

DAR AL ARKAN

دار الأركان

Investor Presentation

Q3 2023



DAR AL ARKAN

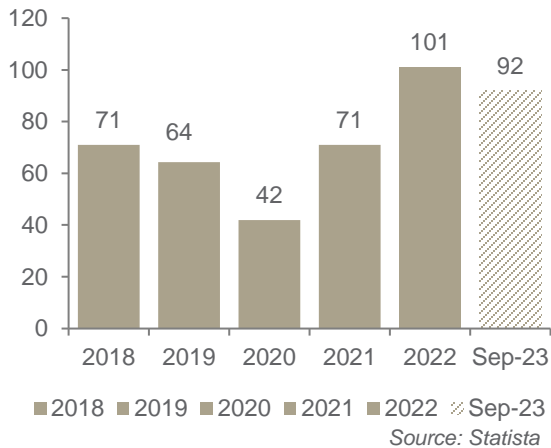
Table of Contents

	Page No.
1. Macro Economic Overview & KSA Real Estate Market	4
2. Key Business Indicators Overview	9
3. Financial Performance Overview	12
4. Overview of Assets Portfolio	16
5. Notable Changes During The Reporting Period	21
6. Appendix	26

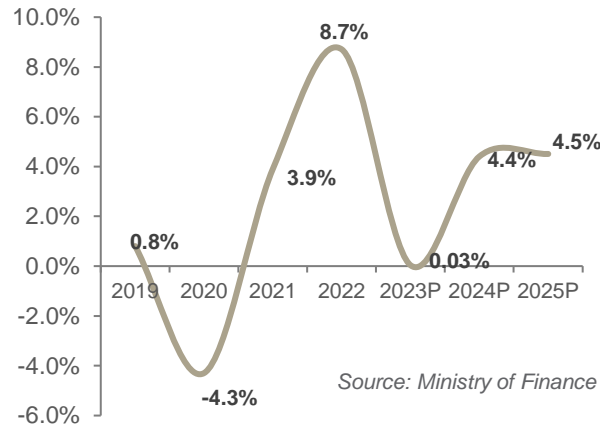
1 | MACRO ECONOMIC OVERVIEW & KSA REAL ESTATE MARKET

2022 saw an accelerated growth but forecasted to slow down in 2023

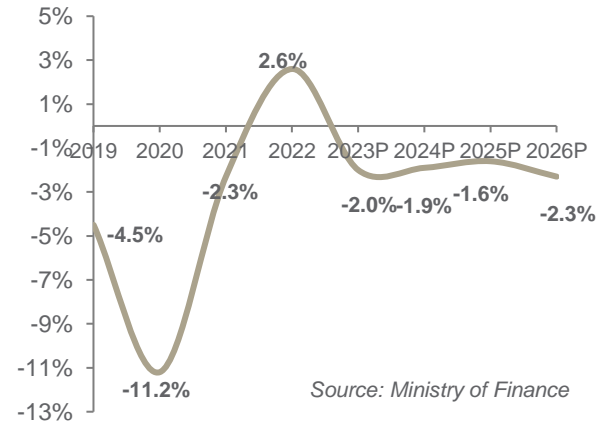
Average Brent Oil Prices



GDP Growth Accelerated in 2022



Deficit Turns to Surplus in 2022



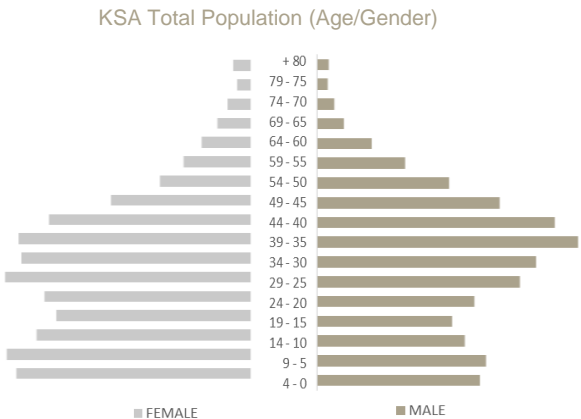
- Brent oil price stood at \$95.31 as of 28 Sep 2023.
- Brent oil price averages \$92 for the month of Sep 2023 down from the average of \$101 for full year of 2022 reflecting a decrease of 9%.
- Traders are becoming more relaxed about the outlook for US interest rates as inflation eases, and although persistently poor economic data from China has continued to weigh on sentiment, there is little doubt that fundamentals are tightening. Having normally traded in the range of \$75 to \$90 per barrel since the beginning of the year, Brent dropped to \$72 per barrel in mid of June before recovering back strongly by end of Q3 2023.
- The IMF indicated a gradual slowdown in global inflation from 8.7 percent in 2022 to 6.9 percent this year and then to 5.8 percent in 2024 due to the tightening of monetary policy and the decline in international commodity prices.
- As per IMF, Global economy continued to recover from COVID-19, Russia's invasion of Ukraine and last year's energy crisis, but that diverging growth trends meant mediocre medium-term prospects.

- Saudi GDP grew by 8.7% in 2022 compared to 3.2% recorded in 2021. However, it is expected to slow down to 0.03% in 2023 and 4.4% in 2024.
- Saudi Arabia's real GDP dropped by 4.5% year-on-year (YoY) in the third quarter of 2023 according to latest report released by GASTAT.
- This decline is attributed to a 17.3% retreat in oil activities, despite a rise in non-oil and government activities by 3.6% and 1.9%, respectively.
- GDP from oil activities is diminishing due to reduction in total crude oil output by 8% to 10% in 2023 compared with 2022 after OPEC's decision to cut in oil production to maintain the market stability.
- The real estate sector's contribution to the Saudi non-oil GDP reached 12.8% in the first quarter of 2023, according to the Real Estate General Authority (REGA).
- The IMF further lowered its GDP growth forecast for Saudi Arabia for 2023 to 0.8% and estimated growth of 4% next year on the back of lower prices and cuts to crude production.

- Lowering its growth forecast for 2023, Saudi Arabia now expects to post a budget deficit of SAR 82 billion or 2% of GDP this year rather than an earlier projected surplus of SAR 16 billion or 0.4% of GDP, mainly due to expansionary spending policies as it funnels money into Giga projects and conservative revenue estimates.
- As per the latest report, Saudi Economy would post a budget deficit of 1.9% of GDP in 2024, 1.6% of GDP in 2025, and 2.3% of GDP in 2026.
- In Q3 2023, there was a budget deficit of approximately SR36 billion, contrasting with a surplus of SR14 billion for the same period in 2022.
- The main reason for this budget deficit was substantial decrease in oil revenue by 36% YoY, though non-oil revenue increased significantly YoY by 53%. Total expenses were also increased mainly due to increased government support for social protection programs.
- Despite the Q3 2023 oil-revenue drop and the financial deficit, the Kingdom's financial position remains strong due to its low public debt-to-GDP ratio, which stands around 24 percent, and its robust government reserves, both foreign and local, all of which serve as a buffer to help the Saudi economy withstand unexpected external shocks.

The strong long-term fundamentals of the market remain intact

Positive Demographic Trends



Total population projection of 36.2 million for 2022

- Population growth of around 2% per year.
- Almost 60% of the population below the age of 30, entering their home making years.
- High per capita individuals per household.
- Social evolution leading younger generation to seek more independent living arrangements.

Supply Shortages



- Chronic under supply of residential housing.
- MoMRAH estimates suggest that the Kingdom has the requirement for an additional 1.2 million homes by 2030.
- Low home ownership penetration among Saudis, was reported at 60% in 2020 and is expected to reach 62% by 2025.
- 70% target as part of Vision 2030 for home ownership penetration.
- His Royal Highness, The Crown Prince, announced recently that the demand expectations for housing over the next 10 years to exceed 4 million units.

