)	287,142,399	(262,664,624)	–
Other reserves (note 7)	–	13,465,003	–	13,465,003
Total transactions with owners of the Company	1,800,216	300,607,402	88,781,078	391,188,696
Balance as at December 31, 2023	1,800,216	294,973,043	88,781,078	385,554,337

The accompanying notes from 1 to 11 form an integral part of these financial statements.

Notes to the Company financial statements

For the 458-day period ended 31 December 2023 (In United States dollar)

1 Corporate information

1.1

Dar Global PLC- ("The Company") was incorporated on September 30, 2022 as a private limited company by shares, under a company Number 14388348 issued by the registrar of the companies for England and Wales.

1.2

The registered address of the Company is located at 6th floor, 65 Gresham Street, London, United Kingdom, EC2V 7NQ.

1.3

These are the first financial statements of the Company and the principal activity is property development holding company.

2 Material accounting policies

2.1 Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRSs") but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Certain disclosures regarding revenue;
- Certain disclosures regarding leases;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;

As the consolidated financial statements include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 3 Business Combinations in respect of business combinations undertaken by the Company in the current and prior periods; and
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.
- Certain disclosures required by IAS 36 Impairment of Assets

Under section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

2.2 Going Concern

The Company listed on London Stock Exchange on 28 February 2023 and raised net proceeds of USD 72 million of new equity in order to invest in new projects, fund working capital and continuing development work. The Company's forecasts and projections based on the current trends in sales and development and after taking account of the funds currently held, show that the Company and the Group will be able to operate within the level of cash reserves.

The directors have, at the time of approving the Company financial statements, made a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Financial assets measured at amortised cost, exchange differences are recognised in the statement of profit or loss.

2.4 Financial assets

The Company classifies its financial assets at amortised cost.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts, it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset.

Notes to the Company financial statements

For the 458-day period ended 31 December 2023 (In United States dollar)

2 Material accounting policies continued

2.5 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities are subsequently measured at amortised cost.

The Company's financial liabilities include accounts payable and accruals, and amounts due to related parties.

Accounts and other payables

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Accounts and other payables are recognised initially at fair value and subsequently are measured at amortised cost using effective interest method.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

2.6 Taxation

Current tax assets and liabilities arising in current and past periods are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the tax balances are those that are enacted or substantively enacted by the reporting date.

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Deferred tax is determined using the tax rate and laws that have been enacted or substantively enacted by the reporting date and are expected to apply when the related tax asset is realised or the tax liability is settled.

Deferred tax assets are recognised only when it is probable that future taxable profits will be available against which these temporary differences can be utilised. The carrying value of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

2.7 Reserves

Share capital, share premium and retained earnings.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Incremental costs that are directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

Share premium represents the excess consideration received over the par value of shares issued, and it is not distributable.

Retained earnings represent distributable reserves.

2.8 Investment in subsidiaries

Classification

The Company accounts for investment in subsidiaries at cost less impairment.

2.9 Significant accounting judgements, estimates and assumptions

In applying the Company's accounting policies, which are described in policy notes, management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes to the Company financial statements

For the 458-day period ended 31 December 2023 (In United States dollar)

3 Cash and cash equivalents

	As at 31 December 2023
Cash at bank	
– Current accounts	1,316,794
	1,316,794

4 Advances, deposits and other receivables

	As at 31 December 2023
Margin deposit	1,353,302
VAT receivable	367,971
Other receivables	35,355
	1,756,628

5 Loan to subsidiaries

	As at 31 December 2023
Dar Global UK No. 1 Ltd	10,000,000
Dar Global UK No. 2 Ltd	1,745,796
	11,745,796

The above loans are interest bearing loans to subsidiaries at SONIA plus 2.35%.

6 Investment in subsidiaries

	As at 31 December 2023
Dar AI Arkan Property Development SPC – Oman	647,478
Dar AI Arkan Spain SL – Spain	30,199,813
Dar AI Arkan Global UK Holdings Ltd. – United Kingdom	8,266,790
Dar AI Arkan Holdings Ltd (ADGM) – UAE	331,432,981
	370,547,062

All investments are owned 100% and relate to property development activity.

7 Related party transactions

Related parties transactions comprise of transactions with entities under common ownership and/or common management and control; their partners and key management personnel. Management decides on the terms and conditions of the transactions and services received/rendered from/to related parties as well as other charges, if applicable.

The term of the receivables is 6 months and the related party receivables and payables are expected to be settled in cash.