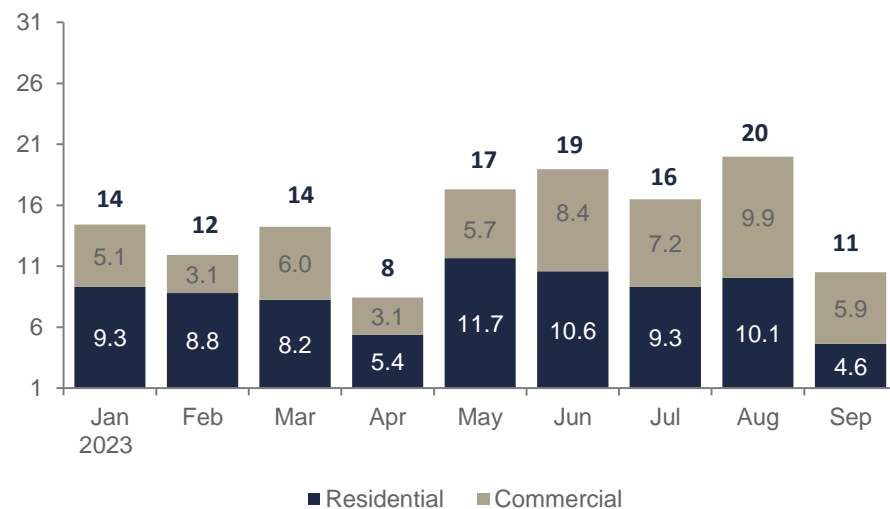
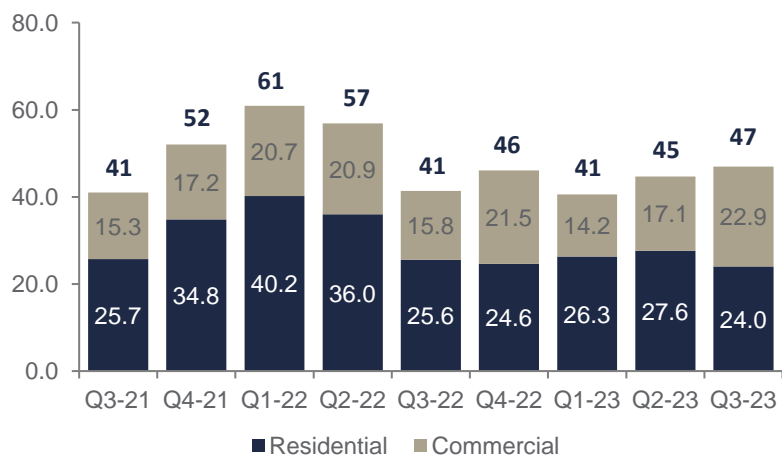
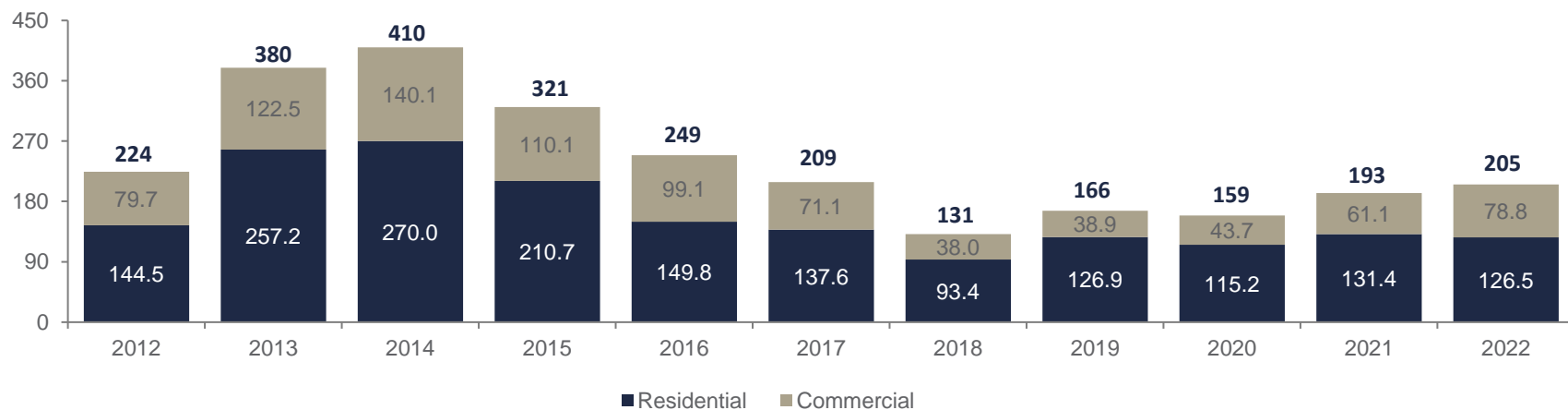
Government Support



- Real estate transactions are covered under the scope of 'Real estate Transaction tax' of 5%.
- On-going MoMRAH Sakani program for low income households continues to honor existing participants & new participants.
- 29,361 Saudi families benefited from Sakani's housing options and financing solutions during the third quarter of 2023, bringing the total number of beneficiaries since the beginning of the year to 71,145.
- REDF support through interest free mortgages.
- Total amount deposited in the accounts of Sakani beneficiaries since the announcement of the transformation program in June 2017 until August 2023, exceeded SAR 51 billion.
- Banks continue the support of mortgage provision.

KSA Real Estate Sector Overview

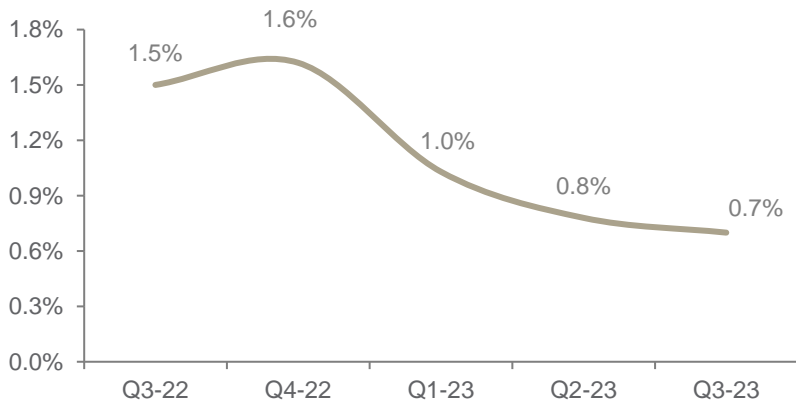
Residential deals increased QoQ and YoY in Q3 2023



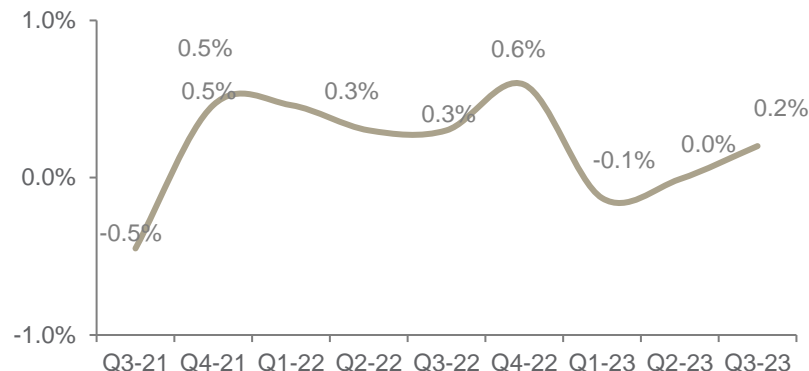
Value of Real Estate Transactions in KSA (SAR bn)

The Real Estate Price Index slightly increased QoQ in Q3 2023

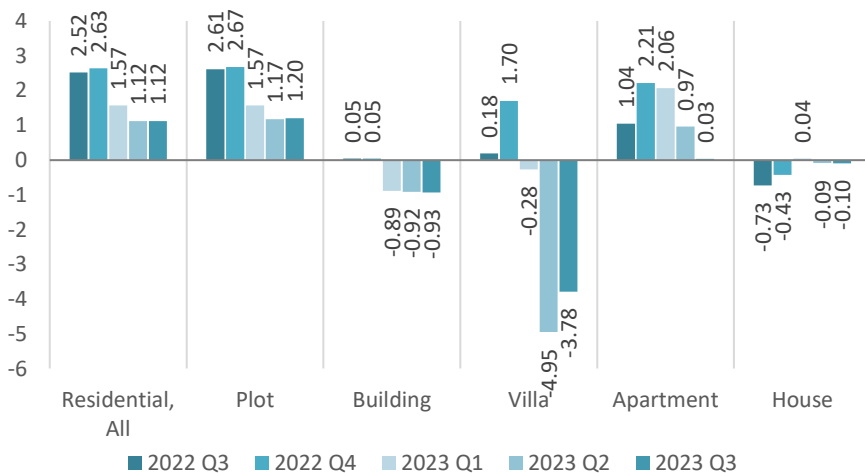
KSA Real Estate Price Index (YoY)



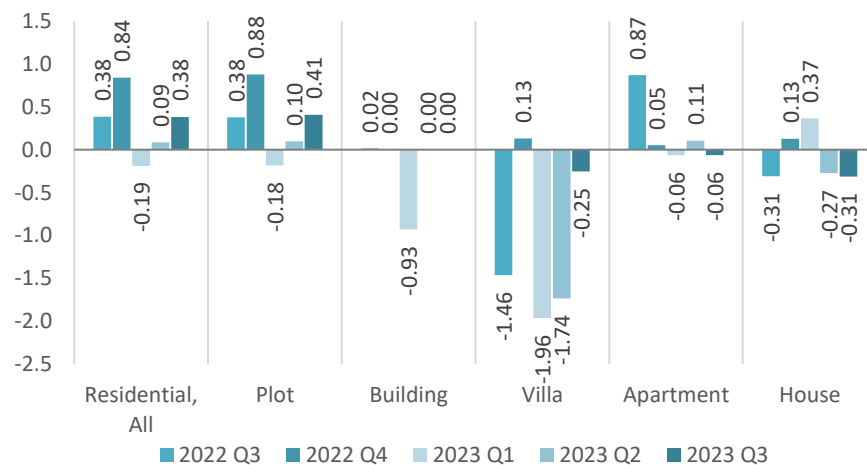
KSA Real Estate Price Index (QoQ)



Residential Real Estate Price Index by Type (YoY%)



Residential Real Estate Price Index by Type (QoQ%)



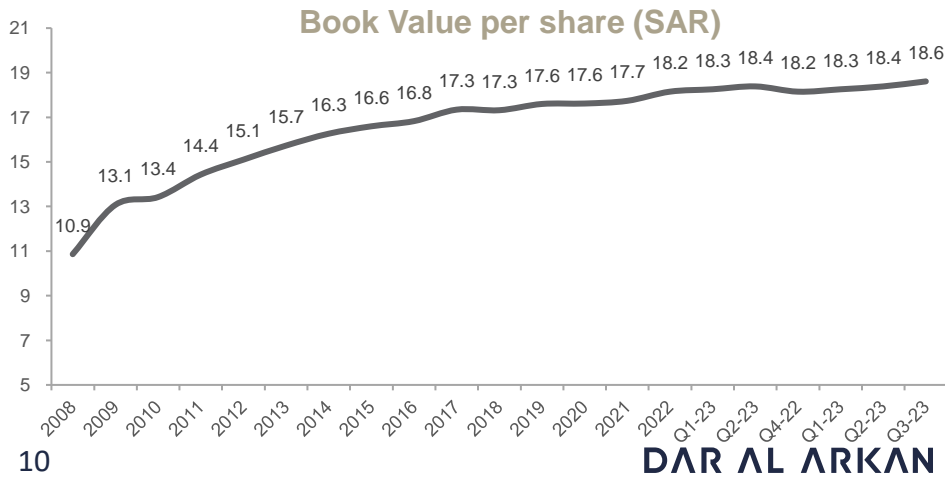
2 | KEY BUSINESS INDICATORS OVERVIEW

Revenues (LTM) -16.3%	EBITDA (LTM) 3.9%	Investment In Development Properties (LTM) -17.2%
SAR 3,192 mn	SAR 1,312 mn	SAR 2,456 mn
(Q3 2022 : SAR 3,815 mn)	(Q3 2022 : SAR 1,264 mn)	(Q3 2022 : SAR 2,967 mn)
Cash And Bank	Gross Debt/ Capitalization	Book Value Per Share
SAR 5,710 mn	34%	SAR 18.6
(Q3 2022 : SAR 6,608 mn)	(Q3 2022 : 35%)	(Q3 2022 : SAR 18.1)

Strong Financial Position

DAAR maintains a strong balance sheet with SAR 9.5 billion in cash and trade receivables against gross debt of SAR 10.3 billion. Cash balance is sufficient to meet all operating expenses and debt maturities for the next two years.

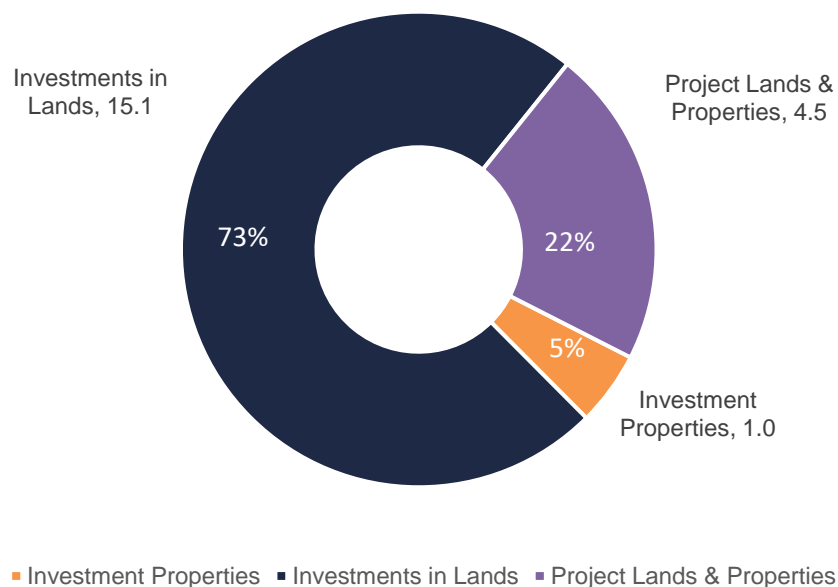
Despite carrying assets at cost, the 69% rise in book value of shares over last 14 years is reflective of the company's rising financial strength.



Dar Al Arkan Real Estate Assets

- DAAR's Real Estate assets portfolio at cost is SAR 20.6 bn.

Real Estate Properties Break up - SAR bn

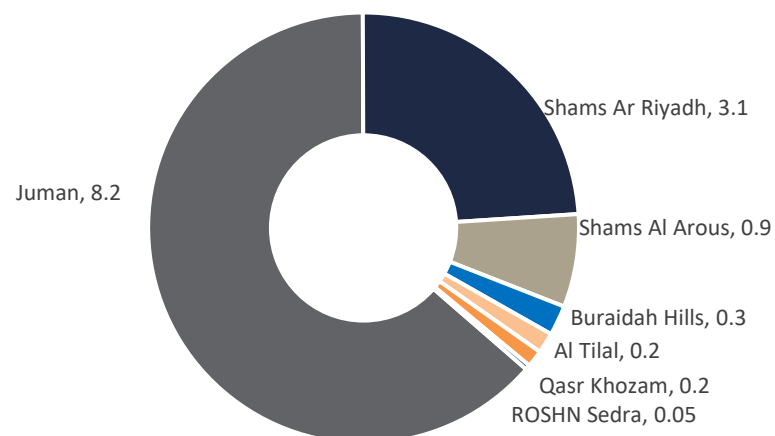


**Project Lands & Properties along with Investments in Lands are clubbed together as "Development Properties" in financial statements.*

- Real Estate Properties are carried at historical cost.

- DAAR has a strong pipeline of projects across the Kingdom totaling 12.9 mn sqm.

Total Land Area – SQM mn

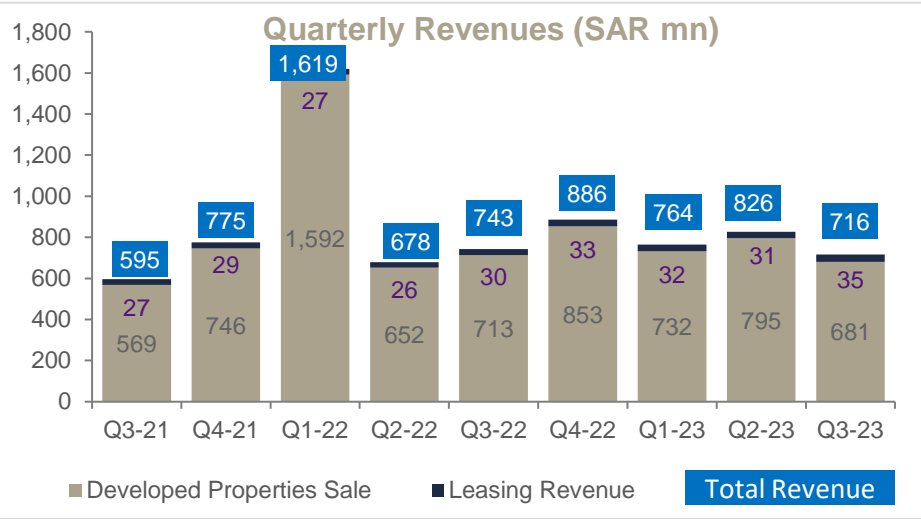


**DAAR holds 18% share in Juman*

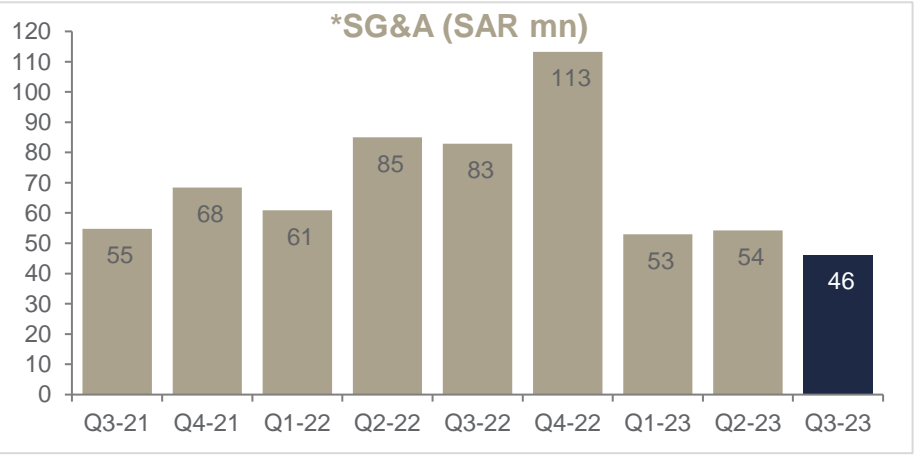
- DAAR's strategy is to increase retail sales with the objective of generating superior margins.
- DAAR is developing residential plots, villas, apartments and commercial mix-use properties and offered for sale.
- Revenue recognition for Shams Al Riyadh project offered under off-plan sales program commenced from previous year.