	As at 31 December 2023
A) Due from related parties	
Entities under common control	
Dar AI Arkan Global UK Holdings Ltd, UK	62,532
Dar AI Arkan Properties LLC, UAE	449,377
Dar AI Arkan Property Development SPC, Oman	443,137
Dar AI Arkan International Property Development LLC, UAE	9,423
Dar Global UK No. 1 Ltd	54,433
Dar Global UK No. 2 Ltd	75,369
Dar AI Arkan Spain SL, Spain	76,601
	1,170,872

	As at 31 December 2023
B) Due to related party	
Entity under common control	
Dar AI Arkan Global UK Holdings Ltd, UK	47,483
	47,483

	As at 31 December 2023
C) Transactions with key management personnel	
Board of directors' fees	637,865
	637,865

Notes to the Company financial statements

For the 458-day period ended 31 December 2023 (In United States dollar)

7 Related party transactions continued

	As at 31 December 2023
D) Other related party transactions	
Entities under common control	
Income – Management service	
Dar AI Arkan Properties LLC, UAE	771,372
Dar AI Arkan International Property Development LLC, UAE	400,388
Dar AI Arkan Property Development SPC, Oman	745,488
Dar AI Arkan Global UK Holdings Ltd, UK	117,523
Dar AI Arkan Spain SL, Spain	76,601
Expense – Management service	
Dar AI Arkan Global UK Holdings Ltd – UK	1,832,815
Interest on loan to subsidiaries	
Dar AI Arkan Properties LLC, UAE	180,174
Dar Global UK No. 1 Ltd	54,433
Dar Global UK No. 2 Ltd	75,369
Issuance and redemption of preference shares	
Major shareholder	61,900
Issuance of shares for acquisition of subsidiary	
Major shareholder	283,328,780
Other reserves	
Capital contribution by the Major shareholder	13,465,003

8 Accounts payables and accruals

	As at 31 December 2023
Accruals	884,194
Other payables	51,138
	935,332

9 Share capital

Ordinary shares	As at 31 December 2023	
	Number	Amount
Issuance of shares for acquisition of subsidiary*	2,239,510,913	22,395,109
Issuance of shares for acquisition of subsidiary**	366,666,594	3,666,666
Issuance of ordinary shares**	21,621,612	216,216
Capital reduction***	(2,447,777,507)	(24,477,775)
	180,021,612	1,800,216

* On 31st December 2022, the Company issued 2,239,510,913 ordinary shares to Major shareholder for acquisition of Dar AI Arkan Spain SL.

** On 25th January 2023, the Company issued 366,666,594 ordinary shares to Major shareholder for acquisition of Dar AI Arkan Holdings Ltd (ADGM) – UAE.

Additionally, on 28th February 2023, the Company issued 21,621,612 ordinary shares at a price of USD 3.33 by way of a private placement on the London Stock Exchange to qualified investors.

*** On 30th January 2023, the Company completed a capital reduction, reducing the issued share capital by USD 24,477,775 through the cancellation of 2,447,777,507 shares, this amount and its related share premium has been transferred to retained earnings as it is distributable.

10 Share premium

	As at 31 December 2023
Share premium	88,781,078
	88,781,078

Additional net assets of USD 279,004,068 received on 25th January 2023 for the issuance of 366,666,594 shares of USD 0.01 each to the Major shareholder in exchange of acquisition of shares in Dar AI Arkan Holdings Limited (ADGM) – UAE amounting to USD 282,670,732 (Note 9).

On 30th January 2023, the Company completed a capital reduction, reducing the issued share capital by USD 24,477,775 through the cancellation of 2,447,777,507 shares, the share premium relating to this reduction amounting to USD 262,664,624 has been transferred to retained earnings as it is distributable.

Additionally, share premium includes an amount of USD 71,783,588 premium received on 28th February 2023, on issuance of 21,621,612 ordinary shares of USD 0.01 each at a price of USD 3.33 (Note 9).

11 Events after the reporting date

There are no significant events after the reporting date.

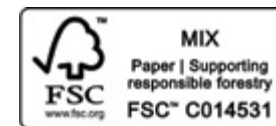
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This Annual Report may include statements that are, or may be deemed to be, 'forward-looking statements'. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms 'believes', 'estimates', 'plans', 'projects', 'anticipates', 'expects', 'intends', 'may', 'will', 'target', 'maintain', 'are capable' or 'should' or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include, but are not limited to, statements regarding the Group's intentions, beliefs or current expectations concerning, among other things, the Group's results of operations, financial position, liquidity, prospects, growth, strategies and expectations of the industry.

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