3 | FINANCIAL PERFORMANCE OVERVIEW

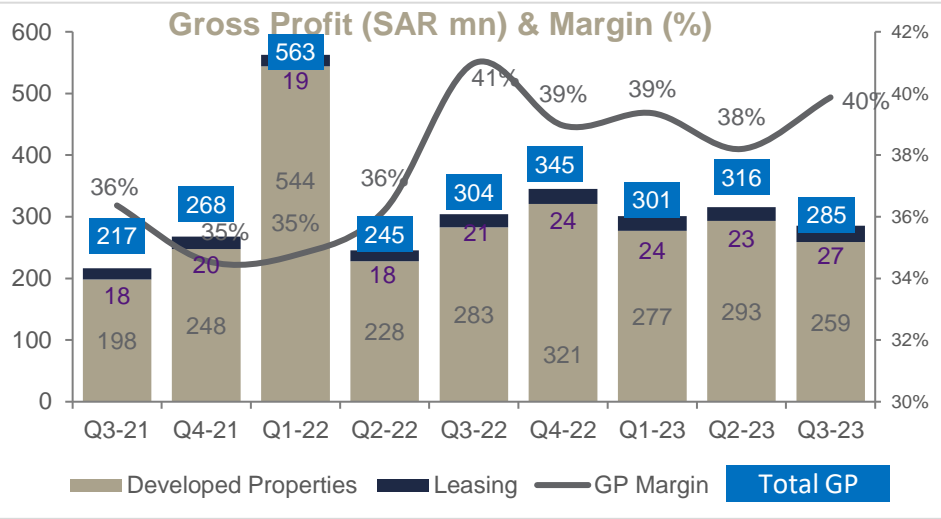
Financial Performance – Q3 2023 Profitability



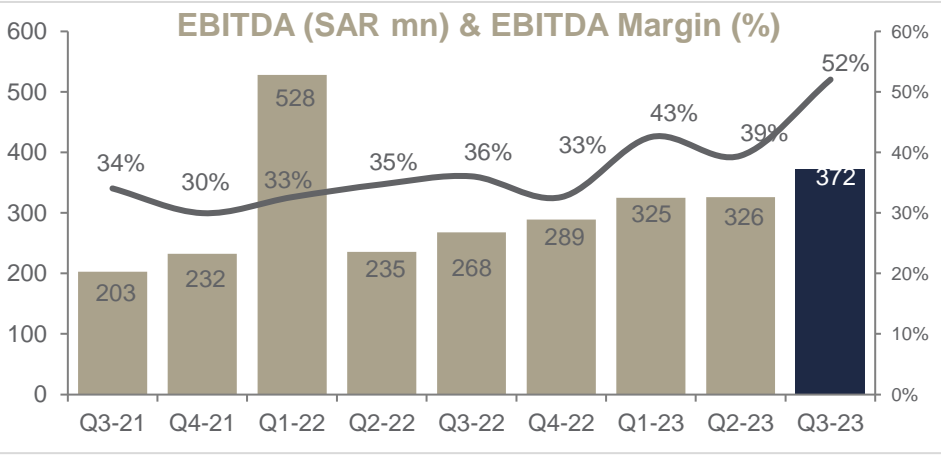
Q3 2023 revenues decreased by 4% YoY and by 13% QoQ mainly due to reduction in revenue from development properties (waiting for regulatory authorities' approval to proceed on Shams Ar Riyadh Project) and residential properties (due to deconsolidation of Dar Global PLC) recognized over the time.



Q3 2023 SG&A reduced significantly YoY by 44% and by 15% QoQ. This reduction was mainly due to deconsolidation of Dar Global PLC from Q1 2023.



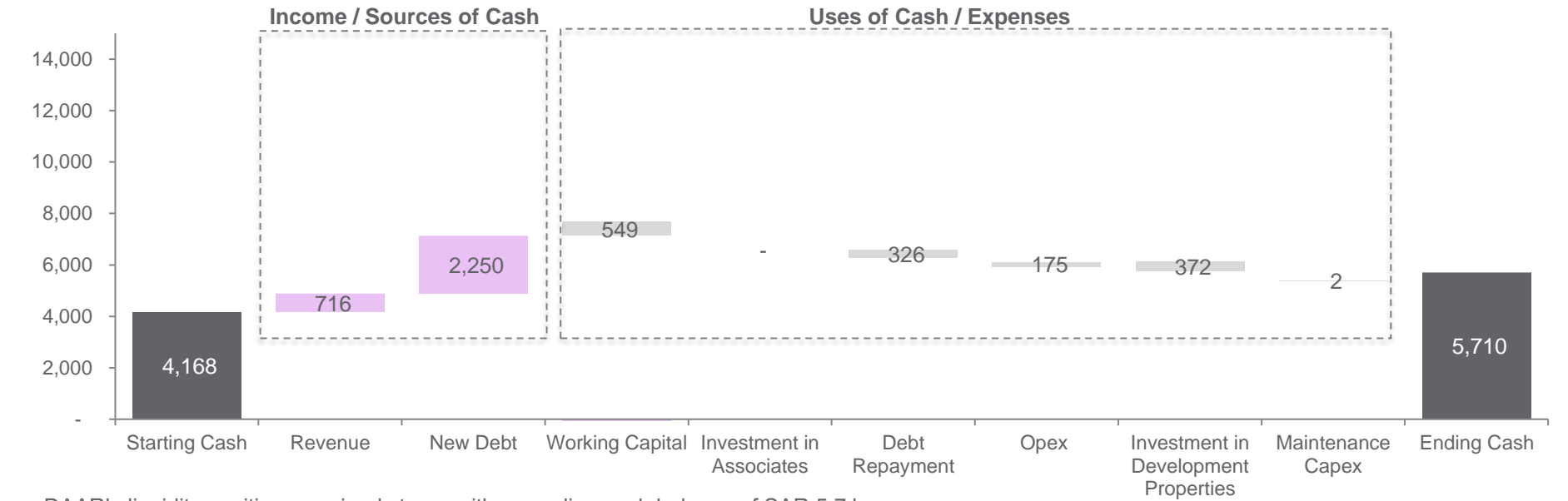
Q3 2023 gross profit reduced by 6% YoY and by 10% QoQ in absolute terms due to lower revenues. GP margins though improved by 2% QoQ on product mix.



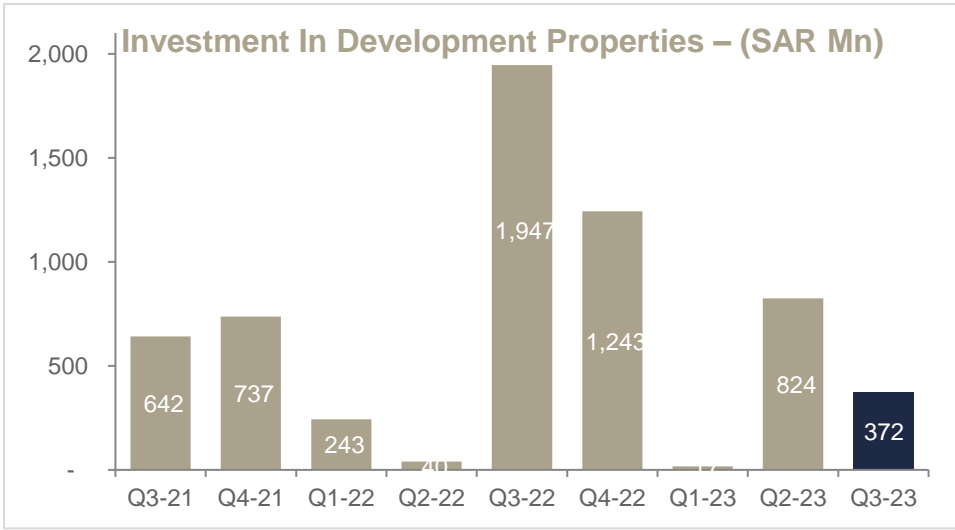
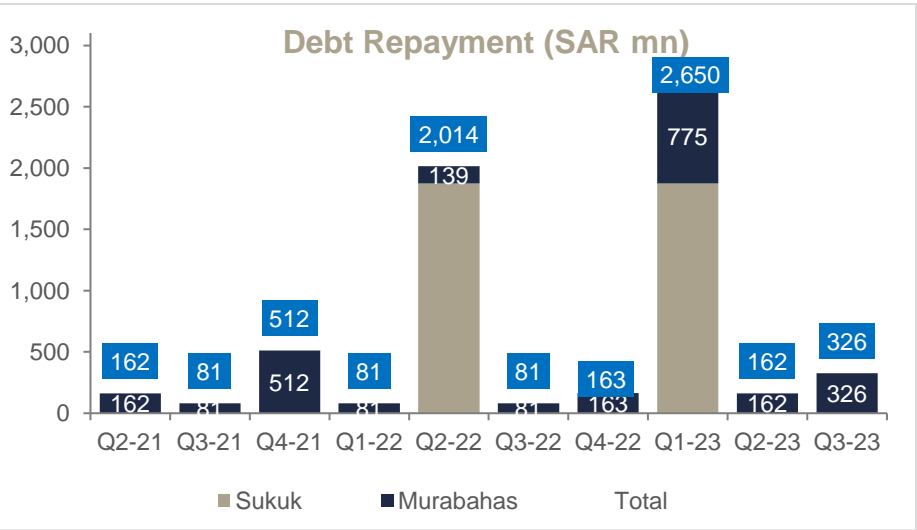
Q3 2023 EBITDA increased by 39% YoY and by 14% QoQ in absolute terms despite of lower sales revenue mainly due to lower SG&A and major increase in other income and share of profit from associates. EBITDA margin also improved significantly due to same factors.

Financial Performance – Q3 2023 Cash Flow

Cash Flow – Q3 2023 (SAR mn)

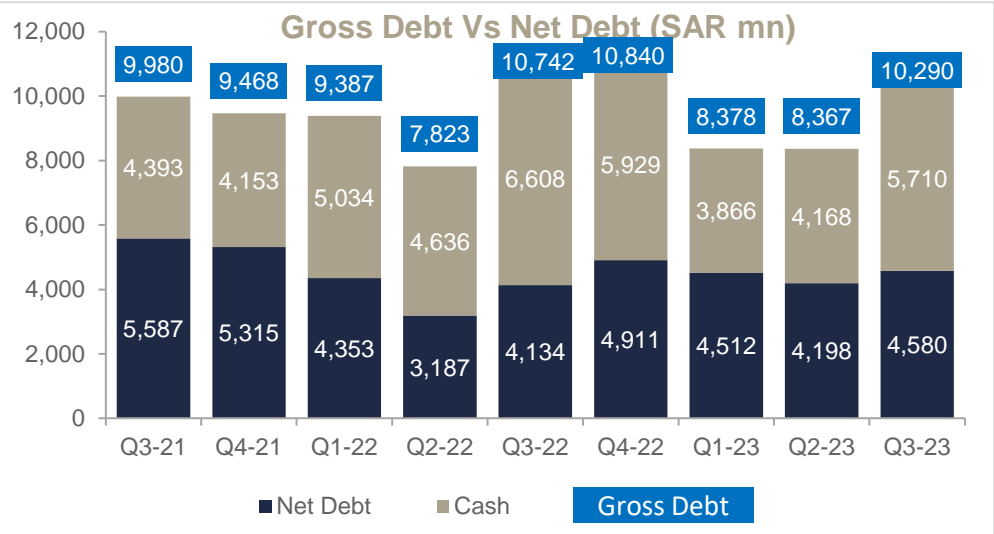


- DAAR’s liquidity position remained strong with an ending cash balance of SAR 5.7 bn.
- Strong cash position and revenue allows DAAR to continue opportunistic and discretionary investment in development properties.

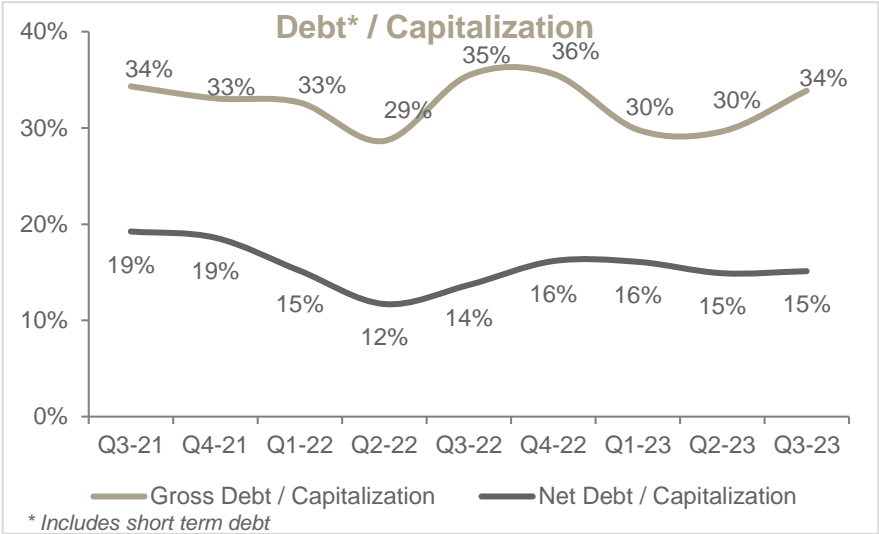


- Scheduled repayment of Sukuk and Murabaha loans. Sukuk of SAR 1.9 bn was redeemed in March 2023.
- Invested over SAR 2.5 bn over last 12 months to replenish the Development Properties.

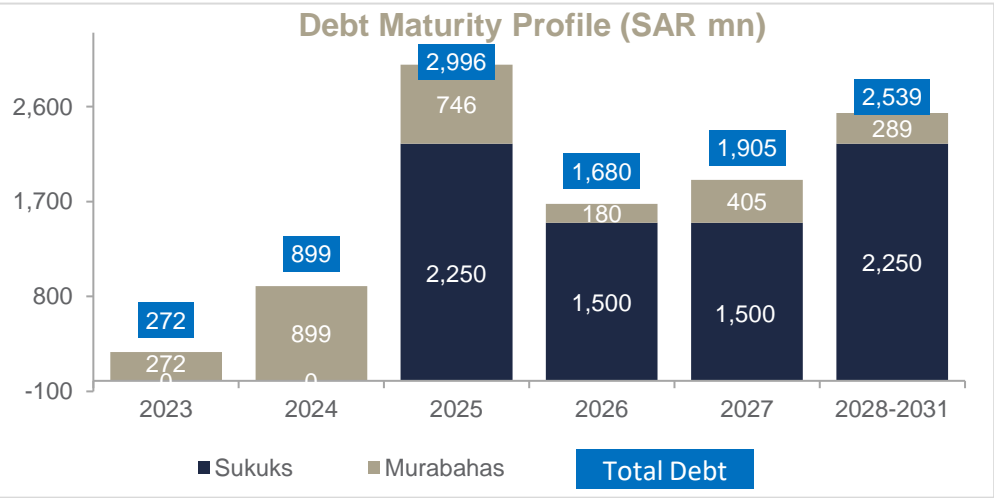
Financial Performance – Q3 2023 Debt



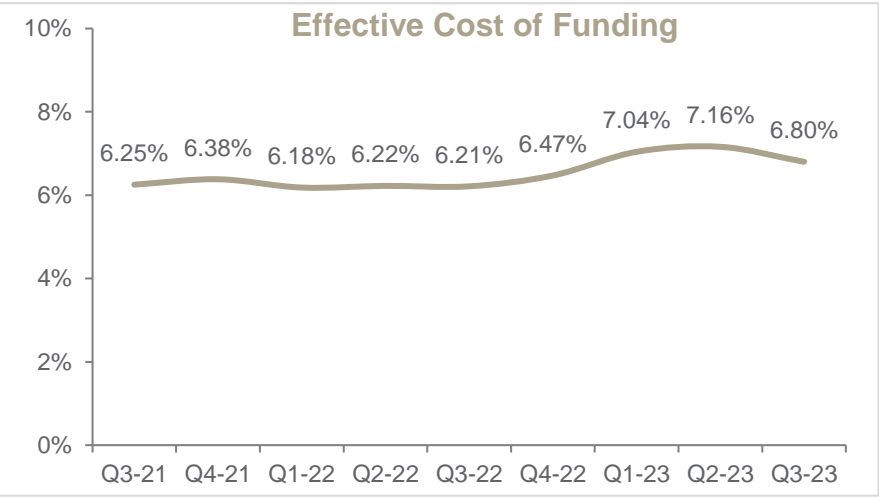
- Increase in Gross Debt during Q3 2023 resulting from issuance of SAR 2.3 bn Sukuk partially offset by scheduled repayments of Murabaha facilities.



- Gross debt ratio also increased in Q3 2023 due to issuance of new Sukuk, but Net debt ratio remained same due to corresponding increase in cash balance.



- Maturities are well spread over the next nine years and will allow for prudent investment & cash management.
- Issuance of SAR 2.3 bn Sukuk in July 2023 results into an increased cash balance of SAR 5.7 bn that can almost fully cover repayments till end of 2026



- Overall cost of funding increased YoY with increase in interest rates worldwide. This trend is anticipated to continue in near future resulting into increased finance costs.

4 |

OVERVIEW OF ASSETS PORTFOLIO

Shams Ar Riyadh – Key Facts



Location

- Situated in the Al-Ammariyah district (King Khalid Road), part of the growing northwest corridor of Riyadh, Shams Ar Riyadh is close to the heart of the city and is located just 19 km from KKI Airport and 9 km from King Abdullah Financial Center.

Project Progress

- Total project land area is 5.0 mn sqm (out of which 1.8 mn sqm was sold to SABIC who have since developed housing for their staff).
- Upon receiving approval from WAFi for off-plan sales, DAAR started launching various zones from Q2 2018. Currently all zones are approved, and DAAR successfully launched sales for four zones.
- Infrastructure works on zones 4A and 4B have been 100% completed whereas works on other zones are more than 55% complete.
- No revenues are recognized in Q3 2023 as we are waiting for approvals from regulatory authorities.

YTD Off-plan Sales Status

Particulars	Unit	Zone 1	Zone 3	Zone 4A	Zone 4B	Zone 5	Total
Salable Area	Sqm '000	510	270	502	257	383	1,921
Launch Date		Q3 2020	Q2 2020	Q1 2020	Q2 2018	Q4 2020	
Total Number of Plots	Number	771	491	406	208	189	2,065
Number of Plots Sold / Booked	Number	771	491	406	208	189	2,065
Executed Contract Sales	SAR mn	1,723	867	1,738	628	1,735	6,691
Revenue Recognized	SAR mn	NIL	NIL	505	314	NIL	819

Parisiana South



- Located in Riyadh city and easily accessed through King Fahad Road and major highways.
- Refurbished apartments with luscious landscape.
- Water feature installation surrounded by cafes, restaurants and shops.
- Private gym for men and women.
- Mostly catered to MOH beneficiaries. The booking and handing over of apartments is steadily progressing

Key Facts:

Units available for sale	1009
Units Sold/Booked	952
Units remaining	57

Jeddah Projects



- Shams Al Arous is a master-planned, best in class integrated community project in the Jeddah city area.
- The site is located to the east of Jeddah, about 5 km from the intersection of Palestine road and Al-Harmain road.
- It features an array of residential and mixed-use buildings, in addition to schools, commercial centers, beautifully landscaped green spaces, government offices and mosques.
- Phase 1 of this project was launched officially in Q1 2021. Significant portion of the onsite construction work was completed by the end of 2022.

YTD Off-plan Sales Status:

Gross Land	863k sqm
Total Plots	876
Released Plots	267
Plots Sold/Booked	244
Booked Sales	SAR 360 mn

Eastern Province Projects



- Juman project is strategically located in the Eastern Province overlooking the shores of the Arabian Gulf.
- The project aims to be the new hub for this fast growing area, becoming a waterfront luxury residential, leisure and MICE destination with hospitality projects catering for the upper middle to the upper-upper luxury segments.
- Phase 1, over an area of approximately 3 mn sqm consisting of very shallow reclamation development for a resort is planned.
- As of Q4 2022, the updated concept design was submitted to the Eastern Province Development Authority and NOC was received from Notary Public and Ministry of Industrial & Mineral Resources.

Key Facts:

Land Area	8,200k sqm mixed use land
DAAR Role	Master Developer
DAAR Holding	18% in JV

Dar Al Mashaer



- Located in holy city of Mecca on the Al Aziziyah Road and spread across 6,300 sqm land area, a mere 8 minutes drive from Al Haram.
- Comprised of 7 towers housing 314 elegant apartments and 6 penthouses with state of art amenities.
- The project offers 24 hours security, a children's play area and separate gym for men and women.
- Provides array of shopping experiences, from supermarkets to exclusive stores to cafes.
- Refurbishment was completed in June 2023, and handover of apartments have been initiated since then.
- 187 Apartments have been released for bookings and 129 apartments have been booked so far amounting to SAR 229 mn.

Commendatore Tower- Jeddah



- The Commendatore Tower is to be built on a total land area of 11,928 sqm, comprised of 48 floors Lamborghini branded residential tower, which is located on strategic location overlooking sea view and directly accessible to Jeddah Corniche road, with close proximity to Al Nawras square.
- The concept design was submitted to Jeddah municipality as special and pilot project, which was approved by the higher committee in Q2 2022. Subsequently obtained approvals on Traffic Study, Aviation authorities and enabling works.
- Currently, working to complete the design development and detailed design for the project which is planned to be completed in Q4 2023.
- This project is carried out by IbdAA Properties that is a limited liability joint venture company, between Dar Al Arkan Properties (a subsidiary of Dar Al Arkan) and Saleh Alsoraye (owner of that land).
- Project is still not launched for sale to public that is expected by the end of 2023.

Etoile Villas, Sedra- Riyadh



- Dar Al Arkan had won a contract to develop residential units in SEDRA, an integrated community project being developed in northern Riyadh by national developer ROSHN, a Public Investment Fund-backed company.
- Dar Al Arkan aims to develop three blocks of Villas as part of a bigger master development, that comprises of 163 villas to be executed on 163 plots totaling 45,544 sqm.
- The Project will be developed on serviced Plots with all the necessary infrastructure which is provided by the master developer.
- The design of the villa shall be as per local authority and in line with Salmani architectural typology.
- The Project includes seven villa typologies with average plot size ranging from 200 to 350 sqm, with combined total Built up area of 54,653 sqm. These Villa's will be branded with Ellie Saab.
- Construction on this project has commenced from Q2 2023 and it is estimated to be completed by Q2 2025.
- 104 units have been released and 46 units have already been booked amounting to SAR 152 mn.

Buraidah Hills, Qassim



- Located in Buraidah city of Al-Qassim province, Buraidah Hills is a residential community comprised of high end villas, residential units and designer plots.
 - Authentic community engulfed by premium amenities
 - Series of different plot sizes, all of which equipped with the highest quality infrastructure
 - Also provides recreational activities, such as, commercial spaces, schools, markets, mosques, green spaces, gardens, walk ways & bike paths
 - The infrastructure works started on May 1, 2022, and estimated to be completed by Q3 2023. As of 31 Dec 2022, the infrastructure work in progress is estimated at 90%
 - 405 units have been released and 384 units have already been booked amounting to SAR 119 mn.

Al-Qasr Mall, Riyadh

Land Area	61,949 m²
Built up Area	235,288 m²
Gross Leasable Area	75,137 m²
No. of floors	3 Leasable Floors plus two parking
Parking	1,579 Parking Spaces

Latest Activity:

- 89% occupancy achieved by the end of Q3 2023.



Al-Qasr Apartments, Riyadh

GLA	118,998 m²
Apartments	748

Latest Activity:

- 91% leased.



5 | NOTABLE CHANGES DURING THE REPORTING PERIOD

Dar Global Accounting and Project Update (Reference to note 29 of interim consolidated financial statements)

- On 28 February 2023, Dar Global PLC, an indirectly wholly owned subsidiary of the Group, had listed its shares on the London Stock Exchange's main market for listed securities.
 - Dar Global PLC offered 21,621,612 ordinary shares for subscription through a private placement at a price of USD 3.33 per share with a total value of USD 72 million. The company was valued at USD 600 million at the time of this subscription.
 - Due to issuance of new shares by Dar Global PLC through private placement, at the time of listing, the Group's equity interest diluted from 100% to 88%.
 - Due to listing requirements, the Group has lost control of the entity but exercise significant influence, hence the investment has been classified as associate and accounted for under equity method.
 - The assets and liabilities of Dar Global PLC were derecognised due to loss of control. The remeasured fair value of the retained interest amounted to SR 1.2 billion and no gain or loss has been recognised on remeasurement of retained interest in associate.
- Please find the list of International projects developed by Dar Global PLC on the next three pages.

Urban Oasis Tower, Dubai



- The Urban Oasis Tower is located in the Business Bay area of Dubai.
- It is a 34 storied tower and currently co-branded with Missoni.
- It is group's first international project and contains the region's first ever bespoke Missoni-inspired living spaces.
- Launch of sales of the project started in Q4 2017 in Dubai, followed by January launch in KSA.
- Construction is 88% completed with forecasted project completion is end of 2023.
- For further details please refer this link <https://darglobal.co.uk/urban-oasis-by-missoni/>

Da Vinci Tower, Dubai



- The Da Vinci Tower is a residential building in Downtown Dubai with interiors designed by Pagani.
- It is strategically located along the canal part of Business Bay district in Downtown Dubai. It overlooks the world's tallest building Burj Khalifa and is a stone throw away from Marasi Business Bay.
- The tower is a true geometric symphony of perfection comprised of 3 basement levels, a ground floor and 19 floors of residential masterpieces.
- The refurbishment stage of the Da Vinci Tower project is expected to be fully completed by Q1 2024.
- For further details please refer this link <https://darglobal.co.uk/davinci-tower-by-pagani/>

W Residences, Dubai



- The W Residences is a residential building in one of the most prominent and affluent neighborhoods in the world, Downtown Dubai.
- It is a distinct residential tower strategically located by Business Bay, where Dubai's major landmarks are your natural view.
- It offers superlative amenities that features a clubhouse, guest suites, a cutting-edge fitness center, a communications space with a private cinema, game room, business offices with co-working space and meeting rooms, an infinity outdoor pool, and a colossal terrace with a lounge area, dining area, and a walk track.
- Launch of the project was made in early 2022 and the projected completion date is Q2 2026.
- For further details please refer this link <https://darglobal.co.uk/w-residences/>

DG 1, Dubai



- DG 1 (Dar Global 1) Tower is located in the premium location by the canal in Downtown Dubai.
- The architecture of DG1 fully reflects its dynamic attitude. Like an haute couture creation, its distinctive twisting profile opens the doors of imagination.
- DG1 stands out from the cluttered panorama since it recalls a piece of art rather than a conventional tower.
- Crafted by Gensler Architects, the most avant-garde designers of our time, this tower embodies a shape that reshapes the city around it.
- It features the infinity pool with outstanding views of the Dubai Canal and city landmarks and fully equipped Gym.
- Launch of the project was made in Q1 2023. Construction on the project is expected to start in Q4 2024 and the estimated completion date is by the end of 2028.
- For further details please refer this link <https://darglobal.co.uk/dg1/>

Bosnia Projects



- The site is situated in Ravne, Vareš, 38 km outside Sarajevo, Capital of Bosnia & Herzegovina.
- The largest single real estate development project in the country.
- The project aims to provide low-Rise residential holiday villas, commercial area, hotel and recreational facilities.
- The lot areas range from 350 to 6,767 square meters, each one meticulously designed and overlooking breathtaking landscapes all year long.
- Total project land area is 539k sqm. Infrastructure works are currently underway and are expected to complete in Q4 2024.
- For further details please refer this link <https://darglobal.co.uk/sidra-bosnia/>

Aida, Oman



- In Dec 2021, Dar Al Arkan signed an MOU with Omran to develop a 3.4 mn sqm site part of the hilltop site of Yitti & Yenkit, Muscat.
- AIDA sits in the heart of Muscat, 130m above the shores. Surrounded by nature, outdoor activities and 5-star landmark destinations.
- This project comprises of 3,500 residential units consisting of medium-sized villas, townhouses and low-rise apartments. It also features two charming hotels, a plaza filled with cafes and restaurants in addition to an 18 holes' luxury golf course and a golf club in partnership with Trump International Organization.
- The project will be phased over 10 years with a plan to launch one phase per year.
- The first phase of the project was launched in Q1 2023 and generated significant interest from customers worldwide. Infrastructure works commenced in Q2 2023 with phase one expected to complete in Q1 2027 and the entire project to complete in December 2034.
- For further details please refer this link <https://darglobal.co.uk/aida/>

Les Vagues, Qatar



- Les Vagues by Elie Saab sets new standards of luxury living in Qatar with an architectural design that enhances the appeal of seafront living .
- Situated in Qetaifan Island North, a place of unimaginable beauty is paradise on earth for Haute Couture living.
- Launched in partnership with Qetaifan Projects, a leading Qatari real estate development company fully owned by Katara Hospitality.
- Les Vagues features 303 opulent one, two and three-bedroom sea-front residencies with a variety of majestic balconies and terraces and floor-to ceiling windows for residents to enjoy uninterrupted panoramic views of the sea.
- Sales of the first lot of Les Vagues residences have officially been launched in October 2022.
- Construction of the phase 1 of this project is expected to commence in Q4 2023 and is expected to be completed by Q4 2027.
- For further details please refer this link <https://darglobal.co.uk/les-vagues/>

Tierra Viva, Spain



- Tierra Viva in Behanavis – Costa del Sol is an exclusive residential community of only 53 exclusive luxury villas, with design inspired by Automobili Lamborghini.
- Benahavis is a Spanish town and municipality in the province of Malaga, which is located seven kilometers from the coast and is in close proximity to the resort of Marbella.
- The complex sits gently on the side of a hill with every villa standing on a different height and enjoying unobstructed views of the Mediterranean Sea.
- This project is under development, Construction is expected to commence in Q4 2023 and the project is expected to be completed in Q4 2024.
- For further details please refer this link <https://darglobal.co.uk/tierra-viva/>

Marea, Finca Cortesin, Spain



- Dar Benahavis acquired a plot of land in Q4 2022 in the municipality of Casares in the province of Malaga in southern Spain.
- This development plot is located in one of the sought-after enclaves of the Andalucia coast, not far from the Finca Cortesin resort which has an 18-hole championship golf course rated among Spain's best golf courses.
- The total land area of the Finca Cortesin project is 16,467 sqm, of which buildable land constitutes 9,386 sqm.
- Dar Benahavis intends to build 35 villas on this land, with the residents getting access to the private golf course of the Finca Cortesin resort and 24/7 concierge home services.
- Marea project was launched in Q3 2023 is currently in the pre-construction phase.
- Construction is expected to commence in Q2 2024 and the project is expected to be completed in 2028.
- For further details please refer this link <https://darglobal.co.uk/marea/>

Tabano, Spain



- Dar Tabano acquired six plots of land in September 2022 in the municipality of Manilva in the province of Malaga on its border with the province of Cadiz in southern Spain.
- The plots are located approximately 45 minutes distance from Marbella by car and are close to several polo clubs and one of the best beach areas of la Costa del Sol.
- The total land area of the Tabano project is 4,650,092 sqm with the net total buildable area of 1,586,000 sqm, consisting of 200 land plots.
- Dar Spain intends to develop residential units on these available land plots.
- The Tabano project is currently in the early permitting stage and is expected to be completed in December 2029.

Oh So Close, London



- Oh So Close offers an extraordinary residential setting, where modern design seamlessly blends with the peaceful beauty of nature.
- Located with the convenience of being a mere 10-minute stroll from West Ealing Station, the heart of Central London can be reached effortlessly within approximately 18 minutes using the recently inaugurated Elizabeth line.
- It features a variety of 1, 2, and 3-bedroom homes, including spacious duplexes and remarkable lower ground apartments.
- This project is under development and is estimated to be ready in Q1 2024.
- For further details please refer this link <https://darglobal.co.uk/oh-so-close/>

6 |

APPENDIX

Appendix I – Statement of Financial Position

SAR in 000s	FY 2020	FY 2021	FY 2022	Q3 2022	Q3 2023
Investment properties, net	1,519,116	1,110,414	1,077,808	1,083,701	1,039,249
Long-term development properties	18,246,583	19,285,287	20,563,563	19,834,299	19,473,240
Property and equipment, net	72,180	77,653	86,056	74,322	104,313
Investment in associates and joint ventures	1,173,547	1,195,144	1,030,125	1,032,472	2,381,882
Investment in financial assets	0	0	215,040	210,000	191,940
Other assets	492	0	0	0	0
Total non-current assets	21,011,918	21,668,498	22,972,592	22,234,794	23,190,624
Short-term development properties	341,860	369,682	144,332	153,484	111,341
Trade receivables and others	4,649,178	5,770,074	4,455,050	4,237,227	4,346,273
Inventories	0	0	12,022	0	22,712
Cash and cash equivalents	4,931,660	4,153,426	5,928,857	6,607,774	5,709,501
Total current assets	9,922,698	10,293,182	10,540,261	10,998,485	10,189,827
TOTAL ASSETS	30,934,616	31,961,680	33,512,853	33,233,278	33,380,451
Borrowing-long-term maturity portion	9,781,391	7,039,241	7,814,295	7,829,011	9,261,577
End of service indemnities	21,323	22,550	26,911	24,962	27,235
Total non-current liabilities	9,802,714	7,061,791	7,841,206	7,853,973	9,288,812
Borrowing-Short-term maturity portion	436,062	2,374,182	2,959,484	2,842,436	938,599
Trade payables and others	1,232,466	3,029,444	2,721,583	2,597,091	2,748,621
Zakat provision	437,194	336,633	386,452	387,135	303,796
Total current liabilities	2,105,722	5,740,259	6,067,519	5,826,662	3,991,016
Total liabilities	11,908,436	12,802,050	13,908,725	13,680,635	13,279,828
Share capital	10,800,000	10,800,000	10,800,000	10,800,000	10,800,000
Statutory reserve	1,141,895	1,155,147	1,199,319	1,155,147	1,199,319
Other reserves	0	0	5,040		85,521
Retained earnings	7,084,285	7,204,483	7,599,769	7,597,496	8,015,783
Total shareholders' equity	19,026,180	19,159,630	19,604,128	19,552,643	20,100,623
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	30,934,616	31,961,680	33,512,853	33,233,278	33,380,451

Appendix II – Statement of Profit or Loss

SAR in 000s	FY 2021	FY 2022	YTD Sep 2022	YTD Sep 2023	Q3 2022	Q3 2023
Revenue	2,493,078	3,925,499	3,039,831	2,306,253	742,544	715,697
Cost of revenue	(1,596,350)	(2,467,912)	(1,927,300)	(1,404,469)	(438,286)	(430,343)
Gross profit	896,728	1,457,587	1,112,531	901,784	304,258	285,354
%	36.0%	37.1%	36.6%	39.1%	41.0%	39.9%
Operating expenses	(200,559)	(342,076)	(228,766)	(153,358)	(82,874)	(46,183)
Operating profit	696,169	1,115,511	883,765	748,426	221,384	239,171
%	27.9%	28.4%	29.1%	32.5%	29.8%	33.4%
Income from Associates	19,748	16,413	18,747	101,716	14,180	59,846
Depreciation & amortization	(11,386)	(15,858)	(8,617)	(11,206)	(2,865)	(4,858)
EBIT	704,531	1,116,066	893,895	838,936	232,699	294,159
%	28.3%	28.4%	29.4%	36.4%	31.3%	41.1%
Other income	93,888	153,957	103,115	147,755	23,573	64,783
Finance cost	(662,977)	(681,637)	(456,648)	(560,010)	(174,817)	(203,135)
PBT	135,442	588,386	540,362	426,681	81,455	155,807
%	5.4%	15.0%	17.8%	18.5%	11.0%	21.8%
Zakat	(2,922)	(146,666)	(147,349)	(10,667)	(2,038)	(3,895)
Net Income	132,520	441,720	393,013	416,014	79,417	151,912
%	5.3%	11.3%	12.9%	18.0%	10.7%	21.2%
EBITDA	846,832	1,320,205	1,031,302	1,023,526	267,698	372,324
%	34.0%	33.6%	33.9%	44.4%	36.1%	52.0%

Appendix III – Statement of Cash Flows

SAR in 000s	FY 2020	FY 2021	FY 2022	YTD Sep 2022	YTD Sep 2023
Profit before Zakat	19,379	135,442	588,386	540,362	426,681
Adjustments for:					
Depreciation & Amortization	56,237	48,905	50,182	34,292	36,835
Provision for expected credit losses	2,516	4,453	0	0	0
Donations	0	0	1,637		0
End of service indemnities	3,884	4,557	6,485	5,526	3,462
Gain on disposal of investment in associates	0	0	(40,378)	(40,378)	0
Finance costs	645,883	662,977	681,637	456,648	560,010
(Loss) Gain on disposal of property and equipment	0	0	(8)		0
Share of net profit from associates and joint ventures	(18,583)	(19,748)	(16,413)	(18,747)	(101,716)
Operating cash flow before WC movements	709,316	836,586	1,271,528	977,703	925,272
Development properties – net	(1,269,370)	(694,309)	(1,039,884)	(328,938)	1,136,671
Trade receivables and others	(670,168)	(1,125,349)	1,315,058	1,532,865	108,777
Inventories	0	0	(12,022)	0	(10,690)
Trade payables and others	433,687	1,786,706	(322,478)	(433,821)	(1,128)
Cash from operations	(796,535)	803,634	1,212,202	1,747,809	2,158,902
Finance costs	(608,809)	(630,945)	(656,840)	(436,043)	(538,791)
Zakat paid	(50,056)	(103,483)	(96,847)	(96,847)	(93,323)
End of service indemnities paid	(6,277)	(2,400)	(4,386)	(3,114)	(3,138)
Net Cash flow from (used in) operating activities	(1,461,677)	66,806	454,129	1,211,805	1,523,650
Investment in associates	(458)	(1,849)	(75,341)	(75,338)	(1,146,460)
Proceeds from disposal of investment in associates	0	0	87,117	87,117	0
Proceeds from disposal of property and equipment	0	0	0		13,433
Investment properties	(1,282)	(542)	(5,594)	(2,838)	(427)
Purchase of property and equipment (net)	(2,639)	(6,587)	(20,439)	(3,818)	(14,730)
Net cash flows used in investing activities	(4,379)	(8,978)	(14,257)	5,123	(1,148,184)
Long term borrowings	2,447,696	(836,062)	1,335,559	1,237,419	(594,822)
Dividend	0	0	0	0	0
Net cash flows from (used in) financing activities	2,447,696	(836,062)	1,335,559	1,237,419	(594,822)
Increase / (decrease) in cash and cash equivalents	981,640	(778,234)	1,775,431	2,454,347	(219,356)
Cash and cash equivalents, beginning of the period	3,950,020	4,931,660	4,153,426	4,153,426	5,928,857
Cash and cash equivalents, end of the period	4,931,660	4,153,426	5,928,857	6,607,773	5,709,501

Disclaimer

THIS PRESENTATION IS NOT FOR PUBLICATION, RELEASE OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, INTO AUSTRALIA, CANADA, JAPAN OR THE UNITED STATES.

THIS PRESENTATION IS NOT AN OFFER OR SOLICITATION OF AN OFFER TO BUY OR SELL SECURITIES. IT IS SOLELY FOR USE AT AN INVESTOR PRESENTATION AND IS PROVIDED AS INFORMATION ONLY. THIS PRESENTATION DOES NOT CONTAIN ALL OF THE INFORMATION THAT IS MATERIAL TO AN INVESTOR.

The securities mentioned herein have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**) nor with any securities regulatory authority of any state or other jurisdiction in the United States and may not be offered or sold in the United States or sold to, or for the account or benefit of U.S. persons (as such term is defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. No public offer of, or registration of any part of, the securities mentioned herein is being made in the United States.

This announcement is not being made, and this announcement has not been approved, by an authorised person for the purpose of section 21 of the Financial Services and Markets Act 2000 (the **FSMA**). Accordingly, this communication is not being distributed to, and must not be passed on to the general public in the United Kingdom. This communication is directed solely at (i) persons outside the United Kingdom, (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 as amended (the **Order**), (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order and (iv) any other persons to whom it may otherwise be lawfully distributed in accordance with the Order (all such persons in (i)-(iv) above being **relevant persons**). Any investment activity to which this communication relates will only be available to and will only be engaged with relevant persons. Any person who is not a relevant person should not act or rely on this communication or any of its contents. This communication does not constitute an offer of securities to the public in the United Kingdom pursuant to an exception contained in the FSMA in connection with offers to a restricted category of qualified investors.

This presentation is provided for information purposes and is intended for your use only. The provision of information is not based on your individual circumstances and should not be relied upon as an assessment of suitability for you of a particular product or transaction. Even if we possess information as to your objectives in relation to any transaction or series of transactions, this will not be deemed sufficient for any assessment of suitability for you of any transaction or series of transactions. Any person considering the purchase of the securities described herein must inform

himself independently based solely on the prospectus in relation to such securities (including any supplement thereto) available when orders are confirmed before taking any investment decision.

This presentation contains data compilations, writings and information that are proprietary and protected under copyright and other intellectual property laws, and may not be redistributed or otherwise transmitted by you to any other person for any purpose.

This presentation may contain "forward-looking" information. Such information may include, but is not limited to, projections, forecasts or estimates of cash flows, yields or return, scenario analyses and proposed or expected portfolio composition. Any forward-looking information is based upon certain assumptions about future events or conditions and is intended only to illustrate hypothetical results under those assumptions (not all of which are specified herein or can be ascertained at this time). When evaluating any forward looking information you should understand the assumptions used and, together with your independent advisors, consider whether they are appropriate for your purposes. Any estimates and opinions included herein constitute judgments as of the date hereof and are subject to change without any notice.

This presentation does not disclose all the risks and other significant issues related to an investment in any securities/transaction. Prior to transacting, potential investors should ensure that they fully understand the terms of any securities/transaction and any applicable risks. This document is not a prospectus for any securities and does not contain an offer to sell any securities. Investors should only subscribe for any securities on the basis of information in the relevant prospectus and term sheet, including (without limitation) the risks described in the relevant prospectus, and not on the basis of any information provided herein. The merits or suitability of any securities to any investor's particular situation should be independently determined by such investor. Any such determination should involve, inter alia, an assessment of the legal, tax, accounting, regulatory, financial, credit and other related aspects of any securities.

This presentation is strictly private and confidential and may not be taken away, reproduced or further distributed to any other person or published, in whole or in part, for any purpose.

By accepting this document you will be taken to have represented, warranted and undertaken that (i) you are a person to whom this presentation may be given (as described above); (ii) you have read and agree to comply with the contents of this notice; and (iii) you will treat and safeguard as strictly private and confidential all such information and take all reasonable steps to preserve such confidentiality.

OUR OFFICES

RIYADH, KSA

12622 Makkah Road,
Al Wizarat,
Beside Riyadh Marriott Hotel,
Riyadh.
800 123 3333
info@alarkan.com

BEIJING, CHINA

303-309, North Tower,
Beijing Kerry Centre,
No.1 Guanghua Road,
Chaoyang District
Beijing
+86 132 5888 6222

LONDON, UK

50 Hans Crescent,
Knightsbridge,
London, SW1X 0NA

MARBELLA, SPAIN

Marbella's Golden Mile at
Marbella Club Hotel

DUBAI, UAE

Conrad Dubai,
Sheikh Zayed Road,
Opposite World Trade Centre,
PO Box 2523, Dubai.
+971 800 40404
info@alarkan.com

SARAJEVO, BiH

Ul. Fra Andela,
Zvizdovica Br. 1,
D-mezanin,
71 000 Sarajevo,
BiH
info@alarkan.com

RIYADH, KSA

Shams Ar Riyadh,
13913 Salbukh Road,
Riyadh.
800 123 3333
info@alarkan.com

MEDINA, KSA

Prince Sultan Road
– Al Hijra, Al Madinah
Al Munawarah,
Medina.
800 123 3333
info@alarkan.com

RIYADH, KSA

Al Aflaj,
As Suwaidi,
12796, Riyadh.
800 123 3333
info@alarkan.com

JEDDAH, KSA

Ash Shati, 23613,
King Abdulaziz Road,
Jeddah.
800 123 3333
info@alarkan.com



Thank you

Investor Relations
Riyadh – Saudi Arabia
Tel: +966 11 206 9888 Ext:1680
ir@alarkan.com